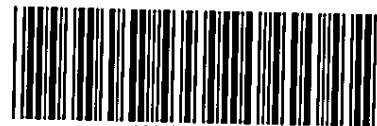


HBV enterprise
starting, funding, growing business

HBV Enterprise
A Company Limited by Guarantee
REPORT AND FINANCIAL STATEMENTS

Year ended 30 June 2009

THURSDAY



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29/10/2009
COMPANIES HOUSE

Charity Registration No. 1104655

Company Registration No. 01825391

HBV Enterprise
(A Company Limited by Guarantee)
Contents

Co Number: 01825391

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HBV Enterprise

Co Number: 01825391

(A Company Limited by Guarantee)

Legal and Administrative Information

TRUSTEES

C Cox (Chair)
BN Marsh
D Pyatt
R Abbott (Chief Executive)
ME Chadwick (resigned 6 July 2009)
AJ Haxby
G Parmar
G Mistlin
I Tonge (resigned 3 July 2009)
D Santilale
T Kazempour (appointed 24 September 2008)

SECRETARY

D Pyatt

REGISTERED OFFICE

HBV Enterprise Centre
34 - 36 Dalston Lane
London E8 3AZ

COMPANY REGISTERED NUMBER

01825391

CHARITY REGISTERED NUMBER

1104655

AUDITORS

Moore Stephens LLP
Chartered Accountants
57 London Road
Enfield
Middlesex EN2 6SW

BANKERS

Barclays Bank plc
Holloway & Kingsland Group
PO Box 3628
London E8 2JX

National Westminster Bank plc
Kingsland
7 Kingsland High Street
London
E8 2QU

The trustees, who are also the directors of the company for the purposes of the Companies Act, submit their report and the financial statements of HBV Enterprise (the company) for the year ended 30 June 2009. The trustees confirm that the report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005, The Charities Act 1993 and The Companies Act 2006. The Trustees are governed by the company's Memorandum and Articles of Association.

AIMS OF THE CHARITY

The principal aim of the charity is to act as an urban regeneration support agency which benefits the public by alleviating unemployment through enterprise means, helping people to change their lives by promoting the development of entrepreneurial thinking and business ideas, building confidence to become employed, self-employed or to start or grow their own business.

Its activities since its inception in 1984 have achieved this through the provision of a mix of start up and micro business support services. Many of the beneficiaries are based in the London Borough of Hackney, which by most measures is Britain's most deprived borough, where the company operates an inclusive range of enterprise services including loan funds, however its Enterprise Finance Services are also available to small businesses in the London Boroughs of Barnet, The City, Brent, Camden, Enfield, Haringey, Harrow, Islington and Waltham Forest.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company achieved charitable status on 30 June 2004 and the directors are the trustees of the charity.

Following the decision to increase Board membership in order to enhance its composition and range of skills, new directors are being sought and appointed. All trustee appointments are made by the Board. The Board meets at least five times a year; in one of these meetings strategy is reviewed.

Management is delegated to the Chief Executive, who is also a trustee, who reports on the performance against budgets approved by trustees. The Board receives the latest management accounts prior to its meetings.

The Board regularly reviews an assessment of the risks to which the charity is exposed and the control and reporting procedures to manage and reduce the identified risks. The principal financial risk is the impact of the present uncertain climate for funding start up and micro business support services. This risk is being addressed by managing the business to achieve the minimum level of reserves necessary to provide sufficient flexibility.

New trustees are provided with an induction pack and given a full briefing of the company's operations. All trustees will also attend suitable training courses as required.

TRUSTEES' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this report is approved confirms that (a) as far as each director is aware, there is no relevant audit information of which the auditors are unaware; and (b) to the best of their knowledge and belief, each director has taken all of the steps that ought to have reasonably been taken as a director, including making appropriate enquiries of fellow directors and of the charity's auditors for that purpose, in order to make themselves aware of any relevant audit information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

TRUSTEES

The trustees and secretary at the date of this report and the period under review are set out on page 1. Each trustee is also a director and a member of the company. Each member of the company has guaranteed to contribute a sum not exceeding £1 to the assets of the company in the event of it being wound up and unable to pay its debtors.

PUBLIC BENEFIT

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and strategy and in planning our future activities. In addition to providing services to clients, HBV's links with the community have continued to develop throughout the year. Activities and events promoting the awareness of business amongst various social groups continue to be developed. The review of activities referred to below highlights the achievements made.

