

Registered Charity Number  
275489

Registered Company Number  
01355222 (England & Wales)

**Bootstrap Company Ltd**  
**Report and Accounts**  
**For The Year Ended**  
**31 March 2009**

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**Bootstrap Company Ltd**  
**Report and accounts**  
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**Bootstrap Company Ltd**  
**Company Information**

**Directors**

Mary Doyle  
Peter Kenyon  
Harry Holmes

**Company Secretary**

Peter Kenyon

**Registered office**

The Print House  
18 Ashwin Street  
Dalston  
London  
E8 3DL

**Company Number**

01355222 (England & Wales)

**Registered charity number**

275489

**Auditors**

BD&M Ltd  
Skies, 20 St Martinsfield  
Winterborne St Martin  
Dorchester, Dorset  
DT2 9JU

**Bankers**

HSBC  
Stratford Branch  
15 The Mall  
London  
E15 1XL

## **Bootstrap Company Ltd**

### **The report of the trustees for the year ended 31 March 2009**

#### **Introduction**

The trustees present their annual report and accounts for the year ended 31st March 2009.

#### **Structure, Governance and Management**

The charity is a company limited by guarantee and was formed on 2nd March 1978. It is governed by its Memorandum and Articles of Association.

#### **Trustees**

The trustees who all served throughout the year are listed on page 1.

As a result of the steps taken by the trustees to stabilise the Bootstrap Company and put the company on a sustainable financial footing to enable it to resume its charitable objects, the recruitment of new trustees, (impossible in the previous circumstances due to excessive risk), is now underway to strengthen the Board.

An assessment of the skills needed has been undertaken and an induction pack and training programme have been agreed.

#### **Organisational Structure**

The management of the company in the period to 30 September 2008 was provided by Environmental Trust Associates Limited (ETA) together with strategic direction from the board of trustees. From 1st October 2008, all management was carried out by staff under the supervision of the trustees.

#### **Risk Review**

The major risks relate to the asset-based finances of the charity, together with the holding of full-repairing leases, and the charity's statutory obligations to its tenants and its staff. The charity has developed robust management accounting, performance management and governance arrangements to ensure that the trustees are fully informed about what they need to know to fulfil their obligations, and the risks to which the charity and they personally are exposed.

#### **Objectives and Activities for the Public Benefit**

The charity was established to advance education and to relieve poverty.

The provision of efficiently run and affordable managed workspace is the primary means by which the Bootstrap Company seeks to achieve its key charitable objectives. This enables it to provide accommodation for other charities and voluntary bodies, as well as to encourage the growth of micro enterprises. This provides employment and training opportunities and hence relieve poverty.

The board retained the strategic objectives set in the previous year, namely:

- 1 To develop local potential by providing excellent managed workspace for micro, small, medium and creative enterprises within 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 Ltd**

### **The report of the trustees for the year ended 31 March 2009**

The focus in the year to March 2009 was to continue to settle the affairs of the previous administration and stabilise the new, slimmed down, Bootstrap Company as a viable development trust. Again, apart from the provision of affordable managed workspace, there was no other specifically charitable activity in the year to 31 March 2009.

The Bootstrap Company was able to sustain its objectives throughout 2008/09 and resolve most of the trading difficulties faced in 2007/08.

The total number of people working in the Bootstrap Company's premises for charities, social enterprises, cooperatives, other third sector entities and private sector enterprises was 426 in over 120 organisations at the end of March 2009, compared with 350 employees in 110 organisations at the end of March 2008.

Bootstrap Company employs its own staff. The charity is now earning a regular surplus from its rental properties so that this may be used to fund future charitable activities.

The trustees confirm that they have referred to the guidance contained in the charity commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policies for the year.

### **Achievements and Performance**

The trustees took direct control of management and staff from the Environment Trust, Associates Ltd (ETA), the trading subsidiary of another East London charitable development trust on 1<sup>st</sup> October 2008. Day-to-day facilities management was provided by two excellent staff recruited by ETA and transferred to Bootstrap Company under TUPE undertakings.

