

**NEWHAM TRAINING & EDUCATION CENTRE LTD.**  
(a company limited by guarantee)

**FINANCIAL STATEMENTS AND DIRECTORS' REPORT**  
for the  
**YEAR ENDED 31ST DECEMBER 2003**

Co. No: 2444362  
Charity No: 802868



**NEWHAM TRAINING & EDUCATION CENTRE LTD.**

**FINANCIAL STATEMENTS AND DIRECTORS' REPORT  
for the year ended 31st December 2003**

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**NEWHAM TRAINING & EDUCATION CENTRE LTD.**

**FINANCIAL STATEMENTS AND DIRECTORS' REPORT  
for the year ended 31st December 2003**

**Information**

**Status**

NEWTEC is a company limited by guarantee without share capital incorporated on 20th November 1989 and registered as a charity on 20th February 1990.

**Company number**

2444362

**Registered office**

22 Deanery Road  
Stratford  
London E15 4LP

**Bankers**

HSBC Bank plc  
15/16 The Mall  
Stratford  
London E15 1XL

**Solicitors**

Cartwright Cunningham Haselgrove & Co  
13 The Broadway  
Woodford Green  
Essex IG8 0HL

**Auditors**

Appleby & Wood  
3 The Office Village  
4 Romford Road  
Stratford  
London E15 4EA

# **NEWHAM TRAINING & EDUCATION CENTRE LTD.**

## **DIRECTORS' REPORT for the year ended 31st December 2003**

The directors present their annual report and the audited financial statements of Newham Training and Education Centre Ltd. (NEWTEC) for the year ended 31st December 2003.

### **PRINCIPAL ACTIVITY**

NEWTEC is a company limited by guarantee having charitable status. Its principal aim is to provide learning opportunities for women, men and the community, to enable them to gain access to employment to improve their career development or to participate in further or higher education. NEWTEC provides integrated support for clients by providing quality childcare on and off site in its nursery and with local registered childminders.

### **ORGANISATION**

NEWTEC has a Board of unpaid, volunteer directors who meet 5 times a year to oversee NEWTEC's strategic direction, to ensure legislative compliance and to maintain financial probity.

NEWTEC employed 78 full and part time employees during 2003. In 2003, the Executive Team comprising the Chief Executive and 2 Assistant Chief Executives (Service Delivery & Operations) was strengthened with the addition of a 3rd Assistant Chief Executive with responsibility for Finance and Information. The Executive Team work to the Board to implement NEWTEC's strategic plan. In addition to the Executive Team there is a Senior Management Team, who have delegated day to day responsibility for NEWTEC's operations. The SMT comprises the Executive Team plus service heads: Head of Finance, Head of Information Services and Head of Business Development. The Senior Management Team produces an annual operational plan and works with operational managers to ensure service delivery by front line staff meets NEWTEC's charitable objectives.

### **OBJECTIVES**

In 2003 NEWTEC reviewed and produced a new 3-year strategic plan. The plan will enable NEWTEC to work towards its mission of "changing lives through learning" and was structured under 5 strategic aims:

- To provide rewarding, inclusive and supportive learning for women, minority ethnic communities and other socially excluded groups
- To maximise the employment potential of individuals and endeavour to meet the skills and recruitment needs of employers
- To promote affordable, high quality childcare provision
- To encourage diversity and create a positive working environment
- To achieve business excellence within an ethical framework

## **NEWHAM TRAINING & EDUCATION CENTRE LTD.**

### **DIRECTORS' REPORT for the year ended 31st December 2003**

#### **SERVICE PROVISION**

##### **Learning and Training for Employment**

NEWTEC's curriculum offer was reviewed in 2003 to accommodate the growth in demand for early years and to reflect the decline in demand for ICT. NEWTEC is keen to ensure that learning is relevant to employment and courses were also reviewed to ensure that they meet the needs of both employers and employees and those seeking work. Quality of learning is assured through an annual self-assessment report against the standards of the Common Inspection Framework. Provision is subject to inspection by the Adult Learning Inspectorate and NEWTEC was notified in December 2003 of an inspection in March 2004. Learning opportunities are divided into 3 broad curricula, most leading to external qualifications:

