

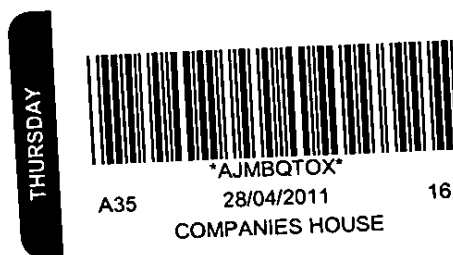
CAMDEN ITEC

(Company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2010

Registered number 01624630
Charity number 288216



CAMDEN IT&C
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

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CAMDEN ITeC

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JULY 2010

The Trustees of Camden ITeC ("ITeC") present their Annual Report and Financial Statements for the year ended 31 July 2010. The Trustees and Trustees' report constitute the Directors and the Directors' report for Companies Act purposes.

These financial statements comply with current statutory requirements and with the requirement of the Charity's governing document.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Graham Bann	(chair to 9 August 2010)
	Lucy de Groot	(from 9 August 2010, Chair from 9 August 2010)
	Katherine Buckley	(to 31 July 2010)
	Alan Thompson	(to 31 July 2010)
	Melody McLaren	(to 31 July 2010)
	Justin Hooper	(to 31 July 2010)
	Akbar Chouglay	(to 31 July 2010)
	Nigel Franklin	(from 9 August 2010)
	Kate Bell	(from 9 August 2010)
	Ruth Hawthorn	(from 9 August 2010)
Registered office	7 Leighton Place London NW5 2QL (to 9 August 2010)	
	44 Crowndale Road London NW1 1TR (from 9 August 2010)	
Chief Executive	Winston Castello	(to 9 August 2010)
	Satnam Gill	(from 9 August 2010)
Independent Auditors	haysmacintyre Fairfax House 15 Fulwood Place London WC1V 6AY	
Bankers	Lloyds TSB plc 40 Rosslyn Hill London NW3 1NL	
	Cafcash Ltd Kings Hill West Malling Kent ME19 4TA	

AIMS, OBJECTIVES AND GOVERNANCE OF THE CHARITY

Aims and Objectives

The objectives for which the company is established, as detailed in the constitution, are to promote and advance education and training for the public benefit

The organisation's mission statement is "developing aspirations, skills and careers through accessible and innovative vocational training" In support of the mission statement, the following strategic objectives have been agreed

- Maximising learners' progression into employment,
- Employer engagement, including developing new products to meet employer needs,
- Developing links with target schools in preparation for introduction of specialised diplomas, and
- Developing HR policies and practices to facilitate a responsive, creative and customer-focused team

In pursuit of these objectives, ITeC works within the following values

- Having high expectations of learners,
- Responsive approach to meeting the needs of our clients,
- High quality of service delivery, and
- Innovative approaches to programme development

Camden ITeC is a registered charity and a company limited by guarantee, operating on a not-for-profit basis

A Board of up to 12 Trustees governs the charity Trustees are appointed specifically to address identified gaps in expertise or their knowledge of proposed new areas of work CVs are requested from potential suitable candidates and interviews are undertaken by the Chair and Chief Executive of the organisation On the recommendation of the Chair and Chief Executive, the Board votes to approve new members

On appointment, each Trustee completes a register of interests, which is renewed on an annual basis They are provided with a Trustee induction pack which includes Memorandum and Articles of Association and policies and procedures on issues such as equal opportunities and health and safety, and information on the staff structure New Trustees are given the opportunity to meet the other Trustees and members and staff Arrangements are also made for them to observe the organisation's training operation and to meet its learners

Public Benefit

The Trustees have considered the issues surrounding public benefit as outlined in the guidance issued by the Charity Commission and believe that they meet all of the requirements listed The remainder of this report clearly illustrates the benefit to the public at large from the activities of the charity

Management and Staffing

The Trustees have delegated the day-to-day management of Camden ITeC to the Chief Executive, who reports on performance against the Business Plan objectives approved by the Trustees The Chief Executive has responsibility for planning and developing services for Camden ITeC within the quality objectives set by the Trustees This includes recruitment and development of staff and the planning and management of individual initiatives

CAMDEN ITeC

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2010

AIMS, OBJECTIVES AND GOVERNANCE OF THE CHARITY (continued)

Risk Assessment

During the course of the year, the Trustees have reviewed the risks to which the charity is exposed. In risk assessment, maintaining effective and positive relationships with funders was identified as essential in order to mitigate the risk of the possible loss of contracts. A number of strategies to maintain relationships with existing funders, as well as establishing positive partnerships with other organisations were agreed. The Board agreed a business plan based on diversifying the range of services offered by the ITeC in its endeavours to reduce its reliance on existing funders.

