

**REGISTERED COMPANY NUMBER: 06922966 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1142105**

**Report of the Trustees and**  
**Financial Statements For The Year Ended 31st December 2020**  
**for**  
**New London Educational Trust**

Aston Shaw Limited  
Chartered Certified Accountants  
Statutory Auditor  
The Union Building  
51-59 Rose Lane  
Norwich  
Norfolk  
NR1 1BY

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For The Year Ended 31st December 2020**

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**Report of the Trustees  
For The Year Ended 31st December 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

**Principal Activities**

NLET's principal activities are to advance the education of the public in the United Kingdom and elsewhere in particular, but not exclusively, by the provision of educational programmes, skills training and workshops, advice and information on educational, employability and careers opportunities and by developing, encouraging and supporting learning partnerships between educational organisations, businesses and the voluntary sector.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

**Our Vision:**

NLET's vision is to be a progressive educational charity providing opportunities to individuals to grow, achieve and improve their life chances through education, training and employment-based activities.

**Our Mission Statement**

To be a key player in the education sector by developing skills, enhancing knowledge and improving standards of people from all ages, communities and backgrounds.

**Our Values**

The values that we hold and aspire to put into our work at NLET are the following:

- Care and compassionate support for all learners, especially those who could be vulnerable, marginalised or lacking confidence
- Quality service to all individuals who contact, enquire, enter or become a learner
- Listen and respond empathetically to every learner or individual
- Generosity in allowing people another chance
- Respect for all: valuing each person, their experience, opinions and choice

**Our Principles**

The principles we uphold and flow into our daily, weekly and monthly work are critical in determining the professional nature of our work:

- Integrity - express in honesty and reliability, transparency, accountability and trustworthiness
- Inclusiveness - welcoming people from all backgrounds, treating them fairly, recognising and valuing their distinctiveness as individuals
- Empowerment - creating an environment which enables people to take control of their learning, skills and life chances, by listening to them and offer choice wherever possible
- Equality - in the delivery of education and training to our learners and employed staff; recognising and valuing diversity of the communities we serve
- Collaboration - through our enthusiasm and commitment for working in partnership with others

The five areas embody and help shape the work of NLET from working with marginalised groups, underachievers through to working in collaboration with key organisations.



## **STRATEGIC REPORT**

### **Achievement and performance**

#### **Charitable activities**

During the period NLET supported the educational and employability needs of over 400 participants. Due to the Covid Pandemic there were no statutory assessments or validated data to judge overall performance. There has been significant investment however in establishing processes, procedures, and effective ways of working in order to ensure our services can be delivered in a post Covid environment. These include developing training and sharing best practice across NLET in the delivery of remote/online learning. The Covid Pandemic has seen a need to move from classroom based delivery to blended and remote learning options in order to ensure our services remain available to participants. This has resulted in a greater emphasis on the use technology and digital skills, for example where we have been developing Microsoft Teams virtual classrooms. We have also integrated plagiarism software from Ouriginal (Urkund) with the Microsoft Teams VLE platform, to enable us to conduct similarity and plagiarism checks on learner coursework.

We are very pleased that governance has been developed and strengthened with the introduction of three new Trustees, who provide regular monitoring and liaison with the Senior Management Team. The new Trustees bring valuable experience that will benefit NLET including financial and ICT expertise.

We are delighted to report that in October 2020 NLET commenced delivery of a subcontract funded through the Department for Work & Pensions (DWP) and West London Alliance (WLA). This contract sees NLET working with the sub-regional Prime Contractor, Shaw Trust. The Job Entry Targeted Support (JETS) programme supports West London residents who are unemployed and whose employability is impacted by the economic downturn caused by the Covid-19 pandemic. The programme aims to deliver innovative digital employment support and skills interventions, integrating with local services and supporting the economic recovery of West London residents and businesses. NLET is delivering the contract through our new office at the Lido Centre in West Ealing.

The ESF London Learning Project, which commenced at the end of 2019, has felt the impact of the Covid pandemic. Designed to support the in-work development of employees working in Health & Social Care, Retail and Hospitality sectors, the Covid pandemic caused a downturn in the number of registrations. We are pleased that since summer 2021 the project has since seen a small bounce-back as employers and employees in west London become more accustomed to post Covid ways of working.

The NLET Tuition Academy for children has had significant impact due to the Covid pandemic, resulting in closure of face-to-face tutoring services. We are exploring the possibility of a launch of an online academy in the future.

