

**Bootstrap Company Limited**  
(A company limited by guarantee and a charity)

**Report and Accounts**

**31 March 2005**

Company registered number  
01355222

Charity registered number  
275489

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**Bootstrap Company Limited**  
(A company limited by guarantee and a charity)  
**Report and accounts**  
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**Bootstrap Company Limited**  
**Legal and Administrative Information**

<b>Directors and Trustees</b>	Mary Doyle chair appointed March 2005 Mary Chadwick appointed March 2005 resigned April 2006 Peter Kenyon appointed March 2005 Lesley Rogers appointed March 2005 Harry Holmes appointed May 2006  A Wallis resigned March 2005 D Newman resigned March 2005 W Laryea resigned March 2005 S Rauprich resigned March 2005 P Ramsden resigned March 2005 J Steele resigned October 2004 M Blake resigned October 2004 T Payne resigned October 2004
<b>Secretary</b>	A Djondo resigned October 2006 J Aldenton appointed March 2005
<b>Chief executive officer</b>	Jon Aldenton
<b>Auditors</b>	KLDH Limited practising as James & Co The Oast, Thorne Business Park Forge Hill, Bethersden Ashford Kent TN26 3AF
<b>Bankers</b>	HSBC Stratford Branch 15 The Mall Stratford Branch London E15 1XL
<b>Registered office</b>	The Print House 18 Ashwin Street Dalston London E8 3DL
<b>Company registered number</b>	01355222
<b>Charity registration number</b>	275489

## **Bootstrap Company Limited**

### **Trustees' report**

The trustees present their report and accounts for the year ended 31 March 2005

#### **Structure, governance and management**

The legal and administrative information set out on page 1 forms part of this report

##### *Governing document*

The organisation is a charitable company limited by guarantee, incorporated on 2 March 1978 and registered as a charity on 28 April 1978. The company was established under a Memorandum of Association which sets out the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the charity being wound up its members are required to contribute an amount not exceeding one pound (£1.00).

##### *Management structure*

The directors of the company are also charity trustees for the purposes of charity law. The company's Articles of Association require that the "business of the company shall be managed by the Board of Directors". All members of the company shall automatically hold office as a member of the Board of Directors. Non-members may, by special resolution, also be appointed to the Board of Directors.

The Board of Directors are responsible for the strategic direction and policy of the charity. At present the Board comprises of five members, all drawn from the local community that the charity serves. The directors have a variety of professional backgrounds that is relevant to the work of the charity.

As recorded on page 1, all the current Board members were appointed in March 2005. The reasons for this complete change of management are noted below.

The Board meet on a regular monthly basis to attend to the affairs of the charity. These meetings are used to discuss all aspects of the charity's activities including financial matters and, in this regard, regular monthly management accounts are prepared and compared to the annual budget and financial forecasts to ensure that the directors have a full knowledge of the charity's financial position.

##### **Objectives and activities**

The company's objects and principal activities during the year continued to be the advancement of education and the relief of poverty.

To achieve these objects the charity's primary activities have been the provision of vocational training and to provide facilities for persons in need to develop and utilise their skills. The charity also works with other organisations that provide similar services and, where appropriate, helps to establish other such organisations in those areas where there is a particular need.

##### **Achievements and performance**

During the financial year under review, Bootstrap Company continued to focus on skills provision and enterprise support for the unemployed and disadvantaged people in some of London's poorest areas. While the current focus has changed since the financial year end, we still regard the successes achieved during this period as a real achievement of the charity. Bootstrap Company has a reputation for working with the people that no-one else would help and this is a legacy that we aim to continue.

## **Bootstrap Company Limited**

### **Trustees' report**

During the year under review, much work was done with the unemployed residents on four housing estates in Hackney, one estate in Camden and one estate in Lambeth. The charity developed a range of services providing pathways into employment, skills and enterprises. A number of employment advisers based on site gave one to one advice to local people, as well as providing them with facilities for job searching.

A number of accredited training programmes were also run, focussing on IT proficiency and English language training.

The Community Enterprise department of Bootstrap Company was also busy, progressing Credit Union Development schemes and developing "Reboot", a computer recycling programme.

