Registered No. 04551096

# ISTITUTO MARANGONI LIMITED

## Annual report and Financial Statements

*For the year ended 30 June 2025*

Financial Statements for the year ended 30 June 2025

## Contents

# Company Information

Registered No. 04551096

**Directors**

Stefania Valenti
Mark Andrew Hunt
Dr Mark Luyt Eastwood
Marta Rose Phillips
Salvatore Sivari (resigned on 25 May 2025)
Valerie Berdah-Levy
Adi Maoz-Cohen
Fabio Rubino (appointed on 1 November 2024)
Nicola Paronetto (appointed on 12 June 2025)

**Secretary**

Pinsent Masons Secretarial Limited

**Statutory Auditor**

Constantin
25 Hosler Lane
London EC1A 9LQ

**Registered Office**

30 Fashion Street
London
E1 6PX
United Kingdom

**Bankers**

Royal Bank of Scotland
62-63 Threadneedle Street
London,
EC2R 8LA
United Kingdom

BNP
10 Harewood Avenue
London
NW1 6AA
United Kingdom

# Strategic Report

Istituto Marangoni Limited (the London School) is a UK based independent higher education provider and private limited company registered with Companies House. It is registered with the Office for Students (OfS). The principal activity of the company during the period was the provision of higher educational courses related to the fashion and design industry.

### Financial Performance Review

| | Year Ended June 30, 2025 £ | Year Ended June 30, 2024 £ | % |
|---|---|---|---|
| Turnover | 27,382,063 | 27,985,332 | -2% |
| Operating profit | 11,366,057 | 9,628,183 | 18% |
| Profit after tax | 9,090,175 | 7,890,898 | 24% |

Turnover for the year ended 30 June 2025 was £27.38m (2023/24: £27.99m), representing a 2.0% decrease. This was driven by a reduction of around 5% in the population of students enrolled on long courses, in line with wider market trends in the higher education sector. The impact of lower enrolments was partially offset by overall increases in tuition fees.

Operating profit increased by 18% to £11.37m (2023/24: £9.63m) and profit after tax rose by 24% to £9.09m (2023/24: £7.89m). These increases were driven primarily by the absence of a £1.93m provision recognised in the prior year for historical liabilities, together with continued effective cost control and operational efficiency, which helped protect margins despite the modest fall in income.

### Cash Flow and Reserves

Cash and cash equivalents at 30 June 2025 were £5.75m (2024: £9.28m). The reduction was primarily due to the establishment of a cash pooling arrangement during the year, into which a significant portion of available funds was allocated. Additional outflows included dividend payments of £6.64m and investment in property, plant and equipment.

Net cash generated from operating activities was £2.60m (2023/24: £5.08m). The reduction compared to the prior year was primarily due to the one-off payment of a provision recognised in 2023/24 in respect of historical liabilities. Excluding this payment, underlying operating cash generation remained robust and broadly consistent with the prior year.

### Staffing and Cost Efficiency

At 30 June 2025, the School employed 39 administrative staff (2023/24: 38) and 23 employed academic staff (2023/24: 19), supported by 89 contracted academics (2023/24: 103).

Student-to-academic staff ratios remained stable at 10:1, while student-to-administrative staff ratios moved from 33:1 to 30:1. These ratios are based on total student numbers and total headcount of staff, including contracted academic staff, and are not expressed on a full-time equivalent basis.

The cost of academic staff per student increased by 7.2% to £3,030 (2023/24: £2,827), with administrative staff cost per student rising to £1,997 (2023/24: £1,891). Total staff cost per student was £5,027, representing 21.3% of turnover (2023/24: 21.3%). The overall cost of academic delivery was £5.51m and accounted for 20.1% of total turnover, exceeding the School's 19% target set in the Strategic Plan.

## Key Performance Indicators (KPIs)

The financial performance of the Company is driven by the overall quality and academic standards of our programmes, the overall student experience, the successful outcomes of our students and sustained student recruitment growth. Our close links with industry ensure industry relevance across our academic programmes and equip our students with the skills and competencies required of the industry and students' career aspirations. Great financial results are driven by strong academic results and student recruitment. Primary KPIs are shown above in the financial performance review.

Student numbers are monitored weekly through the Weekly Enrolment Report (WeR).
The School also maintains good outcomes in the National Student Survey (NSS) that provide an important measure of overall student satisfaction and enables the School to benchmark its performance against comparable and competitor institutions and to support further enhancements to the student experience. The senior management team monitor achievement against KPIs through oversight of the annual departmental reporting process.

## Regulatory compliance

Istituto Marangoni London continues to meet all relevant UK higher education regulatory requirements. IML entered into a new partnership with Regent's University with all programmes having been successfully validated during 2022/2023 in readiness for the first intake of students commencing in October 2023. Existing MMU students have been given the option of either continue their studies through MMU or transfer to Regents University with effect from October 2023. The School continues to ensure compliance, enhancement and best practice through designated management teams and departments within the Company both at UK and (as applicable) at group level, charged with ensuring all relevant accreditations and licenses are maintained in line with legal advice and reported to the Board of Directors and Academic Board. Quality standards, compliance and achievements against School strategic goals are also monitored through the London governance committees and reported to Shareholders.

Submissions and reviews in Academic Year 2023/24:

As a registered higher education provider with the Office for Students the London School submitted the following regulatory returns in accordance with the requirements of its conditions of registration.

- HESA AP Student Record
- Aggregate Offshore record
- OfS Financial Return
- Provider Profile
- National Student Survey
- Graduate Outcomes Survey
- OIA Annual Return.
- Prevent Annual Monitoring and Data return
- Discover Uni
- Teaching Excellince Framework (TEF)

## Principal risks and uncertainties

### Cost of living

The cost-of-living crisis continues to place pressure on both student recruitment and progression. While overall enrolment has remained broadly stable, growth has been constrained, with some key markets showing reduced demand. Rising living costs for students and their families present an ongoing challenge to affordability, and higher operating costs, particularly energy, have added to financial pressures for the School. Targeted hardship funding and support measures help mitigate adverse impacts on student continuation and completion, while investment in staff wellbeing and benefit packages aims to preserve competitiveness in a more constrained environment..