BUSINESS REVIEW AND PRINCIPAL ACHIEVEMENTS OF THE YEAR

The company continued with its track record of successfully managing and delivering regeneration projects, assisting local residents to develop entrepreneurial thinking and business ideas, and entrepreneurs to start, fund and grow businesses in the commercial, social, community and voluntary sectors. Over 5,000 enquiries were handled in order to deliver this support.

Principal achievements during the year were the creation of 81 viable new local enterprises and 99 full time jobs in enterprises managed by our client. The company also significantly increased its work with existing enterprises. Half of the beneficiaries supported were women and two thirds were Black, Asian or other Minority Ethnic (BAME.)

Our staff and associates are once again congratulated on a successful year supporting enterprise creation and development. The continuing support of our funders, sponsors and partners is also gratefully acknowledged. Further details are available from our website www.hbv.org.uk.

PLANS FOR THE FUTURE

During 2009-10, the company aims to continue to develop and deliver services that address worklessness by stimulating viable enterprise creation and development. These services will include Pre Start-Up and Start-Up support, and The HBV Finance Service. In particular, we will continue to increase our focus on and activities with existing businesses, in order to assist them to survive and grow by exploring new markets via networking and other business development activities.

REVIEW OF FINANCIAL POSITION

Income increased from £569k to £679k. Although resources expended also increased, the net result is an increased surplus that has enabled the company to move towards the financial stability that will be needed to finance operations and face the uncertainties in the funding environment for its services.

RESERVES POLICY

The trustees have examined the company's requirements for free reserves in the light of the principal risk facing the organisation i.e. the uncertain funding climate for its services. They previously set a target of 30% to 45% of annual unrestricted income; the current level of free reserves, at £253k (unrestricted reserves of £256k less £3k tied up in fixed assets) is just under midway of the target range. However, in order to address some of the challenges posed by the likelihood of changes in funding, we plan to increase our strategic review and development activities during the year ahead, the cost of which is expected to result in a reduction in our free reserves during the year. Our policy is therefore to achieve a modest operating deficit for the year ahead, and review the position in 12 months time.

TANGIBLE FIXED ASSETS

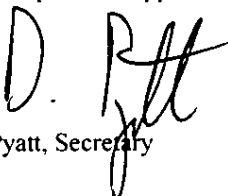
The movements in tangible fixed assets are set out in note 9 to the financial statements.

AUDITORS

Moore Stephens LLP has expressed a willingness to continue in office. A resolution to appoint them will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Parts 15 and 16 of the Companies Act 2006 relating to small companies.

This report was approved by the trustees on 30 September 2009 and signed on their behalf by:


D Pyatt, Secretary

HBV Enterprise
(A Company Limited by Guarantee)
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 30 June 2009

Co Number: 01825391

We have audited the financial statements of HBV Enterprise for the year ended 30 June 2009 on pages 6 to 13. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's trustees as a body, in accordance with Section 495-496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

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

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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: (i) the financial statements give a true and fair view of the state of the charitable company's affairs as at 30 June 2009 and of its incoming resources and application of resources including its income and expenditure for the year then ended; (ii) the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; (iii) the financial statements have been properly prepared in accordance with the Companies Act 2006; and (iv) the information given in the Trustees' Report is consistent with the financial statements.

Signature: *S.J. Markley*
Name: *STUART MARKLEY*
For and on behalf of
Moore Stephens LLP

21 OCTOBER 2009

Chartered Accountants & Registered Auditors
57 London Road
Enfield
Middlesex
EN2 6SW

HBV Enterprise
(A Company Limited by Guarantee)
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 30 June 2009

Co Number: 01825391

	Notes	2009 £	2008 £
Incoming resources			
<i>Incoming resources from generated funds:</i>			
Voluntary income	2	3,250	10,020
Investment income	3	7,049	11,195
<i>Incoming resources from charitable activities:</i>			
Start up and micro business support services		668,353	548,218
Total incoming resources		<u>678,652</u>	<u>569,433</u>
Resources expended			
Charitable activities			
Depreciation	5	4,284	4,925
Staff costs	6,7	320,806	357,248
Other costs		326,042	189,158
Governance costs		8,000	8,000
Total resources expended	4	<u>659,132</u>	<u>559,331</u>
Net incoming resources	5	19,520	10,102
Total funds brought forward		236,484	226,382
Total funds carried forward		<u>256,004</u>	<u>236,484</u>

All activity during the year relates to unrestricted funds.