New funds in loan and grant were secured from ACF and ICOF (now CCF) to enable capital works part-funded by a multi-year European Regional Development Fund grant secured in 2005/06. Tenancies and the number of people working in space provided by Bootstrap Company rose as set out above.

Falling interest rates aided cashflow toward the end of the reporting period. But refinancing continued to be hampered by an unsigned lease for space in the Colourworks building drawn up in 2000 with the London Borough of Hackney. It was eventually authorised for signature by the council on 14<sup>th</sup> December 2009.

A further complication regarding refinancing arose from an entirely unexpected claim for clawback of £534,932 by the European Regional Development Fund administrators (the Department of Communities and Local Government and the Government Office for London). This claim is and will be resisted by the Trustees in the light of a well documented audit trail clearly demonstrating the monies received were used for the purposes intended and verified as such at the time by GOL officials.

Our main bankers HSBC are now ready to refinance, the short term facility of £1.43 million was negotiated at the end of March 2008.

## **Bootstrap Company Ltd**

### **The report of the trustees for the year ended 31 March 2009**

#### **Financial Review**

##### **Reserves Policy**

The trustees have plans to build reserves for the purposes of planned maintenance and managing debtor risks. Bank interest earned is intended to be devoted to a small grants scheme in furtherance of its charitable objects. These plans remained aspirational in 2008/9 and are likely to remain so until the end of the 2009/10 financial year.

##### **Principal funding sources**

The charity's asset base continued to underpin its loans from HSBC and ICOF (now CCF) who funded the deficits arising from previous administrations. A matched grant from the ERDF for redevelopment, together with rental income, enabled loan servicing, building maintenance and staff costs to be covered.

##### **Transactions and Financial position**

The Statement of Financial Activities show net incoming resources for the year of £212,825 (2008 £308,341 outgoing).

The total reserves at the year end stand at £423,404.

A majority of the expenditure is spent on managing and refurbishing the rental properties.

##### **Plans for Future Periods**

The trustees are now confident that the Bootstrap Company having put its house in order, will be able (in modest ways initially) to resume charitable activity during the calendar 2010.

Plans for the future include recruiting relevant skills to the Board, which is expected to be a much easier proposition now that the finances of the company are on a sound footing.

Better relations have been established with our main landlord, the London Borough of Hackney. The possibility of expansion in future years include the acquisition of the remainder of the Colourworks building and an innovative additional floor on the Print House together with a green roof project. If successful, this could add a further 35,000 sq feet of lettable space to the Bootstrap Company's estate after the new Dalston junction London Overground station has been opened, further improving the attractiveness of the area to small charities, social enterprises and start-up businesses.

## **Bootstrap Company Ltd**

### **The report of the trustees for the year ended 31 March 2009**

#### **Statement as to disclosure of information to auditors**

The trustees, in their capacity as directors, state that so far as each of the directors at the time this report was approved are aware:-

- a) There is no relevant audit information of which the auditors are unaware, and
- b) The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

#### **Statement of Directors' and Trustees' Responsibilities**

Charity Law and the Companies Acts require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

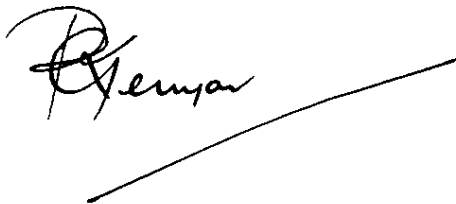
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The trustees are also responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

The trustees are also responsible for the contents of the trustees' report, and the responsibility of the auditors in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the board of trustees on 20 January 2010.

Peter Kenyon  
Director and Trustee



**Bootstrap Company Ltd**  
**Independent Auditors' Report**  
**Report of the Independent Auditors to the members of Bootstrap Company Ltd**  
for the year ended 31 March 2009

We have audited the financial statements of Bootstrap Company Limited for the year ended 31 March 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, as set out on pages 8 to 16. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, effective January 2007, and in accordance the accounting policies set out in the notes to the financial statements.