### International Student Recruitment

Recent UK immigration changes, particularly the restrictions on dependent visas and the increased scrutiny on student sponsor compliance, are having a tangible impact on international recruitment. For Istituto Marangoni London, which draws a significant proportion of its student body from non-UK markets, these measures are beginning to influence application volumes in certain regions while leaving others relatively unaffected. The tightening of rules for postgraduate taught applicants is of particular concern, as it risks reducing diversity and overall intake in strategic growth areas. These shifts, combined with the additional administrative burden of enhanced visa compliance, create both revenue pressures and operational cost increases. The uncertainty surrounding future immigration policy continues to challenge forecasting and medium-term planning, especially for institutions such as ours operating outside the fee cap and with a strong reliance on international fee income.

### Student Experience and Wellbeing

Maintaining strong student satisfaction is critical for reputation and continued recruitment. Expectations around teaching quality, facilities, digital provision, and wellbeing support continue to rise. Any decline in student outcomes or perceived value for money could adversely affect retention and future applications, particularly in competitive international markets.

### Operational and Cybersecurity Risks

The School depends on robust digital infrastructure and the security of student and staff data. Like all higher education institutions, it faces an increasing threat from cyber-attacks, which could disrupt operations and damage reputation. Ensuring resilience in IT systems and business continuity planning remains a priority.

Fabio Rubino (Director)

Date: ..19/11/2025

# Directors' report

The directors present their report and the financial statements for the period ended 30 June 2025.

## Principal activity and business review

The principal activity of the company during the period was the provision of higher educational courses related to the fashion and design industry.

### Future developments

The School will continue developing its academic offer in response to the needs of the industry and market and continues to work towards the acquisition of Degree Awarding Power (DAP) and the development of its research profile and activity.

In June 25, Istituto Marangoni established a wholly-owned subsidiary, NABA London Ltd, with an initial share capital of £10,000. This reflects the School's ongoing commitment to expansion in the education sector.

The Directors confirm that there have been no events post-balance sheet.

### Results and dividends

The profit for the year amounted to £9,090,175 (2024: £7,890,898). In December 2024, a euro 8,000,000 (£6,642,918) dividend was approved by the directors (2024: £6,934.813) and paid prior to the year-end. Dividend paid were £132.8 per share (2024: £138.7 per share).

### Directors

The directors who served the company during the period were:

Stefania Valenti

Prof Mark Andrew Hunt

Dr Mark Luyt Eastwood

Phillips Marta Rose Phillips

Salvatore Sivari (resigned on 25 May 2025)

Valerie Berdah-Levy

Adi Maoz-Cohen

Fabio Rubino (appointed on 1 November 2024)

Nicola Paronetto (appointed on 12 June 2025)

All Directors are covered by liability insurance within Instituto Marangoni ltd.

### Going concern

The financial statements have been prepared on a going concern basis. In adopting this basis, the Directors have considered the Company's current and forecast financial performance and position, including cash flows, profitability, and available reserves.

In forming their assessment, the Directors have prepared detailed forecasts covering a period of at least twelve months from the date of approval of these financial statements, together with longer-term financial projections. These forecasts take into account the expected level of student recruitment, associated revenues, and the cost base of the Company, as well as sensitivities applied to reflect reasonably possible downside scenarios.

The Company has historically generated consistent operating surpluses and positive cash flows, supported by its strong market position and diversified international student base. The Directors note that the Company continues to hold adequate reserves and has sufficient access to liquidity to enable it to meet its liabilities as they fall due. Stress testing performed by the Directors indicates that, even in the event of a modest reduction in student numbers compared to forecasts, the Company would remain able to operate within its available financial resources.

The Directors acknowledge the ongoing challenges in the higher education sector, particularly the competitive nature of international student recruitment. However, they consider that the Company's strategy, reputation, and operational flexibility provide resilience against such risks. No material uncertainties have been identified which cast significant doubt on the Company's ability to continue as a going concern.

Accordingly, the Directors are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and, for this reason, continue to adopt the going concern basis in preparing these financial statements.

## Financial Risk Management

### Liquidity risks

Istituto Marangoni Limited remains in a healthy financial position, with adequate funding available, and so the liquidity risk to the company is considered to be minimal.

During the year, the Company received repayment in full of a GBP-denominated loan receivable from a group company. The cash proceeds were transferred to a newly established cash pooling arrangement within the Group, which commenced in the financial year under a formal cash management agreement. Under the terms of this agreement, funds are generally accessible to the Company in the ordinary course of operations, subject to agreed notice periods and applicable limits on cash advances. Accordingly, the Directors consider that the repayment of the loan receivable and participation in the cash pooling arrangement have not given rise to any material liquidity risk.

### Interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

During the year, the Company received repayment in full of a GBP-denominated loan receivable from a group company. The funds previously held in this loan receivable were transferred to a cash pooling arrangement within the Group, which accrues interest income at a variable rate. The Company continues to maintain an outstanding Euro-denominated loan receivable from a group company, which bears interest income at a fixed rate and is scheduled for repayment before December 2025.

As a result, the Company is exposed to interest rate variability in relation to the cash pooling arrangement, which may affect the level of interest income earned in future periods. The Directors monitor this exposure on an ongoing basis and consider that, given the limited proportion of the Company's overall earnings represented by interest income, any potential impact of interest rate fluctuations is not material to the Company's financial position or performance.

### Currency exchange risks

Currency exchange rate risk is low as most students pay fees in local currency (GBP). However, some of the costs incurred by the company are incurred outside the United Kingdom, and therefore there is a risk that the exchange rates may differ from the rates expected when calculating the costs.

Based on the assessment performed by the company and its management, no elements were noted that might affect the Company’s capability to comply with law, and to generate profits, cash, and consequently the overall financial sustainability for the upcoming periods.

**Credit/Counterparty risk**

The credit risk is that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to financial loss. Istituto Marangoni has financial instrument exclusively towards the Ultimate parent company that mitigate any substation financial risk within the group.

**Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing their report and to establish thatthe company's auditors are aware of that information.
- As permitted by the Articles of Association, each of the Directors has the benefit of an indemnity, which is a qualifying third-party indemnity as defined by section 234 of the Companies Act 2006. The ndeminity was in force throughout the tenure of each director during the financial year, and is in force at the date of approval of the financial statements. The Company also purchased and maintained throughout the year Directors and Officers’ liability insurance in respect of itself and its directors. No indemnity is provided for the Company’s auditor.

**Auditor**

The auditor, Constantin, has been appointed during the year and has expressed their willingness to continue in office. A resolution to reappoint Constantin as auditor will be proposed at the forthcoming Annual General Meeting in accordance with section 485 of the Companies Act 2006.

............................

