

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

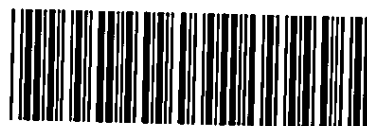
Report and Accounts

31 March 2006

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

(A company limited by guarantee and a charity)

Legal and Administrative Information

**Trustees
who are also the
charity's directors
for the purposes
of company law**

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

Secretary

A Djondo resigned November 2005
J Aldenton appointed March 2005

Chief executive officer

Jon Aldenton

Auditors

KLDH Limited practising as
James & Co
The Oast, Thorne Business Park
Forge Hill, Bethersden
Ashford
Kent
TN26 3AF

Bankers

HSBC
Stratford Branch
15 The Mall
Stratford Branch
London
E15 1XL

Registered office

The Print House
18 Ashwin Street
Dalston
London
E8 3DL

Company registered number 01355222

Charity registration number 275489

Bootstrap Company Limited Trustees' report

The trustees present their report and accounts for the year ended 31 March 2006

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

Trustees

The trustees who served during the year were as follows

Mary Chadwick (chair resigned April 2006)
Mary Doyle (current chair)
Peter Kenyon
Lesley Rogers

This was the first year of service by the above trustees

Structure, governance and management

April 2005 was the first month the Bootstrap Company existed in its new, slimmed down, form. The board of trustees were completely new, and all staff and management were provided by Environment Trust Associates Ltd (ETA), the trading subsidiary of another East London charitable development trust. The previous training and enterprise activities of the Bootstrap Company had been transferred to a new organisation, Bootstrap Enterprises. Unfortunately, despite the appointment of a new chief executive and financial assistance from the Bootstrap Company, Bootstrap Enterprises proved to be unviable, and was forced into liquidation. All the activities of the liquidated organisation were taken in house by the Learning Trust, Hackney Council's education body.

The Bootstrap Company took over the management of its buildings, The Print House and the Colourworks, previously managed by its trading subsidiary Bootstrap Services Ltd which ceased trading on 31 March 2005. The Bootstrap Company also acquired a lease on an adjoining property, Fitzroy House.

The day to day management of the Bootstrap Company was by ETA staff, lead by chief executive Jon Aldenton. The former Bootstrap Company chief executive, Anthony Djondo, joined the ETA team to assist with this transition.

Objectives and activities

The company's principle activity during the majority of the year to March 2006 was the management and redevelopment of its properties. The lack of success of the previous management was in some way due to the unsustainability of the previous training and enterprise activities. The Bootstrap Company was in significant debt at the beginning of the financial year, and resolving that situation had to be the new board's first priority. Taking that into account, the board set the organisation the following strategic objectives:

- 1 to develop local potential by providing excellent managed workspace for micro, small medium and creative enterprises and the community and voluntary sector
- 2 to improve the environment in Dalston by developing and implementing creative and sustainable plans for the regeneration of the area
- 3 to ensure the Bootstrap Company's financial sustainability by sensible management and expansion of its assets
- 4 to create an organisation in which staff and volunteers are able to reach their full potential

Bootstrap Company Limited

Trustees' report

The provision of efficiently run and affordable managed workspace is a key way of encouraging the growth of micro enterprises and thus helping to relieve poverty one of the Bootstrap Company's key charitable objectives. A £3.5 million ERDF and bank funded programme of refurbishment and development was put in place, in order to make the building safer, and a more pleasant place for its tenants. The Bootstrap Company also took a 25 year lease on three floors of Fitzroy House, the adjoining building, and began to convert it into flexible "desk space" for the many small and creative businesses in Dalston in need of space.

The board adopted a "micro regeneration" strategy for Dalston, setting out the kind of development it felt could benefit the area in the long term. It responded to the concerns of local people over redevelopment plans for the land south of Dalston Lane by drawing up and consulting on alternative plans for the sites, and representing local people at planning and development committees.

