

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

**FINANCIAL STATEMENTS AND DIRECTORS' REPORT**  
for the  
**YEAR ENDING 31ST DECEMBER 2001**

Co. No: 2444362  
Charity No: 802868



NEWHAM TRAINING & EDUCATION CENTRE LTD.  
FINANCIAL STATEMENTS AND DIRECTORS' REPORT  
for the year ending 31st December 2001

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**NEWHAM TRAINING & EDUCATION CENTRE LTD.**

**FINANCIAL STATEMENTS AND DIRECTORS' REPORT  
for the year ended 31st December 2001**

**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.

## DIRECTOR'S REPORT for the year ended 31st December 2001

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 2001.

### Principal activity

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

The company employed 56 full and part time employees during 2001. The Senior Management Team, who have delegated day to day responsibility for NEWTEC, comprises the Chief Executive, Assistant Chief Executives (Service Delivery & Operations), Head of Finance, Head of Information Services and Head of Business Development. The Senior Management Team work with operational managers to ensure the service delivery of training and childcare by front line staff meets NEWTEC's charitable status.

During 2001 NEWTEC began a review of its curriculum, a review that will be completed in 2002 and that will ensure the curriculum meets the needs of individual learners, and the labour market.

NEWTEC's curriculum is divided into 4 sub areas and learning opportunities are being developed under each area; most leading to external qualifications:

- a) ICT (applications) - this includes Basic Computing (leading to the CLAIT qualification), Business Technology Applications (leading to the ECDL qualification), and Design Media Technology (leading to the CIT).
- b) ICT (technical) - this new curriculum area includes learning opportunities leading to the CISCO networking qualification (initially at levels 1 & 2).
- c) Early Years & Childcare - this includes childminding courses (ICP & DCP) and a preparatory course for classroom assistants (CLANSA).
- d) 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.

NEWTEC operates an inclusive learning policy and all applicants receive advice, guidance and assessment to help them choose the most appropriate learning programme and to ensure they receive individual support during their learning.

NEWTEC believes the success to innovation and effective delivery in regeneration and community development is through partnerships and has established many partnerships within the public and private sectors.

In September 2001, in partnership with Women's Education in Building and the Refugee Women's Association, NEWTEC set up the Community Cyber Café in central Stratford. The café offers free access to the Internet and email facilities and provides basic level introductory training in ICT and basic skills.

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

### **DIRECTOR'S REPORT for the year ended 31st December 2001**

NEWTEC has continued to offer childcare support through the on-site nursery and through a network of childminders. Of the 37 nursery places, 15 are allocated to children of learners studying at NEWTEC, 23 are made available to local, working parents.

2001 saw the completion of the plans for the East London Childcare Institute (ELCI) and they were formally launched by Margaret Hodge, Under Secretary for Education on 21st May 2001. A contractor was appointed in November 2001, following a competitive tendering process and work began on site in November.

During 2001, the organisation was re-structured, following the appointment of a new Chief Executive. The new management structure and team is designed to accommodate organisational change and management.

2001 brought about the Learning and Skills Council and Adult Learning Inspectorate bringing with them new funding and inspections arrangements. NEWTEC has worked closely with the LSC London East to establish a new funding partnership and responded to the Common Inspection Framework by producing a new Self-Assessment Report and development Plan

#### **LOOKING AHEAD**

2002 will require consolidation and completion of activities underway in 2001. The curriculum review will be finalised in preparation for the new academic year 2002/03; the benefits of the new structure should lead to improved communication and performance management; relationships with private sector partners will be strengthened and construction of the ELCI will begin in earnest. Preparations for inspection will begin with implementation of our Self-Assessment Report and Development Plan and a more rigorous approach to quality assurance will be adopted. We will continue to establish effective partnerships with voluntary sector organisations, private sector employers and funding bodies notably LSC and Employment Services. NEWTEC will continue its representative role and play an active part in local, regional and national networks. A major challenge will be raising additional capital funding for ELCI and starting work on the revenue budget. In addition we will need to agree a recruitment strategy and development plan if ELCI is to open in April 2003.

# NEWHAM TRAINING & EDUCATION CENTRE LTD.

## DIRECTORS' REPORT (cont) for the year ended 31st December 2001

### Financial review of the year

In the Year ending 31 December 2001, NEWTEC made a surplus of £942,150. The main reasons for this were:

An increase in funding activity, both in terms of the number of funders and the grants from individual funders, notably Single Regeneration Budget, European Social Fund and Learning & 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.

### Financial commitments

The financial commitments of the company at 31st December 2001 are as shown in notes 11 to 14 of the financial statements, and as described below:

#### Capital Commitment:

The company has entered into a commitment to build an ICT Training and Childcare facility at Mark Street, Stratford. The estimated project cost is £ 6,054,375 and is due to be completed by April 2003.