Fabio Rubino

Date: 19/11/2025 …………….

## Statement of directors' responsibilities in relation to the financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Statement on Corporate Governance and Internal Control

Istituto Marangoni Limited (the London School) is a UK based independent higher education provider and private limited company registered with Companies House and is also registered with the Office for Students. Its objects and powers are set out in its Articles of Association and Statement of Primary Responsibilities. As a registered higher education provider it is regulated by the Office for Students and it also holds Student Visa and Worker Sponsor Licences with the United Kingdom Visa (UKVI) and has a well-established track record of compliance. It has a well-established partnership with Manchester Metropolitan University, currently operating under a teach out arrangement, following the development of a new strategic partnership with Regents University, with out students having enrolled on Regents awards from October 2023.

## The Board of Directors

The Board of Directors is the ultimate accountable body and therefore responsible for the strategic direction, management, and financial solvency of the company. Its remit is set out within the Company Articles of Association, its Statement of Primary Responsibilities and the London School's Scheme of Delegation. The powers of the Company, the approval of the annual financial statements and accounts, the financial solvency and safeguarding of its assets are specifically reserved for the Board's own decision making and cannot be delegated.

The Board of Directors is supported and advised by its governance sub-committees; namely the Audit and Risk Committee, Finance and Resources Committee, Nominations Committee and Academic Board, each of which has delegated responsibility for detailed aspects of governance. The Board of Directors and its sub-committees include an appropriately balanced membership of internal company Directors and external (Non-Executive Directors or Independent External) members. The Board of Directors, Finance and Resources Committee, Nominations Committee and Audit and Risk Committee are each chaired by a Non-Executive Director and there is an Academic Student Governor who attends the Board. Members of the Board of Directors and the Board's appointed Independent External Members are required to disclose information on the register of interests which is updated annually and maintained by the Registrar. Appropriate due diligence checks are also undertaken as part of the nomination and appointment process in addition to members' declarations regarding their fit and proper status.

The remit and delegated responsibilities of the respective Board committees are summarised below:

## Audit and Risk Committee

The Audit and Risk Committee (ARC) is chaired by one of the Independent Non-Executive Directors and meets quarterly. It reviews and provides assurance on the London School's annual financial statements and appropriateness of financial policies. It exercises oversight of the risk management process, data processes and returns, regulatory compliance, quality assurance, health and safety, and systems of internal control to advise the Board of Directors. It approves and/or makes recommendations on the annual programme of internal audits, appoints internal auditors, and both engages with and oversees the work of the external auditors. It advises the Board of Directors on the reports of the Internal and External auditors, management response plans and any recommendations relating to the Board's system of internal control.

## Academic Board

The Academic Board is the senior academic board and is responsible for ensuring oversight and enabling enhancement of the academic performance within the School, advising and recommending actions to the Board of Directors on all matters relating to the overall educational strategy and School achievement against relevant key performance indicators and UK Higher Education norms. It monitors, recommends, and reports on the effectiveness and implementation of a wide range of policies and procedures, enhancement projects, the student experience and compliance with the validating partner and a wide range of UK regulatory bodies.

## Finance and Resources Committee

The Finance and Resources Committee is responsible for overseeing IML's financial performance, overall solvency and financial sustainability and recommends to the Board approval of the financial regulations and financial and employment policies.

## Nominations Committee

The Nominations Committee is responsible for nominating appointments to the Board, succession planning and ensuring there are appropriate procedures in place for the recruitment, appointment, induction and training of Directors and Board Committee members. There were no new appointments to the Board requiring the direct involvement of the Nominations Committee although there were changes in the Executive leadership team, notably the School Director and Group Finance Director during the reporting period whose appointment to the Board of Directors were duly approved by the Board.

## Key Governance Activities

Over the reporting period the main focus has been consolidating the implementation of the governance structure in its third year of operation, the execution of the reporting of the School's Risk Management processes, oversight of its compliance with its regulatory responsibilities and the approval of various strategies and policies. This included the People Strategy, Student Mental Health Strategy, the updated Freedom of Speech Code of Practice and staff and student policies on Preventing and Addressing Sexual Harassment and Misconduct Policy. The Board has also exercised governance oversight of the School's progress towards its ambition towards Taught Degree Awarding Powers (DAP) while the application remained in abeyance following the regulatory pause imposed by the OfS.

## Internal Control

The Board of Directors is responsible for ensuring and maintaining a sound system of internal control to support the School's objectives, the safeguarding of its assets and resources and the management of risk. In accordance with the Scheme of Delegation, the Audit and Risk Committee maintains oversight of safeguarding of public and other funds (in line with the OfS' Terms & Conditions of Funding in Higher Education Institutions) and the management of the Risk Register. The appointed internal auditors provide an independent opinion of the adequacy of the School's risk management and the systems of internal control. The Board's assurance role in assessing the effectiveness of the system of internal control is fulfilled and informed by the work of Internal Audit, the work of the senior and executive management and any judgements provided by the external auditors through their reports and management letter.

This system described below is an on-going process designed to identify the principal risks to the achievement of the School's aims and objectives; to evaluate the likelihood and impact of those risks; and to manage them efficiently, effectively and economically. This process has been in place for the year ended 30 June 2025 and up to the date of approval of the financial statements, and accords with OfS guidance.

The key elements of the School's systems of risk management and internal control, which are designed to discharge the responsibilities set out above, include the following:

- Clearly defined financial controls and procedures set and maintained at School level, in line with Shareholder and Board of Directors requirements and relevant UK regulations;
- Financial controls and procedures which provide oversight of the systems that prevent and detect fraud, bribery, and other irregularities (i.e., segregation of duty; sign-off forms; reports), are set out and maintained at School level under the oversight of the Board of Directors;
- Clearly defined requirements for approval and control of expenditure, with business plan decisions involving capital or revenue expenditure according to approved levels are set by the Shareholders under oversight by the Board of Directors;
- Active management and oversight of expenditure against cash flow and projected expenditure;
- 5 Year plan and annual financial sustainability and capital expenditure planning for Board of Directors consideration and ultimate Shareholder submission and approval;
- Quarterly School budget management and forecasting (under the School leadership team) in line with approved Board financial planning, reported through Finance and Resources Committee, to the Board and Shareholders;
- Monthly forecasting business review, supplemented by detailed projected annual income, expenditure, capital and cash flow budgets to inform the Leadership team, Board of Directors of ongoing performance;
- Weekly Market Reviews to monitor student recruitment and projected revenue results involving variance reporting and updates of forecast outturns.