The management of the charity's leasehold properties, The Print House and Colourworks, was continued by Bootstrap Services Limited, a wholly owned trading subsidiary. The tenant base remained relatively stable during the year. However, building safety became an issue towards the end of the financial year and plans for renovation and improvement were put in place. Bootstrap Company also became increasingly aware of significant development pressure in Dalston as a whole and began to formulate a position on the type of regeneration the Board would like to see.

#### **Financial review**

Bootstrap Company acknowledges the support of its grant funders: European Union funds, local government and other charities.

However, as shown in the Statement of Financial Activities, there was a deficit for the year of £863,622 (2004: £223,827). Total incoming resources fell from £1,222,189 in 2004 to £927,578 for 2005. Total outgoing resources increased from £1,445,842 in 2004 to £1,791,200 for 2005.

The year to March 2005 was defined by both inefficient general management and disappointing programme related financial management which is a vital part of the grant claims procedures.

As a result of this situation, the charity rapidly lost the confidence of its creditors and bankers. Measures had to be taken to rectify the situation and in February 2005 the Board requested assistance from Tower Hamlets Environment Trust (The Environment Trust), a charitable development trust with a track record that includes property management and related financial issues. The recommendations of The Environment Trust were adopted in March 2005 and these included:

- The charity to retain the leasehold property in order to provide a solid base for income generation in the future.
- To embark on a major property renovation project to restore the property and enhance the income generation potential. This project to be financed by grants and loans.
- The training and enterprise activities were transferred to a newly incorporated charity, Bootstrap Enterprises Limited with new management but using the same experienced and skilled employees to deliver these services.
- A new Board was elected to Bootstrap Company.
- A new Chief Executive Officer was appointed to Bootstrap Company.
- The Environment Trust to be contracted to provide the necessary management and development services for this restructuring and redevelopment of Bootstrap Company.

The Board has experienced some difficulty in preparing these accounts as all the current members were only appointed in March 2005 or later. Not all the records could be found and all of the administration staff left on 31 March 2005.

## **Bootstrap Company Limited**

### **Trustees' report**

As a result, it has been necessary to make certain estimates to complete the Statement of Financial Activity although it has been possible to confirm most of the balance sheet amounts by reference to post year end correspondence from debtors and creditors

Under the circumstances, it has not been possible to provide the auditors with all the information and explanation that they require and so their audit qualification is accepted under the circumstances

#### **Plans for future periods**

During the period following March 2005, the charity has devoted most of its energy to the renovation of its property and the other recommendations for reconstruction noted above

The original refurbishment plans were extended and their scope increased to include the leasing of an adjoining commercial property and bringing solar power to Dalston

Bootstrap Company has participated in local government regeneration plans for the immediate Dalston area. The Charity has engaged with local residents and communicated their concerns to the local borough council

#### **Assessment of major risks**

The new board of directors has assessed the major risks that the organisation faces as it moves forward and attempts to direct the charity out of its unsustainable financial position as at 31 March 2005

Undertaking any large building refurbishment project has inherent risks and the board has put in place mechanisms to identify and, as far as possible, mitigate these risks

The board receives regular reports from the project management team to assist in this regard

#### **Disclosure of information to auditors**

So far as each director at the date of approval of this report is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors 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

#### **Small company special provisions**

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

This report was approved by the board on 27th June 2007



Mary Doyle  
Director

## **Bootstrap Company Limited**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the net incoming or outgoing resources for that period. In preparing those accounts, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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 accounts comply with the Companies Act 1985. 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.

