

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

**Report of the Trustees and
Financial Statements For The Year Ended 31st December 2018
for
New London Educational Trust**

Aston Shaw Ltd
The Union Building
51-59 Rose Lane
Norwich
Norfolk
NR1 1BY

New London Educational Trust

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For The Year Ended 31st December 2018**

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New London Educational Trust

Report of the Trustees For The Year Ended 31st December 2018

The trustees present their report with the financial statements of the charity for the year ended 31st December 2018.

The Report and Financial Statements have been prepared in accordance with current statutory requirements and the requirements of the Charity's governing document. 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 2015) along with the requirements of the Charity's governing document and the requirements of the Statement of Recommended Practice for Charities – 2005 edition.

LEGAL AND ADMINISTRATIVE DETAILS

Registered company number

06922966

Registered charity number

1142105

Principal address

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

Trustees

V Akula
S Panchal

Director

Mrs GV Kolagatla

Key Management

Phil Davis (Chief Executive)
Bill Cattermole (Director of Operations & Quality)
Ian Whitehead (Director of Business Development) 01.01.2019
Lina Castillo (Finance Manager) from 2019
Shaun Harrison (Vocational Training & Apprenticeship Manager)
Aruna Ranasinghe (Learner Loan Contract Manager)
Alima Khatun (Academy Manager)
Aaron Edgeley (Welfare and Marketing Manager)
Michal Kaminski (Exams Manager)

Bankers

Barclays Bank plc
210 High Street
Hounslow
London
TW3 1DL

New London Educational Trust

Report of the Trustees For The Year Ended 31st December 2018

Auditors

Aston Shaw Ltd
The Union Building
51-59 Rose Lane
Norwich
Norfolk
NR1 1BY

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 31 July 2018. Its shares are held by New London Educational Trust ("NLET").

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

New London Educational Trust is controlled by its governing document and constitutes a limited company which is limited by guarantee as defined by the Companies Act 2006.

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.

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.

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
- Accountability of Trustees and senior executive team
- Proper records are maintained
- Financial information is accessible, reliable and accurate
- 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.

New London Educational Trust

Report of the Trustees For The Year Ended 31st December 2018

RISK MANAGEMENT (Cont'd)

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
- Monthly financial reports and News Letter updating Trustees on the work of NLET and any news 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 has started to proactively market itself within the community through establishing constructive links with local and regional groups and charities. In addition to that we have established links with Hounslow Chamber of Commerce and West London Business Alliance in addition to working with companies and employers within the locality.

These links and collaborative partnerships and relationships are central to the work of NLET. We pride ourselves in working across all community groups within London. These links support our equality and diversity policy due to working across community groups ranging from Afghanistan association, Somali network and the Bangladesh community.

Stakeholder Relationships

In line with other Education and Training charities with a broad and diverse range of business NLET has many stakeholders. These include:

- Students/Learners
- Education and Skills Training Funding Bodies
- Staff
- Local employers
- Parents
- Local Authorities
- Government offices and Local Enterprise Partnerships
- Local community and groups
- Other FE and training companies
- Professional bodies

Equality and Diversity

New London Educational Trust is committed to providing high quality education and training that reflects the best practice and excellence NLET demonstrates within the range and depth of contracts and programmes we offer.

Quality is at the core of what we do and our goal is for all students and learners to be successful through offering personalised Information, Advice and Guidance and Initial Assessment that is both personal to the learner in supporting them to achieve their goal and aspiration. We work to ensure our learners and students value the diversity of others.

OBJECTIVE AND ACTIVITIES

Our Vision:

'NLET is a progressive Charity where everyone has the opportunity to grow, achieve and improve their life chances through social & economic regeneration, education, training and community based activities'.

NLET has undergone significant changes during the last year to meet contracts, growth targets and meet quality outcomes. We work with the hardest to reach sections and communities working with them to encourage participation, involvement and grow to achieve aspirations and outcomes that exceed expectation.