## Risk Management

- The School embeds risk management and internal control processes in the annual operation of academic and professional services activities;
- The Senior Management evaluates the likelihood and impact of risks, establishing mitigating controls through the Strategic and departmental Risk Register. The Register includes an evaluation of the likelihood and impact of risks, and identifies mitigation measures;
- Clear responsibilities and delegated authority of managers including responsibility for identifying and managing operational risks at a departmental level and escalating significant risk to the Senior Management Team (SMT);
- The SMT evaluates identification and management of risk to the achievement of the London School's strategic objectives through the annual planning & quarterly review process including the annual and quarterly review of the Risk Register;
- In addition to the Strategic Risk Register the School has a specific Risk Register for the DAP Project with the acquisition of DAP's continuing to be a fundamental part of its strategy in addition to a series of operational risk registers maintained and reviewed by the relevant departmental Manager.

## Internal Audit

- A professional independent, external Internal Audit team (UNIAC) is appointed by the Audit and Risk Committee. The annual programme is approved by the Audit and Risk Committee and reports through the Audit and Risk Committee to the Board of Directors;
- The system of internal control is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

## External Audit

- Constantin have been appointed to perform the external audit of the Financial Statements of the Company.
- Audit Report is sent on a yearly basis to the Audit and Risk Committee for review and recommended approval to the Board of Directors.

# Independent auditor's report to the Members of Istituto Marangoni Limited

## Report on the audit of the financial statements

### Opinion

In our opinion the financial statements of Istituto Marangoni Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the cash flow statement; and
- the related notes 1 to 19 which include the statement of accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

## Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit, Audit Committee chair and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation, the Office for students "Regulatory Advice 9: Accounts Direction"; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the Conditions of Registration with the Office for Students.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:

- . Significant risk due to fraud regarding occurrence of tuition income

We addressed this risk by performing the following procedures:

- Obtaining an understanding of management's processes and controls in relation to ensuring the correct recognition of revenue. This includes performing the design and implementation of relevant controls.
- Performed analytical procedures to identify any unusual relationships that may indicate an error in the revenue recognised for the year.
- Selecting a sample of revenue transactions and performing a test of detail on the student registration reports and tracing our sample of students to relevant supporting documentation.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance, reviewing internal audit reports, and reviewing correspondence with the office of students (Ofs).

## Report on other legal and regulatory requirements

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

### Opinions on other matters prescribed by the Office for Students (OfS) "Regulatory Advice 9: Accounts Direction"

In our opinion, in all material respects:

- the requirements of the OfS's accounts direction have been met.

### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Under the OfS Regulatory Advice 9: Accounts Direction, we are required to report in respect of the following matters if, in our opinion:

- the provider's grant and fee income, as disclosed in the note 16 to the accounts, has been materially misstated.

We have nothing to report in respect of these matters.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Smith FCA (Senior statutory auditor)
For and on behalf of Constantin
Chartered Accountants and Statutory Auditor
25 Hosier Lane
London,
United Kingdom
Date: 19 November 2025

# Profit and loss account

**For the year ended 30 June 2025**

| | Note | 2025 £ | 2024 £ |
|---|---|---|---|
| Turnover | 16 | 27,382,063 | 27,985,332 |
| Cost of sales | | (8,048,382) | (7,987,519) |
| Gross Profit | | 19,333,681 | 19,997,813 |
| Administrative expenses | | (7,967,624) | (10,369,630) |
| Operating Profit | 2 | 11,366,057 | 9,628,183 |
| Finance income | 3 | 982,437 | 749,189 |
| Profit for the financial period before tax | | 12,348,494 | 10,377,372 |
| Tax on profit on ordinary activities | 4 | (3,258,319) | (2,486,474) |
| Profit for the financial period | | 9,090,175 | 7,890,898 |

All amounts relate to continuing activities.

There were no recognised gains or losses other than those included in the profit and loss account. The notes 1 to 19 form part of these financial statements.

# Balance sheet

**As at 30 June 2025**

| | Note | 2025<br>£ | 2024<br>£ |
|---|---|---|---|
| **Non-current assets** | | | |
| Tangible assets | 5 | 1,258,930 | 1,268,898 |
| Intangible assets | 5.1 | 48.218 | 61.234 |
| Investiments in subsidiary | 6 | 10,000 | - |
| Investments in associates | 6.1 | 743,207 | 743,207 |
| | | 2,060,355 | 2,073,339 |
| **Current assets** | | | |
| Debtors amounts falling due after more than one year | 7 | 205,698 | 208,098 |
| Debtors amounts falling due within one year | 7 | 20,684,860 | 15,538,331 |
| Cash and cash equivalents | | 5,750,055 | 9,276,157 |
| | | 26,640,613 | 25,022,586 |
| **Current Liabilities** | | | |
| Creditors amounts falling due within one year | 8 | 11,727,559 | 10,590,099 |
| Provision | 9 | 0 | 1,926,378 |
| **Net current assets** | | 14,913,054 | 12,506,109 |
| **Total assets less current liabilities** | | 16,973,409 | 14,579,448 |
| **Non-current liabilities** | | | |
| Creditors amounts falling due after more than one year | 8 | 58,289 | 111,585 |
| **Net assets** | | 16,915,120 | 14,467,863 |
| **Capital and Reserves** | | | |
| Called up share capital | 11 | 50,000 | 50,000 |
| Share premium account | 12 | 250,000 | 250,000 |
| Profit and loss account | 12 | 16,615,120 | 14,167,863 |
| **Shareholders' funds** | | 16,615,120 | 14,467,863 |

The notes 1 to 19 form part of these financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

……………………………

Fabio Rubino

Director

Date: 19/11/2025

Company registration No. 04551096

# Statement of changes in equity

**For the year ended 30 June 2024**

| | Called-up share capital | Share premium | Profit and loss account | Total |
|---|---|---|---|---|
| At 1 July 2023 | 50,000 | 250,000 | 13,211,778 | 13,511,778 |
| Comprehensive income | | | | |
| Profit for the year | - | - | 7,890,898 | 7,890,898 |
| Total comprehensive income | - | - | 7,890.898 | 7,890.898 |
| Equity dividends paid (note 11) | - | - | (6,934,813) | (6,934,813) |
| At 30 June 2024 | 50,000 | 250,000 | 14,167,863 | 14,467,863 |