**Bootstrap Company Limited**  
**Independent auditors' report**  
**to the shareholders of Bootstrap Company Limited**

We have audited the accounts of Bootstrap Company Limited for the year ended 31 March 2005 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These accounts have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members 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 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 in the Statement of Directors' Responsibilities the charity's trustees are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the accounts 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 accounts 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 Trustees' Report is not consistent with the accounts, if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

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, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned 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 accounts are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because of the inadequacy of both the accounting records made available to us and the lack of explanations to properly explain all the transactions during the financial year. This situation was due to a number of factors that include:

- All the charitable activities, together with the staff, were transferred to another charity with effect from 1 April 2005 and so those responsible for the transactions for the year to 31 March 2005 were not available to provide the necessary explanations.
- This other charity was placed in liquidation prior to 31 December 2005 and the staff dismissed and so could not be contacted as their whereabouts were not known.
- The accounts for the year ended 31 March 2004 were only finalised in April 2006 by which date the former staff could not be contacted.
- The computerised accounting records made available to us were not well maintained and could not be relied upon to provide an accurate record of the transactions, in particular of the allocation of incoming resources and outgoing resources for the various projects.
- The restatement of the comparative figures in accordance with the 2005 SORP required detailed information relating to the year to 31 March 2004 which was not available to us.

**Bootstrap Company Limited**  
**Independent auditors' report**  
**to the shareholders of Bootstrap Company Limited**

**Qualified opinion arising from limitation in audit scope**

As a result of the limitation in audit scope as noted above, we are unable to express an unqualified audit opinion in respect of the transactions for the year as expressed in the statement of financial activity together with the supporting notes. However, we are of the opinion, from our review of the transactions that have taken place since the year end, that the balance sheet records all known assets and liabilities of the charity.

Accordingly, in our opinion the accounts

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2005, and
- have been properly prepared in accordance with the Companies Act 1985



**KLDH Limited practising as**  
**James & Co**  
Registered auditors

Date *2nd July 2007*

The Oast, Thorne Business Park  
Forge Hill, Bethersden  
Ashford  
Kent  
TN26 3AF

**Bootstrap Company Limited**  
**Statement of Financial Activities**  
**for the year ended 31 March 2005**

	Notes	Unrestricted funds 2005 £	Restricted funds 2005 £	Total funds 2005 £	Total funds 2004 £
<b>Incoming resources</b>					
Incoming resources from generated funds					
Donations received		-	-	-	4,051
Management fees		57,000	-	57,000	-
Rental income		101,000	-	101,000	96,000
Other sundry income		19,867	-	19,867	25,282
Incoming resources from charitable activities					
Grant and contract income	2	91,282	658,429	749,711	1,096,682
<b>Total incoming resources</b>		<b>269,149</b>	<b>658,429</b>	<b>927,578</b>	<b>1,222,015</b>
<b>Resources expended</b>					
Costs of generating funds		-	-	-	-
Charitable activities	3	-	1,615,537	1,615,537	1,401,798
Governance costs	3	111,431	-	111,431	44,044
<b>Total resources expended</b>		<b>111,431</b>	<b>1,615,537</b>	<b>1,726,968</b>	<b>1,445,842</b>
<b>Net outgoing resources</b>		<b>157,718</b>	<b>(957,108)</b>	<b>(799,390)</b>	<b>(223,827)</b>
Gain on the revaluation of the leasehold properties		933,764	-	933,764	-
Transfers		(240,241)	240,241	-	-
<b>Net movement in funds</b>		<b>851,241</b>	<b>(716,867)</b>	<b>134,374</b>	<b>(223,827)</b>
Fund balances at beginning of the year		(143,544)	716,867	573,323	797,150
<b>Fund balances at end of the year</b>		<b>707,697</b>	<b>-</b>	<b>707,697</b>	<b>573,323</b>

**Bootstrap Company Limited**  
**Balance Sheet**  
**as at 31 March 2005**

	Notes	2005 £	2004 £
<b>Fixed assets</b>			
Tangible assets	9	2,300,161	1,378,393
Investments	10	<u>1,000</u>	<u>1,000</u>
		2,301,161	1,379,393
<b>Current assets</b>			
Debtors	11	45,628	195,337
Cash at bank and in hand		<u>140</u>	<u>644</u>
		45,768	195,981
<b>Creditors: amounts falling due within one year</b>	12	<u>(1,114,935)</u>	<u>(432,209)</u>
<b>Net current liabilities</b>		(1,069,167)	(236,228)
<b>Total assets less current liabilities</b>		<u>1,231,994</u>	<u>1,143,165</u>
<b>Creditors: amounts falling due after more than one year</b>	13	(524,297)	(569,842)
<b>Net assets</b>		<u>707,697</u>	<u>573,323</u>
<b>Fund balances</b>			
Unrestricted funds	16	707,697	(143,544)
Restricted funds	17	-	716,867
<b>Total funds</b>		<u>707,697</u>	<u>573,323</u>