This report is made solely to the company'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 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 liability 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 trustees as directors and of the auditors**

As described in the statement of trustees' responsibilities, the charity's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards, (United Kingdom Generally Accepted Accounting Practice).

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 and are properly prepared in accordance with the Companies Act 1985.

We also report to you if, in our opinion, the report of the trustees is 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 trustees' remuneration and transactions with the company is not disclosed.

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



**Bootstrap Company Ltd**  
**Independent Auditors' Report**  
**Report of the Independent Auditors to the members of Bootstrap Company Ltd**

**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 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 financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us to confirm the appropriateness of preparing the financial statements on the going concern basis was limited as bank loans remain repayable on demand and the repayment of a grant for £534,932 has been demanded. As a result, and in the absence of any alternative evidence available to us, we have been unable to form a view as to the applicability of the going concern basis, the circumstances of which, together with the effect on the financial statements is set out in note 16 to financial statements.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion: disclaimer on view given by the financial statements**

Because of the possible effect of the limitation in the evidence available to, we are unable to form an opinion on whether the financial statements:

- 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 31st March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the Companies Act 1985 ;

In respect solely of the limitation of our work referred to above, we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

Notwithstanding our disclaimer on the view given by the financial statements, in our opinion the information given in the trustees' report is consistent with the financial statements.

**BD&M Ltd**  
BD&M Ltd  
Chartered Certified Accountants  
Registered auditors  
Skies, 20 St Martinsfield  
Winterborne St Martin  
Dorchester, Dorset  
DT2 9JU

26 January 2010

**Bootstrap Company Ltd**  
**Statement of Financial Activities (Including Income and Expenditure)**  
**for the year ended 31 March 2009**

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	2009 £	2009 £	2009 £	2008 £
<b>Incoming resources</b>					
<b><i>Incoming resources from generated funds</i></b>					
Rental income		638,331	-	638,331	513,314
Bank Interest receivable		1,502	-	1,502	332
<b><i>Other Incoming Resources</i></b>					
Building redevelopment grants	2	251,342	-	251,342	35,944
<b>Total incoming resources</b>		<b>891,175</b>	<b>-</b>	<b>891,175</b>	<b>549,590</b>
<b>Resources expended</b>	3				
<b><i>Costs of generating funds</i></b>					
Rental property expenses		586,976	-	586,976	662,347
Property refurbishment costs		83,874	-	83,874	188,209
<b><i>Governance costs</i></b>		<b>7,500</b>	<b>-</b>	<b>7,500</b>	<b>7,350</b>
<b>Total resources expended</b>		<b>678,350</b>	<b>-</b>	<b>678,350</b>	<b>857,906</b>
<b>Net incoming resources/(net outgoing resources) before transfers between funds</b>		<b>212,825</b>	<b>-</b>	<b>212,825</b>	<b>(308,316)</b>
<b>Gross transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net incoming resources/(net outgoing resources) before Other recognised gains and losses</b>		<b>212,825</b>	<b>-</b>	<b>212,825</b>	<b>(308,316)</b>
<b>Net movement in funds</b>		<b>212,825</b>	<b>-</b>	<b>212,825</b>	<b>(308,316)</b>
<b>Reconciliation of funds</b>					
<b><i>Total funds brought forward</i></b>		<b>210,579</b>	<b>-</b>	<b>210,579</b>	<b>518,895</b>
<b>Total Funds carried forward</b>		<b>423,404</b>	<b>-</b>	<b>423,404</b>	<b>210,579</b>

All activities derive from continuing operations

The notes on pages 10 to 16 form an integral part of these accounts.