**For the year ended 30 June 2025**

| | Called-up share capital | Share premium | Profit and loss account | Total |
|---|---|---|---|---|
| At 1 July 2024 | 50,000 | 250,000 | 14,167,863 | 14,467,863 |
| Comprehensive income | | | | |
| Profit for the year | - | - | 9,090,175 | 9,090,175 |
| Total comprehensive income | - | - | 9,090,175 | 9,090,175 |
| Equity dividends paid (note 11) | - | - | (6,642,918) | (6,642,918) |
| At 30 June 2025 | 50,000 | 250,000 | 16,615,120 | 16,615,120 |

# Cash Flow statement

**For the year ended 30 June 2025**

| | **2025** | 2024 |
|---|---|---|
| **Cash Flows from operating activities** | | |
| Profit for the financial period before tax | 12,348,494 | 10,377,372 |
| Adjustments for: | | |
| Depreciation on property, plant and equipment | 466,880 | 451,120 |
| Amortization | 13,016 | 2,112 |
| Foreign exchange loss | (143,518) | 103,138 |
| Interests received | (982,437) | (749,189) |
| Provision | (1,926,378) | 1,926,378 |
| **Operating cash flow before working capital changes** | 9,776,058 | 12,110,931 |
| Movements in deferred revenue | 229,431 | (418,204) |
| Decrease/(increase) in trade and other receivables | (5,508,725) | (648,469) |
| Increase/(decrease) in trade payables | 2,636,411 | (1,854,660) |
| **Cash generated from operations** | 7,133,175 | 9,189,598 |
| Income tax paid | (4,531,884) | (4,112,049) |
| ***Net cash generated from operating activities*** | 2,601,291 | 5,077,549 |
| **Cash Flows from investing activities** | | |
| Purchase of property, plant and equipment | (723,336) | (723,336) |
| Repayment of loan issued to other group company | (63,346) | (63,346) |
| Investment in subsidiary | (10,000) | - |
| Interest received on intercompany loan | 982,437 | 749,189 |
| ***Net cash (used in)/genereate from investing activities*** | 515,524 | (37,493) |
| **Cash Flows from financing activities** | | |
| Payment of Dividend | (6,642,918) | (6,934,813) |
| ***Net cash used in financing activities*** | (6,642,918) | (6,934,813) |
| **Net (decrease)/increase in cash and cash equivalents** | (3,526,103) | (1,894,757) |
| Cash and cash equivalents at the beginning of the year | 9,276,157 | 11,170,914 |
| **Cash and cash equivalents at the end of the period** | 5,750,054 | 9,276,157 |

# Notes to the financial statements

**For the year ended 30 June 2025**

## 1. Statement of principal accounting policies

### Statement of compliance

Istituto Marangoni Limited is a limited liability company incorporated in England. The Registered office is 30 Fashion Street, London E1 6PX, United Kingdom

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

### Basis of preparation

The financial statements of the company were approved for issue by the Board of Directors on the 19th of November 2025. The financial statements have been prepared in accordance with applicable accounting standards and under OfS Regulatory Advice 9: Accounts direction.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its parent, GGE TCo 1 SAS, which may be obtained at 41, Rue Saint Sebastien, Paris 75011 France. Exemptions have been taken in these separate Company financial statements in relation to disclosures on financial instruments.

The company's financial statements are prepared in Sterling and all values are rounded to the nearest pound,except when otherwise indicated.

### Consolidation exemption

The financial statements of the company are consolidated in the financial statements of Galileo Global Education Strategy.

The company has taken advantage of the exemption under s401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

### Going concern

Based on the Company's forecasts and operating profits the Directors have adopted the going concern basis in preparing the financial statements.

In assessing the going concern position of the Company for the financial statements for the year ended 30 June 2025, the Directors have considered the Company's cash flows, level of profitability and liquidity. The Directors are satisfied the Company has available reserves if needed to meet any prospective financial challenges including in the unlikely event that it has insufficient liquidity to meet its anticipated future liabilities. As in previous years the Company's overall profitability generates a healthy pre-tax surplus, through maintaining its student recruitment base and hence there are no material uncertainties affecting the overall profitability of the Company. Looking forward while the Directors are aware of a challenging and competitive student recruitment that may result in some modest adjustments to projected student numbers over the next five years the Company's commitments and overheads will remain manageable and it will continue to remain in a strong financial position with sufficient profitability to cover its overheads and financial commitments.

### Critical Judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- Deferred tax asset - Deferred tax asset is recognised for tax losses carried forward on the basis that it is probable that the Company will have sufficient taxable profits in the future.

### Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are set out below.

In the prior year, the Company recognised a provision of £1,926,378 in respect of certain historical liabilities that had been self-disclosed to the relevant authorities. During the current year, this provision was finalised and settled in full for £1,753,965. As the liability has been fully resolved and no further amounts are outstanding, there is no remaining estimation uncertainty relating to this matter at the balance sheet date.

There are no other significant sources of estimation uncertainty at 30 June 2025 that are considered to have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### Significant accounting policies

### Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

### Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost included costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

| | | |
|---|---|---|
| Leasehold Improvements | − | 20% straight line |
| Computer equipment | − | 33% straight line |
| Fixtures & fittings | – | 25% straight line |
| Plant & Machinery | − | 20% straight line |

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For Assets Under Construction (AUC), there is no depreciation of the accumulated costs until the project is completed and the asset is placed into service.

### Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses if any. Such cost included costs directly attributable to making the asset capable of operating as intended. The useful life of an intangible asset is assessed as either finite or indefinite. All intangible assets are considered to have finite useful lives and are amortised on a straight-line basis over their estimated useful lives

# Notes to the financial statements

**For the year ended 30 June 2025**

## Statement of principal accounting policies (continued)

### Significant accounting policies

### Intangible assets (continued)

The depreciable amount of an intangible asset with a finite useful life is allocated on a systematic basis over its useful life in the following manner:

- amortisation begin when the asset is available for use;
- amortisation cease at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognised; and
- the amortisation method reflects the pattern of consumption of the economic benefits that the intangible asset provides, or straight-line basis if that pattern cannot be reliably determined

Intangible assets are amortised over their estimated useful lives using the straight-line method. The amortisation charge for the year for Software, Systems & Webs is calculated at 33.33% of the cost less estimated residual value.

### Turnover recognition

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance and provision of higher educational courses related to the fashion and design industry. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Revenue represents the value of the work done in the period, including estimates of amounts not invoiced. Revenue in respect of contracts for on-going services is recognised by reference to the stage of completion.

