

BOOTSTRAP COMPANY LIMITED
(A company limited by guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003

Charity Registration Number : 275489

Company Number: 01355222



BOOTSTRAP COMPANY LIMITED
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2003

Contents	Page
Legal and administrative information	1
Trustee's report	2 - 6
Auditors' report	7
Consolidated statement of financial activities	8
Consolidated balance sheet	9
Balance sheet	10
Notes to the financial statements	11 - 17

BOOTSTRAP COMPANY LIMITED

LEGAL & ADMINISTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2003

Trustees

K Tunnard (resigned 3 February 2004)
E Taylor
G Ford (resigned 17 February 2003)
J Esan (resigned 17 February 2003)
A Wallis
S Deshmukh (resigned 9 December 2003)
D Newman
A Siddick (appointed 14 January 2003)
W Laryea (appointed 3 March 2003)
S Rauprich (appointed 12 November 2003)
P Ramsden (appointed 9 December 2003)
J Steele (appointed 9 December 2003)
M Blake (appointed 16 February 2004)
T Payne (appointed 16 February 2004)
Y Hatia (appointed 16 February 2004)

Secretary

A Djondo

Bankers

NatWest plc
Kingsland Branch
74 Kingsland High Street
London, E8 2QU

Auditors

haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Solicitors

Hodge, Jones and Allen,
148-150 Camden High Street
London NW1

Registered office

The Print House
18 Ashwin Street
London
E8 3DL

Organisation

Bootstrap Company Limited is a registered charity (number 275489) and company limited by guarantee (number: 01355222). The charity is governed by its Memorandum and Articles of Association.

BOOTSTRAP COMPANY LIMITED

COUNCIL'S REPORT

YEAR ENDED 31 MARCH 2003

The trustees who are also directors for the purposes of charity law present the annual report and the audited financial statements of the company for the year ended 31st March 2003

REPORT ON THE OBJECTIVES OF THE CHARITY

Bootstrap Company Limited is an organisation committed to improving, enhancing and developing people's lives and the communities in which they live. Our vision is that of a strong community that is empowered to improve the quality of people's lives, where local people are enabled to take control of their lives, the communities and the environment in which they live. Bootstrap supports the development of the potential of individuals and groups so that they may achieve and succeed in employment, skills, learning and enterprise.

We offer a range of local services with this ultimate aim including; computer recycling, employment training, community finance initiatives, enterprise support, and estate based advice and guidance. In addition, we own and manage The Print House, which is 30,000 square feet of office, workshop, and shop space housing 40 voluntary, community organisations, and micro enterprises.

The Colourworks provides an additional 10,000 square feet of office spaces for 15 local businesses, voluntary and community groups.

The charity employed 29 full time equivalent staff to deliver the services; 3 covered finance and administration and 26 were involved with project delivery and management of the rest of the work.

The charity sublets the building it occupies (The Print House and The Colourworks) to a subsidiary (Bootstrap Services Ltd) which lets the space to voluntary, community organisations, and micro and social enterprises.

The operations of the organisation are managed by four Department Managers covering the areas of service delivery and finance. The Department Managers report to, and are responsible to, the Executive Director who is also the Company Secretary and thence ultimately to the Trustees/Directors.

The organisation's senior management team meet on a fortnightly basis to discuss and make decisions which feed into the Board's bi-monthly meetings for discussion and ratification.

The Trustees/Directors are appointed through networks of the Trustees/Directors and senior management team. In addition, other forms including relevant umbrella organisations are used to recruit additional Trustees/Directors. Each potential Trustee/Director is invited to attend Board meetings and is then formally appointed by the Board.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS IN 2002/2003

1. THE ESTATES WORK

Much of our work is with unemployed residents on four housing estates in Hackney, one in Camden, and one in Lambeth, which are undergoing or have undergone major community and economic regeneration. Here we have developed a range of services that provide a pathway to employment.