This project will be financed through Capital grants. There are commitments to date from the Single Regeneration Budget of £4 million and the European Regional Development Fund of £1.2 million.

#### 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 2001**

**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  
Chris Evans  
Angela Ishmael  
Naomi Kingsley  
Cherie Murphy  
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 2001, the number of members' guarantees totalled 8 (2000-6).

**NEWHAM TRAINING & EDUCATION CENTRE LTD.**

**DIRECTORS' REPORT (cont)**  
**for the year ended 31st December 2001**

**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**

**11th September 2002**



## NEWHAM TRAINING & EDUCATION CENTRE LTD

### Independent Auditors' Report to the Members of Newham Training & Education Centre Limited.

We have audited the financial statements of Newham Training & Education Centre Limited for the year ended 31st December 2001 which are set out on pages 8 to 17. These financial statements have been prepared under the historic cost convention and the accounting policies set out therein.

#### Respective Responsibilities of Directors and Auditors

As described on page 6, the company's directors are responsible for the preparation of the financial statements.

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 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 company's affairs as at 31st December 2001 and its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

16 - 9 - 01  
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 31st December 2001

	Note	Restricted funds £	Unrestricted funds £	Total 31st Dec. 2001 £	Total 31st Dec. 2000 £
<b>Incoming resources</b>					
Grants	2	2,125,036	350,932	2,475,968	1,446,128
Other income		-	249,955	249,955	172,387
Bank interest		-	18,292	18,292	2,065
<b>Total incoming resources</b>		<b>2,125,036</b>	<b>619,179</b>	<b>2,744,215</b>	<b>1,620,580</b>
<b>Resources expended</b>					
Direct charitable expenditure:					
Course running costs		608,282	337,564	945,846	833,523
Support costs		422,444	234,434	656,878	576,640
Other expenditure:					
Fundraising and publicity		112,842	62,621	175,463	118,561
Management and administration		15,356	8,523	23,879	25,088
<b>Total resources expended</b>	3	<b>1,158,924</b>	<b>643,142</b>	<b>1,802,066</b>	<b>1,553,812</b>
<b>Net movement in Funds</b>		<b>966,112</b>	<b>( 23,963 )</b>	<b>942,149</b>	<b>66,768</b>
Funds b/f at 1st January 2001		527,087	93,584	620,671	553,903
Funds c/f at 31st December 2001	10	<b>1,493,199</b>	<b>69,621</b>	<b>1,562,820</b>	<b>620,671</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 9 and 10.

The notes on pages 10 to 17 form part of these financial statements.

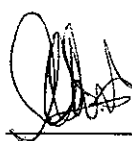
NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

**BALANCE SHEET**  
as at 31st December 2001

	Note	2001 £	2000 £
<b>Tangible fixed assets</b>	5	1,769,530	622,287
<b>Investments</b>	6	<u>3</u>	<u>3</u>
		1,769,533	622,290
<b>Current assets</b>			
Debtors	7	420,663	438,731
Cash and bank and in hand		<u>487,400</u>	<u>30,701</u>
		908,063	469,432
<b>Creditors - Amounts falling due within one year</b>	8	<u>1,114,776</u>	<u>471,051</u>
<b>Net current (liabilities)</b>		( 206,713 )	( 1,619 )
<b>Net total assets</b>		<u>1,562,820</u>	<u>620,671</u>
<b>Reserves</b>			
Restricted funds	10	1,493,199	527,087
Unrestricted funds	9	<u>69,621</u>	<u>93,584</u>
		1,562,820	620,671

The notes on pages 10 to 17 form part of these financial statements.

Approved by the directors and signed on their behalf on:



HILARY BANKS

CHAIR

11th September 2002



CAROLE SNEE

VICE-CHAIR

11th September 2002

**NOTES TO THE ACCOUNTS**  
**for the year ended 31st December 2001**

**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 all 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**

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 pension costs charged in the accounts for this scheme was £24,277 (2000: £14,634) of which £2,024 (2000: £1,989) was the outstanding contribution at the balance sheet date. At 31 December 2001, there were 22 (2000: 15) employees of the company in the scheme.

# NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31st December 2001

### 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

	2001 £	2000 £
SRB- Capital	1,050,210	19,183
European Social Funding	638,247	570,709
Learning and Skills Council	219,168	197,340
New Deal Young Persons	124,312	-
New Deal Lone Parents	121,612	393,679
London Borough Grants	72,000	-
SRB - Revenue	62,831	10,942
Skills Work	46,050	-
London Borough of Newham	40,049	48,738
Sir John Cass	35,669	-
BG Foundation	20,000	20,000
Morgan Stanley	20,000	-
New Opportunity Fund -UK Online	12,500	-
New Opportunity Fund	7,897	5,178
University of East London	4,871	43,269
Other	552	7,589
National Lottery Charity's Board -- Revenue	-	42,707
Bridge House	-	41,400
Wildcat (PIPP)	-	23,836
NIACE	-	21,558
	<u>2,475,968</u>	<u>1,446,128</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. European Social Fund grants applied for have been treated as receivable.

The amount received from the London Borough of Newham, comprises a subsidy towards the salaries of certain employees.

Grants from the European Social Fund and the University of East London are shown gross of administration fees.

# NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31st December 2001

### 3. Resources expended

#### a) Analysis of resources expended

	Course Costs £	Support Costs £	Fund. & Publicity £	Mgmt. & Admin. £	Total 2001 £	Total 2000 £
Salaries and wages	612,071	363,631	122,844	10,525	1,109,071	845,685
Temporary staff	57,835	34,359	11,608	994	104,796	103,485
Staff healthcare	2,508	1,490	504	43	4,545	4,255
Other staff costs	8,591	5,103	1,724	150	15,568	4,573
Course materials	11,717	-	-	-	11,717	2,036
Advertising	-	-	32,375	-	32,375	14,925
Trainee travel	16,110	-	-	-	16,110	16,351
Examination and college fees	5,193	-	-	-	5,193	5,163
Childminders	125,185	-	-	-	125,185	176,286
Nursery running costs	11,829	-	-	-	11,829	12,211
Nursery relocation	-	-	-	-	-	-
Occupancy costs	-	29,429	-	-	29,429	35,327
Equipment maintenance	-	10,724	-	-	10,724	24,105
Insurance	-	10,731	-	-	10,731	7,909
Rent and rates	-	17,324	-	-	17,324	19,803
Depreciation	62,876	41,918	-	-	104,794	86,760
Administration	-	75,322	-	-	75,322	60,419
Staff recruitment	16,353	9,715	3,282	281	29,631	16,816
Audit and accountancy	-	-	-	13,771	13,771	8,931
Professional fees	-	712	-	-	712	1,815
Surplus on disposal of assets	-	-	-	-	-	( 2,047 )
Consultancy fees	-	26,507	-	-	26,507	67,543
Staff training	13,832	8,220	2,777	235	25,064	11,899
Staff travel	1,746	1,037	349	30	3,162	1,997
Security	-	3,894	-	-	3,894	9,535
Computer equipment	-	4,637	-	-	4,637	-
Software	-	10,058	-	-	10,058	1,937
Bank interest	-	-	-	3,750	3,750	4,459
Café running costs	-	1,904	-	-	1,904	6,077
Bad debts recovered	-	-	-	( 5,900 )	( 5,900 )	4,866
Sundry	-	163	-	-	163	691
	945,846	656,878	175,463	23,879	1,802,067	1,553,812

# NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31st December 2001

### 3. Resources expended (continued)

b) Emoluments of employees	2001 £	2000 £
Salaries	1,000,443	773,037
Social security costs	84,351	58,014
Pension costs	24,277	14,634
	<u>1,109,071</u>	<u>845,685</u>

The average number of employees in the year was 43 (2000 - 40).

The aggregate amount reimbursed to the directors for travel and childcare expenses was £NIL (2000-NIL).

Three employees earned £40,000 per annum or more.

### 4. Taxation

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

### 5. Fixed assets

	Play area £	Building works £	Land £	Computers £	Fixtures, Fittings & Equipment £	Total £
Cost:						
1st January 2001	8,809	1,143,378	-	558,872	214,880	1,925,939
Additions	-	519,446	650,000	82,592	-	1,252,038
Disposals	-	-	-	-	-	-
31st December 2001	<u>8,809</u>	<u>1,662,824</u>	<u>650,000</u>	<u>641,464</u>	<u>214,880</u>	<u>3,177,977</u>
Depreciation:						
1st January 2001	8,330	629,165	-	485,506	180,651	1,303,652
Charged in the year	10	10,476	-	85,773	8,536	104,795
Eliminated	-	-	-	-	-	-
31st December 2001	<u>8,340</u>	<u>639,641</u>	<u>-</u>	<u>571,279</u>	<u>189,187</u>	<u>1,408,447</u>
NBV 31st December 2001	<u>469</u>	<u>1,023,183</u>	<u>650,000</u>	<u>70,185</u>	<u>25,693</u>	<u>1,769,530</u>
NBV 31st December 2000	<u>479</u>	<u>514,213</u>	<u>-</u>	<u>73,366</u>	<u>34,229</u>	<u>622,287</u>

All fixed assets other than the café are used for direct charitable purposes.