Our Mission Statement:

- NLET strives to be a key player in social & economic growth, regeneration and community development
- Raising skills and attainment
- Delivering excellence
- To inspire people from all ages, communities and backgrounds to achieve their potential
- Working in partnership with employers to upskill workforce to meet local and other regions key objectives.

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 for all that contact, enquire, enter or become a learner at NLET
- 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

**Report of the Trustees
For The Year Ended 31st December 2018**

Our Principles (Cont'd)

- 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 businesses in the region and locality.

What NLET strives to do and Our Context:

- Be inclusive in all areas
- Be understanding, compassionate, inviting and accommodating
- Be transparent and accountable
- Be responsible for upskilling learners at every stage
- Be more effective in communication, both internal and external
- Be more creative, stronger and bolder in marketing
- Be more effective and use all resources available to achieve the challenges and goals within NLET
- Be the best and demonstrate high quality in all aspects of operation, administration and quality
- Be effective team players through operation an open space office to enable sharing of good practice
- Be professional at all times.

PLANS FOR FUTURE PERIODS

There will be a number of key areas that will be challenges for NLET to either overcome, resource effectively, or build to ensure the organisation is ready and prepared to meet the five year plan.

Our challenges over the next five years:

- Government legislation
- Audit, compliance and delivering excellence at inspection that reflect the quality of delivery, leadership and operation
- Uncertainty over Brexit and the impact this may have on funding, learner numbers and skills training within the region and beyond
- Staffing with the level of skills, experience and knowledge to ensure NLET meets and exceeds all standards and performance indicators
- To ensure we meet all standards in relation to safeguarding, child protection and meeting the needs of vulnerable adults
- The environment, resources and equipment are of a standard to meet learner, administrative and staff team
- To ensure we are fully compliant in relation to data protection

Strategy and direction for achieving aims and objectives

NLET has been working over a period of time in developing, shaping and positioning itself and its strategies going forward. It is the right time both financially and operationally for NLET to start to work a lot closer with key stakeholders, charities and other organisations within West London and beyond.

Charity's strategies and direction for achieving its aims and objectives (Cont'd)

The intention and plan for NLET over the coming years is to work with greater energy, drive and determination. To achieve this the strategic aims will be linked to how the objectives will be achieved, in addition to success will look and feel like.

The plan has the following strategic themes:

- To be a centre of excellence in education and training
- To work and collaborate with community groups to strengthen integration, regeneration and opportunities for all
- To assist in driving the economic growth in our region and other key regions through the delivery of education and skills aligned to local economic priorities and employment needs
- To be innovative in working with individuals and groups that require additional opportunities and chances through offering teaching, learning, skills and a curriculum that is delivered to a high quality and standard
- To recruit, retain, develop and reward the best staff who will take NLET forward
- To be future proofed, responsible and accountable Charity, financially viable with reserves that can be used to invest in growth that builds greater sustainability
- NLET to be a centre that people, industry and community groups feel able to refer individuals and groups to through demonstrating and achieving excellence in advice and guidance.

Meeting the challenges and targets in the plan will require passion, creativity, commitment, tenacity and focus. We are willing and look forward to working with partners that share our vision, mission and plan. We can only grow our services, contracts and areas through establishing constructive, creative and effective partnerships with key organisations, businesses and charities.

Achievement and Performance

The year has been successful for NLET in developing a number of key contracts, establishment of new centres within London in addition to building financial reserves, establishing financial controls, administration, stability and sustainability.

NLET has managed to grow both prime contracts, Adult Learner Loan and Apprenticeship. This has resulted in NLET focussing marketing campaigns on and within the West London region for both funding streams. The success and achievement rate has remained stable for both contracts.