Currently Bootstrap Enterprises advice and guidance centres are situated on the Nightingale, New Kingshold, Clapton Park and Northwold estates and the Stoke Newington UK Online centre in Hackney, the Angell Town Estate in Lambeth and the Camden Goods Yard estate in Camden.

All centres offer local people a comprehensive range of job search facilities; five days a week. Residents have access to information on training and job opportunities, help with CVs and application forms and access to resources for job search, such as phone, fax, computers, newspapers and stamps. Clients see the same advisor and can return as often and for as long as they need. Advisors therefore develop a closer relationship with their clients, which serves to increase client's chances of moving from unemployment to employment.

2. THE TRAINING WORK

A number of accredited training programmes were delivered which focus on improving the employment prospects of our client group. These courses address core skills on motivation, confidence, assertiveness, and communication skills. The following courses were delivered during the year;

- ☐ Basic ICT-OCR Level 1 Certificate for ICT Users
- ☐ European Computer Driving Licence
- ☐ ESOL
- ☐ Basic Skills – Numberwise and Wordwise
- ☐ Schools Inclusion Programme – Junior Learning Gateway

3. Managed Workspace – The Print House and The Colourworks

The Print House has been effectively full for the past year, with only occasional gaps, when people were waiting to move in whilst we redecorated.

At the moment we have 35 'official' tenants in the Print House; These organisations pay rent. In reality, of course, there is a somewhat greater number, when you realise that a number of organisations share offices - we have 42 organisations with postal trays - and there are even more who have formal or informal arrangements to make use of space and facilities provided by such tenants as HCVS.

The Colourworks has become the benchmark by which we measure The Print House, and this has spurred us on to look at the possibility of bringing The Print House up to the same high standard.

In spite of the fact that the rent levels in the Colourworks are similar to other space available in the area, there have been no vacancies from early in the year, and demand for space is very high; again, with strong demand from existing tenants for more space as well as a stream of organisations looking for space.

Among the variety of tenants, there exists groups of campaigning organisations concerned with transport issues, CILT, Capital Transport Campaign, and DaRT achieving an increasingly high profile, and the IT related group of N1 Digital Media and UCT have been joined by IME, also involved in internet related work.

NEW DEVELOPMENTS

We are now actively searching for ways to develop the potential of the premises, in order to expand the rentable space, to provide better facilities for both existing tenants and staff, and allow for new ideas to be conceived and to grow. The Print House / Colourworks buildings are a major resource, and we must seek ways to maximise their use, and ensure that they contribute the maximum possible to Bootstrap's work, and our clients, and the wider community. While it is early days yet, we are optimistic that as we develop our ideas, and in conjunction with all of the people we work with and who share our vision, that we will be able to massively improve the services we offer to all our various clients.

Community Enterprise

In order to make the work we do more easily understood and identifiable, the projects run in the areas of community finance and enterprise development have been brought together under one Department heading: Community Enterprise. This includes all the projects popularly known by clients and agencies as BELCUDA, CEDA and FiLL; but places them under one ethos and direction, leading to innovation and greater synergy between the projects.

Credit Union Development

The development and support of Credit Unions in London and the southeast has continued to be a major activity for BELCUDA (Bootstrap Enterprise London Credit Union Development Agency). However there has been some movement in the nature of the type and scale of support.

Working with SEL (Social Enterprise London) and ABCUL (Association of British Credit Unions Ltd), BELCUDA were instrumental in the production of a credit union sustainability strategy for London, which highlighted support needs, compliance issues with FSA, and the proposition of borough wide Credit Unions. This has resulted in BELCUDA providing support and assistance to small existing credit unions in the area, but also playing an important role in the facilitation and development of borough wide credit unions in Islington, Hackney, Camden, Newham and Haringey.

BELCUDA continues to act as co-ordinating body of NACUW (National Association of Credit Union Workers) for the southeast region, providing both a range of technical training events for member, as well as facilitating credit union workers meetings around strategy, best practice and professional support issues for the region.