During 2020, there has been capping on surplus funds drawdown from the Apprenticeship Procured Non-Levy Contract due to registrations that were in excess of our contract allocation. Apprenticeships have now moved to the Digital Apprenticeship Service (DAS) and the new Levy Contract, issued in 2020, which is a robust system that allows for accurate monitoring of learner registrations and to manage employer engagement digitally.

At the end of 2020 NLET was involved in the development of an exciting new collaboration of community groups and SMEs called West London Community Partnership (WLCP). WLCP members work across the seven West London Alliance Boroughs of Barnet, Brent, Harrow, Hillingdon, Hounslow, Ealing and Hammersmith/Fulham supporting the educational and employment needs of disadvantaged people and communities. The WLCP members have come together to explore the possibilities and advantages of joint-working in order to overcome economic and social challenges. NLET chairs the WLCP Steering Committee and plays a key role in developing the partnership.

In February 2021 the Trust successfully passed year two of its Matrix accreditation approval. The matrix Standard is the Department for Education's (DfE) standard for ensuring the quality of the delivery of high-quality information, advice and guidance. Providers who are awarded the Matrix accreditation receive an annual continuous improvement check for three years.

#### **Financial review**

##### **Financial position**

The charity received £2,541,298 (2019: £2,274,614) for the financial year in 2020.

The Education and Skills Funding Agency (ESFA) has provided significant funds in 2020. The funds are restricted to contribute towards students' education. Reasonable accountancy estimates have been used to calculate the direct and indirect costs which have been incurred.

The Department for Work & Pensions (DWP) - Shaw Trust JETS project and the Greater London Authority (GLA) London Learning Project, co-funded by the European Social Fund (ESF), have commenced financial disbursements during 2020 and are expected to ensure steady cashflow until the end of 2022.

NLET continues to remain debt free and the Board is confident that the organisation is in a good position to meet current market challenges.



## STRATEGIC REPORT

### Financial review

#### Going concern

During the last year, robust new financial, human resource and operational systems and processes have been implemented in order to safeguard charity finances and business. The systems have ensured transparency, accountability and sustainability of the business.

The ESFA is currently investigating irregularity in the recruitment of past apprenticeship learners by the previous management. The current management and Trustees are working closely with the ESFA to resolve the matters.

### Future plans

#### Plans for Future Periods

NLET has undergone significant changes during 2020 and into 2021 to establish improved financial controls and effective programme management. As significant revenue is generated through contracts funded by executive government agencies, we are implementing a digital strategy to enable transparency, accountability, efficiency and sustained growth.

The Trustees are clear that there will be a focus on continuing to strengthen the systems and processes at project and organisational level and enhancing our services and provision. The main objectives for future periods are focused around continual improvement of the Trust to support the core purpose of the NLET mission statement. This falls into 6 key priority areas:

1. **Quality of Provision** - Ensure the design and development of provision meets the needs of all participants, particularly as a key aspect to the Covid 19 recovery plan.
2. **Behaviour and Attitudes** - Ensure rates of attendance of all participants, especially those most disadvantaged, are typically above 90%.
3. **Personal Development** - Provision of welfare and student service support to improve the personal development and wellbeing of NLET's participants.
4. **Leadership & Management** - Provide effective professional development for all leaders through sharing best practice and utilising capacity from where leadership is strong, particularly at middle leadership level.
5. **Growth Strategy** - Further strengthen NLET's long-term sustainability through growth over the next year and beyond.
6. **Organisational Development** - Embed systems, structures and processes to ensure highly effective provision at all levels within NLET.

Our challenges over the next five years:

- Changes in government legislation and economic policies.
- Compliance at audit inspections that reflect the quality of delivery, leadership and operations.
- Impact of Covid-19 on the education sector and long-term changes in the delivery model.
- Brexit and its impact on funding opportunities.
- Staffing with the level of skills, experience and knowledge to ensure we meet and exceed the required standards and performance.

### Strategy and Direction

NLET has been working to develop, shape and position itself to respond to funding and contracting opportunities as they arise. Our plans for the future are ambitious and wide-ranging and will lead to considerable improvements in the way we function, communicate, learn and grow.

We need to continue to innovate, to be flexible and to be ready to seize new opportunities and to work together with the common objective of providing learners with the best possible educational, employability and life experiences.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.



