

# **NEWHAM FOUNDATION**

**(A Charitable Company Limited by Guarantee)**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023**

**Company Registration Number: 04431704**

**Charity Registration number: 1106644**

**NEWHAM FOUNDATION  
CONTENTS**

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	<b>PAGE</b>
Reference and Administrative Information	3
Trustee's Report	4
Statement of Trustee's Responsibilities	7
Independent Auditor's Report	8
Statement of Financial Activities incorporating an Income & Expenditure Account	11
Balance Sheet	12
Notes to the Financial Statements	13

**NEWHAM FOUNDATION**  
**REFERENCE AND ADMINISTRATIVE INFORMATION**

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**TRUSTEES AND OFFICERS**

The trustee (who is a director for the purposes of company law) that served on the Foundation board during the period from 1 August 2021 to the date of this report was as follows:

Paul Stephen (Newham College of Further Education)                      Chair

Judith Nelson    Company Secretary

**EXECUTIVE**

The Foundation does not employ any staff. Newham College of Further Education and London Borough of Newham provide all staffing services to the Foundation (see also note 5).

**PROFESSIONAL ADVISERS AS AT 31 JULY 2023**

**External auditor:**    RSM UK Audit LLP  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

**Bankers:**    Barclays Bank PLC  
1 Churchill Place  
LONDON  
E14 5HP

**Registered office:**    Newham College of Further Education  
The East Ham Campus  
High Street South  
LONDON  
E6 6ER

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Newham Foundation was set-up by the London Borough of Newham (LBN) and Newham College of Further Education (NCFE) primarily for the purpose of providing accommodation facilities for the improvement and development of education within LBN. The Foundation was incorporated as a company limited by guarantee in England and Wales on 3<sup>rd</sup> of May 2002, and became a registered charity, charity number 1106644, on 8<sup>th</sup> November 2004.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Statement of Recommended Practice – applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

## **OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS**

The charity's objectives are to advance education in LBN, in particular by providing learning facilities that enable the education of young people and mature students.

Newham Foundation activities primarily include:

- Forest Gate project
- Little Ilford Project

## **FUTURE DEVELOPMENTS**

The Foundation will be continuing with the projects as outlined above. No new projects have been secured for the Foundation and no new activity is planned in the current year.

### **Management**

All facilities for the Forest Gate project and the Little Ilford project are provided under a service contract by NCFE. Corporate services, including financial management, audit, estates management and secretarial functions, for all projects are provided through the College's Finance and Estates directorates, again under service contracts.

### **Financial Strategy**

The board has agreed a financial strategy and budget for the Foundation for 2023/24 as well as a financial plan through to 2024/2025. The financial objectives include:

- ❖ Breakeven after charging depreciation and offset of capital grants.
- ❖ Funding of operating costs between LBN and the College shared on the basis of usage on each separate project. Only financial and secretarial costs will be recovered through the Foundation and all other specific centre management costs will be recovered directly from LBN.
- ❖ Maintain a net cash positive position.

Other financial objectives now in place and in line with effective corporate governance include:

- ❖ Production of annual budgets and business plan.
- ❖ Investment appraisal of capital projects.
- ❖ Maintaining confidence and relationship with funding bodies.
- ❖ Empowering staff and board on financial issues through training.

## **CORPORATE GOVERNANCE AND RISK MANAGEMENT**

The board of the Foundation is made up of non-executive trustees appointed by the members, namely LBN and NCFE.

The members will monitor the performance of the board and trustees are always reminded of their fiduciary duties to the company.

The Foundation will support training for trustees and will encourage access to independent consultants in pursuance of their work.

The trustee is considered to be key management personnel of the Foundation and receive no remuneration for their services.

NCFE and LBN provide management and corporate services to the Foundation. The board approves and agrees the scope of their work and estimated charges at the beginning of each financial year.

As a board, we acknowledge the responsibility for ensuring that an effective system of internal financial control is maintained and operated by Newham Foundation.

The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal financial control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting systems with an annual budget which is reviewed and agreed by the board;
- Regular reviews by the board of periodic and annual financial reports which indicate financial performance against forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital investment control guidelines; and
- The adoption of formal project management disciplines where appropriate.