Enterprise Development

Having taken on the role of community enterprise development in November 2001, CEDA has grown from strength to strength in this area of work. It's role is to stimulate and support the growth of enterprise in Hackney (and surrounding areas), including community enterprises such as voluntary organisations, social enterprises such as health and social care provision and environmental projects, and micro-enterprise start-up.

CEDA continues to carry out the work funded by Bridge House Estates Trust on estate-based support for community and micro enterprise start-ups. This year the outputs have seen an increase in the number of individual being supported; with at least a 25% increase against projected figures.

CEDA also continues to run a pilot project on micro and social enterprise development through the Phoenix Development Fund (managed by the Small Business Service). This continues to support individuals looking to start-up IT based micro-businesses or consultancies, with an emphasis on recycling equipment, as well as providing advice and support services to other voluntary and community organisations.

Future Development

Micro, social and community enterprise work will continue to be a major focal point of the Community Enterprise department restructuring. This will look at gaps in service provision, including specific social enterprise advice; multi-lingual and translated business training; loan provision for start-ups; and finally financial product and accounting literacy for those unsure or lacking in confidence with these skills.

Incorporating the awareness and support of financial literacy in all other aspects of Bootstrap activity will be high on the agenda for the project. Like Basic Skills, financial literacy will be key in providing appropriate support services, from business start-up, to ESOL or IT training. The development of tools, materials and advice will be key to future of this pilot.

ReBoot - Computer Recycling Project

The project continues with its core task, recycling computers acquired from many sources; from private individuals who have seen our listing in local publications, to big private companies, and the local council. Our customer base has widened, with the project now offering more equipment to private individuals and business, as well as local charities and social organisations.

We provide the full range of activities needed to achieve this work, collection of redundant ITC equipment from donors; sorting and cleaning, building computer equipment from usable components whilst appropriately disposing of the detritus and selling equipment on. We can deliver to our customers and where requested install systems and set up networks or/and place systems on-line to the internet by dialup connections or via ADSL links.

Alongside the equipment, we provide advice and support, either on the phone or in person. A developing strand in our work is the creation of a formal structure for advising businesses on ITC. This is less hardware orientated, and is aimed at start-up business and small business keen to develop their ITC infrastructures.

NOTE: A full breakdown of the achievements of all projects are illustrated in the organisation's annual review.

BOOTSTRAP COMPANY LIMITED

COUNCIL'S REPORT

YEAR ENDED 31 MARCH 2003

Review of transactions in 2002/03

The charity is pleased to report an increase in its activities over the year and acknowledges the grant support from the statutory sources, Europe, trusts and charities.

Details of the movement in the charity are set out in the Statement of Financial Activities and notes thereto.

1. The charity has one subsidiary, Bootstrap Services Ltd. This company's results are included in the Consolidated Statement of Financial Activities.
2. Volunteers and donations in kind:

During the year the reBoot project received IT equipment to enable it to undertake its work. In addition a total of 12 volunteers worked in the areas of computer recycling, employment training, and office administration.

The charity is conscious of its obligations to staff and users and is committed to building up reserves in order to deal with contractual commitments to employees and likely delays in the receipt of funding. The reserve fund for this will represent the equivalent of at least 12 weeks operating costs for the organisation. In addition, the Trustees/Directors have examined and sanctioned the development of a reserve fund to meet the costs of the physical upgrading of The Print House and The Colourworks.

The overall income for the year ended 31 March 2003 remained fairly constant at £1,608,695 (2002: £1,602,361). Income from donations, statutory grants, European funding and interest receivable all fell but there was an increase in other income of more than £43,000. This came about through increased activity in training room hire, with certain space being let out on a long-term basis; in computer sales with two very large orders contributing significantly to the three-fold increase in income; and an increase in rental income from the trading subsidiary.