## **New London Educational Trust**

### **Report of the Trustees For The Year Ended 31st December 2020**

New London Educational Trust is a charitable company limited by guarantee, incorporated on 3rd June 2009 and registered as a charity on 25th May 2011. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association.

#### **Members' Liability:**

Every member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one period after he/she ceases to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before he/she ceases to be a member.

#### **Trustees' Indemnities:**

NLET has purchased insurance to cover Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on business. Details of the costs can be found in the accounts.

#### **Trustee Board:**

The directors of the company are also charity Trustees for the purposes of charity law and under the company's Articles are known as members of the company. All Trustee appointments are interviewed, assessed and approved by the Board of Trustees. Applications for Trustees are encouraged from all sections of the community that reflect the diversity and range of community and business groups NLET works with. During 2020, all the Trustees have retired and new Trustees with diverse areas of expertise have been appointed. The newly appointed Trustees received additional training on roles and responsibilities.

#### **Recruitment and appointment of new trustees**

##### **Trustee Board**

All trustee appointments are interviewed, assessed and approved by the Board of Trustees. Applications for trustees are encouraged from all sections of the community that reflect the diversity and range of community and business groups NLET work with.

#### **Organisational structure**

Although the Board of Trustees is a key player within the Governance and strategy and will therefore make key decisions regarding the direction of the charity, implementation of the strategy is delegated to the appropriate executive staff who are bound by the policies and procedures that are approved by the Board annually.

The Trustees and the Senior Management Team are responsible for Policy and Procedures, the Budget, new projects and making decisions about major capital expenditure and appointments.

The Senior Management Team are responsible for the authorisation of spending the agreed budget and the appointment of all staff, except staff appointment to the Senior Management Team. The appointment of the latter must include a Trustee.

#### **Subsidiary Companies**

Training Innovators Limited (registered office: Sceptre House, 75-81 Staines Road, Hounslow, London TW3 3HW) is a dormant company purchased by the trust on 13 July 2018. Its shares are held by New London Educational Trust ("NLET").

Although the Board of Trustees is a key player within the governance and strategy, and will therefore make key decisions regarding the direction of the charity, the implementation of the strategy is delegated to the appropriate executive staff who are bound by the policies and procedures that are approved by the Board annually.

The Trustees and the Senior Management Team (SMT) are responsible for policy and procedures, the operating budget, new projects and making decisions about major capital expenditure and appointments.

The SMT are responsible for the authorisation of spending the agreed operating budget and the appointment of all staff, except staff appointment to the Senior Management Team. The appointment of roles to the latter must include Trustee representation.



## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Risk management**

The Trustees have overall responsibility for ensuring that the charity has in place a number of systems and controls that safeguard the work and assets of the Charity. They are responsible for ensuring that:

- The charity is operating efficiently and effectively.
- Its assets are safeguarded against unauthorised use or disposition.
- Trustees and senior executive team are accountable.
- Proper records are maintained.
- Financial information is accessible, reliable and accurate.
- The charity complies with relevant laws and regulations.
- They identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Executive Team/SMT is responsible and accountable for the day-to-day compliance and implementation of the above. The process and systems used within the charity for internal controls are designed to provide regular, reasonable and timely, but not absolute assurance against misstatement or loss. They can include:

- A strategic plan.
- Financial and management reports.
- Newsletter with updates on the work of NLET and any new areas of work.
- Non-financial performance indicators.
- Quality assurance, achievement and outcomes.
- Delegation of authority and segregation of duties.
- Regular and consistent identification and management of risks.

### **Community and Business:**

NLET proactively markets itself by establishing constructive links with local and regional groups and charities. We have established partnerships with the sub-regional Chamber of Commerce for Hounslow, Ealing, Hammersmith and Fulham as well as one of the leading employer advisory services in London, West London Business (WLB). This is in addition to working with other companies and employers within the region. These collaborative partnerships and relationships are central to the work of NLET. We pride ourselves in working across all community groups in the region which supports our charity objectives.

### **Stakeholder Relationships:**

As an educational charity providing a broad range of services, NLET has many stakeholders. These include:

- Learners/Participants.
- Staff Members.
- Businesses and Employers.
- Local Authorities.
- Local Community Groups.
- Commissioners including Government offices and Enterprise Partnerships.
- Other FE and Training Providers.
- Professional Bodies.



## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Community and Business**

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These collaborative partnerships and relationships are central to the work of NLET. We pride ourselves in working across all community groups in the region which supports our charity objectives.