The notes on pages 8 to 13 form part of these financial statements.

HBV Enterprise
(A Company Limited by Guarantee)
BALANCE SHEET
at 30 June 2009

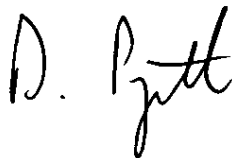
Co Number: 01825391

	Notes	2009 £	2008 £
Fixed Assets			
Tangible assets	8	2,748	7,032
Other investments	9	934,718	957,678
Loans	9	(934,718)	(957,678)
		<u>2,748</u>	<u>7,032</u>
Current Assets			
Debtors	10	22,446	164,907
Cash at bank and in hand		557,052	266,919
		<u>579,498</u>	<u>431,826</u>
Creditors: Amounts falling due within one year	11	(302,942)	(179,074)
Net Current Assets		<u>276,556</u>	<u>252,752</u>
Total Assets less Current Liabilities		279,304	259,784
Creditors: Amounts falling after more than one year	12	(23,300)	(23,300)
Net Assets		<u>256,004</u>	<u>236,484</u>
Unrestricted Funds		<u>256,004</u>	<u>236,484</u>

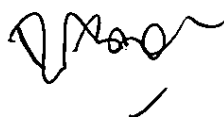
These financial statements have been prepared in accordance with the special provisions of Parts 15 and 16 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 30 September 2009 and signed on its behalf by

D Pyatt



R Abbott



The notes on pages 8 to 13 form part of these financial statements.

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards under the historic cost convention and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting for Charities" published in March 2005.

FUND ACCOUNTING

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives of HBV Enterprise.

Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

INCOMING RESOURCES

All sources of income are recognised in the year in which entitlement to the income arises. Income (all of which arises in the UK) comprises the invoiced value of goods and services supplied and grants received, net of value added tax and trade discounts together with donations received with respect to the general activities of the venture. Income received in advance for spend in future periods is deferred and shown in creditors.

RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been listed under headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed they have been allocated on a basis consistent with the use of the resources. Governance costs are those incurred in connection with the management of HBV Enterprise's assets, organisation administration and compliance with constitutional and statutory requirements.

FIXED ASSETS AND DEPRECIATION

Depreciation is provided on the straight line basis on cost, or valuation, so as to write off the cost of assets over their estimated useful lives commencing in the quarter of acquisition:

Improvements to leasehold property	20% per annum
Office equipment	25% per annum
Computer equipment	33.3% per annum

Assets costing under £500 are written off in the year of acquisition.

OPERATING LEASES

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

PENSIONS

The company operates a defined contribution pension scheme for all full-time and part-time staff, including the CEO, but excluding non-executive trustees. The assets of the scheme are invested and managed independently of the finances of the company. The pension cost charge represents contributions payable in the year.

OTHER INVESTMENTS

These represent loans advanced by the company and monies held on deposit. These are financed by loans advanced by third parties.

The company administers the loans advanced by the third parties but is not obliged to support any loss or default arising thereon. These monies are repayable to the loan providers only to the extent of the individual loans recovered, being capital and interest. There is no recourse on any other assets of the company. This disclosure is in accordance with the linked presentation provisions of FRS 5.

HBV Enterprise
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Co Number: 01825391

TAXATION

The company was a registered enterprise agency until 30 June 2004 and was therefore not subject to corporation tax on its normal activities. From 30 June 2004, the company has been registered as a charity and therefore continues to be not subject to corporation tax on its charitable activities.

2 VOLUNTARY INCOME

	2009 £	2008 £
Donations	3,250	10,020

3 INVESTMENT INCOME

	2009 £	2008 £
Bank interest	7,049	11,195

4 TOTAL RESOURCES EXPENDED

(a) Analysis of total resources expended

	Staff Costs £	Other costs £	Total 2009 £	Total 2008 £
Charitable Activities				
Start up & micro business support services				
Advice and training	320,806	330,326	651,132	551,331
Governance costs	-	8,000	8,000	8,000
	320,806	338,326	659,132	559,331