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985

  
Mary Deyle  
Director

Approved by the board on

27th June 2007

**Bootstrap Company Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

**1 Accounting policies**

***Basis of preparation***

The accounts have been prepared under the historical cost convention in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities, published in March 2005, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

***Fund accounting***

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity

Restricted funds are subjected to restrictions on their expenditure imposed by the donor these restrictions are binding upon the trustees

***Incoming resources***

Incoming resources comprise of grants and contracts attributable to the principal activities of the charity, rental and room hire income from its property, management charges in respect of its trading subsidiary, the proceeds from the sale of donated IT equipment that has been repaired and sundry donations

Income is accounted for when the charity has entitlement, there is certainty of receipt and the amount is measurable

***Resources expended***

Resources expended are recognised in the period in which they are incurred Resources expended include any attributable VAT which cannot be recovered

Charitable expenditure comprise those costs incurred in the delivery of its activities and services and includes both costs directly related to those activities together with an allocation of support costs that are apportioned to the various activities on the basis of the number of staff or estimated useage, whichever is the more appropriate

Governance costs include all costs associated with meeting the constitutional and statutory requirements of the charity and include a portion of management staff costs together with an allocation of support costs, the cost of the annual audit and any expenses incurred relating to trustees' meetings

***Depreciation***

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

Leasehold property	over the period of the lease
Lift installation	straight line basis over 12 years
Office equipment computers	straight line basis over 3 years
Office equipment other equipment	straight line basis over 4 years

**Bootstrap Company Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

***Leasing and hire purchase commitments***

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

***Pensions***

The company operates a defined contribution pension scheme. Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

<b>2 Grant and contract income</b>	<b>2005 £</b>	<b>2004 £</b>
Unrestricted income		
- ALG	-	50,000
- Job Centre Plus	91,282	71,638
- Safe in the City	-	50,198
Restricted income		
- Bridge Hse Trust	40,374	55,375
- Clapton Comm Housing Trust	28,250	-
- DFES/CFLI	-	77,746
- European Social Fund (refund in 2005)	(4,115)	24,476
- Financial Literacy Skills Hackney	-	17,625
- Hackney Str Partnership	-	23,263
- Hackney Wick SRB Keyworker	-	60,000
- Hackney Wick Reboot	-	47,000
- Hommerton College	11,500	23,000
- Newham College	23,850	43,954
- Learning & Skills Council & London Bor of Lambeth	269,526	114,223
- London Borough of Hackney	5,580	-
- London Borough of Lambeth	35,000	35,000
- London Development Agency YCTV	136,314	179,203
- The Learning Trust	95,980	105,262
- University of North London	15,170	-
- Woodbury Downs ESOL	-	15,035
- Phoenix Fund	1,000	100,203
- Sundry amounts	-	3,481
	<b>749,711</b>	<b>1,096,682</b>

**Bootstrap Company Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

<b>3 Resources expended</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Charitable activities</b>		
Staff costs		
Payroll costs	1,083,348	727,767
Staff recruitment costs	17,624	20,218
Temporary contract staff	30,561	-
Training and other costs	10,798	20,228
Project costs	240,394	317,196
Accountancy fees	16,179	22,818
Depreciation of fixed assets	11,996	112,199
Finance costs		
Bank charges	4,666	2,524
Interest charges	47,690	41,664
Insurance	37,512	25,254
Premises costs	30,935	17,371
Stationery, printing and postage	30,850	38,821
Telephone and fax	30,497	37,513
Other sundry costs	22,487	18,225
	<u>1,615,537</u>	<u>1,401,798</u>
<b>Governance costs</b>		
Audit fees	8,475	7,500
Trustees' travel and meeting costs	901	764
Annual report and other related costs	12,571	21,795
Legal and professional fees	14,484	13,985
Restructuring and refinancing fees	75,000	-
	<u>111,431</u>	<u>44,044</u>
<b>4 Net outgoing resources</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
This is stated after charging		
Depreciation of owned fixed assets	11,996	71,490
Amortisation of the leasehold property	-	40,709
Auditors' remuneration		
For audit services	8,475	7,500
For other services	6,400	18,336