Overall expenditure rose from £1,570,121 to £1,581,703. Unlike the previous year, expenditure on restricted fund projects in 2003 was generally in line with the income received to run those projects, which necessitated a transfer from unrestricted funds of only £2,834 (2002: £239,435).

The increase in income due to the first full year of Colourworks being fully occupied was offset by a corresponding reduction in lettable space being available in the Print House because of it being occupied by the charity. The operating income of the trading company, Bootstrap Services, therefore only showed a marginal increase from £330,173 to £330,805. Expenses, however, increased from £309,241 to £321,240, which reflected the first year's full occupancy of Colourworks.

Net assets at 31 March 2003 were £799,433 (2002: £772,441). The restricted funds held decreased by £40,095 and unrestricted funds increased by £67,087.

RISK ASSESSMENT

The Trustees have assessed the major risks to which the organisation is exposed, and will introduce improvements to systems and controls wherever practicable.

INVESTMENT POWERS, POLICY AND PERFORMANCE

The charity's investment is the share capital in its wholly owned subsidiary Bootstrap Services Limited, the results of which are disclosed in note 5.

BOOTSTRAP COMPANY LIMITED

COUNCIL'S REPORT

YEAR ENDED 31 MARCH 2003

RESERVES POLICY

The charity's free reserves are currently £(668,600). The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission. The Board has agreed that, given the high value of fixed assets within its unrestricted funds, that a level of reserves equal to net current assets of £160,000 is appropriate, equating to approximately 10% of annual income. The Board believes that reserves should be at least at this level to ensure the charity can run efficiently and meet the needs of the beneficiaries.

It is the Board's aim to achieve this level of reserves during the course of the next 5 years. This will be achieved by;

- ☐ Increasing the level of surpluses generated by reBoot-computer recycling.
- ☐ Seeking additional opportunities for operating managed work spaces.
- ☐ Pursuing and securing new business in partnership with Housing Associations and local authorities which demonstrate that all costs are covered, and a positive contribution is made to the organisation's surplus.
- ☐ Ensuring all existing services at least break-even after making a contribution to overheads.
- ☐ Appraising loss-making projects and devising appropriate action plans, which may lead to timely closure if the service cannot achieve the above.
- ☐ Maximising the charges on contracted services which make a direct contribution to the reserve level.
- ☐ Optimising means of raising additional finance set against 99 years leasehold interest in The Print House.

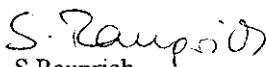
STATEMENT OF TRUSTEES' RESPONSIBILITIES

Charity law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the surplus or deficit of the Charity and the Group for that period. In preparing those financial statements, trustees are required to :

- Select suitable accounting policies and then apply them consistently ;
- Make judgements and estimates that are reasonable and prudent ;
- Follow applicable accounting standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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 financial statements comply with the Charities Act. They are also responsible for safeguarding the assets of the Charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board on 29 July 2004 and signed on their behalf by :


S Rauprich
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

BOOTSTRAP COMPANY LIMITED

We have audited the financial statements of Bootstrap Company Limited for the year ended 31 March 2003 which comprise the consolidated Statement of Financial Activities, the Balance Sheets, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 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 trustees and auditors

As described in the Statement of Trustees' Responsibilities the charity's trustees are responsible for preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. The Trustees are also Directors of Bootstrap Company Limited for the purposes of Company Law.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charitable 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 charitable company is not disclosed.

We read the other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or apparent material inconsistencies with the financial statements.