Achievements and performance

The accounts show very little money spent on charitable activity for the year to March 2006. This is because the main focus had to be on resolving the organisation's financial and administrative difficulties. These are now mostly resolved, and that has to be the main achievement of 2005-06. The management of the building is much improved: all tenants are now on proper leases, and all rent arrears have been collected.

The work on the land south of Dalston Lane was the main purely charitable activity for the year. However, the proper management and development of affordable workspace makes a large contribution to the relief of poverty by increasing the prosperity of Dalston.

Financial review

The Bootstrap Company acknowledges the support of the European Regional Development Fund and its bankers for the year to March 2006. The Statement of Financial Activity records a net surplus for the year of £163,285 (2005: a deficit of £799,390).

This surplus was due to the grant receivable on the property redevelopment programme that included an amount in respect of the bank loan funds of £1,450,000 secured by the revaluation of the leasehold properties.

Plans for future periods

The situation of the Bootstrap Company in March 2006 was much healthier than a year earlier. The organisation was in the middle of a large scale redevelopment that has the potential to increase its rental income to approximately £780,000 per annum. In the future it will develop plans for increased involvement in local regeneration activities, including proposing a town centre management scheme for Dalston.

In the year ahead Bootstrap Company has attracted grant funding for a solar power station on its roof, providing enough energy for the whole building.

Environment Trust Associates Ltd continued to be the Bootstrap Company's managing agent, and the board of trustees continued to develop plans for the future including adding new members to the board, and moving to a position (mid 2007), where the company will recruit its own staff.

Bootstrap Company Limited

Trustees' report

Assessment of major risks

The trustees have assessed the major risks that the organisation faces as it moves forward. Undertaking any large 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 on risks exposure.

Directors' responsibilities

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

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors 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 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 to enable them to ensure that the accounts 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.

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 5th July 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 statement of financial activity 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 2006 which comprise the Statement of Financial Activity, 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 company and the company'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 Trustees' 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 and whether the information given in the Trustees' Report is consistent with the accounts. We also report to you if, in our opinion, 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 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. 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 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 accounts 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 accounts.

Opinion

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 charity's affairs as at 31 March 2006 and of its net outgoing resources for the year then ended,
- the accounts have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the accounts.


KLDH Limited practising as :

James & Co

Registered auditors

Date

6th 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 2006

	Notes	Unrestricted funds 2006 £	Restricted funds 2006 £	Total funds 2006 £	Total funds 2005 £
Incoming resources					
Incoming resources from generated funds					
Management fees		-	-	-	57,000
Rental income		370,599	-	370,599	101,000
Other sundry income		6,295	-	6,295	19,867
Incoming resources from charitable activities					
Grants and contract income	2	-	-	-	749,711
Other incoming resources					
Building redevelopment grant	2	-	631,791	631,791	-
Total incoming resources		<u>376,894</u>	<u>631,791</u>	<u>1,008,685</u>	<u>927,578</u>
Resources expended					
Costs of generating funds					
Management fees					
Rental property expenses	3	399,297	-	399,297	-
Property refurbishment costs	3	-	408,209	408,209	
Charitable activities	3	13,211	-	13,211	1,615,537
Governance costs	3	24,683	-	24,683	111,431
Total resources expended		<u>437,191</u>	<u>408,209</u>	<u>845,400</u>	<u>1,726,968</u>
Net outgoing resources before transfers		(60,297)	223,582	163,285	(799,390)
Gain on the revaluation of the leasehold property		-	-	-	933,764
Transfers		-			-
Net movement in funds		(60,297)	223,582	163,285	134,374
Fund balances at beginning of the year		<u>707,697</u>	<u>-</u>	<u>707,697</u>	<u>573,323</u>
Fund balances at end of the year		<u>647,400</u>	<u>223,582</u>	<u>870,982</u>	<u>707,697</u>

