
Hackney Business Venture Limited

(A Company Limited by Guarantee)

Report and Financial Statements

◆ *Year Ended 30 June 1996* ◆



Company No: 01825391

HACKNEY BUSINESS VENTURE LIMITED
(A Company Limited by Guarantee)

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HACKNEY BUSINESS VENTURE LIMITED
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COMPANY INFORMATION

Directors	I Anderson	
	S J Evans	
	J R Griffith-Jones	
	M G M Haines	(Chair)
	G Harwood	
	S Johnson	
	B N Marsh	
	H Richardson	
	A Stewart-Roberts	
	D R Willetts	
	D Pyatt	

Secretary	M S Kelly
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Registered office	277 Mare Street London E8 1HB
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Auditors	Robson Rhodes Chartered Accountants 186 City Road London EC1V 2NU
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Bankers	Barclays Bank Plc 298 Mare Street London E8 1HF
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HACKNEY BUSINESS VENTURE LIMITED
(A Company Limited by Guarantee)

REPORT OF THE DIRECTORS

The Council of Management present their report and the audited financial statements for the year ended 30 June 1996.

Principal activity

The main aim of the group is to encourage the development of small businesses and employment opportunities in the London Borough of Hackney.

Review of the business

During this financial year Hackney Business Venture has continued to re-focus its areas of activity. This diversification of our product base has moved us away from dependency upon start-up business work only and we now manage a variety of projects that are in line with our core objectives. This continued expansion will enable us to capitalise on a variety of new funding and this diversification will continue into the forthcoming year.

Transfer to reserves

Surplus for the year: £26,397 (1995: surplus £29,314).

Liability of members

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 debts.

At 30 June 1996 the company had 11 members (1995: 10).

Directors

The directors and secretary at the date of this report are set out on page 1.

Each director is also a member of the company.

D Pyatt was appointed as a director on 6 June 1996.

HACKNEY BUSINESS VENTURE LIMITED
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REPORT OF THE DIRECTORS
(Continued)

Statement of directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss 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.

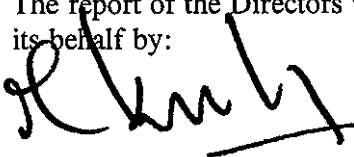
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Robson Rhodes have expressed their willingness to continue in office as auditors. A resolution for their reappointment will be proposed at the Annual General Meeting.

Approval

The report of the Directors was approved by the Board on
its behalf by:



M S Kelly
Secretary

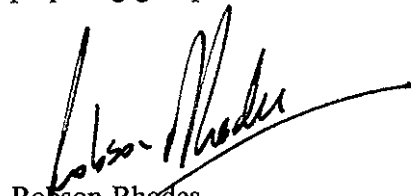
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HACKNEY BUSINESS VENTURE LIMITED
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REPORT OF THE AUDITORS
TO THE DIRECTORS OF HACKNEY BUSINESS VENTURE
PURSUANT TO SECTION 248 OF THE COMPANIES ACT 1985

We have examined the financial statements of the company and each of its subsidiary undertakings for the year ended 30 June 1996. The scope of our work for the purposes of this report was limited to confirming that the company is entitled to the exemption conferred by section 248 from preparing group accounts.

In our opinion, for the year ended 30 June 1996, the company is entitled to the exemption from preparing group accounts conferred by section 248 of the Companies Act 1985.



Robson Rhodes
Chartered Accountants and Registered Auditor

London

3 December 1996

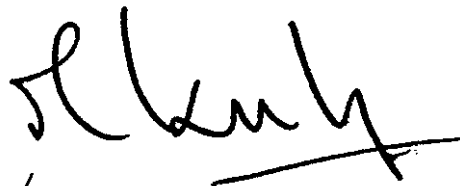
HACKNEY BUSINESS VENTURE LIMITED
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STATEMENT BY THE COMPANY
TO THE DEPARTMENT OF EMPLOYMENT

We confirm that there has been no change made or proposed in either the objectives for which approval has been given or to the Memorandum and Articles of Association in the year to 30 June 1996 or to the date of this statement.

On behalf of the Council

M S Kelly
Secretary

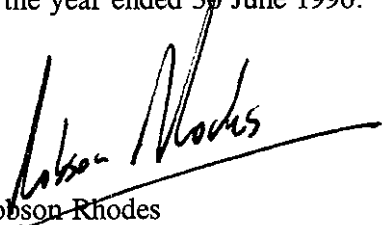
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3/12 1996

HACKNEY BUSINESS VENTURE LIMITED
(A Company Limited by Guarantee)

STATEMENT OF THE AUDITORS
TO THE DEPARTMENT OF EMPLOYMENT

We confirm that the funds raised by the Venture have been used to meet the objectives of the Agency in the year ended 30 June 1996.