NLET was successful in winning a European Social Fund contract between London Councils and Hounslow Council. The ESF Fund is for people 24+ that have been economically inactive or unemployed for at least 1 year. The project is to help them re-enter employment and gain employment within the ICT/Digital media industry. Through this project NLET has established working links and partners with both Hounslow Chamber of Commerce and West London Business Alliance.

We had been successful in securing two subcontracts for AEB which resulted in NLET offering functional skills English and Maths. These contracts ensured that we were able to work with our community groups and offer the functional skills programmes across large parts of London.

The Academy has grown in size with successful summer camp and tuitions. We have opened the centre on Sundays and increased the tuitions from six to seven days per week.

New London Educational Trust

Report of the Trustees For The Year Ended 31st December 2018

FINANCIAL REVIEW

The charity received £2,047,662 (2017: £840,839) for the financial year in 2018. The Education and Skills Funding Agency ("ESFA") has provided significant grants for 2018 which has led to the substantial growth.

The funds are restricted to contribute towards the student's education. Reasonable accountancy estimates have been used to calculate the direct and indirect costs which have been incurred.

STATEMENT OF TRUSTEES RESPONSIBILITIES


The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity 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 charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on09/10/2019..... and signed on its behalf by:


.....
Trustee (VENKATESH AKULA)

Report of the Independent Auditors to the Trustees of New London Educational Trust

Opinion

We have audited the financial statements of New London Educational Trust (the 'parent charity') and its subsidiary (the "group") for the year ended 31st December 2018 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheet, the Group and Parent Charity 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, 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 group's and parent charity's affairs as at 31st December 2018 and of the group's 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 Charities Act 2011.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Report of the Independent Auditors to the Trustees of New London Educational Trust

Other matters

The comparative figures disclosed in the financial statements are unaudited.

Matters on which we are required to report by exception

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

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; 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 are responsible for the preparation of the financial statements which 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 group's and parent 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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

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. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of New London Educational Trust

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 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 charity and the charity's trustees 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 Ltd

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

The Union Building

51-59 Rose Lane

Norwich

NR1 1BY

Date: 30th October 2019

New London Educational Trust

**Consolidated Statement of Financial Activities
For The Year Ended 31st December 2018**

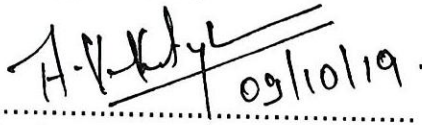
				31.12.18	31.12.17
	Notes	Unrestricted fund £	Restricted funds £	Total funds £	Total funds (as restated) £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	970,699	1,076,963	2,047,662	840,839
Charitable Activities					
Core Activity	3	<u>105,460</u>	<u>-</u>	<u>105,460</u>	<u>40,454</u>
Total		1,076,159	1,076,963	2,153,122	881,293
EXPENDITURE ON					
Charitable activities					
Core Activity	4	<u>932,662</u>	<u>801,941</u>	<u>1,734,603</u>	<u>841,820</u>
NET INCOME		143,497	275,022	418,519	39,473
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>105,340</u>	<u>103,591</u>	<u>208,931</u>	<u>169,458</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>248,837</u></u>	<u><u>378,613</u></u>	<u><u>627,450</u></u>	<u><u>208,931</u></u>