### **Stakeholder Relationships**

As an Educational Charity providing a broad and diverse range of services, NLET has many stakeholders. These include:

- Students/Learners
- Staff Members
- Businesses and Employers
- Parents
- Local Authorities
- Local Community
- Education and Skills Funding Agencies
- Government offices and Enterprise Partnerships
- Other FE and Training Providers

#### **Solicitors:**

Gulbenkian Andonian Solicitors  
First Floor, 6 Flitcroft Street  
West End,  
London WC2H 8DJ

## **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
06922966 (England and Wales)

**Registered Charity number**  
1142105

**Registered office**  
Sceptre House 75-81  
Staines Road  
Hounslow  
London  
TW3 3HW

#### **Trustees**

V Akula (resigned 27/10/20)  
S Panchal (resigned 27/10/20)  
Ms S Baddam Trustee (appointed 6/1/20)  
E M Afotey Trustee (appointed 27/10/20)  
V Neela Trustee (appointed 27/10/20)

#### **Company Secretary**

#### **Auditors**

Aston Shaw Limited  
Chartered Certified Accountants  
Statutory Auditor  
The Union Building  
51-59 Rose Lane  
Norwich  
Norfolk  
NR1 1BY



## **New London Educational Trust**

### **Report of the Trustees**

**For The Year Ended 31st December 2020**

#### **EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

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

The trustees (who are also the directors of New London Educational Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare 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 the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

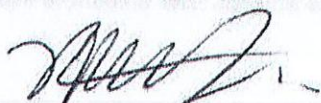
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, Aston Shaw Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 29th September 2021 and signed on the board's behalf by:



E M Afotey - Trustee



## **Report of the Independent Auditors to the Members of New London Educational Trust**

### **Opinion**

We have audited the financial statements of New London Educational Trust (the 'charitable company') for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 31st December 2020 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 disclaimer of 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 Auditors' 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 matters**

We draw attention to the strategic report on page 3. The ESFA is currently investigating irregularity in the recruitment of past apprenticeship learners by previous management. ESFA have clawed back claims in relation to these learners and there may be further clawbacks once this investigation has finished. The amount is unknown and therefore not included in the financial statements

During the financial year ending 31st December 2019, the charity incurred costs of £62,087 due to unauthorized transactions. The charity is currently in the process of legal action to recover this amount. The amount is included in other debtors in the financial statements.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.



## **Report of the Independent Auditors to the Members of New London Educational Trust**

### **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 Report of the Trustees.

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.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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.

### **Our 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 a Report of the Independent Auditors 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.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are United Kingdom Accounting Standards, UK Companies Act 2006 and tax legislation (governed by HM Revenue and Customs).

Audit procedures performed by the engagement team included:

- Understanding the nature of the industry and sector;
- Understanding the management's internal controls designed to prevent and detect irregularities;
- Reviewing relevant meeting minutes;
- Testing transactions using substantive procedures;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

There is inherent limitation in the audit procedures described above. The risk of detecting a material misstatement due to fraud is higher than the risk of not detecting one results from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.



## Report of the Independent Auditors to the Members of New London Educational Trust

### 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 auditors' 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.

Dominic Shaw FCCA (Senior Statutory Auditor)  
for and on behalf of Aston Shaw Limited  
Chartered Certified Accountants  
Statutory Auditor  
The Union Building  
51-59 Rose Lane  
Norwich  
Norfolk  
NR1 1BY

29th September 2021



New London Educational Trust

Statement of Financial Activities  
For The Year Ended 31st December 2020

	Notes	Unrestricted fund £	Restricted fund £	31/12/20 Total funds £	31/12/19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
<b>Charitable activities</b>	2				
Tuition Income		79,409	2,291,877	2,371,286	2,150,469
Other income		51,319	118,693	170,012	124,145
<b>Total</b>		<u>130,728</u>	<u>2,410,570</u>	<u>2,541,298</u>	<u>2,274,614</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	3				
Direct training costs		21,902	1,362,398	1,384,300	1,291,721
Overheads		63,514	1,054,799	1,118,313	1,059,299
<b>Total</b>		<u>85,416</u>	<u>2,417,197</u>	<u>2,502,613</u>	<u>2,351,020</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>45,312</u>	<u>(6,627)</u>	<u>38,685</u>	<u>(76,406)</u>
<b>Transfers between funds</b>	13	<u>145</u>	<u>(145)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>45,457</u>	<u>(6,772)</u>	<u>38,685</u>	<u>(76,406)</u>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>471,902</u>	<u>20,061</u>	<u>491,963</u>	<u>568,369</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>517,359</u></u>	<u><u>13,289</u></u>	<u><u>530,648</u></u>	<u><u>491,963</u></u>