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Trustees

The Trustees who served in office during the year and up to the date of this report are listed on page 1.

All of the Trustees are non executive Trustees. Trustees receive no remuneration for their service nor did they reclaim any expenses in the current or prior year.

REVIEW OF DEVELOPMENTS, ACHIEVEMENTS AND PERFORMANCE

During the course of 2009/10, there were significant challenges in terms of operating as a relatively small organisation working in a wide range of areas.

Work with the 14-19 age group continued to develop and the organisation's relationship with Camden, Islington and Lambeth 14-19 Partnerships has progressed. However, one area of disappointment has been in the area of diplomas, where many schools have not as yet entered into partnership with work-based organisations to assist their delivery of diploma qualifications.

Young Apprenticeship achievements continued to make good progress, with most of the learners achieving both their Technical Certificate in Business Administration and their NVQ qualifications.

Services to employers, including provision for employed individuals, is another area of ITeC's work. Following a successful tender to provide Train to Gain services, qualifications to employed individuals were delivered during the year. This included National Vocational Qualification training, as well as literacy and numeracy support for employees and volunteers. However, the agreed contract was significantly reduced by the Learning and Skills Council as a result of their national budgetary pressures. This has severely affected ITeC's overall financial health due to the significant investment which was made in the project, based on an agreed three year contract.

Work with unemployed individuals remained a significant part of the organisation's work, with including programmes with the London Borough of Camden and the London Borough of Islington. These programmes provide short courses aimed at developing local residents' skills to improve their employability.

Learners achieved excellent results, particularly in customer service and computerised accounts.

FINANCIAL REVIEW

Financially, 2009/10 was an extremely disappointing year for ITeC. The organisation reported a loss of £143,647 (2008/9 loss £56,483).

The main cause of the deficit was the significant reduction in the organisation's Train to Gain contract by the Learning and Skills Council. Significant investment had been made in developing the Train to Gain programme. ITeC management failed to make sufficient savings during the year to make up for the reduction in income.

Camden ITeC's reserves were severely affected by the large operating loss, and now stand at a deficit of £122,962.

CAMDEN ITeC

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2010

In the light of this, the ITeC Board reviewed the financial outlook for the organisation, including the prospect of developing new areas of work. There was concern that funders are increasingly looking to large contractors to deliver programmes in the areas in which the ITeC specialises. This being the case, and given the scale of the organisation's financial problems, the Board decided to seek a partner who could invest the necessary funds to allow it to continue trading and develop the business.

On 6 July 2010 the ITeC Board approved a proposal to invite the Working Men's College Corporation (WMC) to take control of ITeC, subject to certain conditions. All the trustees with the exception of the Chair tendered their resignations with effect from 31 July 2010.

The WMC conditions having been met, on 9 August 2010 the ITeC Board appointed 4 new WMC trustees, one of whom, Lucy de Groot, was appointed as Chair. The Chief Executive of WMC, Satnam Gill, was appointed as the Chief Executive of ITeC. The ITeC Board also approved a loan agreement drawn up by WMC which provides for up to £100k of working capital. The loan has subsequently been extended to £225k by WMC. WMC will also provide management resources. ITeC is confident it can stay within those borrowing limits and repay its creditors within a 3 year timescale.

PLANS FOR THE FUTURE

ITeC's immediate plans for the future are

- Restructuring of staff to create a sustainable cost base
- Investment in premises and IT
- Improvements in education and accounting record-keeping
- Development of services to learners and quality systems
- Negotiation with grant providers to sustain levels of income wherever possible
- Seeking new sources of funding
- Integration of back office facilities with WMC's

with a view to a full merger with WMC in the medium term.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that year. In preparing those 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,
- observe the methods and principles of the Charities SORP
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

So far as each of the Trustees is aware at the time the report is approved

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

CAMDEN ITeC

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 JULY 2010

AUDITORS

A resolution for the appointment of haysmacintyre as auditors of the company is to be proposed at the forthcoming Annual General Meeting

On behalf of the Board

A handwritten signature in black ink, appearing to read 'Graham Bann', is written over the printed name.

Graham Bann
Trustee

14 April 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

CAMDEN ITeC

We have audited the financial statements of Camden ITeC for the year ended 31 July 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

The responsibilities of the Trustees, who are also the directors of the company for the purposes of company law, for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Trustees' Responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those financial statements. In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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

Basis of audit opinion

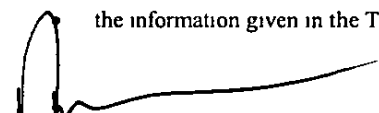
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable 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 31 July 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and the information given in the Trustees' Report is consistent with the financial statements.