New London Educational Trust

Consolidated and Charity Balance Sheet At 31st December 2018

	Notes	31/12/18 Group £	31/12/17 Group (as restated) £	31/12/18 Charity £	31/12/17 Charity (as restated) £
FIXED ASSETS					
Intangible assets	10	20,851	-	-	-
Tangible assets	11	62,678	66,266	62,678	66,266
Investment in Subsidiary		-	-	5,000	-
		<u>83,529</u>	<u>66,266</u>	<u>67,678</u>	<u>66,266</u>
CURRENT ASSETS					
Debtors	12	370,973	153,050	375,773	153,050
Cash at bank and in hand		<u>244,274</u>	<u>10,812</u>	<u>243,943</u>	<u>10,812</u>
		615,247	163,862	619,716	163,862
CREDITORS					
Amounts falling due within one year	13	(71,326)	(21,197)	(56,532)	(21,197)
NET CURRENT ASSETS		<u>153,921</u>	<u>142,665</u>	<u>563,184</u>	<u>142,665</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>627,450</u>	<u>208,931</u>	<u>630,862</u>	<u>208,931</u>
NET ASSETS		<u>627,450</u>	<u>208,931</u>	<u>630,862</u>	<u>208,931</u>
FUNDS					
14		248,837	105,340	252,249	105,340
Unrestricted funds		378,613	103,591	378,613	103,591
Restricted funds		-	-	-	-
TOTAL FUNDS		<u>627,450</u>	<u>208,931</u>	<u>630,862</u>	<u>208,931</u>

The financial statements were approved by the Board of Trustees on 09/10/19 and were signed on its behalf by


09/10/19
Trustee (KENKATESH AKULA)

New London Educational Trust

**Consolidated and Charity Cash Flow Statement
For The Year Ended 31st December 2018**

	Notes	31.12.18 Group £	31.12.17 Group (as restated) £	31.12.18 Charity £	31.12.17 Charity (as restated) £
Cash Flows from operating Activities:					
Cash generated from operations	1	268,416	(82,846)	248,871	(82,846)
Net cash provided by (used in) operating activities		268,416	(82,846)	248,871	(82,846)
Cash flows from investing activities:					
Purchase of fixed assets and investments		(34,954)	(75,370)	(15,740)	(75,370)
Net cash provided by (used in) investing activities		<u>233,462</u>	<u>(158,216)</u>	<u>233,131</u>	<u>(158,216)</u>
Change in cash and cash equivalents in the reporting period		233,462	(158,216)	233,131	(158,216)
Cash and cash equivalents at the beginning of the reporting period		<u>10,812</u>	<u>169,028</u>	<u>10,812</u>	<u>169,028</u>
Cash and cash equivalents at the end of the reporting period		<u><u>244,274</u></u>	<u><u>10,812</u></u>	<u><u>243,943</u></u>	<u><u>10,812</u></u>

Notes to the Consolidated and Charity Cash Flow Statement
For The Year Ended 31st December 2018

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

	Period ended 31.12.18 Group	31.12.17 Group (as restated)	Year Ended 31.12.18 Charity	31.12.17 Charity (as restated)
	£	£	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	418,511	39,473	421,931	39,473
Adjustments for:				
Depreciation charges	61,451	15,816	14,328	15,816
Loan written off		-	(13,500)	-
Increase in debtors	(22,827)	(37,000)	(222,723)	(37,000)
(Decrease)/increase in creditors	<u>14,251</u>	<u>(101,135)</u>	<u>48,835</u>	<u>(101,135)</u>
Net cash provided by (used in) operating activities	<u>107,255</u>	<u>(82,846)</u>	<u>248,871</u>	<u>(82,846)</u>

**Notes to the Financial Statements
For The Year Ended 31st December 2018**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 2015)', 'Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

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.

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.

Governance costs

Governance costs are those incurred in connection with the administration of the charity and compliance with its constitutional and statutory requirements.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Fixtures and furniture	25% on reducing balance
Computers and equipment	25% on reducing balance

Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

Amortisation is provided at the following rate in order to write off the asset over its useful life.

Goodwill	Straight line over 3 years
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Taxation

The charity is exempt from tax on its charitable activities.

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 charity's pension scheme operates a defined contribution scheme.

Cash at bank

Cash at bank includes cash and short-term highly liquid deposit accounts.