The notes form part of these financial statements

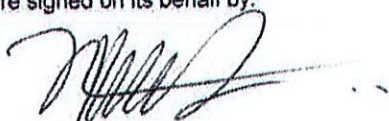


**New London Educational Trust**

**Balance Sheet  
31st December 2020**

	Notes	Unrestricted fund £	Restricted fund £	31/12/20 Total funds £	31/12/19 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	9	46,375	-	46,375	54,362
Investments	10	-	-	-	5,000
		<u>46,375</u>	<u>-</u>	<u>46,375</u>	<u>59,362</u>
<b>CURRENT ASSETS</b>					
Debtors	11	526,218	114,264	640,482	598,017
Cash at bank and in hand		138,245	-	138,245	55,200
		<u>664,463</u>	<u>114,264</u>	<u>778,727</u>	<u>653,217</u>
<b>CREDITORS</b>					
Amounts falling due within one year	12	(193,479)	(100,975)	(294,454)	(220,616)
		<u>470,984</u>	<u>13,289</u>	<u>484,273</u>	<u>432,601</u>
<b>NET CURRENT ASSETS</b>					
		<u>470,984</u>	<u>13,289</u>	<u>484,273</u>	<u>432,601</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>517,359</u>	<u>13,289</u>	<u>530,648</u>	<u>491,963</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>517,359</u>	<u>13,289</u>	<u>530,648</u>	<u>491,963</u>
<b>FUNDS</b>	13				
Unrestricted funds:					
General fund				517,359	471,902
Restricted funds:					
Specific fund				13,289	20,061
<b>TOTAL FUNDS</b>				<u>530,648</u>	<u>491,963</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29th September 2021 and were signed on its behalf by:



E M Afotey - Trustee



# **New London Educational Trust**

## **Cash Flow Statement For The Year Ended 31st December 2020**

	Notes	31/12/20 £	31/12/19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	89,642	(181,603)
Finance costs paid		<u>(3,575)</u>	<u>(1,865)</u>
Net cash provided by/(used in) operating activities		<u>86,067</u>	<u>(183,468)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(3,022)</u>	<u>(5,275)</u>
Net cash used in investing activities		<u>(3,022)</u>	<u>(5,275)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>83,045</u>	<u>(188,743)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>55,200</u>	<u>243,943</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>138,245</u></u>	<u><u>55,200</u></u>

The notes form part of these financial statements



Notes to the Cash Flow Statement  
For The Year Ended 31st December 2020

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31/12/20 £	31/12/19 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	38,685	(76,406)
Adjustments for:		
Depreciation charges	11,009	13,591
Losses on investments	5,000	-
Finance costs	3,575	1,865
Increase in debtors	(42,465)	(222,244)
Increase in creditors	73,838	101,591
Net cash provided by/(used in) operations	<u>89,642</u>	<u>(181,603)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	<u>55,200</u>	<u>83,045</u>	<u>138,245</u>
	<u>55,200</u>	<u>83,045</u>	<u>138,245</u>
Total	<u>55,200</u>	<u>83,045</u>	<u>138,245</u>



## 1. ACCOUNTING POLICIES

### Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

### Changes in accounting policies

#### Fund Allocation

The charity has changed their accounting policy regarding the fund allocation. The charity receives a monthly fund allocation to spend on the education in that particular month.

The charity considers they have met their obligations each month once the education has been provided.

Therefore where there is an excess fund from direct costs each month, a proportion of indirect costs have been allocated to reflect their obligations being met. Any further surplus is transferred to the unrestricted fund.

A provision is made for any potential fund cancellations.

#### Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Restricted income includes Income received from the Education Skills Funding Agency which is specific to the tuition and examinations of students on an apprenticeship scheme and 19+ loan provision. Income is recognised on a monthly basis when the money is owed.

#### Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### Allocation and apportionment of costs

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of funds. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The overhead cost allocation between the restricted and unrestricted funds have been in line with the agreed split of costs with the fund suppliers.