Bootstrap Company Limited
Balance Sheet
as at 31 March 2006

	Notes	2006 £	2005 £
Fixed assets			
Tangible assets	9	2,295,121	2,300,161
Investments	10	1,000	1,000
		<u>2,296,121</u>	<u>2,301,161</u>
Current assets			
Debtors	11	692,261	45,628
Cash at bank and in hand		21,345	140
		<u>713,606</u>	<u>45,768</u>
Creditors: amounts falling due within one year	12	<u>(601,791)</u>	<u>(1,114,935)</u>
Net current assets/(liabilities)		111,815	(1,069,167)
Total assets less current liabilities		<u>2,407,936</u>	<u>1,231,994</u>
Creditors: amounts falling due after more than one year	13	(1,536,954)	(524,297)
Net assets		<u>870,982</u>	<u>707,697</u>
Fund balances			
Unrestricted funds:		647,400	707,697
Restricted funds		223,582	-
Total funds		<u>870,982</u>	<u>707,697</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 Doyle
Director

Approved by the board on

5th July 2007

Bootstrap Company Limited
Notes to the Accounts
for the year ended 31 March 2006

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 properties, and sundry donations

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

Incoming resources are recognised in full in the Statement of Financial Activity in the year in which they are receivable

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 is calculated at the following rates in order to write off the assets over their estimated useful lives

Leasehold properties	over the period of the leases
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 2006

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.

2 Grant and contract income	2006	2005
	£	£
Unrestricted income		
- Job Centre Plus	-	91,282
Restricted income		
- Bridge Hse Trust	-	40,374
- Clapton Comm Housing Trust	-	28,250
- European Regional Development Fund	631,791	-
- European Social Fund (refund in 2005)	-	(4,115)
- Himmerton College	-	11,500
- Newham College	-	23,850
- Learning & Skills Council & London Bor of Lambeth	-	269,526
- London Borough of Hackney	-	5,580
- London Borough of Lambeth	-	35,000
- London Development Agency YCTV	-	136,314
- The Learning Trust	-	95,980
- University of North London	-	15,170
- Phoenix Fund	-	1,000
	631,791	749,711

Bootstrap Company Limited
Notes to the Accounts
for the year ended 31 March 2006

3 Resources expended	2006	2005
	£	£
Costs of generating funds		
Rental property costs		
Staff costs		
Payroll costs	25,732	-
Training and other costs	427	-
Accountancy fees	22,579	-
Advertising	2,215	-
Bad debts	57,426	-
Cleaning costs	25,765	-
Depreciation of lift equipment	5,040	-
Finance costs		
Bank charges	2,356	-
Bank loan fees	13,450	-
Interest charges	107,582	-
Insurance premiums	4,312	-
Property management fees	32,475	-
Repair and maintenance of buildings and security systems	39,207	-
Rent, rates and service charges	52,484	-
Stationery, printing and postage	4,320	-
Telephone and fax	1,923	-
Other sundry expenses	2,004	-
	<u>399,297</u>	<u>-</u>
 Property redevelopment costs		
Building costs	278,209	-
Project management fees	48,000	-
Other professional fees	82,000	-
	<u>408,209</u>	<u>-</u>
 Charitable activities		
Staff costs		
Payroll costs	-	1,083,348
Staff recruitment costs	-	17,624
Temporary contract staff	-	30,561
Training and other costs	-	10,798
Project costs	13,211	240,394
Accountancy fees	-	16,179
Depreciation of equipment	-	11,996
Finance costs		
Bank charges	-	4,666
Interest charges	-	47,690
Insurance	-	37,512
Premises costs	-	30,935
Stationery, printing and postage	-	30,850
Telephone and fax	-	30,497
Other sundry expenses	-	22,487
	<u>13,211</u>	<u>1,615,537</u>