- a) ICT - this includes applications programmes such as Basic Computing and Modern Office Applications (leading to the CLAIT qualification) and Business Technology (leading to the ECDL qualification) plus technical programmes CISCO networking (Semesters 1-4) and A+.
- b) Early Years & Childcare - in 2003 NEWTEC expanded this curriculum area to include childminding to level 3, a preparatory course for teachers assistants (CLANSA), the Foundation Award in Caring for Children (level 1), the Certificate in Childcare and Education (level 2) and NVQs at levels 2 and 3.
- c) Basic Skills & Employability - this broad curriculum area includes English, maths, job search, vocational guidance and work preparation. An innovative employability module initially developed for the Private Industry Partnership Programme (PIPP), concentrates on "soft skills" such as team working, problem solving, motivation and communication - skills often cited by employers as essential to effective workplace performance.

##### **Early Years**

NEWTEC continued to provide childcare support for learners and local parents through the 37 place on-site nursery and a network of local childminders. The nursery is of a very high standard and works to standards set by the Office for Standards in Education.

##### **Outreach**

During 2003 NEWTEC developed an outreach project to deliver childminder and childcare training from community venues across Newham. This work was a direct response to requests from individuals that they would like locally accessible learning. From the 1-year pilot we have discovered which courses lend themselves to outreach delivery and have started to work with new groups of learners, notably refugees and asylum seekers. In 2004 we intend to expand this work to neighbouring boroughs.

#### **NEW DEVELOPMENTS**

##### **East London Childcare Institute**

Building work for the East London Childcare Institute was completed in September 2003 when NEWTEC took possession of the building. Classes are due to start in January 2004. The new centre, will have a 57-place full day-care nursery catering for children aged 3-months to 5 years plus after school provision and a mobile creche service. ELCI will provide training for unemployed people who wish to work in the early years sector and professional development for existing employees. In addition it will support individuals and companies to set up childcare facilities such as childminders to develop a business strategy, community nurseries, work-place childcare etc.

# **NEWHAM TRAINING & EDUCATION CENTRE LTD.**

## **DIRECTORS' REPORT (cont) for the year ended 31st December 2003**

### **Financial review of the year**

In the Year ending 31 December 2003, NEWTEC made a surplus of £1,997,675. The main reason for this was the funding activity required to fund the ICT Training and Childcare facility at Mark Street, Stratford, notably the European Regional Development Fund, The New Opportunity Fund and the Learning and Skills Council

### **Reserves policy**

NEWTEC holds restricted funds in the form of fixed assets in respect of capital grants received. Included in unrestricted funds is £99,383 held as designated funds for the contractual obligations NEWTEC may have to meet in the future. The balance of unrestricted funds are held by NEWTEC to meet its future operating expenses due to the way NEWTEC receives funding from its funder's, much of which is paid up to 18 months in arrears.

One of NEWTEC's strategic aims is to increase its unrestricted reserves to £500,000 by 2010.

### **Financial commitments**

The financial commitments of the company at 31st December 2003 are as shown in notes 11 to 14 of the financial statements, and as described below:

#### **Lease of building:**

The lease of 22 Deanery Road runs from 1st June 1997 for fifty years. The profile of rent payable over the life of the lease is as follows:

	£
- first year	8,000
- second year	10,000
- third to seventh years inclusive	12,000
- eighth year onwards	15,000

**NEWHAM TRAINING & EDUCATION CENTRE LTD.**

**DIRECTORS' REPORT (cont)  
for the year ended 31st December 2003**

**Risk Assessment**

The major risks to which NEWTEC is exposed, as identified by the Board of directors, have been reviewed and systems have been established to mitigate those risks appropriate to the level of materiality and risk.

**Directors and their interests**

The directors of the company during the year were:

Carole Snee  
Hilary Banks  
Geraldine Clark C.Dir  
Angela Ishmael  
Naomi Kingsley  
Ceryse Fear

The directors are elected annually at the annual general meeting by virtue of a simple majority. They are nominated by the company's association members.

No director is employed by or has any interest in any contract with the company. All directors are members of the company. At 31st December 2003, the number of members' guarantees totalled 6 (2002-7).

**Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company's affairs and of the profit or loss for that year. In preparing these financial statements the directors are required to:

Select suitable accounting policies and then apply them consistently;

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 company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the directors:



**HILARY BANKS**

CHAIR

28th April 2004

# NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

## AUDITORS' REPORT

### **Independent Auditor's Report to the Members of Newham Training and Education Centre Limited**

We have audited the financial statements of Newham Training and Education Centre Limited for the year ended 31 December 2003 which are set out on pages 7 to 16. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985 and for no other purpose. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for that purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any one other than the company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective Responsibilities of Directors and Auditors**

As described on page 5, the directors are responsible for preparing the financial statements in accordance with applicable law and UK Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and UK Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of Audit Opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31st December 2003 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

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3 The Office Village  
4 Romford Road  
Stratford  
London E15 4EA

  
APPLEBY & WOOD  
Registered Auditors



**NEWHAM TRAINING AND EDUCATION CENTRE LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES**  
for the year ended 31 December 2003

	Note	Restricted funds £	Unrestricted funds £	Total 2003 £	Total 2002 £
<b>Incoming resources</b>					
Grants	2	3,242,828	507,709	3,750,537	4,651,896
Other income	18	120,000	260,347	380,347	267,901
Bank interest		-	21,706	21,706	42,359
<b>Total incoming resources</b>		<b>3,362,828</b>	<b>789,762</b>	<b>4,152,590</b>	<b>4,962,156</b>
<b>Resources expended</b>					
Direct charitable expenditure:					
Course running costs		759,864	325,656	1,085,520	952,173
Support costs		480,431	357,702	838,133	761,184
Other expenditure:					
Fundraising and publicity		138,965	59,557	198,522	184,563
Management and administration		22,918	9,822	32,740	26,312
<b>Total resources expended</b>	3	<b>1,402,178</b>	<b>752,737</b>	<b>2,154,915</b>	<b>1,924,233</b>
<b>Surplus/deficit for the year</b>		<b>1,960,650</b>	<b>37,025</b>	<b>1,997,675</b>	<b>3,037,923</b>
Funds as at 1 January 2003		4,524,576	76,167	4,600,743	1,562,820
Funds as at 31 December 2003		<b>6,485,226</b>	<b>113,192</b>	<b>6,598,418</b>	<b>4,600,743</b>

All of the company's operations are classed as continuing. The company had no recognised gains or losses for the year other than those shown above. The movement on reserves is shown above and in notes 11 and 12.

The notes on pages 9 to 16 form part of these financial statements.

NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

BALANCE SHEET  
as at 31 December 2003

	Note	2003 £	2002 £
Tangible fixed assets	7	6,948,622	4,649,832
Investments	8	<u>3</u>	<u>3</u>
		6,948,625	4,649,835
<b>Current assets</b>			
Debtors	9	344,769	472,670
Cash at bank and in hand		<u>13,000</u>	<u>735,871</u>
		357,769	1,208,541
<b>Creditors - amounts falling due within one year</b>	10	<u>707,976</u>	<u>1,257,633</u>
<b>Net current (liabilities)</b>		<u>( 350,207 )</u>	<u>( 49,092 )</u>
<b>Net total assets</b>		<u>6,598,418</u>	<u>4,600,743</u>
<b>Reserves</b>			
Restricted funds	12	6,485,226	4,524,576
Unrestricted funds	11	<u>113,192</u>	<u>76,167</u>
		6,598,418	4,600,743

The notes on pages 9 to 16 form part of these financial statements.

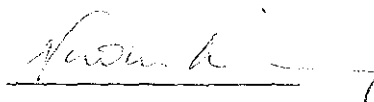
Approved by the directors and signed on their behalf by:



HILARY BANKS

CHAIR

28th April 2004



NAOMI KINGSLEY

TREASURER

28th April 2004

## NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2003

#### 1. Accounting policies

##### Accounting convention

The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations of the Statements of Recommended Practice -- Accounting by Charities.

##### Grants receivable

Revenue grants are credited to income in the year to which they relate.

Grants received or applied for the purchase of fixed assets are credited to income in full in the year in which they are received.

##### Expenditure

Salaries are apportioned between course costs, support costs, fund-raising and publicity and management and administration on the basis of time is spent on each of these activities.

Overheads are allocated to course costs if they are direct charitable expenditure, otherwise they are allocated to support costs.

##### Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meet these criteria is identified to the fund, together with a fair allocation of support, fundraising and publicity and management and administration costs.