The board has identified risks faced by the Foundation and taken appropriate mitigating action where possible. It is aware that controls can only provide reasonable but not absolute assurance that major risks have been adequately managed. The principal risks concern the management of its tangible fixed assets which are mitigated by providing the right services to ensure maintenance and insurance are in place to safeguard these assets.

## **GOING CONCERN**

These accounts have been prepared on a going concern basis as the Trustee has a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

## **FINANCIAL REVIEW**

The net expenditure for the year amounted to a deficit of £540,000 (2022: Deficit £541,000). Total funds now stand at £8,214,000 (2022: £8,754,000), of which £8,260,000 (2022: £8,775,000) are unrestricted designated funds that relate to tangible fixed assets held by the charitable company.

## **NEWHAM FOUNDATION TRUSTEES' REPORT**

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Unrestricted funds

### *Tangible fixed assets fund*

The designated fund represents the fixed assets held by the charity. On completion of the construction of a building the fund is transferred to the tangible fixed assets fund. This is a designated fund created by the trustees representing the net book value of the charity's land and buildings, furniture and equipment and is charged with the annual depreciation of these assets.

### *General fund*

The general fund represents the balance of unspent income. This relates to income received for charitable purposes utilised for the advancement of education in LBN.

The charity has one principal funding source in the period:

Licence fee income from NCFE and LBN to advance education in LBN by providing learning facilities and programmes that enable the education of young and mature students.

## **RESERVES POLICY**

The trustees aim to maintain an appropriate level of reserves in unrestricted funds to sustain the Foundations activities which are supported in cashflow terms by NCFE but the Foundation has significant net assets as a whole. The trustees have agreed to keep £5,000 of financial reserves to ensure that main operations can continue for a period of 6 months.

## **AUDITOR**

RSM UK Audit LLP has indicated its willingness to continue in office.

## **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

## **PUBLIC BENEFIT**

The trustees confirm that, to the best of their knowledge and belief, they have complied with Section 4 of the Charities Act 2011 in respect to having due regard to public benefit guidance published by the Charity Commission.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

No fundraising activities are undertaken by Newham Foundation or by a third party. No complaints were received from the public in relation to fundraising in the current or prior year.

By order of the board



Paul Stephen  
Trustee

Date: 13 December 2023

## **NEWHAM FOUNDATION**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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The trustees (who are also the directors of Newham Foundation for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accountancy Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare the financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for maintaining proper accounting records which 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 requirements of 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 for fraud and other irregularities.

The trustees are also responsible for ensuring that the assets are properly applied in accordance with charity law.

## **Opinion**

We have audited the financial statements of Newham Foundation (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 trustees' 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 charitable 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 trustees 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 Trustee's Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustee's 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.



### **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 Trustee's Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustee's Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustee's Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustee's Report.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

**NEWHAM FOUNDATION**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEWHAM FOUNDATION**

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In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud .

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document and tax legislation. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustee's Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Health and Safety. We performed audit procedures to inquire of management whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

#### **Use of our report**

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*H Catchpool*

HANNAH CATCHPOOL (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
EC4A 4AB

15th December 2023

**NEWHAM FOUNDATION**  
**STATEMENT OF FINANCIAL ACTIVITIES (incorporating Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 JULY 2023**

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	Notes	Total Funds £000 2023	Total Funds £000 2022
<b>Income from:</b>			
Charitable activities	2	290	223
<b>Total income</b>		<b>290</b>	<b>223</b>
<b>Expenditure on:</b>			
Charitable activities	3	(830)	(764)
<b>Total expenditure</b>		<b>(830)</b>	<b>(764)</b>
<b>Net expenditure for the year</b>		<b>(540)</b>	<b>(541)</b>
Fund balances brought forward at 1 August		8,754	9,295
<b>Fund balances carried forward at 31 July</b>	9	<b>8,214</b>	<b>8,754</b>

		2023	2022
	Notes	£000	£000
<b>Fixed assets</b>			
Tangible assets	6	8,260	8,775
<b>Current assets</b>			
Cash at bank		<u>8</u>	<u>6</u>
		8	6
<b>Creditors: amounts falling due within one year</b>	7	<u>( 54)</u>	<u>(27)</u>
<b>Net current liabilities</b>		(46)	(21)
<b>Net assets</b>		<b>8,214</b>	<b>8,754</b>
<b>Funds</b>			
Unrestricted reserves - general fund	9	(46)	(21)
- tangible fixed assets fund	9	8,260	8,775
<b>Total funds</b>		<b>8,214</b>	<b>8,754</b>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 11 to 18 were approved and authorised for issue by the board of trustees on 13 December 2023 and were signed on its behalf by:



.....  
Paul Stephen  
Trustee

## **1. Statement of accounting policies**

### **Basis of accounting**

The financial statements of the charitable company have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charitable company constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £'000 unless otherwise specified.