**Bootstrap Company Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

<b>5 Interest payable</b>	<b>2005 £</b>	<b>2004 £</b>
Interest payable	<u>47,690</u>	<u>41,664</u>

<b>6 Staff : costs and other details</b>	<b>2005 £</b>	<b>2004 £</b>
Total staff remuneration for the year was as follows		
- Salaries including redundancy pay	954,572	612,434
- Medical insurance costs	8,808	6,667
- National insurance costs	93,582	55,117
- Pension fund costs	26,386	53,549
	<u>1,083,348</u>	<u>727,767</u>

The average number of employees during the year	<u>43</u>	<u>33</u>
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No employee received remuneration of more than £50,000 during the year (2004 nil)

**7 Trustees' remuneration**

The trustees received no remuneration for their services

Trustees' travel and meeting costs amounted to £901 (2004 £764) for the year and include costs reimbursed to trustees to attend to the affairs of the charity

**8 Taxation**

Bootstrap Company has charitable status and is, therefore, exempt from tax on income and gains to the extent that these are applied to its charitable activities

**Bootstrap Company Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

**9 Tangible fixed assets**

	<b>Leasehold properties £</b>	<b>Lift installation £</b>	<b>Office equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2004	1,497,757	60,486	220,087	1,778,330
Surplus on revaluation	933,764	-	-	933,764
At 31 March 2005	<u>2,431,521</u>	<u>60,486</u>	<u>220,087</u>	<u>2,712,094</u>
<b>Depreciation</b>				
At 1 April 2004	151,521	35,284	213,132	399,937
Charge for the year	-	5,041	6,955	11,996
At 31 March 2005	<u>151,521</u>	<u>40,325</u>	<u>220,087</u>	<u>411,933</u>
<b>Net book value</b>				
At 31 March 2005	<u>2,280,000</u>	<u>20,161</u>	<u>-</u>	<u>2,300,161</u>
At 31 March 2004	<u>1,346,236</u>	<u>25,202</u>	<u>6,955</u>	<u>1,378,393</u>

The leasehold properties were professionally valued in June 2005, in order to secure additional bank loan facilities. As there were no improvements to the buildings during the three month period between the financial year end and the date of the valuation, it is considered appropriate to reflect these valuations in these accounts.

**10 Investment in subsidiary undertakings**

	<b>£</b>
<b>Cost</b>	
At 1 April 2004	1,000
At 31 March 2005	<u>1,000</u>

The company holds 20% or more of the share capital of the following companies

<b>Company</b>	<b>Country of registration or incorporation</b>	<b>Shares held Class</b>	<b>%</b>
Bootstrap Services Ltd	England and Wales	Ordinary	100

Bootstrap Services Ltd was established as a separate trading subsidiary to manage the leasehold property owned by the charity. All the rental income and related service charges are reported in the accounts of this subsidiary.

For the year to 31 March 2005 Bootstrap Services Ltd made a profit after tax of £650 (2004 £6,643). At the year end its share capital and reserves amounted to £1,650 (2004 £1,000).

Bootstrap Services Ltd ceased trading on 31 March 2005 and all the rental property activities have been transferred back to the charity since 1 April 2005.

**Bootstrap Company Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

<b>11 Debtors</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Grants and other income receivable	45,409	193,951
Prepayments	219	1,386
	<u>45,628</u>	<u>195,337</u>

<b>12 Creditors: amounts falling due within one year</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	481,960	153,975
Creditors for goods and services	308,756	127,487
Amounts owed to group undertakings and undertakings in which the company has a participating interest	103,237	28,373
Deferred income	-	38,300
Other taxes and social security costs	135,662	17,525
Pension fund contributions	42,825	45,411
Other creditors	42,495	21,138
	<u>1,114,935</u>	<u>432,209</u>

<b>13 Creditors: amounts falling due after one year</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Bank loans	<u>524,297</u>	<u>569,842</u>