Unrestricted funds are donations and other income received or generated for charitable purposes.

Designated funds are unrestricted funds earmarked for particular purposes by the management committee.

##### Fixed Assets

Expenditure on items costing £500 and over is capitalised in the year of acquisition. Items costing less than this are to be written off to the income and expenditure account.

Depreciation is provided on tangible fixed assets at the following rates:

- a) Equipment -- 15% per annum
- b) Fixtures and fittings -- 15% per annum
- c) Computer equipment -- 25% per annum
- d) Building works and play area -- 2% per annum
- e) Computer software -- 50% per annum

##### Pension scheme

Contributions are charged to the income and expenditure account as they become payable in accordance with the rules of the scheme.

# NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2003

### 1. Accounting policies (continued)

#### Leases of equipment

All leases of equipment are considered to be operating leases and rentals are charged against revenue incurred. No assets are held under hire purchase agreements.

### 2. Grants

	2003 £	2002 £
SRB- Capital	278,286	2,449,467
European Social Funding	297,625	665,035
ERDF - Capital	675,691	450,683
Learning and Skills Council - Capital	589,476	40,500
Learning and Skills Council - Revenue	534,138	315,785
New Deal Young Persons	167,633	88,437
New Deal Lone Parents	3,978	30,038
London Borough Grants	6,000	72,000
SRB - Revenue	256,961	161,187
Skills Work	-	59,916
London Borough of Newham	27,659	28,189
Sir John Cass	28,000	27,057
New Deal for Communities	30,846	-
Morgan Stanley	20,000	20,000
New Opportunity Fund -UK Online - Capital	-	180,375
New Opportunity Fund -UK Online - Revenue	25,000	43,969
New Opportunity Fund	536,250	-
London Development Agency	98,593	-
Access to Excellence	43,964	-
Neighbourhood Renewal	23,528	-
Bridge House	100,000	-
Other	6,909	19,259
	<u>3,750,537</u>	<u>4,651,896</u>

All grants were given as a subsidy towards the capital expenditure, salaries and running costs of the charity, and have been fully used for this purpose in the accounting period.

The grants received from the London East Learning & Skills Council comprises of funding to the support the capital build of East London Childcare Institute and the establishment of new childcare places at Mark Street and Deanery Road.

Grants from the European Social Fund are shown gross of administration fees.

**NEWHAM TRAINING AND EDUCATION CENTRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2003

**3. Resources expended**

**a) Analysis of resources expended**

	Course Costs £	Support Costs £	Fund. & Publicity £	Mgmt. & Admin. £	Total 2003 £	Total 2002 £
Salaries and wages	806,552	479,172	161,877	13,869	1,461,470	1,271,535
Temporary staff	34,578	20,542	6,940	595	62,655	63,609
Staff healthcare	7,049	4,189	1,416	121	12,775	6,530
Other staff costs	3,809	2,263	765	66	6,903	5,989
Course materials	21,866	-	-	-	21,866	26,196
Advertising	-	-	24,054	-	24,054	30,985
Trainee travel	7,883	-	-	-	7,883	13,920
Examination and college fees	15,657	-	-	-	15,657	8,479
Childminders	33,256	-	-	-	33,256	65,967
Nursery running costs	3,458	-	-	-	3,458	8,077
Occupancy costs	-	44,905	-	-	44,905	51,664
Equipment maintenance	-	19,931	-	-	19,931	19,202
Insurance	-	24,838	-	-	24,838	10,097
Rent and rates	-	20,810	-	-	20,810	21,720
Depreciation	134,116	89,411	-	-	223,527	109,197
Administration	-	76,961	-	-	76,961	81,235
Staff recruitment	6,931	4,118	1,391	118	12,558	8,799
Audit and accountancy	-	-	-	11,723	11,723	11,780
Professional fees	-	3,229	-	-	3,229	13,636
Consultancy fees	-	3,501	-	-	3,501	15,405
Staff training	8,255	4,905	1,657	141	14,958	24,244
Staff travel	2,110	1,253	422	36	3,821	3,690
Security	-	10,671	-	-	10,671	9,235
Computer equipment	-	8,187	-	-	8,187	3,431
Software	-	3,391	-	-	3,391	21,956
Bank interest	-	-	-	4,055	4,055	1,634
Café running costs	-	15,856	-	-	15,856	12,533
Bad debts	-	-	-	2,016	2,016	-
Sundry	-	-	-	-	-	3,488
	<u>1,085,520</u>	<u>838,133</u>	<u>198,522</u>	<u>32,740</u>	<u>2,154,915</u>	<u>1,924,233</u>