Debtors receivable and creditors payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

New London Educational Trust

Notes to the Financial Statements - continued For The Year Ended 31st December 2018

2. INCOME FROM CHARITABLE ACTIVITIES

		31.12.18 £	31.12.17 £
Educational grants	Activity Core Activity	<u>2,047,662</u>	<u>840,839</u>

3. OTHER INCOME

		31.12.18 £	31.12.17 £
Rental Income	Activity Core Activity	91,895	40,373
Bank Interest	Core Activity	65	81
Other Income Received	Core Activity	13,500	--
		<u>105,460</u>	<u>40,454</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 5)	Totals
	£	£	£
Core Activity	<u>1,710,558</u>	<u>24,045</u>	<u>1,734,603</u>

5. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Core Activity	<u>317</u>	<u>23,728</u>	<u>24,045</u>

6. AUDITORS' REMUNERATION

	31.12.18 £	31.12.17 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>11,280</u>	<u>--</u>

Notes to the Financial Statements - continued
For The Year Ended 31st December 2018

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2018 nor for the period ended 31st December 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2018 nor for the period ended 31st December 2017.

8. STAFF COSTS

	31.12.18	31.12.17
	£	£
Wages and salaries	412,528	189,458
Social security costs	27,962	61,346
Other pension costs	<u>4,030</u>	<u>2,601</u>
	<u>444,520</u>	<u>253,405</u>

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

	31.12.18	31.12.17
Teaching and Administration	<u>28</u>	<u>15</u>

There was one employee whose total employee benefits (including employer pension costs) falls within the band of £70,000 to £80,000.

New London Educational Trust

Notes to the Financial Statements - continued For The Year Ended 31st December 2018

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES (as restated)

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM Charitable activities			
Core Activity	221,868	618,971	840,839
Other income	<u>40,454</u>	<u>-</u>	<u>40,454</u>
Total	262,322	618,971	881,293
EXPENDITURE ON Charitable activities			
Core Activity	<u>210,408</u>	<u>631,412</u>	<u>841,820</u>
NET INCOME / (EXPENDITURE)	51,914	(12,441)	39,473
Total funds brought forward	<u>53,426</u>	<u>116,032</u>	<u>169,458</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>105,340</u></u>	<u><u>103,591</u></u>	<u><u>208,931</u></u>

10. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1st January 2018	-
Additions	<u>24,214</u>
At 31st December 2018	<u>24,214</u>
AMORTISATION	
At 1st January 2018	-
Charge for year	<u>3,363</u>
At 31st December 2018	3,363
NET BOOK VALUE	
At 31st December 2018	<u>20,851</u>
At 31st December 2017	<u>-</u>

New London Educational Trust

Notes to the Financial Statements - continued For The Year Ended 31st December 2018

11. TANGIBLE FIXED ASSETS

	Fixtures & Furniture £	Computer equipment £	Totals £
COST			
At 1st January 2018	71,200	22,972	94,172
Additions	-	10,740	10,740
At 31st December 2018	<u>71,200</u>	<u>33,712</u>	<u>104,912</u>
DEPRECIATION			
At 1st January 2018	14,662	13,244	27,906
Charge for year	<u>11,308</u>	<u>3,020</u>	<u>14,328</u>
At 31st December 2018	<u>25,970</u>	<u>16,264</u>	<u>42,234</u>
NET BOOK VALUE			
At 31st December 2018	<u>45,230</u>	<u>17,448</u>	<u>62,678</u>
At 31st December 2017	<u>56,538</u>	<u>9,728</u>	<u>66,266</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.18 Group £	31.12.17 Group £	31.12.18 Charity £	31.12.17 Charity £
Trade debtors	360,173	153,050	360,173	153,050
Other debtors	10,800	-	10,800	-
Transactions with group company	-	-	4,800	-
	<u>370,973</u>	<u>153,050</u>	<u>375,773</u>	<u>153,050</u>

Notes to the Financial Statements - continued
For The Year Ended 31st December 2018