Every month the charity will receive the funds which is used to spend on supplying education. Once the charity has met its obligations for the month. Any surplus in funds will be allocated to the unrestricted fund account.

A provision is made for any potential fund cancellations.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on reducing balance
Computer equipment	- 20% on reducing balance

#### Taxation

The charity is exempt from corporation tax on its charitable activities.



**Notes to the Financial Statements - continued**  
**For The Year Ended 31st December 2020**

**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. INCOME FROM CHARITABLE ACTIVITIES**

	Activity	31/12/20	31/12/19
	Tuition Income	£	£
Tuition income		<u>2,371,286</u>	<u>2,150,469</u>

**3. CHARITABLE ACTIVITIES COSTS**

	Direct Costs
	£
Direct training costs	
	<u>1,384,300</u>

**4. SUPPORT COSTS**

	Management	Finance	Governance costs	Totals
	£	£	£	£
Other resources expended	<u>48,233</u>	<u>3,575</u>	<u>14,217</u>	<u>66,025</u>

**5. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	31/12/20	31/12/19
	£	£
Depreciation - owned assets	<u>11,009</u>	<u>13,591</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.



Notes to the Financial Statements - continued  
For The Year Ended 31st December 2020

7. STAFF COSTS

	31/12/20 £	31/12/19 £
Wages and salaries	749,179	612,670
Social security costs	55,765	54,897
Other pension costs	16,871	28,581
	<u>821,815</u>	<u>696,148</u>

The average monthly number of employees during the year was as follows:

	31/12/20 39	31/12/19 57
Employees	<u>39</u>	<u>57</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	31/12/20 1	31/12/19 1
£80,001 - £90,000	<u>1</u>	<u>1</u>

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Tuition Income	282,214	1,868,255	2,150,469
Other Income	124,145	-	124,145
<b>Total</b>	<u>406,359</u>	<u>1,868,255</u>	<u>2,274,614</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Direct training costs	-	1,291,721	1,291,721
Overheads	124,213	935,086	1,059,299
<b>Total</b>	<u>124,213</u>	<u>2,226,807</u>	<u>2,351,020</u>
<b>NET INCOME/(EXPENDITURE)</b>	<u>282,146</u>	<u>(358,552)</u>	<u>(76,406)</u>
<b>Transfers between funds</b>	<u>(368,613)</u>	<u>368,613</u>	<u>-</u>
<b>Net movement in funds</b>	<u>(86,467)</u>	<u>10,061</u>	<u>(76,406)</u>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>558,369</u>	<u>10,000</u>	<u>568,369</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>471,902</u>	<u>20,061</u>	<u>491,963</u>



Notes to the Financial Statements - continued  
For The Year Ended 31st December 2020

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1st January 2020	71,200	38,987	110,187
Additions	-	3,022	3,022
At 31st December 2020	<u>71,200</u>	<u>42,009</u>	<u>113,209</u>
<b>DEPRECIATION</b>			
At 1st January 2020	35,016	20,809	55,825
Charge for year	7,237	3,772	11,009
At 31st December 2020	<u>42,253</u>	<u>24,581</u>	<u>66,834</u>
<b>NET BOOK VALUE</b>			
At 31st December 2020	<u>28,947</u>	<u>17,428</u>	<u>46,375</u>
At 31st December 2019	<u>36,184</u>	<u>18,178</u>	<u>54,362</u>

10. FIXED ASSET INVESTMENTS

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Training Innovators**

Registered office: Sceptre House 75-81 Staines Road, Hounslow, London, United Kingdom, TW3 3HW

Nature of business: Dormant

Class of share:	% holding
Ordinary	100

The charity has chosen not to consolidate the accounts as the subsidiary is dormant and it would not materially affect the financial statements.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/20 £	31/12/19 £
Amounts owed by group undertakings	4,800	4,800
Credit card	-	3,830
Fees receivable	189,407	411,551
Other debtors	417,913	122,100
Prepayments	28,362	55,736
	<u>640,482</u>	<u>598,017</u>



Notes to the Financial Statements - continued  
For The Year Ended 31st December 2020

## 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/20 £	31/12/19 £
Trade creditors	146,597	8,524
Social security and other taxes	21,346	26,552
Pensions	3,130	-
Credit card	74	-
Accrued expenses	123,307	185,540
	<u>294,454</u>	<u>220,616</u>