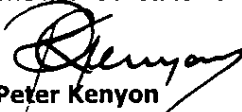
**Bootstrap Company Ltd**  
**Balance Sheet**  
**as at 31 March 2009**

Company number: 01355222 (England & Wales)

	Notes	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	7	2,425,160	2,479,952
Investments	8	-	1,000
<b>Total fixed assets</b>		<u>2,425,160</u>	<u>2,480,952</u>
<b>Current assets</b>			
Debtors	9	44,751	57,645
Cash at bank and in hand		<u>10,374</u>	<u>1,633</u>
<b>Total current assets</b>		<u>55,125</u>	<u>59,278</u>
<b>Creditors:-</b>			
amounts due within one year	10	(434,877)	(1,328,969)
<b>Net current liabilities</b>		<u>(379,752)</u>	<u>(1,269,691)</u>
<b>Total assets less current liabilities</b>		<u>2,045,408</u>	<u>1,211,261</u>
<b>Creditors:-</b>			
amounts due after more than one year	11	(1,622,004)	(1,000,682)
<b>Net assets</b>		<u>423,404</u>	<u>210,579</u>
<b>The funds of the charity :</b>			
<b>Unrestricted income funds</b>			
General funds		(1,176,233)	(1,412,391)
<b>Unrestricted capital funds</b>			
Capital funds		689,206	689,206
Revaluation reserve		<u>910,431</u>	<u>933,764</u>
<b>Total unrestricted funds</b>	16	423,404	210,579
<b>Restricted income funds</b>			
<b>Total restricted funds</b>	16	-	-
<b>Total charity funds</b>		<u>423,404</u>	<u>210,579</u>

The accounts have been prepared in accordance with the special provisions relating to small companies under s246 of the Companies Act 1985 and in accordance with the Financial Reporting Standard for Smaller Entities ( effective January 2007).

The financial statements were approved by the board of trustees on 20 January 2010.

  
**Peter Kenyon**  
**Trustee**

The notes on pages 10 to 16 form an integral part of these accounts.

**Bootstrap Company Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2009**

**1 Accounting policies**

***Basis of preparation of the accounts***

The financial statements have been prepared in accordance with the Statement of Recommended Practice for Accounting and Reporting by Charities, published in March 2005 and the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008. The accounts have been drawn up in accordance with the provisions of the Charities Acts and the Companies Acts, and include the results of the charity's operations which are described in the Trustees' Report, all of which are continuing.

The company has taken advantage of the exemption in the FRSSE from the requirement to produce a cash flow statement.

The particular accounting policies adopted are set out below.

***Accounting convention***

The financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of leasehold land and buildings.

***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.

***Resources Expended***

Liabilities are recognised on the accruals basis. Resources expended are recognised in the period in which they are incurred and include any attributable VAT which cannot be recovered.

Costs of generating funds comprise those costs incurred in the delivery of the charity's activities and services. It includes costs directly related to those activities together with an allocation of support costs that are apportioned to the various activities on the basis of estimated usage.

Governance costs include all expenditure directly related to the administration of the charity including expenditure incurred in the management of the charity's assets, organisational administration and compliance with charitable and statutory requirements.

***Fixed assets and depreciation***

All tangible fixed assets, except leasehold land and buildings, are stated at cost less depreciation. Leasehold land and buildings are stated at a valuation arrived at by the trustees, after taking into account professional valuations, subsequent offers and market conditions. Items costing less than £500 are not capitalised.

Depreciation has been provided at the following rates in order to write off the assets (less their estimated residual value) over their estimated useful economic lives.

Leasehold properties	over the period of the leases
Lift installation	Straight line basis over 12 years
Office equipment	Straight line basis over 4 years
Plant and other equipment	Straight line basis over 15 years

**Bootstrap Company Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2009**

***Capital grants***

Grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity are credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

If the related assets are not subject to restrictions by the grant making organisation on their use and disposal, then the fixed asset fund created is treated as a designated fixed asset fund. As the related assets are depreciated, then a transfer is made from designated fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset.

***Taxation***

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

***Finance and operating leases***

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

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

***Funds structure policy***

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

Designated funds are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion.