**NEWHAM TRAINING AND EDUCATION CENTRE LIMITED**

**NOTES TO THE ACCOUNTS**  
for the year ended 31st December 2001

<b>6. Investments</b>	<b>2001</b>	<b>2000</b>		
	<b>£</b>	<b>£</b>		
3 ordinary shares of a dormant company, NEWTECH Services Ltd	<u>3</u>	<u>3</u>		
<b>7. Debtors</b>				
Trade debtors	30,762	36,278		
Accrued income	367,317	386,917		
Prepayments	19,701	15,535		
Other debtors	<u>2,882</u>	<u>-</u>		
	<u>420,663</u>	<u>438,731</u>		
<b>8. Creditors</b>				
Bank overdraft	62,215	87,452		
Trade creditors	129,196	93,454		
Taxation and Social Security	26,991	22,110		
Other creditors	3,275	151,958		
Accruals and deferred income	<u>893,099</u>	<u>116,077</u>		
	<u>1,114,776</u>	<u>471,051</u>		
<b>9. Unrestricted funds</b>				
	<b>1st Jan. 2001 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>31st Dec. 2001 £</b>
Contractual employment obligations	99,383	-	-	99,383
General funds	<u>(5,799)</u>	<u>619,179</u>	<u>(643,142)</u>	<u>(29,762)</u>
	93,584	619,179	(643,142)	69,621



NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

NOTES TO THE ACCOUNTS  
for the year ended 31st December 2001

10. Restricted funds

	1st Jan. 2001 £	Incoming resources £	Outgoing resources £	31st Dec. 2001 £
Tangible fixed assets				
NLCB - Capital	195,917	-	( 4,562 )	191,355
Skill Challenge - Capital	177,039	-	( 52,819 )	124,220
Building works	63,707	-	( 1,355 )	62,352
Bridge House	40,572	-	( 828 )	39,744
SRB - Capital	26,799	1,044,135	( 16,365 )	1,054,569
ERDF - Capital	18,056	-	( 3,332 )	14,724
Fixtures & fittings	-	-	-	-
Computer equipment	-	-	-	-
Sir John Cass		8,313	( 2,078 )	6,235
	<u>522,090</u>	<u>1,052,448</u>	<u>( 81,339 )</u>	<u>1,493,199</u>
European Social Fund grant	-	638,247	( 638,247 )	-
New Deal Lone Persons	-	77,712	( 77,712 )	-
New Deal Young Persons	-	70,830	( 70,830 )	-
SRB - Revenue	4,997	62,831	( 67,828 )	-
Learning and Skills Council	-	49,116	( 49,116 )	-
Skills Work	-	46,050	( 46,050 )	-
London Borough of Newham	-	40,049	( 40,049 )	-
Sir John Cass - Revenue	-	27,356	( 27,356 )	-
Morgan Stanley	-	20,000	( 20,000 )	-
BG Foundation	-	20,000	( 20,000 )	-
New Opportunity Fund - UK Online	-	12,500	( 12,500 )	-
New Opportunity Fund	-	7,897	( 7,897 )	-
	<u>4,997</u>	<u>1,072,588</u>	<u>( 1,077,585 )</u>	<u>-</u>
	<u>527,087</u>	<u>2,125,036</u>	<u>( 1,158,924 )</u>	<u>1,493,199</u>

NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

NOTES TO THE ACCOUNTS  
for the year ended 31st December 2001

11. Capital commitments

At 31st December 2001 the company had the following commitments:

	2001 £	2000 £
Authorised and contracted for	<u>4,868,060</u>	<u>5,877,795</u>

Newham Training & Education Centre Ltd is committed to in the provision of a training, education and childcare facility to be completed by April 2003. The estimated project cost is £6,054,375. This will be financed through Capital grants. There are commitments to date from the Single Regeneration Budget and the European Regional Development Fund of £5,124,200.

12. Pension commitments

The company contributes towards the personal pensions of a defined contribution scheme for its employees. The Scheme is administered by Friends Provident. The employer and employee contribute 5% and 3% of pensionable salary respectively.

NEWHAM TRAINING AND EDUCATION CENTRE LIMITED

NOTES TO THE ACCOUNTS  
for the year ended 31st December 2001

13. Operating lease commitment

At 31st December 2001 the company was committed to make the following payments during the next year in respect of operating leases:

	2001 £	2000 £
Operating leases which expire:		
In over five years	<u>12,000</u>	<u>12,000</u>

14. Fixed and floating charge

The company has an overdraft facility of £65,000 (2000 £65,000) and a weekly BACS facility of £70,000 (2000 £45,000). 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.