Any portion of the work not yet delivered is recognised as deferred income.

### Interest income

Revenue is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrumentsto its net carrying amount.

Interest income includes income arising from intra-group financing arrangements

### Dividends

Dividends are recognised when the company’s right to receive payment is established.

### Provision for liabilities

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

### Taxation

The company establishes provisions based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience with previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority.

# Notes to the financial statements

**For the year ended 30 June 2025**

## Statement of principal accounting policies (continued)

### Significant accounting policies

### Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All the differences are taken to the income statement.

### Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

*(i) Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that comply with all of the condition of paragraph 11.9 of FRS 102 are classified as ‘basic’. For debt instruments that do not meet the conditions of FRS 102.11.9, the company considers whether the debt instrument is consistent with the principle in paragraph

11.9A of FRS 102 in order to determine whether it can be classified as basic. Instruments classified as 'basic' financial instruments are measured subsequently at amortised cost using the effective interest method.

# Notes to the financial statements

**For the year ended 30 June 2025**

## Statement of principle accounting policies (continued)

### Significant accounting policies

### Financial instruments (continued)

With the exception of some hedging instruments, other debt instruments not meeting conditions of being 'basic' financial instruments are measured at fair value through profit or loss. Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

### Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term. Lease incentives are recognised over the lease term on a straight line basis.

### Operating lease commitments

The company has entered into commercial property leases as a lessee. The classification of such leases as operating leases requires the company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the statement of financial position.

### Pensions

The company makes defined contributions to a group personal pension scheme on behalf of its employees. Contributions are charged to the profit and loss account in the period in which they become payable.

### Investment in associates

The investment is measured at cost less any accumulated impairment losses recognised.
There has been no change in the carrying value of this investment compared with the prior year.

# Notes to the financial statements

**For the year ended 30 June 2025**

## 2. Operating Profit

The Operating profit is stated after charging:

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Depreciation of tangible fixed assets: | | |
| owned by the company | 466,880 | 451,120 |
| Ammortization of Intangible Assets | 13,016 | 2,112 |
| Auditors' remuneration (including VAT) | 84,000 | 121,106 |
| Net (loss)/profit on foreign exchange transactions | (102,204) | 122,926 |
| Rent | 2,198,810 | 2,232,035 |

The auditors' remuneration relates to the audit of the financial statements, and they have not provided any non-audit services.

## 3. Finance income

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Interest receivable on intercompany loan | 746,231 | 749,189 |
| Interest receivable on pooling arrangements | 236,206 | 0 |
| **Total Finance Income** | 982,437 | 749,189 |

Further details of the cash pooling arrangement are disclosed in Note 17 Related Party Transactions.

# Notes to the financial statements

**For the year ended 30 June 2025**

## 4. Tax on profit on ordinary activities

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| **Analysis of tax charge in the year** | | |
| **Current tax** | | |
| UK corporation tax charge on profit for the year | 534,280 | 3,143,204 |
| Group relief payable/(receivable) | 2,200,000 | - |
| Adjustments in respect of prior periods – Corporation Tax | (102,752) | (82,529) |
| **Total current tax** | 2,631,528 | 3,060.675 |
| **Deferred tax (see note 9)** | | |
| Origination and reversal of timing differences | 508,145 | (574,201) |
| Adjustments in respect of prior periods | 112.783 | |
| Total deferred tax | 620.928 | (574,201) |
| **Total tax profit** | 3,252,456 | 2,486,474 |

**Factors affecting tax charge for the year**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| **Profit on ordinary activities before tax** | 12,402,947 | 10,377,372 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%) | 3,100,737 | 2,594,343 |
| **Effects of:** | | |
| Adjustments in respect of amortization and impairment | 55,461 | 57,396 |
| Expenses non deductible for tax purposes | 86,227 | - |
| Group relief surrendered/(claimend) | (2,200,000) | - |
| Payment/(receipt) for group relief | 2,200,000 | |
| Adjustments to tax charge in respect of prior periods | (102,752) | (82,529) |
| Deferred Tax – Prior year adjustments | 112,783 | (82,736) |
| **Current tax charge for the year** | 3,252,456 | 2,486,474 |

Current income tax assets and liabilities for the current period are measured at the amounts expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

The current tax charge includes the effect of group relief surrendered and a corresponding payment to a fellow group undertaking, which had no net impact on the tax expense for the year.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

The Company's closing deferred tax balance as at 30 June 2025 has been calculated at 25% (2024: 25%), reflecting the tax rate at which the deferred tax assets and liabilities are expected to reverse in future periods.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is measured on a non-discounted basis.

## 5. Tangible assets

| | **Leasehold Property** | **Plant & machinery** | **Fixtures & fittings** | **Computer equipment** | **Asset Under Construction** | **Total** |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| **Cost** | | | | | | |
| At 1 July 2024 | 3,929,855 | 166,216 | 1,200,684 | 1,257,546 | 478,645 | 7,032,946 |
| Additions | 84,585 | - | 67,109 | 164,772 | 140,446 | 456,912 |
| At 30 June 2025 | 4,014,440 | 166,216 | 1,267,794 | 1,422,317 | 619.092 | 7,489,860 |
| **Depreciation** | | | | | | |
| At 1 July 2024 | 3,564,228 | 128,245 | 1,117,058 | 954,515 | - | 5,764,047 |
| Charge for the year | 235,558 | 12,972 | 39.534 | 178,818 | - | 466,882 |
| At 30 June 2025 | 3,799,787 | 141,217 | 1,156,592 | 1133,333 | - | 6,230,929 |
| **Carrying value** | | | | | | |
| At 1 July 2024 | 365,626 | 37,971 | 83,627 | 303,030 | 478,646 | 1,268,899 |
| At 30 June 2025 | 214,653 | 24,999 | 111,202 | 288,984 | 619,092 | 1,258,930 |

# Notes to the financial statements

**For the year ended 30 June 2024**

## 5.1 Intangible Asset

| | Software, Systems & Webs |
|---|---|
| | £ |
| **Cost** | |
| At 1 July 2024 | 63,346 |
| Additions | - |
| At 30 June 2025 | 63,346 |
| **Ammortization** | |
| At 1 July 2024 | 2,112 |
| Charge for the year | 13,016 |
| At 30 June 2025 | 15,128 |
| **Carrying value** | |
| At 1 July 2024 | 61,234 |
| At 30 June 2025 | 48,218 |

## 6. Investment in subsidiary

Investment in subsidiary as at 30 June 2025 relates to the incorporation of a new wholly-owned subsidiary, NABA London Ltd (Company number: 16511367, registered in England and Wales.