## 13. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	471,902	45,312	145	517,359
<b>Restricted funds</b>				
Specific fund	20,061	(6,627)	(145)	13,289
<b>TOTAL FUNDS</b>	<u>491,963</u>	<u>38,685</u>	<u>-</u>	<u>530,648</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	130,728	(85,416)	45,312
<b>Restricted funds</b>			
Specific fund	2,410,570	(2,417,197)	(6,627)
<b>TOTAL FUNDS</b>	<u>2,541,298</u>	<u>(2,502,613)</u>	<u>38,685</u>

## Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
<b>Unrestricted funds</b>				
General fund	558,369	282,146	(368,613)	471,902
<b>Restricted funds</b>				
Specific fund	10,000	(358,552)	368,613	20,061
<b>TOTAL FUNDS</b>	<u>568,369</u>	<u>(76,406)</u>	<u>-</u>	<u>491,963</u>



Notes to the Financial Statements - continued  
For The Year Ended 31st December 2020

## 13. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	406,359	(124,213)	282,146
<b>Restricted funds</b>			
Specific fund	1,868,255	(2,226,807)	(358,552)
<b>TOTAL FUNDS</b>	<u>2,274,614</u>	<u>(2,351,020)</u>	<u>(76,406)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	558,369	327,458	(368,468)	517,359
<b>Restricted funds</b>				
Specific fund	10,000	(365,179)	368,468	13,289
<b>TOTAL FUNDS</b>	<u>568,369</u>	<u>(37,721)</u>	<u>-</u>	<u>530,648</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	537,087	(209,629)	327,458
<b>Restricted funds</b>			
Specific fund	4,278,825	(4,644,004)	(365,179)
<b>TOTAL FUNDS</b>	<u>4,815,912</u>	<u>(4,853,633)</u>	<u>(37,721)</u>

## 14. RELATED PARTY DISCLOSURES

The charity operates at Sceptre House 75-81, Stanies Road, Hounslow, London, United Kingdom, TW3 3HW. The property is owed by a family member of the Director, Sujani Baddam.

The charity incurred rental costs of £161,071 (2019: £156,000) during the year.



Notes to the Financial Statements - continued  
For The Year Ended 31st December 2020

15. POST BALANCE SHEET EVENTS

COVID-19 is not expected to have a significant impact on the entity. Management expects that COVID-19 might have some impact, though not significant, for example, in relation to expected future performance, or the effects on some future asset valuations.

16. CONTINGENT ASSETS

The charity is currently in the process of seeking compensation from their insurer in relation to the fraud and misconduct by two former employees. This amount cannot be measured and therefore not included in the financial statements.



**New London Educational Trust**

**Detailed Statement of Financial Activities  
For The Year Ended 31st December 2020**

	31/12/20 £	31/12/19 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Charitable activities</b>		
Tuition income	2,371,286	2,150,469
<b>Other income</b>		
Rental income	50,792	120,107
Other income	524	4,038
HMRC Grants	118,696	-
	<u>170,012</u>	<u>124,145</u>
<b>Total incoming resources</b>	<b>2,541,298</b>	<b>2,274,614</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Learning provider costs	1,379,300	1,291,721
Impairment losses for unlisted investments	5,000	-
	<u>1,384,300</u>	<u>1,291,721</u>
<b>Overheads</b>		
Wages	749,179	612,670
Social security	55,765	54,897
Pensions	16,871	28,581
Rent and service charges	161,071	156,000
Business rates and water	7,897	35,120
Heat and light	27,291	26,855
Repairs and renewals	9,722	30,071
Cleaning	3,600	28,700
Travel and subsistence	5,321	13,493
Accountancy	4,562	5,400
Fixtures and fittings	7,237	9,046
Computer equipment	3,772	4,545
	<u>1,052,288</u>	<u>1,005,378</u>
<b>Support costs</b>		
<b>Management</b>		
Telephone and broadband	11,274	15,132
Printing, postage & stationery	6,338	14,472
General expenses	30,621	9,434
	<u>48,233</u>	<u>39,038</u>
<b>Finance</b>		
Bank charges	3,575	1,865
<b>Governance costs</b>		
Insurance	2,779	2,125
Audit fees	11,438	10,893
	<u>14,217</u>	<u>13,018</u>
<b>Total resources expended</b>	<b>2,502,613</b>	<b>2,351,020</b>
<b>Net income/(expenditure)</b>	<b>38,685</b>	<b>(76,406)</b>

This page does not form part of the statutory financial statements