<b>14 Loans</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Creditors include		
Secured bank loans and overdrafts	<u>1,006,257</u>	<u>723,817</u>

**15 Post balance sheet events**

As disclosed in the Trustees' Report, the charity has been totally reorganised and restructured after the financial year end

- The training and enterprise activities were transferred to a new charity, Bootstrap Enterprises Limited
- The trading subsidiary, Bootstrap Services Ltd, ceased to trade and all the property letting and management activities have been transferred to Bootstrap Company Limited
- A refinancing package of £1.45m was agreed with HSBC Bank following the revaluation of the leasehold properties per note 9 above
- A third leasehold property, Fitzroy House, was acquired in December 2005 in order to generate additional rental income this commercial property backs on to the other two properties the lease is for 25 years with an initial rent of £60,000 p a
- The refurbishment of the various leasehold properties is nearly complete and to date over £1.2m has been spent on this project which has been funded by grants and bank borrowings

**Bootstrap Company Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

**16 Unrestricted funds**

	Balance at 1 April 2004	Incoming resources	Outgoing resources	Transfers (to) / from	Balance at 31 March 2005
Capital reserves					
- Property revaluation reserves	-	933,764	-	-	933,764
- Capital funds see below	-	-	-	689,206	689,206
	-	933,764	-	689,206	1,622,970
General funds	(143,544)	269,149	(111,431)	(929,447)	(915,273)
	<u>(143,544)</u>	<u>1,202,913</u>	<u>(111,431)</u>	<u>(240,241)</u>	<u>707,697</u>

**17 Restricted funds**

	Balance at 1 April 2004	Incoming resources	Outgoing resources	Transfers (to) / from	Balance at 31 March 2005
Project funds					
- CEDA		41,374			-
- Clapton Park Employment	802	28,250			-
- DFES/CFLI	2,152	-			-
- ESF Kickstart	16,709	(4,115)			-
- Keyworker		-			-
- Lambeth / Learning Skills Council		304,526			-
- Learn Direct	7,033	23,850			-
- Learning Trust		113,060			-
- Reboot IT Training		15,170			-
- U25's Employment Advice	965	-			-
- Youth Based Training (Changing Faces)		136,314			-
	27,661	658,429	(1,615,537)	929,447	-
Capital Fund	689,206	-	-	(689,206)	-
	<u>716,867</u>	<u>658,429</u>	<u>(1,615,537)</u>	<u>240,241</u>	<u>-</u>

**Allocation of outgoing resources**

There is no information available to properly allocate the various costs to the different projects. In the two year period since the financial year end, none of the contributors have raised any queries or issues concerning the grants they have paid to Bootstrap Company Ltd and so it has been assumed that all amounts received have been fully spent.

**Capital funds**

Being capital grants and donations towards the cost of buildings and refurbishments : as this funding has been fully expended in prior years in accordance with the terms of the grants and is reflected in the value of the leasehold property, the balance has now been transferred to unrestricted funds.

**Bootstrap Company Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2005**

**18 Analysis of net assets between funds :**

	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Tangible assets	2,300,161	-	2,300,161
Investments	1,000		1,000
Current assets	45,768		45,768
Current liabilities	(1,114,935)		(1,114,935)
Long term liabilities	(524,297)		(524,297)
	<u>707,697</u>	<u>-</u>	<u>707,697</u>

**19 Related party transactions**

Mr J Aldenton is the chief executive officer of both Bootstrap Company Ltd and another charity, Tower Hamlets Environment Trust. A trading subsidiary of Tower Hamlets Environment Trust has provided consultancy services to the trustees on the restructuring and refinancing of the charity for a fee of £75,000 (2004 nil)

**20 Future lease commitments**

The leasehold properties include a 20 year lease for the 2nd and 3rd floors of Colourworks situated at 22-24 Ashwin Street, Hackney, London. In terms of the lease no rent is payable for the first four years ending on 31 March 2005 : thereafter the rent payable is £17,500 p a , this amount being subject to revision during the balance of the lease term

To date no rent demand has been received from the London Borough of Hackney and the trustees are of the opinion that it is unlikely that any rent will become payable following discussions with the borough