

Charity registration number 11422105

Company registration number 06922966 (England and Wales)

NEW LONDON EDUCATIONAL TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

NEW LONDON EDUCATIONAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr EM Afotey Mr V Neela Ms S Baddam
Charity number	11422105
Company number	06922966
Principal address	Sceptre House 75-81 Staines Road Hounslow London England TW3 3HW
Auditor	Aston Shaw Limited Chartered Certified Accountants Statutory Auditor The Union Building, 51-59 Rose Lane Norwich Norfolk England NR1 1BY

NEW LONDON EDUCATIONAL TRUST

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NEW LONDON EDUCATIONAL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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

Our Objectives:

1. To advance the education of the public in the United Kingdom and elsewhere in particular but not exclusively by the provision of foundation programmes and workshops, advice and information on educational opportunities available in the United Kingdom and by developing, encouraging and supporting learning partnerships between educational organisations, businesses and the voluntary sector.
2. To advance education and training, by the provision and conduct of an independent school or schools and, insofar as it is incidental or ancillary to the advancement of education of children in the United Kingdom and elsewhere, to carry out such activities, including the provision of appropriate facilities for education.
3. To further such other charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

Our Mission Statement:

To be a progressive charity where everyone has the opportunity to grow, achieve and improve their life chances through education, training and employment related support.

Our Values:

The values that we aspire to through our work include:

- Care and compassionate support for all individuals.
- Deliver quality services to all individuals who participate in services at NLET.
- Listen and respond empathetically to our learners.
- Respect for all: valuing each person, their experience, opinions and choices.

Our Principles:

The principles we uphold in our work include:

- Inclusiveness – welcoming people from all backgrounds, treating them fairly, recognising and valuing their distinctiveness as individuals.
- Empowerment – creating an environment that enables people to take control of their learning, skills and employment goals, by listening to them and offering choice wherever possible.
- Equality – in the delivery of education and training to our learners and staff; recognising and valuing the diversity of the communities we serve.

Public Benefit:

We have referred to the guidance in the Charity Commission general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that they have set. The main activity of the charitable company is the operation of the Trust's educational, training and employment related support services. The purpose is to provide rich and relevant skills/education development for participants in our communities that enables them to be successful in their next stage of learning or employment.

NEW LONDON EDUCATIONAL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

During the period NLET supported the educational and employability needs of almost 400 participants. Despite the restrictions imposed by the pandemic, over 80% of NLET's participants achieved their learning goals. There was significant investment in the period to establish processes, procedures, and effective ways of working in order to ensure our services could be delivered in a post Covid environment. These included developing training and sharing best practice across NLET in the delivery of remote/online learning. The Covid Pandemic saw a greater emphasis on digital learning formats to ensure our services remained available to participants. Microsoft Teams classrooms has been the dominate technology used together with the integration of plagiarism software from Original that has enabled similarity and plagiarism checks to be carried out on learner coursework.

The Department for Work & Pensions (DWP) and West London Alliance (WLA) JETS programme, that NLET delivers on behalf of the sub-regional Prime Contractor, Shaw Trust, has been performing well. Participants are four times more likely to enter into employment after receiving support through the programme. The JETS (Job Entry Targeted Support) programme supports West London residents that have become unemployed due to economic downturn triggered by the Covid-19 pandemic. At the time of writing, we are pleased to report that an extension to the programme, taking it into Spring 2023, has been agreed.

The ESF London Learning Project, has continued to feel the impact of the Covid pandemic. Originally 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. The majority of the project has since seen a small bounce-back as employers and employees become more accustomed to post Covid ways of working. At the time of writing, we are pleased to report that an extension to the programme, taking it up until the end of December 2023, has been agreed.

In October 2022, NLET has successfully passed its Matrix re-accreditation. 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. Once awarded the Matrix accreditation, providers receive an annual continuous improvement check each year for three years.

Financial review

During the financial year ending 31 December 2021, the charity generated a net surplus of £160,976, which is reduced to a net deficit of £280,141 due to exceptional costs of £441,117 incurred during the financial years ending 31 December 2019 and 31 December 2020. The Trustees have decided to write off all such exceptional costs as bad debts in the current financial year.

The Education and Skills Funding Agency (ESFA) has provided significant funds in 2021. 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), continued with financial disbursements during 2021 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.

Robust financial, human resource and operational systems and processes continue to be implemented in order to safeguard charity finances and business. The systems have ensured transparency, accountability and sustainability of the business.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

NEW LONDON EDUCATIONAL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Plans for future periods

NLET has undergone significant changes during 2021 and into 2022 to establish improved financial controls and effective programme management. As significant revenue is generated through contracts funded by executive government agencies, the implementation of a digital strategy has enabled transparency, accountability and efficiency throughout operational and programme delivery.