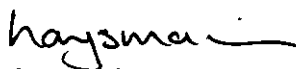
Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's and of the group's affairs as at 31 March 2003 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


haysmacintyre
Chartered Accountants
Registered Auditors

Fairfax House
15 Fulwood Place
London, WC1V 6AY

29 July 2004

BOOTSTRAP COMPANY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2003

		Unrestricted Funds £	Restricted Funds £	2003 Total £	2002 Total £
INCOMING RESOURCES	Notes				
Donations		48	16,038	16,086	21,280
Activities in furtherance of the charitable Objectives:					
Grants		38,076	1,004,369	1,042,445	1,059,713
European Social Fund Grants		-	40,261	40,261	55,785
Consultancy		32,549	2,859	35,408	33,139
Activities for generating funds:					
Income of trading company	5	330,805	-	330,805	330,173
Interest receivable		468	-	468	2,385
Other income	3	143,032	190	143,222	99,886
TOTAL INCOMING RESOURCES		<u>544,978</u>	<u>1,063,717</u>	<u>1,608,695</u>	<u>1,602,361</u>
RESOURCES EXPENDED					
Costs of activities to generate funds:					
Expenses of trading company	5	321,240	-	321,240	309,241
Charitable expenditure:					
Direct charitable expenditure		145,122	1,017,792	1,162,914	1,146,413
Management and administration		8,695	88,854	97,549	114,467
TOTAL RESOURCES EXPENDED	4	<u>475,057</u>	<u>1,106,646</u>	<u>1,581,703</u>	<u>1,570,121</u>
Net incoming resources before transfers		<u>69,921</u>	<u>(42,929)</u>	<u>26,992</u>	<u>32,240</u>
Transfers	11	(2,834)	2,834	-	-
Movement in funds for the year		<u>67,087</u>	<u>(40,095)</u>	<u>26,992</u>	<u>32,240</u>
Funds brought forward		50,842	721,599	772,441	740,201
FUNDS CARRIED FORWARD		<u>£117,929</u>	<u>£681,504</u>	<u>£799,433</u>	<u>£772,441</u>

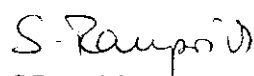
There were no recognised gains and losses other than those shown in the above Statement of Financial Activities

The notes on pages 11 to 17 form part of these financial statements.

BOOTSTRAP COMPANY LIMITED
CONSOLIDATED BALANCE SHEET
AT 31 MARCH 2003

		2003		2002	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	6		1,451,842		1,572,396
CURRENT ASSETS					
Debtors and prepayments	8	377,093		258,636	
Cash at bank and in hand		12,053		12,892	
		<u>389,146</u>		<u>271,528</u>	
CREDITORS : amounts falling due within one year	9	<u>(407,132)</u>		<u>(379,865)</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(17,986)</u>		<u>(108,337)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,433,856		1,464,059
CREDITORS : amounts falling due after more one year	10		<u>(634,423)</u>		<u>(691,618)</u>
NET ASSETS			<u><u>£799,433</u></u>		<u><u>£772,441</u></u>
FUNDS					
Restricted fund	11		681,504		721,599
Unrestricted funds:	12				
General			115,646		48,559
Designated			-		-
Trading subsidiary reserves			<u>2,283</u>		<u>2,283</u>
			<u><u>£799,433</u></u>		<u><u>£772,441</u></u>

Approved by the board of directors on 29 July 2004 and signed on their behalf by :


S Rauprich
Director

BOOTSTRAP COMPANY LIMITED

BALANCE SHEET

AT 31 MARCH 2003

		2003		2002	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	6		1,433,498		1,546,311
Investment in subsidiary at cost	7		1,000		1,000
			<u>1,434,498</u>		<u>1,547,311</u>
CURRENT ASSETS					
Debtors and prepayments	8	374,413		261,202	
Cash at bank and in hand		130		405	
		<u>374,543</u>		<u>261,607</u>	
CREDITORS : amounts falling due within one year	9	<u>(377,468)</u>		<u>(347,142)</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(2,925)</u>		<u>(85,535)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,431,573</u>		<u>1,461,776</u>
CREDITORS : amounts falling due after more than one year	10		<u>(634,423)</u>		<u>(691,618)</u>
NET ASSETS			<u><u>£797,150</u></u>		<u><u>£770,158</u></u>
FUNDS					
Restricted fund	11		681,504		721,599
Unrestricted funds:	12				
General			115,646		48,559
			<u><u>£797,150</u></u>		<u><u>£770,158</u></u>

Approved by the board of directors on 29 July 2004 and signed on their behalf by :

S. Rauprich
S Rauprich
Director

BOOTSTRAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

1. ACCOUNTING POLICIES

Accounting Basis

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The financial statements are prepared in accordance with the Statement of Recommended Practice (Accounting by Charities) SORP 2000, and Companies Act 1985.