Adam Halsey, Senior Statutory Auditor
for and on behalf of Haysmacintyre
Chartered Accountants and Statutory Auditors

Fairfax House
15 Fulwood Place
London

14 April 2011

CAMDEN ITeC

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2010

	Notes	Unrestricted Funds £	Restricted Income funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming Resources					
<i>Generated funds:</i>					
Investment income		-	-	-	6
<i>Charitable Activities</i>					
Training services					
Young People		141,396	-	141,396	252,618
Unemployed		153,171	-	153,171	337,858
Employed and other		4,395	-	4,395	40,100
Total incoming resources		<u>298,962</u>	<u>-</u>	<u>298,962</u>	<u>630,582</u>
Resources Expended					
<i>Charitable expenditure</i>					
Training services		437,629	-	437,629	674,452
<i>Governance costs</i>		4,980	-	4,980	12,613
Total resources expended	7	<u>442,609</u>	<u>-</u>	<u>442,609</u>	<u>687,065</u>
Net outgoing resources after transfers	2	(143,647)	-	(143,647)	(56,483)
Fund balances brought forward at 1 August 2009		<u>5,686</u>	<u>15,000</u>	<u>20,686</u>	<u>77,169</u>
Fund balance carried forward at 31 July 2010		<u>(137,961)</u>	<u>15,000</u>	<u>(122,961)</u>	<u>20,686</u>

Incoming resources and resulting net movement in funds in each year arise from continuing operations. The charity has no recognised gains or losses other than the net movement in funds for the year.

The notes on pages 10 to 14 form part of these financial statements.

BALANCE SHEET

AT 31 JULY 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	8	18,910	23,852
CURRENT ASSETS			
Debtors	9	69,094	164,821
Cash at bank and in hand		4,304	4,286
		<u>73,398</u>	<u>169,107</u>
CREDITORS: amounts falling due within one year	10	<u>(156,170)</u>	<u>(172,273)</u>
NET CURRENT LIABILITIES		(82,772)	(3,166)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(63,862)</u>	<u>20,686</u>
CREDITORS: Amounts falling due after more than one year	11	<u>(59,099)</u>	<u>-</u>
NET LIABILITIES		<u>(122,961)</u>	<u>20,686</u>
FUNDS			
Unrestricted funds			
General fund		(137,961)	5,686
Restricted funds	12	15,000	15,000
TOTAL FUNDS		<u>(122,961)</u>	<u>20,686</u>

The financial statements were approved and authorised for issue by the Trustees on 14 April 2011 and were signed below on its behalf by

Graham Bann
Trustee

The notes on pages 10 to 14 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2010

1. ACCOUNTING POLICIES

The charity is a registered charity and a company limited by guarantee. The liability of each member is limited to a guarantee of £1 and there are currently two members.

Accounting convention

The financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

Depreciation

Depreciation is provided on all tangible fixed assets in order to write off their cost over their expected useful lives on the following basis -

Improvements to premises	over the term of the lease
Equipment	straight line method over 5 years
Fixtures and fittings	straight line method over 5 years

Grants

Grants are credited to the profit and loss account in the year in respect of which they are receivable.

Restricted, unrestricted and designated funds

Restricted funds are incoming resources received or generated for specific purposes as laid down by the donor or the terms of the appeal. Expenditure which meets these criteria is allocated against the fund. Unrestricted funds are donations and other incoming resources received or generated for general charitable purposes.

When expenditure on restricted funds exceeds the related income, monies have been transferred from unrestricted funds accordingly.

Designated funds are funds set aside by the Trustees out of unrestricted funds for specific future purposes or projects.

Leased assets

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year they fall due.

No assets are held under finance leases.

Sources of expenditure

Note 7 shows the split of expenditure between charitable activities and governance costs of the charity. Where feasible expenditure has been directly allocated. Indirect expenditure on support costs has been apportioned in line with training hours.

Pensions

The charity makes pension contributions based on 5-8% of salary, to a stakeholder pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension cost charge represents contributions payable under this arrangement by the charity to the funds. The charity has no liability other than for the payment of those contributions.

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2010

2.	NET MOVEMENT IN FUNDS IS STATED AFTER CHARGING	2010	2009
		£	£
	Auditors' remuneration - audit	7,500	7,100
	Auditors' remuneration - other services	-	5,513
	Depreciation of owned fixed assets	4,942	9,832
	Hire of plant and machinery – rentals payable under operating leases	3,209	4,699
		<u> </u>	<u> </u>

3. TRUSTEES' REMUNERATION AND EXPENSES

The Trustees of the charity received no remuneration (2009 Nil) for their services and did not seek reimbursement of expenses incurred in the course of their duties (2009 Nil)