(b) Analysis of costs

	Support Costs £	Governance £	Total 2009 £	Total 2008 £
Salaries & other staff costs	320,806	-	320,806	357,248
Direct project expenses	204,538	-	204,538	55,917
Occupancy costs	39,839	-	39,839	39,919
Depreciation	4,284	-	4,284	4,925
Legal & professional	31,741	8,000	39,741	42,384
Quality assurance	3,380	-	3,380	978
Other	46,544	-	46,544	57,960
	651,132	8,000	659,132	559,331

HBV Enterprise
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Co Number: 01825391

5 NET INCOMING RESOURCES

	2009 £	2008 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	4,284	4,925
Auditors' remuneration:		
- audit fee	8,000	8,000
Operating leases		
- office rentals	32,500	32,500

6 TRUSTEES' REMUNERATION

As permitted by the Articles of Association, the Chief Executive, Richard Abbott, received remuneration of £88,083 (2008: £83,160). None of the other trustees received remuneration (2008: £Nil)

	2009	2008
The number of trustees to whom pension benefits are accruing under money purchase schemes	1	1

The pension contributions paid to money purchase schemes in respect of these trustees was £5,338 (2008: £5,198)

During the year, one trustee received £643 of reimbursement of expenses (2008: £884).

7 STAFF COSTS

	2009 £	2008 £
The company employed on average 9 (2008: 10) people during the year at a cost of		
Wages and salaries	279,973	313,432
Social security costs	29,843	33,327
Other pension costs	10,990	10,489
	320,806	357,248

The pension costs during the year amounted to £10,990 (2008: £10,489). There were £Nil outstanding contributions at the year end (2008: £1,202). One employee, who is also a trustee, received remuneration between £80,000 and £90,000 (2008: one between £80,000 and £90,000).

HBV Enterprise
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Co Number: 01825391

8 TANGIBLE FIXED ASSETS

	<i>Short Leasehold Premises</i> £	<i>Computer equipment</i> £	<i>Office equipment</i> £	<i>Total</i> £
Cost:				
At 30 June 2008 and 2009	189,785	38,916	26,804	255,505
Depreciation:				
At 1 July 2008	189,785	38,916	19,772	248,473
Charge for the year	-	-	4,284	4,284
At 30 June 2009	189,785	38,916	24,056	252,757
Net book value:				
At 30 June 2009	-	-	2,748	2,748
At 30 June 2008	-	-	7,032	7,032

9 OTHER INVESTMENTS

	<i>2009</i> £	<i>2008</i> £
Investments		
Cost		
At 1 July	957,678	943,610
Net movement	(22,960)	14,068
At 30 June	934,718	957,678
Loans	(934,718)	(957,678)

Investments represent loans advanced by the company and monies held on deposit. These are financed by loans advanced by third parties.

10 DEBTORS

	<i>2009</i> £	<i>2008</i> £
Trade debtors	22,180	154,746
Prepayments	-	8,125
Other debtors	266	2,036
	22,446	164,907

HBV Enterprise
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Co Number: 01825391

11 (a) CREDITORS: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	186,852	39,202
Other creditors including taxation and social security	-	705
Accruals and deferred income	116,090	139,167
	<hr/>	<hr/>
	302,942	179,074
	<hr/>	<hr/>

11 (b) DEFERRED INCOME

Deferred income brought forward	66,245	103,890
Released from prior years	(33,874)	(47,487)
Incoming resources deferred	12,500	9,842
	<hr/>	<hr/>
Deferred income carried forward	44,871	66,245
	<hr/>	<hr/>

12 CREDITORS: Amounts falling due after one year

	2009 £	2008 £
Accruals and deferred income	23,300	23,300
	<hr/>	<hr/>
	23,300	23,300
	<hr/>	<hr/>

13 STATEMENT OF FUNDS

	At 1 July 2008 £	Income £	Expenses £	At 30 June 2009 £
Unrestricted Funds:				
General funds				
Start Up & Micro Services	236,484	678,652	(659,132)	256,004
	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted funds	236,484	678,652	(659,132)	256,004
	<hr/>	<hr/>	<hr/>	<hr/>

HBV Enterprise
(A Company Limited by Guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2009

Co Number: 01825391

14 OTHER FINANCIAL COMMITMENTS

	2009 <i>Land & Buildings</i> £	2008 <i>Land & Buildings</i> £
At 30 June 2009 the company was committed to making the following payments during the next year under non-cancellable operating leases as follows:		
Expiring in the second to fifth years	32,500	32,500
	<hr/> 32,500	<hr/> 32,500