Going concern

The accounts have been prepared on a going concern basis – see note 9.

Consolidation Basis

The consolidated financial statements include the financial statements of the Charity together with its wholly owned subsidiary undertaking, Bootstrap Services Limited, made up to the balance sheet date. The charity has taken advantage of Section 304 of SORP 2000 and has not prepared a separate Statement of Financial Activities.

The company has taken advantage of the exemption in Financial Reporting Standard 1, from presenting a cash-flow statement as it qualifies as a small company.

Restricted Funds

The restricted funds are to be used for specified purposes, as laid down by the grant-making body or donor. Expenditure which meets these criteria is allocated to these funds, together with a reasonable allocation of management and administration costs.

Unrestricted Funds

Unrestricted funds include donations, consultancy income and other incoming resources received or generated for unspecified charitable purposes.

Donations and gifts

Income received by way of donations and gifts is included in the Statement of Financial Activities when received.

Revenue Grants

Revenue grants are credited to incoming resources in the period for which they are received. Revenue grants are deferred where the income represents amounts received for future periods and is released to incoming resources in the period for which it has been received.

Resources Expended

All expenditure is accounted for on the accruals basis. Staff costs are allocated to activities on the basis of time spent on those activities.

Administration costs relate to expenditure incurred on the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

Operating leases

The costs of operating leases are charged to the Statement of Financial Activities in the period to which they relate.

BOOTSTRAP COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 MARCH 2003****1. ACCOUNTING POLICIES (continued)****Depreciation and Amortisation**

The costs of fixed assets are written off on a straight line basis over their useful lives, as follows :

Lift installation	12 years
Computer equipment	3 years
Fixtures and fittings	4 years
Leasehold property	by equal instalments over the remaining period of the lease.

Leasehold assets

Rentals payable under operating leases are charged to the Statement of Financial Activities in the year in which they fall due.

Capital grants

Capital grants are included within restricted funds.

Pension scheme

The charity contributes to personal pension policies set up by its employees. The costs are charged to the Statement of Financial Activities when they fall due.

2. STAFF NUMBERS AND COSTS

	2003 Number	2002 Number
(a) The number of employees during the year were as follows :	29	30

(b) No employee received remuneration exceeding £50,000 during the year (2002: nil)

	2003 £	2002 £
Wages and salaries	668,331	704,395
Social security costs	59,683	65,106
Pension costs	53,967	37,698
	<u>£781,981</u>	<u>£807,199</u>

The directors of the company, who are also the trustees, received no remuneration from the company in either year.

During the year reimbursable expenses of £nil (2002: £Nil) was paid to trustees for travelling expenses.

BOOTSTRAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2003

3. NET MOVEMENT IN FUNDS FOR THE YEAR

	2003	2002
	£	£
This is stated after charging:		
Auditors' remuneration for audit	7,000	5,250
Auditors' remuneration for other services	22,546	-
Operating leases	17,465	13,359
Leasehold amortisation	50,661	31,397
Depreciation of fixed assets	67,213	60,466
Other income consisted of:		
Rental and training income	99,859	81,706
ReBoot Sales	15,155	5,082
Room hire	26,085	9,615
Other income	2,123	3,483
	<u>£143,222</u>	<u>£99,886</u>