4	STAFF COSTS AND NUMBERS	2010	2009
		£	£
	The aggregate payroll costs of these persons were as follows		
	Wages and salaries	247,284	333,450
	Social security costs	23,279	32,877
	Other pension costs	9,011	9,400
		<u> </u>	<u> </u>
		279,574	375,727
		<u> </u>	<u> </u>

The average number of persons employed by the charity (excluding Trustees) analysed by category was -

	No	No.
Training	11 1	14 8
Governance	0 2	0 2
	<u> </u>	<u> </u>
	11 3	15 0
	<u> </u>	<u> </u>

One employee received remuneration in the range £60,000 to £70,000 (2009 one)

5	INTEREST PAYABLE AND SIMILAR CHARGES	2010	2009
		£	£
	On bank loans and overdrafts	5,386	5,181
		<u> </u>	<u> </u>

6 TAXATION

In accordance with Part 11 of the Corporation Tax Act 2010 the charity is not subject to taxation on its charitable activities

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Young People £	Training services Unemployed £	Employed and other £	Governance £	Total 2010 £	Total 2009 £
Staff costs	195,702	55,915	27,957	-	279,574	375,727
Depreciation	3,459	988	495	-	4,942	9,832
Other	107,179	30,623	15,311	4,980	158,093	301,506
	<u>306,340</u>	<u>87,526</u>	<u>43,763</u>	<u>4,980</u>	<u>442,609</u>	<u>687,065</u>

8 TANGIBLE FIXED ASSETS

	Improvements to premises £	Plant and Equipment £	Furniture and fittings £	Total £
COST				
At 31 July 2009	250,846	449,676	98,848	799,370
Additions	-	-	-	-
At 31 July 2010	<u>250,846</u>	<u>449,676</u>	<u>98,848</u>	<u>799,370</u>
DEPRECIATION				
At 31 July 2009	243,137	433,533	98,848	775,518
Charge for year	1,713	3,229	-	4,942
At 31 July 2010	<u>244,850</u>	<u>436,762</u>	<u>98,848</u>	<u>780,460</u>
NET BOOK VALUE				
At 31 July 2010	<u>5,596</u>	<u>12,914</u>	<u>-</u>	<u>18,910</u>
At 31 July 2009	<u>7,709</u>	<u>16,143</u>	<u>-</u>	<u>23,852</u>

All tangible fixed assets are held for direct charitable purposes

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2010

9.	DEBTORS		2010 £	2009 £		
	Other debtors		25,013	33,527		
	Prepayments and accrued income		44,081	131,293		
			<u>69,094</u>	<u>164,821</u>		
10.	CREDITORS. amounts falling due within one year		2010 £	2009 £		
	Bank overdraft		68,726	51,158		
	Taxation and social security		14,573	52,641		
	Other creditors		46,798	28,644		
	Accruals and deferred income		26,073	39,830		
			<u>156,170</u>	<u>172,273</u>		
11.	CREDITORS amounts falling due after more than one year		2010 £	2009 £		
	Taxation and social security		47,724	-		
	Accruals and deferred income		11,375	-		
			<u>59,099</u>	<u>-</u>		
12.	FUNDS	Balance at 1 August 2009 £	Incoming Resources And Gains £	Outgoing Resources £	Transfers £	Balance at 31 July 2010 £
	Restricted funds					
	Abbey/Santander	14,500	-	-	-	14,500
	Priscilla Waller Memorial Fund	500	-	-	-	500
		<u>15,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>
	Unrestricted funds					
	General fund	5,686	298,962	(442,609)	-	(137,961)
		<u>5,686</u>	<u>298,962</u>	<u>(442,609)</u>	<u>-</u>	<u>(137,961)</u>
	TOTAL FUND	<u>20,686</u>	<u>298,962</u>	<u>(442,609)</u>	<u>-</u>	<u>(122,961)</u>

Restricted funds

The Abbey/Santander fund represents a grant for capital expenditure which was unexpended at the balance sheet date. The remaining restricted fund is the Priscilla Waller Memorial Fund which was set up from various donations to be used for the benefit of trainees. The balance on this fund at the year end was £500 (2009 £500).

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 JULY 2010

13. LEASING COMMITMENTS

The annual commitments under non cancellable operating leases are as follows

	2010		2009	
	Land and Building £	Other £	Land and Building £	Other £
Expiring within 1 year	-	-	-	-
Expiring within 2 and 5 years	52,000	-	-	-
Expiring after 5 years	-	-	52,000	-

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 July 2010 are represented by			
Tangible fixed assets	18,910	-	18,910
Current assets	58,398	15,000	73,398
Creditors amounts falling due within one year	(156,170)	-	(156,170)
Creditors amounts falling due after more than one year	(59,099)	-	(59,099)
	<u>(137,961)</u>	<u>15,000</u>	<u>(122,961)</u>