The company was incorporated in July 2024 with an authorised and issued share capital of £10,000, fully payable by the parent company. As at 31 July 2024, NABA Ltd had not commenced trading activities.

The investment has been recognised at cost.

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Investment in subsidiaries | 10,000 | – |

## 6.1 Investment in associates

| 7. | 2025 £ | 2024 £ |
|---|---|---|
| Investment in associates | 743,207 | 743,207 |
| | 743,207 | 743,207 |

This investment in associates relates to a 30% investment in ordinary shares of Istituto Marangoni Mumbai Training Centre Private Limited (Registered office: Ceejay House, F Block, Shivsagar Estate, Dr. Annie Besant Road, Worli - Mumbai 400018 India).

Istituto Marangoni Mumbai Training Centre Private Limited financial year ended is 31st March. Below relevant financial audited information:

| | March 31, 2025 INR '000 | March 31, 2024 INR '000 |
|---|---|---|
| Assets | 352,946 | 304,802 |
| Liabilities | 92,259 | 78,324 |
| Equity | 260,686 | 226,478 |
| Profit/Loss | 36,782 | 40,876 |

## 8. Debtors

| | 2025 £ | 2024 £ |
|---|---|---|
| **Due within one year** | | |
| Trade debtors | 144,908 | 79,928 |
| Amounts owed by group undertakings | 18,901,015 | 13,497,560 |
| Deferred Tax Asset (see note 10) | 0 | 505,714 |
| Prepayments | 1,638,937 | 1,455,129 |
| | 20,684,860 | 15,538,331 |

| | 2025 £ | 2024 £ |
|---|---|---|
| **Due after more than one year** | | |
| Rent deposit | 205,698 | 208,098 |
| | 205,698 | 208,098 |

Included in amounts owed by group undertakings due within one year relates to the following loans:

- EUR 7,000,000 to Galileo Global Education Luxco S.a.r.l (formerly MBSP 3 S.a.r.l). The loan accrues interest at a rate of 4.75% per annum.
- A loan of £1,500,000 to Galileo Global Education Luxco S.à.r.l., including accrued interest, was fully repaid during the year. The total repayment amount has been transferred into a new cash pooling account with the same group undertaking.

The increase in the balance of amounts owed by group undertakings is primarily due to the establishment of the cash pooling arrangement, into which both the loan repayment and additional cash were transferred, with the objective of generating interest income.

Accrued interest on group balances continues to be included within this line item.

## 9. Creditors

**Due within one year**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Trade creditors | 469,504 | 119,629 |
| Amounts owed to group undertakings | 2,475,365 | 182,612 |
| Deferred tax liability | 115,214 | - |
| Social security and other taxes | 289,602 | 81,376 |
| Accruals | 1,103,151 | 1,260,835 |
| Corporation tax payable | -1,863,968 | 36,388 |
| Deferred income | 9,138,691 | 8,909,259 |
| | 11,727,559 | 10,590,099 |

**Due after more than one year**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Deferral rent expenses | 58,289 | 111,585 |
| | 58,289 | 111,585 |

## 10. Provision

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Opening provision | 1,926,378 | - |
| Provision recognized during the year | (1,926,378) | 1,926,378 |
| Closing provision | - | 1,926,378 |

During the prior year, the company recognised a provision of £1,926,378 in respect of certain historical liabilities that had been self-disclosed to the relevant authorities, and were expected to be resolved within 12 months.

In the current year, the full provision has been released, as the underlying liabilities were settled and closed in full.

# Notes to the financial statements

**For the year ended 30 June 2025**

## 11. Deferred tax

The deferred tax liability is made up as follows:

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| At beginning of year (Asset)/Liability | (505,714) | 68,487 |
| Prior year adjustment | - | - |
| Charged during year | 620,928 | (574,201) |
| Liability/(Asset) at end of the year | 115,214 | (505,714) |

Deferred tax relates to accelerated capital allowances 2025: -£121,134 (2024: £24,119) and other timing difference relates to provisions 2025: £5,920 (2024: £481,595).

The closing deferred tax liability as at 30 June 2025 has been calculated at 25% (2024: 25%) reflecting the tax rate at which the deferred tax liability is expected to be reversed in future periods.

## 12. Share Capital

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| **Authorised, allotted, called up and fully paid** | | |
| 50,000 Ordinary Shares of £1each | 50,000 | 50,000 |

## 13. Reserves

| | Share Premium Account | Profit and loss account |
|---|---|---|
| | £ | £ |
| At 1 July 2024 | 250,000 | 14,167,863 |
| Profit for the year | - | 9,090,175 |
| Dividends paid on equity capital | - | (6,642,918) |
| At 30 June 2025 | 250,000 | 16,615,120 |

Reserves have increased to £16,615,120 in line with increased profit of the company.

# Notes to the financial statements

**For the year ended 30 June 2025**

## 14. Dividends

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Dividends paid on equity capital | 6,642,918 | 6,934,813 |

Dividend paid were £132.8 per share (2024: £138.7 per share).

## 15. Operating lease commitments

At 30 June 2025, the company had commitments under non-cancellable operating leases as follows:

**Building**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Amounts payable: | | |
| No later than 1 year | 2,011,284 | 2,011,284 |
| Later than 1 year and no later than 5 years | 6,265,287 | 8,045,136 |
| Later than 5 years | - | 231,435 |
| | 8,276,571 | 10,287,855 |

**Equipment**

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Amounts payable: | | |
| No later than 1 year | 24,553 | 16,015 |
| Later than 1 year and no later than 5 years | - | 39,507 |
| Later than 5 years | - | - |
| | 24,553 | 55,522 |

# Notes to the financial statements

**For the year ended 30 June 2025**

## 16. Staff costs

### Staff costs breakdown

| | 2025 £ | 2024 £ |
|---|---|---|
| Wages and salaries – Teachers | 1,333,412 | 1,219,259 |
| Wages and salaries- Administration | 2,030,669 | 1.870.775 |
| Contracted Academic Staff | 1,984,089 | 2,194,273 |
| Social security costs | 414,777 | 309.818 |
| Pension costs | 52,299 | 44,290 |
| | 5,815,247 | 5,638,415 |

The number of staff was made up as following:

| | 2025 Number of staff | 2024 Number of staff |
|---|---|---|
| Administration- Employees | 39 | 38 |
| Academic Staff - Employees | 23 | 19 |
| Academic Staff - Contracted | 89 | 103 |
| Total Administration and Academic Staff | 151 | 160 |

Administration and Academic Staff are calculated as average numbers.
Academic Staff contracted are calculated as head count.