4. ANALYSIS OF EXPENDITURE

	Salaries	Depreciation	Other	Total
	£	£	£	£
Costs of activities to generate funds:				
Expense of trading company	60,381	11,062	249,797	321,240
Charitable expenditure:				
Direct charitable expenditure	632,746	102,713	427,455	1,162,914
Management and administration	88,854	4,099	4,596	97,549
Total expenditure	<u>£781,981</u>	<u>£117,874</u>	<u>£681,848</u>	<u>£1,581,703</u>

Other expenditure consists of:

	£
Rent, rates & insurance	148,947
Printing, publicity, annual review & 25 th anniversary event	61,358
Recruitment & other staff-related costs	33,177
Repairs & maintenance & other premises costs	67,788
Heat & light	34,731
Post, stationery, telephone, photocopier	65,150
Training & beneficiary related costs	91,973
Office equipment & other running costs	21,161
Audit, legal & other professional fees	113,671
Bank charges & loan interest	43,892
	<u>£681,848</u>

BOOTSTRAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2003

5. RESULTS FROM TRADING SUBSIDIARY

Bootstrap Services Limited is a wholly owned trading subsidiary of Bootstrap Company Limited incorporated in the UK. The company covenants its taxable profits to Bootstrap Company Limited.

	2003 £	2002 £
Sales	330,805	330,173
Cost of sales	(228,601)	(191,312)
Gross profit	102,204	138,861
Admin expenses	(92,639)	(117,929)
Interest receivable	195	800
Profit on ordinary activities	9,760	21,732
Deed of Covenant	(9,760)	(18,164)
Net result	£-	£3,568

6. FIXED ASSETS

	Leasehold Property £	Lift Installations £	Fixtures and Fittings £	Computers & equipment £	Total £
GROUP					
Cost					
At 1st April 2002	1,490,350	60,486	118,715	109,928	1,779,479
Additions during the year	-	-	3,320	2,650	5,970
Disposals during the year	(8,650)	-	-	-	(8,650)
At 31 March 2003	1,481,700	60,486	122,035	112,578	1,776,799
Depreciation					
At 1st April 2002	60,151	16,881	62,259	67,792	207,083
Charged during the year	50,661	13,362	25,494	28,357	117,874
At 31 March 2003	110,812	30,243	87,753	96,149	324,957
Net Book Value					
At 31 March 2003	£1,370,888	£30,243	£34,282	£16,429	£1,451,842
At 31 March 2002	£1,430,199	£43,605	£56,456	£42,136	£1,572,396
CHARITY					
Cost					
At 1st April 2002	1,490,350	60,486	77,148	99,252	1,727,236
Additions during the year	-	-	-	2,650	2,650
Disposals during the year	(8,650)	-	-	-	(8,650)
At 31 March 2003	1,481,700	60,486	77,148	101,902	1,721,236
Depreciation					
At 1st April 2002	60,151	16,881	46,589	57,304	180,925
Charged during the year	50,661	13,362	14,621	28,169	106,813
At 31 March 2003	110,812	30,243	61,210	85,473	287,738
Net Book Value					
At 31 March 2003	£1,370,888	£30,243	£15,938	£16,429	£1,433,498
At 31 March 2002	£1,430,199	£43,605	£30,559	£41,948	£1,546,311

All tangible fixed assets are for the charity's own use.

BOOTSTRAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2003

7. INVESTMENTS	2003	2002
	£	£
Total Market Value	£1,000	£1,000
Investments in subsidiary undertaking at cost	£1,000	£1,000

Bootstrap Company Limited owns 100% of the share capital of Bootstrap Services Limited. The net assets of the subsidiary at 31 March 2003 are £3,283.