Bootstrap Company Limited
Notes to the Accounts
for the year ended 31 March 2006

	2006	2005
	£	£
Governance costs		
Audit fees	5,000	8,475
Trustees' travel and meeting costs	-	901
Annual report and other related costs	-	12,571
Other legal and professional costs	12,733	14,484
Restructuring and refinancing fees	6,950	75,000
	<u>24,683</u>	<u>111,431</u>
 4 Net outgoing resources	 2006	 2005
	£	£
This is stated after charging		
Depreciation of owned fixed assets	5,040	11,996
Auditors' remuneration		
For audit services	5,000	8,475
For other services	<u>2,600</u>	<u>6,400</u>
 5 Interest payable	 2006	 2005
	£	£
Interest payable	<u>107,582</u>	<u>47,690</u>
 6 Staff : costs and other details	 2006	 2005
	£	£
Total staff remuneration for the year was as follows		
- Salaries	23,603	954,572
- Medical insurance costs	-	8,808
- National insurance costs	2,129	93,582
- Pension fund costs	-	26,386
	<u>25,732</u>	<u>1,083,348</u>
 The average number of employees during the year	 <u>2</u>	 <u>43</u>
No employee received remuneration of more than £50,000 during the year (2005 nil)		
 7 Trustees' remuneration		
The trustees received no remuneration for their services		
No expenses were reimbursed to any trustee for costs incurred attending to the affairs of the Bootstrap Company Limited during the year (2005 £901)		

Bootstrap Company Limited
Notes to the Accounts
for the year ended 31 March 2006

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

9 Tangible fixed assets

	Leasehold properties £	Lift installation £	Office equipment £	Total £
Cost				
At 1 April 2005	2,431,521	60,486	220,087	2,712,094
Disposals	-	-	(220,087)	(220,087)
At 31 March 2006	<u>2,431,521</u>	<u>60,486</u>	<u>-</u>	<u>2,492,007</u>
Depreciation				
At 1 April 2005	151,521	40,325	220,087	411,933
Charge for the year	-	5,040	-	5,040
On disposals	-	-	(220,087)	(220,087)
At 31 March 2006	<u>151,521</u>	<u>45,365</u>	<u>-</u>	<u>196,886</u>
Net book value				
At 31 March 2006	<u>2,280,000</u>	<u>15,121</u>	<u>-</u>	<u>2,295,121</u>
At 31 March 2005	<u>2,280,000</u>	<u>20,161</u>	<u>-</u>	<u>2,300,161</u>

The leasehold properties were revalued in June 2005, the surplus on revaluation being reflected in the accounts for the year to 31 March 2005

In view of the ongoing property redevelopment programme, partly funded by the ERDF grant, the trustees are of the opinion that there has been no diminution in the value of the properties in the current year and so no provision has been made for any depreciation charges

Bootstrap Company Limited
Notes to the Accounts
for the year ended 31 March 2006

10 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 April 2005	1,000
At 31 March 2006	<u>1,000</u>

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

Company	Country of registration or incorporation	Shares held Class	%
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. This subsidiary ceased trading on 31 March 2005 and all the rental property activities were transferred back to Bootstrap Company Ltd from 1 April 2005.

For the year to 31 March 2006 Bootstrap Services Ltd made no profit or loss (2005 : profit of £650) at the year end its share capital and reserves amounted to £1,650 (2005 : £1,650)

11 Debtors	2006 £	2005 £
Grant income receivable	631,791	45,374
Rents and other income receivable	18,364	35
Prepayments	26,506	219
Other debtors and deposits	15,600	-
	<u>692,261</u>	<u>45,628</u>

12 Creditors: amounts falling due within one year	2006 £	2005 £
Bank loans and borrowings	120,364	481,960
Creditors for goods and services	267,638	308,756
Amounts owed to group undertakings and undertakings in which the company has a participating interest	6,406	103,237
Other taxes and social security costs	65,109	135,662
Pension fund contributions	-	42,825
Tenants' rent deposits	52,390	-
Tower Hamlets Environment Trust	52,086	-
Other creditors and accruals	37,798	42,495
	<u>601,791</u>	<u>1,114,935</u>

Bootstrap Company Limited
Notes to the Accounts
for the year ended 31 March 2006

13 Creditors: amounts falling due after one year	2006 £	2005 £
Bank loans	<u>1,536,954</u>	<u>524,297</u>

14 Loans	2006 £	2005 £
Creditors include		
Secured bank loans and overdrafts	<u>1,657,318</u>	<u>1,006,257</u>

The bank loan facilities are secured against the charity's leasehold properties and other net assets

15 Property redevelopment programme

The expenditure on the property redevelopment programme totalled £408,209 in the year under review. Expenditure since 31 March 2006 has amounted to a further £875,000 and includes a solar energy system on the roof of The Print House.