**2 Grants and contract income**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Restricted income		
Adventure Capital Fund	178,779	-
Liability to repay ERDF grant released	72,563	
European Regional Development Fund	-	35,944
	<u>251,342</u>	<u>35,944</u>

**Bootstrap Company Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2009**

**3 Resources expended**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
<u>Rental property costs</u>		
Staff costs		
Payroll costs	56,348	60,503
Training and other costs	267	3,082
Accountancy fees	44,912	46,200
Advertising	1,272	897
Bad debts	-	4,676
Cleaning costs	27,662	27,931
Depreciation of plant and equipment	31,458	23,128
Finance costs		
Bank charges	13,509	38,793
Interest charges	104,023	142,198
Insurance premiums	23,246	22,215
Lease amortisation	23,333	-
Repair and maintenance of buildings and security systems	35,997	60,322
Rent, rates and service charges	158,666	166,760
Light and heat	54,099	52,094
Stationery, printing and postage	2,035	1,666
Telephone and fax	7,982	8,073
Other sundry expenses	2,167	3,809
	<u>586,976</u>	<u>662,347</u>
 <u>Property redevelopment costs</u>		
Building Costs	62,609	157,189
Project management fees	18,000	20,000
Other professional fees	3,265	11,020
	<u>83,874</u>	<u>188,209</u>
 <u>Governance costs</u>		
Auditors' remuneration	6,000	6,000
Other legal and professional costs	1,500	1,350
	<u>7,500</u>	<u>7,350</u>

**4 Net outgoing resources**

	<b>2009</b>	<b>2008</b>
<b>This is stated after charging :-</b>		
Depreciation of owned fixed assets	54,791	23,128
Auditors' Remuneration	6,000	6,000
Other professional fees paid to auditors	<u>1,500</u>	<u>1,350</u>

**5 Investment Income**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank deposit interest received	<u>1,502</u>	<u>332</u>

**Bootstrap Company Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2009**

**6 Staff Costs and Emoluments**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Gross Salaries	52,348	56,177
Employer's National Insurance	4,000	4,326
	<u>56,348</u>	<u>60,503</u>

***Numbers of full time employees or full time equivalents***

	<b>2009</b>	<b>2008</b>
Average number of employees during the year	2	2

There were no employees with emoluments in excess of £60,000 per annum

Neither the trustees nor any persons connected with them have received any remuneration or expenses, either in the current year or the prior year.

**7 Tangible fixed assets**

	<b>Leasehold Land and Buildings £</b>	<b>Plant, Machinery &amp; Vehicles £</b>	<b>Total £</b>
<b>Asset cost, valuation or revalued amount</b>			
At 1 April 2008	2,431,521	273,484	2,705,005
At 31 March 2009	<u>2,431,521</u>	<u>273,484</u>	<u>2,705,005</u>
<b>Accumulated depreciation and impairment provisions</b>			
At 1 April 2008	151,521	73,533	225,054
Charge for the year	23,333	31,458	54,791
At 31 March 2009	<u>174,854</u>	<u>104,991</u>	<u>279,845</u>
<b>Net book value</b>			
At 31 March 2009	<u>2,256,667</u>	<u>168,493</u>	<u>2,425,160</u>
At 31 March 2008	<u>2,280,000</u>	<u>199,951</u>	<u>2,479,951</u>

The leasehold properties - The Print House and Colour Works - are recorded at the valuations undertaken in June 2005 for the purposes of refinancing of the charity at that date. No value has been placed on the Fitzroy House short term leasehold property where a market rate rent is paid and expensed in these accounts.

The leasehold property, Colour Works is being written off over the term of the lease. In view of the ongoing redevelopment programme, the directors are of the opinion that the valuation of The Print House reflects the current market value of the property and therefore no provision has been made for depreciation.

**Bootstrap Company Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2009**

**8 Investments**

**Investments in  
Subsidiary  
Undertakings  
£**

**Cost**

At 1 April 2008

1,000

Company dissolved

(1,000)

**At 31 March 2009**

-

The company held 100% of the share capital of Bootstrap Services Ltd, which was registered in England and Wales. The company was dissolved on 17th November 2009.