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 participants across NLET.

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 global events on the UK education sector and long-term changes in the delivery model.
- Economic and Government impact on funding opportunities.
- Staffing with the level of skills, experience and knowledge to ensure we meet and exceed the required standards and performance indicators.

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 and life experiences.

With the above in mind, we are pleased to report that at the time of writing we have secured a new contract with the Mayor of London (ESF Co-Financing Programme). This project is called the NLET Health & Social Care Academy and is designed to provide employability training to unemployed and economically inactive residents of west London who want to work in the health and social care sector. The primary delivery location for the project is NLET's main campus in Hounslow. This is in line with the Trustees direction for an increase in programme delivery within London and particularly at the Hounslow campus.

Structure, governance and management

New London Educational Trust is a charitable company limited by guarantee, incorporated on 03rd June 2009 and registered as a charity on 23rd May 2011. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

NEW LONDON EDUCATIONAL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr EM Afotey

Mr V Neela

Ms S Baddam

Qualifying third party indemnity provisions

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.

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, 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.

NEW LONDON EDUCATIONAL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

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).

NEW LONDON EDUCATIONAL TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The trustees, who are also the directors of New London Educational Trust for the purpose of company law, are responsible for preparing the Trustees' Report 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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 charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Aston Shaw Limited be reappointed as auditor of the company will be put at a General Meeting.

The Trustees' report was approved by the Board of Trustees.


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Mr EM Afotey

Trustee

Date: 31/10/22

NEW LONDON EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NEW LONDON EDUCATIONAL TRUST

Opinion

We have audited the financial statements of New London Educational Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 Financial Reporting Standard 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 December 2021 and of its incoming resources and application of resources, 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 charity 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.

Emphasis of matter

The ESFA are 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 cannot be measured and therefore not included in the financial statements.

During the financial year ending 31st December 2019, the charity incurred costs of £20,000 for a deposit on a lease of a building close to the charity's registered office address. The deposit was not refunded to the charity and has therefore been accounted for as a cost in the current financial year.

During the financial year ending 31st December 2019, the charity incurred costs of £62,087 due to unauthorised transactions from two former employee's. The charity is currently in the process of legal action to recover the amount. At the balance sheet date, the recoverable amount can not be measured therefore it is not accounted for as a debtor in the financial statements.

During the financial year ending 31st December 2019 and 31st December 2020, the charity incurred costs of £359,029 from a supplier who issued unauthorised invoices. The charity is currently in the process of legal action to recover the amount. At the balance sheet date, the recoverable amount can not be measured therefore it is not accounted for as a debtor in the financial statements.

During the financial year ending 31 December 2021, the charity generated a net surplus of £160,976, which is reduced to a net deficit of £280,141 due to exceptional costs of £441,117 incurred during the financial years ending 31 December 2019 and 31 December 2020. The Trustees have decided to write off all such exceptional costs as bad debts in the current financial year.

NEW LONDON EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NEW LONDON EDUCATIONAL TRUST

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 charity'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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 charity for the purpose 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

NEW LONDON EDUCATIONAL TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NEW LONDON EDUCATIONAL TRUST

Irregularities, including fraud, are instances of non-compliance with law 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 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.

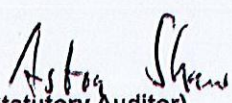
Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a number of items for testing, rather than testing complete populations. We will often seek to target particular items for 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 is available on the Financial Reporting Council's website at: <https://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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


Mr Dominic Shaw FCCA (Senior Statutory Auditor)
for and on behalf of Aston Shaw Limited

Chartered Accountants
Statutory Auditor

Date: 31st October 2022

Chartered Certified Accountants
Statutory Auditor
The Union Building, 51-59 Rose Lane
Norwich
Norfolk
England
NR1 1BY

Aston Shaw Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

NEW LONDON EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020 Restated	Restricted funds 2020 Restated	Total 2020 Restated
	Notes	£	£	£	£	£	£
Income and endowments from:							
Charitable activities	3	38,366	1,782,135	1,820,501	79,409	2,347,952	2,427,361
Other income	4	39,093	17,361	56,454	49,256	118,696	167,952
Total income		77,459	1,799,496	1,876,955	128,665	2,466,648	2,595,313
Expenditure on:							
Charitable activities	5	509,190	1,647,085	2,156,275	85,227	2,411,471	2,496,698
Other	7	43	778	821	189	3,386	3,575
Total expenditure		509,233	1,647,863	2,157,096	85,416	2,414,857	2,500,273
Net (outgoing)/incoming resources before transfers		(431,774)	151,633	(280,141)	43,249	51,791	95,040
Gross transfers between funds		200,489	(200,489)	-	2,996	(2,996)	-
Net (expenditure)/income for the year/ Net movement in funds		(231,285)	(48,856)	(280,141)	46,245	48,795	95,040
Fund balances at 1 January 2021		518,147	68,856	587,003	471,902	20,061	491,963
Fund balances at 31 December 2021		286,862	20,000	306,862	518,147	68,856	587,003