# **NEWHAM TRAINING AND EDUCATION CENTRE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31 December 2003

### **4. Net incoming resources for the year**

	2003 £	2002 £
This is stated after charging:		
Depreciation	223,527	109,197
Auditors' remuneration in respect of audit services	<u>10,713</u>	<u>8,850</u>

### **5. Staff costs**

	2003 £	2002 £
Salaries	1,319,987	1,147,012
Social security costs	114,601	99,166
Pension costs	<u>26,882</u>	<u>25,357</u>
	<u>1,461,470</u>	<u>1,271,535</u>

The average number of employees in the year was 78 (2002 - 71).

The aggregate amount reimbursed to the directors for travel and childcare expenses was £120 (2002- NIL). Three employees earned £40,000 per annum or more.

### **6. Taxation**

The company is a registered charity and applies all its income to its charitable objects. It is therefore exempt from Corporation tax.

### **7. Fixed assets**

	Play area £	Building works £	Land £	Computers £	Fixtures, Fittings & Equipment £	Total £
<b>Cost:</b>						
1st January 2003	8,809	4,519,757	617,500	800,219	221,190	6,167,475
Additions	-	2,400,843	32,500	36,436	52,538	2,522,317
31st December 2003	<u>8,809</u>	<u>6,920,600</u>	<u>650,000</u>	<u>836,655</u>	<u>273,728</u>	<u>8,689,792</u>
<b>Depreciation:</b>						
1st January 2003	8,516	650,164	-	660,293	198,669	1,517,642
Charged in the year	-	126,436	-	79,639	17,452	223,527
31st December 2003	<u>8,516</u>	<u>776,600</u>	<u>-</u>	<u>739,932</u>	<u>216,121</u>	<u>1,741,170</u>
<b>Net Book Value:</b>						
As at 31st December 2003	<u>293</u>	<u>6,144,000</u>	<u>650,000</u>	<u>96,723</u>	<u>57,607</u>	<u>6,948,622</u>
As at 31st December 2002	<u>293</u>	<u>3,869,593</u>	<u>617,500</u>	<u>139,926</u>	<u>22,521</u>	<u>4,649,833</u>

**NEWHAM TRAINING AND EDUCATION CENTRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2003

<b>8. Investments</b>	<b>2003</b> <b>£</b>	<b>2002</b> <b>£</b>
3 ordinary shares of a dormant company, NEWTEC Services Ltd	<u>3</u>	<u>3</u>

<b>9. Debtors</b>	<b>2003</b> <b>£</b>	<b>2002</b> <b>£</b>
Trade debtors	62,908	115,246
Accrued income	233,287	333,831
Prepayments	44,693	23,443
Other debtors	3,881	150
	<u>344,769</u>	<u>472,670</u>

<b>10. Creditors</b>	<b>2003</b> <b>£</b>	<b>2002</b> <b>£</b>
Bank overdraft	386	52,420
Trade creditors	57,225	375,448
Taxation and Social Security	30,842	30,875
Other creditors	3,438	3,305
Accruals and deferred income	616,085	795,585
	<u>707,976</u>	<u>1,257,633</u>

<b>11. Unrestricted funds</b>	<b>1st Jan.</b> <b>2003</b> <b>£</b>	<b>Incoming</b> <b>resources</b> <b>£</b>	<b>Outgoing</b> <b>resources</b> <b>£</b>	<b>31st Dec.</b> <b>2003</b> <b>£</b>
Contractual employment obligations	99,383	-	-	99,383
General funds	<u>(23,216)</u>	789,762	<u>(752,737)</u>	13,809
	<u>76,167</u>	789,762	<u>(752,737)</u>	<u>113,192</u>