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/18 Group £	31/12/17 Group £	31/12/18 Charity £	31/12/17 Charity £
Trade creditors	48,349	-	33,554	-
Taxation and social security	11,698	3,798	11,698	3,798
Loans	-	-	-	13,500
Accruals	<u>11,280</u>	<u>3,899</u>	<u>11,280</u>	<u>3,899</u>
	<u>71,327</u>	<u>7,697</u>	<u>56,532</u>	<u>21,197</u>

14. MOVEMENT IN FUNDS

	At 1.1.18 £	Net movement in funds £	At 31.12.18 £
Unrestricted funds			
General fund	105,340	143,497	248,837
Restricted funds			
ESFA Contract	103,591	275,022	378,613
TOTAL FUNDS	<u>208,931</u>	<u>418,519</u>	<u>627,450</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,076,159	(932,662)	143,497
Restricted funds			
ESFA Contract	1,076,963	(801,941)	275,022
TOTAL FUNDS	<u>2,153,122</u>	<u>(1,734,603)</u>	<u>418,519</u>

Notes to the Financial Statements - continued
For The Year Ended 31st December 2018

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds (as restated)

	At 1 1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted Funds			
General fund	51,426	51,914	105,340
Restricted Funds			
ESFA Contract	116,032	(12,441)	103,591
TOTAL FUNDS	<u>167,458</u>	<u>39,473</u>	<u>208,931</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	262,322	(210,408)	51,914
Restricted funds			
ESFA Contract	618,971	(631,412)	(12,441)
TOTAL FUNDS	<u>881,293</u>	<u>(841,820)</u>	<u>39,473</u>

The Unrestricted funds represent the free funds of the Charity which have not been designated for a particular purpose.

Restricted funds comprise of the following: -

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.

**Notes to the Financial Statements - continued
For The Year Ended 31st December 2018**

15. ACCOUNTING ESTIMATES

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The 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, 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 estimates and assumptions which have a significant risk of causing a material adjustment to a carrying amount of asset and liabilities are outlined below: -

FUND ALLOCATION

The overhead cost allocation between the two types of fund (restricted and no-restricted) has been done in line with the agreed split of costs agreed with the ESFA (the fund supplier) at the commencement of the contract.

16. PRIOR YEAR ADJUSTMENT

The prior year has been adjusted to recognise the split of the retained funds between the restricted and unrestricted funds held at the end of the year.

New London Educational Trust

Detailed Statement of Financial Activities For The Year Ended 31st December 2018

	31.12.18	31.12.17 (as restated)
	£	£
INCOME AND Donations and legacies		
Charitable activities		
Educational grants	2,047,662	840,839
Other income		
Rental Income	91,895	40,373
Bank Interest	65	81
Write Off of Loans	13,500	-
Total incoming resources	2,153,122	881,293
EXPENDITURE		
Raising educational grants		
Fund raising expenses	984,196	423,551
Charitable activities		
Staff salaries and expenses	412,528	189,458
Social security	27,962	61,346
Pensions	4,030	2,601
Rent and service charges	162,000	114,250
Rates and water	16,642	15,867
Insurance	1,103	598
Light and heat	27,448	-
Telephone	8,003	4,945
Postage and stationery	6,322	5,262
Sundries	4,555	6,097
Premises: cleaning and maintenance	16,121	1,705
Security costs	13,297	-
Travel and subsistence	8,660	-
Depreciation of fixtures and fittings	11,308	14,134
Depreciation of equipment	3,020	1,682
Amortisation of goodwill	3,363	-
	1,710,558	841,496

New London Educational Trust

Detailed Statement of Financial Activities For The Year Ended 31st December 2018

	31.12.18	31.12.17 (as restated)
	£	£
Support costs		
Finance		
Bank charges	317	324
	<hr/>	<hr/>
Governance costs		
Auditors' remuneration	11,280	-
Accountancy fees	12,448	-
	<hr/>	<hr/>
	23,728	-
	<hr/>	<hr/>
Total resources expended	1,734,603	841,820
	<hr/>	<hr/>
Net income	<u>418,519</u>	<u>39,473</u>