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NEW LONDON EDUCATIONAL TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 Restated £	£
Fixed assets					
Tangible assets	10		41,975		46,375
Current assets					
Debtors	12	257,206		697,346	
Cash at bank and in hand		77,915		138,245	
		335,121		835,591	
Creditors: amounts falling due within one year	13	(70,234)		(294,963)	
Net current assets			264,887		540,628
Total assets less current liabilities			306,862		587,003
Income funds					
Restricted funds	14		20,000		68,856
Unrestricted funds			286,862		518,147
			306,862		587,003

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the Trustees on 31/10/22



Mr EM Afotey
Trustee

Company registration number 06922966

NEW LONDON EDUCATIONAL TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 Restated £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(54,361)		86,067
Investing activities					
Purchase of tangible fixed assets		(5,969)		(3,022)	
Net cash used in investing activities			(5,969)		(3,022)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(60,330)		83,045
Cash and cash equivalents at beginning of year			138,245		55,200
Cash and cash equivalents at end of year			77,915		138,245

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

New London Educational Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Sceptre House, 75-81 Staines Road, Hounslow, London, TW3 3HW.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Every month the charity will receive the funds which must be 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 funds.

A provision is included in the restricted fund account for any potential fund cancellations.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% reducing balance basis
Computers	20% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity'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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

3 Charitable activities

	Tuition Income 2021 £	Tuition Income 2020 Restated £
Tuition income	1,820,501	2,427,361
Analysis by fund		
Unrestricted funds	38,366	79,409
Restricted funds	1,782,135	2,347,952
	1,820,501	2,427,361

4 Other income

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 Restated £	Restricted funds 2020 Restated £	Total 2020 Restated £
Other income	5,004	-	5,004	-	-	-
Rental income	34,089	-	34,089	49,256	-	49,256
Job Retention Scheme grants	-	17,361	17,361	-	118,696	118,696
	39,093	17,361	56,454	49,256	118,696	167,952

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

5 Charitable activities

	Direct Costs 2021 £	Direct Costs 2020 Restated £
Staff costs	784,700	821,815
Depreciation and impairment	10,369	16,009
Learning provider costs	576,230	1,379,301
Rent	184,578	161,071
Rates	19,626	5,557
Light and heat	10,727	27,291
Repairs and renewals	35,516	9,722
Cleaning	4,075	3,600
Travel costs	1,327	5,321
Accountancy fees	10,553	4,562
Exceptional items	441,117	-
	<u>2,078,818</u>	<u>2,434,249</u>
Share of support costs (see note 6)	62,148	48,231
Share of governance costs (see note 6)	15,309	14,218
	<u>2,156,275</u>	<u>2,496,698</u>
Analysis by fund		
Unrestricted funds	509,190	85,227
Restricted funds	1,647,085	2,411,471
	<u>2,156,275</u>	<u>2,496,698</u>

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 Restated £
Telephone and broadband	8,981	-	8,981	11,274	-	11,274
Printing, postage and stationery	2,010	-	2,010	6,338	-	6,338
Other general expenses	51,157	-	51,157	30,620	-	30,620
Audit fees	-	12,009	12,009	-	11,438	11,438
Insurance	-	3,300	3,300	-	2,779	2,779
	<u>62,148</u>	<u>15,309</u>	<u>77,457</u>	<u>48,232</u>	<u>14,217</u>	<u>62,449</u>
Analysed between Charitable activities	<u>62,148</u>	<u>15,309</u>	<u>77,457</u>	<u>48,231</u>	<u>14,218</u>	<u>62,449</u>

Governance costs includes payments to the auditors of £12,009 (2020 Restated- £11,437) for audit fees.