# **NEWHAM TRAINING AND EDUCATION CENTRE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31 December 2003

### **12. Restricted funds**

	1st Jan. 2003 £	Incoming resources £	Outgoing resources £	31st Dec. 2003 £
Tangible fixed assets				
NLCB - Capital	187,186	-	( 4,169 )	183,017
Skill Challenge - Capital	118,014	-	( 6,206 )	111,808
Building works	60,996	-	( 1,356 )	59,640
Bridge House	38,916	100,000	( 9,736 )	129,180
SRB - Capital	3,490,223	278,286	( 81,932 )	3,686,577
ERDF - Capital	462,067	675,691	( 27,340 )	1,110,418
New Opportunity Fund - UK Online	122,517	-	( 57,858 )	64,659
Sir John Cass	4,157	-	-	4,157
New Opportunity Fund	-	536,250	( 10,501 )	525,749
Learning and Skills Council	40,500	589,476	( 19,955 )	610,021
	<u>4,524,576</u>	<u>2,179,703</u>	<u>( 219,053 )</u>	<u>6,485,226</u>
European Social Fund grant	-	278,979	(278,979)	-
New Deal Lone Parents	-	3,978	( 3,978 )	-
New Deal Young Persons	-	102,217	( 102,217 )	-
SRB - Revenue	-	245,961	( 245,961 )	-
Learning and Skills Council	-	97,845	( 97,845 )	-
Skills Work	-	-	-	-
London Borough of Newham	-	27,659	( 27,659 )	-
Sir John Cass - Revenue	-	28,000	( 28,000 )	-
Morgan Stanley	-	20,000	( 20,000 )	-
London Development Agency	-	98,593	( 98,593 )	-
New Opportunity Fund - UK Online	-	25,000	( 25,000 )	-
Eugena damages	-	120,000	( 120,000 )	-
ESF	-	18,646	( 18,646 )	-
SRB Tommorrow's City	-	11,000	( 11,000 )	-
Access to Excellence	-	43,964	( 43,964 )	-
Outreach	-	15,700	( 15,700 )	-
Neighbourhood Training Network	-	45,583	( 45,583 )	-
	<u>-</u>	<u>1,183,125</u>	<u>( 1,183,125 )</u>	<u>-</u>
	<u>4,524,576</u>	<u>3,362,828</u>	<u>( 1,402,178 )</u>	<u>6,485,226</u>



# **NEWHAM TRAINING AND EDUCATION CENTRE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** for the year ended 31 December 2003

### **13. Analysis of net assets between funds**

	<b>Unrestricted Reserves £</b>	<b>Restricted Reserves £</b>	<b>Total £</b>
Tangible fixed assets	154,329	6,794,293	6,948,622
Investments	3	-	3
Current assets	574,945	( 217,176 )	357,769
Current liabilities	( 616,085 )	( 91,891 )	( 707,976 )
<b>Net assets at 31 December 2003</b>	<u>113,192</u>	<u>6,485,226</u>	<u>6,598,418</u>

### **14. Capital commitments**

At 31st December 2003 the company had the following commitments:

	<b>2,003 £</b>	<b>2,002 £</b>
Authorised and contracted for	<u>-</u>	<u>2,553,972</u>

The project to accommodate the East London Childcare Institute was completed during the year at a total cost of £6,437,735.

### **15. Pension commitments**

The company contributes towards the personal pensions of a group defined contribution scheme for participating employees. NEWTEC contributes 5% on behalf of each participating employee and a minimum of 3% is contributed by participating employees. Contributions are charged to the income and expenditure account as they become payable in accordance with the rules of the scheme.

The outstanding contribution included in creditors at the end of the year was £3,416 (2002: £3,242). The total number of staff in the scheme was 22 (2002: 22)

**NEWHAM TRAINING AND EDUCATION CENTRE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2003**

**16. Operating lease commitment**

At 31st December 2003 the company was committed to make the following payments during the next year in respect of operating leases:

	2003 £	2002 £
Operating leases which expire:		
In over five years	<u>13,750</u>	<u>12,000</u>

**17. Fixed and floating charge**

The company has an overdraft facility of £65,000 (2002 £65,000) and a weekly BACS facility of £90,000 (2002 £90,000). These are secured by way of a fixed charge over all book and other debts, and a floating charge over all other assets of the company.

**18. Other income-Restricted funds**

The £120,000 restricted other income was received from the main contractor to Mark Street project as damages for late completion of the project.