**9 Debtors**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Rents and other income receivable	35,116	13,412
Other Debtors and deposits	-	15,000
Prepayments	9,635	29,233
	<u>44,751</u>	<u>57,645</u>

**10 Creditors: amounts falling due within one year**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	194,090	627,835
Trade creditors	111,756	274,305
Amounts due to subsidiary undertaking	-	1,650
Accrued expenses	47,806	207,047
Obligations under finance lease and hire purchase contracts	-	2,483
Social security and other taxes	27,150	64,042
Tower Hamlets Environmental Trust	-	101,074
Tenants' rent deposits	54,075	50,533
	<u>434,877</u>	<u>1,328,969</u>

**11 Creditors :- Amounts Falling due after one year**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<u>1,622,004</u>	<u>1,000,682</u>



**Bootstrap Company Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2009**

**12 Secured Loans and creditors**

	2009 £	2008 £
<i>Creditors include:</i>		
Amounts falling due for payment within one year	194,090	627,835
Amounts falling due for payment within five years	1,622,004	1,000,682
Secured loans	<u>1,816,094</u>	<u>1,628,517</u>

The loans are secured by fixed and floating charges against all the assets of the company.

Because the company had not met agreed repayment schedules, the loan from HSBC Bank plc of £1,355,318 became repayable on demand in June 2008. The disclosure of these loans assumes that agreement is reached for the bank to restore the original repayment terms.

**13 Operating Lease commitments**

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	2009 £	2008 £
Operating leases which expire:		
in over five years	<u>£ 60,000</u>	<u>£ 60,000</u>

**14 Related party transactions**

Mr J Aldenton who acted as company secretary and chief executive officer during the year, was also the chief executive officer of Tower Hamlets Environmental Trust, (a trading subsidiary of Tower Hamlets Environmental Trust), which provided management services, including day to day management and management of property letting activities and the property redevelopment project for part of the year. The total charges for these services were £18,000 (2008 £20,000).

**15 Particulars of Individual Funds and analysis of assets and liabilities representing funds**  
**At 31 March 2009**

	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	825,523	1,599,637	-	2,425,160
Investments	-	-	-	1,000
Current Assets	55,125	-	-	55,125
Current Liabilities	(434,877)	-	-	(434,877)
Long Term Liabilities	<u>(1,622,004)</u>	<u>-</u>	<u>-</u>	<u>(1,622,004)</u>
	<u>(1,176,233)</u>	<u>1,599,637</u>	<u>-</u>	<u>424,404</u>

**Bootstrap Company Ltd**  
**Notes to the Accounts**  
**for the year ended 31 March 2009**

**16 Reserves**

	Balance at 01/04/08 £	Incoming Resources £	Outgoing Resources £	Transfers (to)/from £	Balance at 31/03/09 £
Unrestricted capital funds					
Capital funds	689,206	-	-	-	689,206
Revaluation reserve	933,764	-	-	(23,333)	910,431
	<u>1,622,970</u>	<u>-</u>	<u>-</u>	<u>(23,333)</u>	<u>1,599,637</u>
Unrestricted income funds					
General funds	(1,412,391)	891,175	(678,350)	23,333	(1,176,233)
	<u>210,579</u>	<u>891,175</u>	<u>(678,350)</u>	<u>-</u>	<u>423,404</u>
	<u>210,579</u>	<u>891,175</u>	<u>678,350</u>	<u>-</u>	<u>423,404</u>

**Revaluation reserve**

This represents the unrealised gains arising from the revaluations of the leasehold properties. A proportion of any annual depreciation provision is charged to this fund.

**Capital funds**

This fund is the value of grants and donations made towards the cost of the buildings. A proportion of any annual depreciation provision is charged to this fund.

**17 Going Concern**

Since the year end, the charity's rental income has been covering management and property rental expenses. However the trustees are still negotiating new loan facilities and currently the bank loans remain fully repayable on demand. Whilst written confirmation has been obtained stating that there is no intention to withdraw loan facilities in the short term, the charity would be forced to sell its leasehold properties if repayment was demanded.

The company is currently in dispute over the its eligibility for grants received from ERDF in previous years. Although a demand for £534,932 has been received (not provided for in these accounts), the trustees are fully disputing the claim. Any repayment that the company is required to make will be made over a period of time.

The trustees have concluded that the combination of these circumstances represent a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern. Nevertheless after making enquiries, and considering the uncertainties described above, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.