7 Other

	Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds 2020 Restated	Restricted funds 2020 Restated	Total 2020 Restated
Financing costs	43	778	821	189	3,386	3,575
	<u>43</u>	<u>778</u>	<u>821</u>	<u>189</u>	<u>3,386</u>	<u>3,575</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Restated Number
<u>34</u>	<u>39</u>

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Employees (Continued)

Employment costs	2021 £	2020 Restated £
Wages and salaries	715,024	749,179
Social security costs	57,055	55,765
Other pension costs	12,621	16,871
	<u>784,700</u>	<u>821,815</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Restated Number
£70,001 to £80,000	1	-
£80,001 to £90,000	-	1
	<u>-</u>	<u>1</u>

10 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 January 2021	71,200	42,009	113,209
Additions	-	5,969	5,969
	<u>71,200</u>	<u>47,978</u>	<u>119,178</u>
At 31 December 2021			
Depreciation and impairment			
At 1 January 2021	42,253	24,581	66,834
Depreciation charged in the year	5,789	4,580	10,369
	<u>48,042</u>	<u>29,161</u>	<u>77,203</u>
At 31 December 2021			
Carrying amount			
At 31 December 2021	<u>23,158</u>	<u>18,817</u>	<u>41,975</u>
At 31 December 2020	<u>28,947</u>	<u>17,428</u>	<u>46,375</u>

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Fixed asset investments

	Other investments
Cost or valuation	
At 1 January 2021 & 31 December 2021	5,000
Impairment	
At 1 January 2021 & 31 December 2021	(5,000)
Carrying amount	
At 1 January 2021 & 31 December 2021	-

There were no investment assets outside of the UK.

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

Training Innovators Limited

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

Nature of business: Dormant

Class of share: Ordinary

% holding: 100

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

12 Debtors

	2021 £	2020 Restated £
Amounts falling due within one year:		
Fees receivable	185,774	246,271
Amounts owed by fellow group undertakings	-	4,800
Other debtors	42,750	417,913
Prepayments and accrued income	28,682	28,362
	<u>257,206</u>	<u>697,346</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 Restated £
Other taxation and social security	19,182	24,476
Trade creditors	21,312	144,257
Other creditors	5,026	2,924
Accruals and deferred income	24,714	123,306
	<u>70,234</u>	<u>294,963</u>

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Movement in funds			Balance at 1 January 2021	Movement in funds			Transfers	Balance at 31 December 2021
		Incoming resources	Resources expended	£		Incoming resources	Resources expended	£		
Education Services	20,061	2,466,648	(2,414,857)	£	68,856	1,799,496	(1,647,863)	£	(200,489)	20,000

Every month the charity will receive the funds which must be 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 funds.

A provision is included in the restricted fund account for any potential fund cancellations.

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020 Restated	Restricted funds 2020 Restated	Total 2020 Restated
	£	£	£	£	£	£
Fund balances at 31 December 2021 are represented by:						
Tangible assets	41,975	-	41,975	46,375	-	46,375
Current assets/(liabilities)	90,138	174,749	264,887	471,772	68,856	540,628
	<u>132,113</u>	<u>174,749</u>	<u>306,862</u>	<u>518,147</u>	<u>68,856</u>	<u>587,003</u>

16 Prior year adjustment

In preparing the financial statements for the year ended 31 December 2021, it was identified that income received from the European Social Fund for July - September 2020 had not been accrued for. The impact of this was that net assets were understated by £56,077 at 31 December 2020. In restating the prior year comparatives net assets at 31 December 2020 have been increased by £56,077. The impact on the statement of financial activities for the year ended 31 December 2020 is to increase restricted income from charitable activities by £56,077.

17 Related party disclosures

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

The charity incurred rental costs of £184,578 (2020: £161,071) during the year.

18 Contingent liability

The ESFA are 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 cannot be measured and therefore not included in the financial statements.

NEW LONDON EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Contingent asset

Exceptional items

During the financial year ending 31st December 2019, the charity incurred costs of £20,000 for a deposit on a lease of a building close to the charity's registered office address. The deposit was not refunded to the charity and has therefore been accounted for as a cost in the current financial year.

During the financial year ending 31st December 2019, the charity incurred costs of £62,087 due to unauthorised transactions from two former employee's. The charity is currently in the process of legal action to recover the amount. At the balance sheet date, the recoverable amount can not be measured therefore it is not accounted for as a debtor in the financial statements.

During the financial year ending 31st December 2019 and 31st December 2020, the charity incurred costs of £359,029 from a supplier who issued unauthorised invoices. The charity is currently in the process of legal action to recover the amount. At the balance sheet date, the recoverable amount can not be measured therefore it is not accounted for as a debtor in the financial statements.

20	Cash generated from operations	2021 £	2020 Restated £
	(Deficit)/surplus for the year	(280,141)	95,040
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	10,369	16,009
	Movements in working capital:		
	Decrease/(increase) in debtors	440,140	(99,330)
	(Decrease)/increase in creditors	(224,729)	74,348
	Cash (absorbed by)/generated from operations	(54,361)	86,067
21	Analysis of changes in net funds		
	The charity had no debt during the year.		