### **Going concern**

The trustees are not aware of any material uncertainties related to events or conditions that may cast significant doubt about the ability of the charitable company to continue as a going concern and have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future despite the net current liability position and therefore the Trustees are happy to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### **Reduced disclosure**

In accordance with FRS 102, the charitable company has taken advantage of the exemptions from the following disclosure requirements;

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flows and related notes and disclosures.

The financial statements of the charitable company are consolidated in the financial statements of NCFE. A copy of the consolidated financial statements of NCFE may be obtained from: <http://www.newham.ac.uk/governance/financial-statements/>.

### **Income**

Core funding is in the form of grants, and these are recognised when the SORP income recognition criteria of entitlement, probability and measurement have been met. Any unspent balances are carried forward on the appropriate fund. Any grant income received for specific purposes will be expended in accordance with the terms set out in the relevant grant agreement. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

Income from project operations is accounted for on an accruals basis.

### **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred and includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates. The cost headings comprise expenditures directly attributable to the activity.

Expenditure met directly by NCFE and LBN, under operating agreements with those parties, is included in costs with an equal amount included as income within project operations.

Plan operation costs include direct and support costs.

### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost or deemed cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful life, as follows:

Freehold buildings	25 years
Computer equipment	5 years
Furniture and equipment	7 years

Equipment costing less than £1,000 per individual item is written off to the Statement of Financial Activities in the period of acquisition. All other equipment is capitalised at cost.

### **Taxation**

The Foundation has charitable status.

As a registered charity the Foundation benefits from exemptions available for corporation tax.

### **Financial instruments**

The Foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102, in full, to all its financial instruments.

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities.

#### *Financial assets*

Basic financial assets, which include amounts due from the parent undertaking, accrued income and project operation fees due from the LBN, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

#### *Financial liabilities*

Basic financial liabilities, which comprise accruals, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

### **Funds**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds comprise monies where a restriction has been placed on their use by a donor (for a purpose which falls within, but is narrower than the general charitable objectives). Restricted funds are distributed in accordance with the terms of the original restriction.

### **Pensions and similar obligations**

Staff provided to the Foundation in 2023 belong to one principal pension scheme, Local Government Pension Scheme (LGPS) of the London Borough of Newham to which the caretakers contributions are currently re-charged.

The Local Government Pension Scheme is a funded defined benefit scheme, with the assets held in separate trustee administered funds. Costs for the scheme has been recognised as they were recharged. The liabilities of the scheme rest with the LBN.

### Critical accounting estimates and assumptions

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The trustees consider that there are no critical accounting estimates or assumptions in the preparation of these financial statements.

## 2. Income from charitable activities

	2023 £000	2022 £000
Charitable activities	290	223
	<u>290</u>	<u>223</u>

## 3. Expenditure on charitable activities

	2023 £000	2022 £000
<b>Staff costs</b>		
Salaries and wages	55	53
Social security costs	6	4
Pensions costs	12	9
	<u>73</u>	<u>66</u>
<b>Other operating support costs</b>		
Premises running costs	176	123
Premises repair costs	22	19
Communications costs	21	19
Consumables	5	5
Depreciation	515	515
	<u>739</u>	<u>681</u>
<b>Governance costs</b>		
External Audit fees – RSM UK Audit LLP	8	8
Legal and professional fees	10	9
	<u>18</u>	<u>17</u>
<b>Total expenditure on charitable activities</b>	<u>830</u>	<u>764</u>

## 4. Net expenditure for the year

This is stated after charging:	2023 £000	2022 £000
Depreciation of tangible fixed assets - owned	515	515
Audit fees	8	8
	<u></u>	<u></u>



The trustee is considered to be key management personnel for the charitable company.