### Basic Salary of other higher paid staff

Two staff have a full-time equivalent basic salary of over £100,000 per annum.

| | 2025 Number of staff | 2024 Number of staff |
|---|---|---|
| Basic salary per annum | | |
| £100,000 - £104,999 | - | - |
| £105,000 - £109,999 | - | - |
| £110,000 - £114,999 | 2 | - |
| £115,000 - £119,999 | - | 1 |

## School Director remuneration

During the year ended 30 June 2025, the position of School Director was held by two individuals:

Valerie Berdah-Levy served as School Director from 1 July 2024 to 31 October 2024, having been on secondment from our sister school in Paris since her original appointment in June 2022. Her full-time equivalent basic salary during this period was £113,000. She was not employed directly by the School and therefore did not appear on the School's payroll.

Fabio Rubino was appointed School Director from 1 November 2024, employed directly by the School, with a full-time equivalent basic salary of £110,000.

Following the change, Valerie Berdah-Levy remained a member of the Board and she undertook a part-time supervisory role for London, remunerated through Paris.

The total remuneration, including salary and taxable benefits, for the School Director(s) in the year was as follows:

| | **2025** | **2024** | **2022** |
|---|---|---|---|
| Basic salary | 111,000 | 115,688 | |
| Payments in lieu of pension contributions | 0 | 0 | |
| Payment of dividends | 0 | 0 | |
| Performance-related pay and other bonuses | 29,165 | 69,146 | |
| Pension contributions | 0 | 0 | |
| Salary sacrifice arrangements | 0 | 0 | |
| Compensation for loss of office | 0 | 0 | |
| Any sums paid under any pension scheme in relation to employment with the provider | 0 | 12,568 | |
| Other taxable benefits | 20,980 | 10,374 | |
| Non-taxable benefits | 0 | 0 | |
| Other remuneration | 0 | 0 | |

The School Director's annual basic salary is 2.6 (2024: 3.1) times the median pay of staff, where the median pay is calculated on a full-time equivalent basis for the salaries paid to established and sessional staff.

The School Director's total remuneration is 3.7 (2024: 4.9) times the median pay of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total salaries paid to established and sessional staff.

## Remuneration Review Process

The School undertakes a remuneration review process annually with all staff. This process ensures appropriate remuneration for all staff members respecting value, contribution, and market positioning. The review includes:

- Conclusion of individual performance review (line manager evaluation on the basis of set objectives and related achievements);
- Annual company budget consideration, determining potential remuneration increases;
- The School Director projects proposed increases for all eligible IM Ltd employees, which are reviewed by Human Resources for consistency with evaluation process and budgetary impact;

- The IM Srl Managing Director (on behalf of shareholders) projects proposed increases for the IM Ltd School Director, reviewed by IM Srl Human Resources for consistency and budgetary impact;
- Approval is confirmed through employment appraisal criteria, ensuring consistency of methodology and outcome across the shareholder organisation, respecting local employment conditions;
- In addition, a competitor market pay scale analysis (by the independent consultancy Korn Ferry) was undertaken in 2019/20 to benchmark all School salaries against both the higher education and corporate sectors.

The School Director's annual remuneration review, and that of any other employee falling within the OfS disclosure requirement, is considered separately as a reserved item by the Board of Directors (excluding the School Director or any other Senior Manager). The Board is also consulted on the specific performance measures (KPIs) used to set objectives and monitor performance, covering organisational and strategic goals such as student recruitment targets, academic performance, and the delivery of key projects.

### Severance payment

During Financial Year 2025, a total £27,975 severance payment has been paid out (2024: £38,650)

### Executive directors payment

Except for the School Director and the Director of Education, the other executive company directors do not receive any emoluments in respect of services to the Company. They are remunerated by other group entities.

## 17. Turnover

The whole of the turnover is attributable to the provision of higher educational courses related to the fashion and design industry.

All turnover arose within the United Kingdom.

There is no grant income from the OfS or from other bodies.

| | **2025** | **2024** |
|---|---|---|
| | **£** | **£** |
| Grant income from the OfS | - | - |
| Grant income from other bodies | - | - |
| Fee income for taught awards (exclusive of VAT) | 27,107,283 | 27,602,947 |
| Fee income for research awards (exclusive of VAT) | - | - |
| Fee income for non-qualifying courses (exclusive of VAT) | 274,780 | 382,385 |
| Total grant and fee income | 27,382,063 | 27,985,332 |

## 18. Related party transactions

The Company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with fellow wholly owned subsidiaries of the ultimate parent undertaking.

During the year, the Company participated in a cash pooling arrangement with other group companies. Interest income from this arrangement is disclosed in Note 3.

The Company also claimed group relief in respect of tax losses surrendered by fellow group undertakings, as reflected in the tax charge in Note 4

Regents University (subsidiary of parent) is no longer a wholly owned subsidiary and during the year, as result on the new Validation Partership agreement, the Companies enter into a collaborative arrangement to deliver foundation undergraduate and postgraduate taught programmes leading to an award of Regent's. For this service a total fee of £927,420 (2024: £670,689) was recorded in the year. Furthermore the Company purchased goods in the ordinary course of business from Regents University at a cost of £12,855 (2024: £9,595). These amounts all relate to trading balances.

## 19. Ultimate parent undertaking controlling party

On 1 July 2020, Providence Equity Partners ('Providence'), the majority shareholder since 2011, sold its shares in the Group to a consortium comprised of global long-term institutional investors, including Canada Pension Plan Investment Board ('CPP Investments'), through its wholly owned subsidiary, CPP Investment Board Europe S.à r.l., and Montagu Private Equity LLP, alongside existing shareholders Téthys Invest SAS and Bpifrance Investissement Sas.

Galileo Global Education Strategyis the ultimate Parent Company incorporated in France. Galileo Global Education Strategyis the parent of the largest and smallest group for which consolidated accounts containing the results of Istituto Marangoni Limited are drawn up. Copies of these financial statements are available to the public from its registered office which is is c/o WeWork, 8 rue des Pirogues de Bercy, Paris 75012, France.

## 20. Post balance sheet events

There are not post Balance event to be reported