Funding this programme are grants from the European Regional Development Fund and the Energy Savings Trust together with additional loans of £265,000 in February 2006 from HSBC and £250,000 from ICOF in March 2007.

16 Contingent liabilities

There are certain aspects of the grant funding from the European Regional Development Fund for the property redevelopment programme that require clarification: the grant amounts to 34% of eligible expenditure.

Eligible expenditure totals £3,500,000 and includes £1,450,000 for "building acquisition" in respect of The Print House. The amount of £1,450,000 was the refinancing loan from HSBC that was negotiated in order to secure the ongoing viability of the charity that already owned The Print House. It is understood that there is a verbal agreement that securing this loan qualifies as the "building acquisition" component of the grant offer. The amount of £1,450,000 was included in the first grant claim and 34% of this sum was received. Clarification of this matter is expected when the grant administrators undertake their audit review.

17 Related parties

Mr J Aldenton, the company secretary, is also 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 management services that includes day to day management and management of the property letting activities and the property redevelopment project.

The total charges for these services totalled £73,000. In 2005 there was a charge of £75,000 for the restructuring and refinancing consultancy fees.

Bootstrap Company Limited
Notes to the Accounts
for the year ended 31 March 2006

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible assets	2,295,121		2295121
Investments	1,000	-	1,000
Current assets	490,024	223,582	713,606
Current liabilities	(601,791)	-	(601,791)
Long term liabilities	(1,536,954)	-	(1,536,954)
	<u>647,400</u>	<u>223,582</u>	<u>870,982</u>

19 Unrestricted funds

	Balance at 1 April 2005	Incoming resources	Outgoing resources	Transfers (to) / from	Balance at 31 March 2006
Capital reserves					
- Property revaluation reserves	933,764	-	-	-	933,764
- Capital funds : see below	689,206	-	-	-	689,206
	<u>1,622,970</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,622,970</u>
General funds	(915,273)	376,894	(437,191)	-	(975,570)
	<u>707,697</u>	<u>376,894</u>	<u>(437,191)</u>	<u>-</u>	<u>647,400</u>

Property revaluation reserves

Being the unrealised gains arising from the revaluations of the leasehold properties a proportion of the annual provisions for depreciation of the properties are charged to this fund as stated in note 9 above, there is no depreciation charge for the current year

Capital funds

Being capital grants and donations towards the cost of buildings a proportion of the annual provisions for depreciation of the buildings are charged to this fund

20 Restricted funds

	Balance at 1 April 2005	Incoming resources	Outgoing resources	Transfers (to) / from	Balance at 31 March 2006
European Regional Development Fund (ERDF)	-	631,791	(408,209)	-	223,582
	<u>-</u>	<u>631,791</u>	<u>(408,209)</u>	<u>-</u>	<u>223,582</u>

ERDF grant

This grant is for the redevelopment of the charity's leasehold properties which are in need of major renovation. The grant awarded pays for part of the refurbishment costs subject to a maximum grant of £1,190,000. On completion these properties will significantly improve the charity's rental income in order to fund its future charitable activities.

Bootstrap Company Limited
Notes to the Accounts
for the year ended 31 March 2006

21 Future lease commitments

Colourworks

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

Fitzroy House

The charity has entered into a sub-lease agreement for a property, Fitzroy House, that backs onto its other two properties, The Print House and Colourworks this lease is for 25 years commencing on 23 December 2005 the initial rent of £60,000 p a is subject to review every 5 years