The trustee did not receive any emoluments in their capacity as directors of the Foundation and did not receive reimbursement for any expenses during the year.

## **5. Employees**

The Foundation does not employ any staff. NCFE and LBN provide all staffing services to the Foundation.

Staff costs total £73,000 (2022: £66,000) of which £73,000 (2022: £66,000) was paid directly by the LBN.

The average monthly number of staff provided to the Foundation during the year, expressed as average headcount and calculated on an annual basis was as follows:

	2023 No	2022 No
Building site supervisors	2	2
	<u>          </u>	<u>          </u>

## **6. Tangible fixed assets**

	Freehold Land & Buildings £'000	Computer Equipment £'000	Furniture and Equipment £'000	<u>Total</u> £'000
<b>Cost:</b>				
At 1 August 2022 and 31 July 2023	<b>17,364</b>	<b>58</b>	<b>468</b>	<b>17,890</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation:</b>				
At 1 August 2022	8,590	58	467	9,115
Charge for the year	514	-	1	515
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 July 2023	<b>9,104</b>	<b>58</b>	<b>468</b>	<b>9,630</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value at:</b>				
31 July 2023	<b>8,260</b>	<b>-</b>	<b>0</b>	<b>8,260</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
31 July 2022	<b>8,774</b>	<b>-</b>	<b>1</b>	<b>8,775</b>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## **7. Creditors: amounts falling due within one year**

	2023	2022
	£'000	£'000
Trade Creditors: London Borough of Newham	9	9
Amounts due to parent undertaking (NCFE)	<u>45</u>	<u>18</u>
	54	27
	<u>          </u>	<u>          </u>

8. Analysis of net assets between funds

	Unrestricted General	Fixed Assets	2023 Total
	Fund £'000	Fund £'000	Funds £'000
Tangible Fixed Assets	-	8,260	<b>8,260</b>
Current Assets	8	-	<b>8</b>
Current Liabilities	(54)	-	<b>(54)</b>
Net assets at 31 July 2023	<b>(46)</b>	<b>8,260</b>	<b>8,214</b>

Analysis of net assets between funds – previous year

	Unrestricted	2022
	General	Total
	Fund	Funds
	£'000	£'000
Tangible Fixed Assets	-	<b>8,775</b>
Current Assets	6	<b>6</b>
Current Liabilities	( 27)	<b>(27)</b>
	<b>(21)</b>	<b>8,754</b>

9. Movement in funds

	At 1 August 2022 £'000	Income £'000	Expenditure £'000	At 31 July 2023 £'000
<b>Unrestricted funds:</b>				
Tangible fixed assets fund	8,775	-	(515)	<b>8,260</b>
General fund	(21)	290	(315)	<b>(46)</b>
<b>Total funds</b>	<b>8,754</b>	<b>290</b>	<b>(830)</b>	<b>8,214</b>

Movement in funds – previous year

	At 1 August 2021 £'000	Income £'000	Expenditure £'000	At 31 July 2022 £'000
<b>Unrestricted funds:</b>				
Tangible fixed assets fund	9,290	-	(515)	<b>8,775</b>
General fund	5	223	(249)	<b>(21)</b>
<b>Total funds</b>	<b>9,295</b>	<b>223</b>	<b>(764)</b>	<b>8,754</b>

**10. Ultimate parent undertaking**

The charitable company's immediate and ultimate parent undertaking is Newham College of Further Education, an unincorporated charity established to facilitate the provision of learning and qualifications in the community. The college is an exempt charity for the purposes of the Charities Act 2011. The address of the college is Newham College of Further Education, The East Ham Campus, High Street South, London, E6 6ER.

Newham College of Further Education is the parent undertaking of the smallest and largest group for which consolidated accounts are drawn up of which Newham Foundation is a member. A copy of the consolidated financial statements of Newham College of Further Education may be obtained from <http://www.newham.ac.uk/governance/financial-statements>.

**11. Related party transactions**

As disclosed in note 10 the charitable company's ultimate parent undertaking is Newham College of Further Education.

As at 31 July 2023 a balance of £45k (2022: £18k) was due to the College which relates to £45k of various running cost incurred during 2023 purchased from the College.