8. DEBTORS	Group		Charity	
	2003	2002	2003	2002
	£	£	£	£
Trade debtors	49,387	44,268	40,048	28,670
European Social Fund Grant Receivable	32,558	41,147	32,558	41,147
Grants receivable	270,771	160,442	270,771	160,442
Due from subsidiary undertaking	-	-	9,760	18,164
Prepayments and accrued income	24,377	12,779	21,276	12,779
	£377,093	£258,636	£374,413	£261,202

9. CREDITORS : Amounts falling due with one year

Bank overdraft	48,838	1,406	48,838	1,406
Bank loan	56,562	53,031	56,562	53,031
Accruals and deferred income	266,729	298,674	217,648	274,836
Other taxes and social security	35,003	26,754	54,420	17,869
	£407,132	£379,865	£377,468	£347,142

The charity obtained an increase in its bank overdraft facility from £20,000 to £200,000 in July 2004 (secured on the charity's premises) repayable on demand to meet its day to day working capital requirements. Interest on the overdraft is charged at 2% over bank base rate. The charity, based on its plans, expects to operate within the facility currently agreed up to July 2005 when the bankers are due to consider its renewal for a further period.

10. CREDITORS : Amounts falling due in more than one year

	Group		Charity	
	2003	2002	2003	2002
Bank loan	£634,423	£691,618	£634,423	£691,618
Analysis of loan repayments:				
Within one year			56,562	53,031
Between one and two years			59,774	56,302
Between two and five years			202,368	190,611
After five years			372,281	444,705
			690,985	744,649
Amounts falling due within one year			(56,562)	(53,031)
			£634,423	£691,618

The loan is secured on the company's leasehold property, and interest is charged at between 2% and 4% above the bank base rate.

BOOTSTRAP COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2003

11. RESTRICTED FUNDS

	Brought forward	Incoming resources	Resources Expended	Transfers	Carried forward
	£	£	£	£	£
Capital Fund	690,668		(25,355)		665,313
Project Funds:					
Clapton Park Employment Skills	-	80,000	(79,232)	34	802
Youth Based Training (Changing Faces)	-	80,000	(80,103)	103	-
Employment Advice – Wick Gateway	-	104,527	(105,298)	771	-
Woodbury Downs ESOL	-	20,000	(20,413)	413	-
ReBoot	-	70,000	(70,014)	14	-
Employment Advice KC/Chalk Farm					
U25's Employment Advice		150,611	(151,059)	1,413	965
Belcuda (Inc. Lottery Funding) and					
Financial Literacy Skills Hackney	19,369	261,500	(274,557)	-	6,312
Help A London Child		2,838	(2,856)	18	-
CEDA	11,562	169,250	(172,700)	-	8,112
Lambeth/Learning skills council	-	99,656	(99,681)	25	-
Learn Direct	-	25,335	(25,378)	43	-
	<u>£721,599</u>	<u>£1,063,717</u>	<u>£(1,106,646)</u>	<u>£2,834</u>	<u>£681,504</u>

The Capital Fund represents capital grants and donations towards to cost of buildings and refurbishments. Depreciation is charged against the fund in accordance with the stated accounting policy for the assets concerned.

The transfer represents the overspend on projects met by unrestricted funds.

12. UNRESTRICTED FUNDS

	Brought forward	Incoming resources	Resources Expended	Transfers	Carried forward
	£	£	£	£	£
General fund	48,559	214,173	(144,252)	(2,834)	115,646
Trading Subsidiary	2,283	330,805	(330,805)	-	2,283
	<u>£50,842</u>	<u>£544,978</u>	<u>£(475,057)</u>	<u>£(2,384)</u>	<u>£117,929</u>

BOOTSTRAP COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****YEAR ENDED 31 MARCH 2003****13. FINANCIAL COMMITMENTS**

At 31 March 2003 the company had annual commitments under non-cancellable operating leases as follows:

	2003	2002
	£	£
Expiring within one year	17,565	£13,359

14. ANALYSIS BY FUND

	Unrestricted Total £	Restricted Funds £	Total Funds £
Fixed assets	786,529	665,313	1,451,842
Other net current assets	(34,177)	16,191	(17,986)
Long term liabilities	(634,423)	-	(634,423)
	<u>£117,929</u>	<u>£681,504</u>	<u>£799,433</u>