Robson Rhodes
Chartered Accountants and Registered Auditor

London
3 December 1996

HACKNEY BUSINESS VENTURE LIMITED
(A Company Limited by Guarantee)

AUDITORS' REPORT TO THE MEMBERS OF HACKNEY BUSINESS VENTURE LIMITED

We have audited the financial statements on pages 8 to 15 which have been prepared on the basis of the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

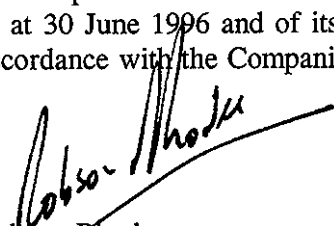
Basis of opinion

We conducted our audit in accordance with 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 judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company'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 affairs of the company as at 30 June 1996 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Robson Rhodes
Chartered Accountants and Registered Auditor

London
3 December 1996

HACKNEY BUSINESS VENTURE LIMITED
(A Company Limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT
for the year ended 30 June 1996

	Note	1996 £	1995 £
Income	1	530,600	392,659
Less: Administrative expenses		(506,067)	(365,261)
		<hr/>	<hr/>
Operating surplus: continuing operations	2	24,533	27,398
Interest receivable and similar income	5	1,864	1,916
		<hr/>	<hr/>
Surplus on ordinary activities before taxation		26,397	29,314
Tax on ordinary activities	6	-	-
		<hr/>	<hr/>
Surplus on ordinary activities after taxation transferred to reserves	12	26,397	29,314
		<hr/>	<hr/>

There were no material recognised gains nor losses during the year ended 30 June 1996 other than as stated above.

HACKNEY BUSINESS VENTURE LIMITED
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BALANCE SHEET
at 30 June 1996

	Note	1996 £	1995 £
Fixed assets			
Tangible assets	7	9,310	1,846
Investments	8	160,001	160,001
		<u>169,311</u>	<u>161,847</u>
Current assets			
Debtors	9	79,322	68,979
Cash at bank and in hand		71,296	11,659
		<u>150,618</u>	<u>80,638</u>
Creditors: Amounts falling due within one year	10	(89,700)	(37,829)
Net current assets/(liabilities)		<u>60,918</u>	<u>42,809</u>
Total assets less current liabilities		230,229	204,656
Creditors: Amounts falling due after more than one year	11	-	(271)
Net assets		<u>230,229</u>	<u>204,385</u>
General funds	12	68,217	41,820
Restricted funds	12	162,012	162,565
	13	<u>230,229</u>	<u>204,385</u>

The financial statements were approved on behalf of the Council of Management on 3/12 1996 and signed on its behalf by:

M G M Haines

M G M Haines
Chair of the Council of Management

HACKNEY BUSINESS VENTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
30 June 1996

1. ACCOUNTING POLICIES

Income

Income comprises the invoiced value of goods and services supplied, net of value added tax and trade discounts together with donations received with respect to the general activities of the venture.

Fixed assets

Certain fixed asset donations-in-kind have been included in the accounts, at an estimate of market value.

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 as follows:

Office equipment	25% per annum
Computer equipment	33.3% per annum

Taxation

The company is a registered enterprise agency and is not subject to corporation tax on normal activities. The company does pay corporation tax on interest received at the current rate of tax.

Funds

The funds of the company are classified as follows:

General funds: where the funds may be used for operational purposes.

Restricted funds: where the funds are allocated for specific activities of the group.

Leased assets

Where assets are financed by leasing agreements ("finance leases") the assets are included in the balance sheet at cost less depreciation in accordance with the group's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

HACKNEY BUSINESS VENTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
30 June 1996

2. OPERATING SURPLUS

Operating surplus for the year is arrived at after charging:

	1996	1995
	£	£
Depreciation	5,161	2,745
Hire charges	847	1,047
Auditors' remuneration	5,000	5,000
	<hr/>	<hr/>

3. EMPLOYEES (INCLUDING DIRECTORS)

The Company employed on average 16 (1995: 10) people during the period at a cost of:

	1996	1995
	£	£
Wages and salaries	229,692	147,466
Social security costs	25,242	15,089
Other pension costs	9,504	5,356
	<hr/>	<hr/>
	264,438	167,911
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4. DIRECTORS' EMOLUMENTS

Only one director received any remuneration during the year (1995: 1). No remuneration was paid by related companies to directors of the company during the year (1995: £Nil).

5. INTEREST RECEIVABLE

	1996	1995
	£	£
Bank interest	1,864	1,916
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HACKNEY BUSINESS VENTURE LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
30 June 1996

6. TAXATION

There is no charge for corporation tax for the year (1995: Nil).

7. FIXED ASSETS

	Computer equipment £	Office equipment £	Total £
Cost			
At 1 July 1995	22,671	13,999	36,670
Additions	12,625	-	12,625
At 30 June 1996	35,296	13,999	49,295
Depreciation			
At 1 July 1995	20,901	13,923	34,824
Charged in year	5,123	38	5,161
At 30 June 1996	26,024	13,961	39,985
Net book value			
At 30 June 1996	9,272	38	9,310
At 30 June 1995	1,770	76	1,846

8. INVESTMENTS

As the company has developed it has set up or acquired separate companies to carry out certain distinct activities; in respect of these the Company has guaranteed to contribute a sum not exceeding the amount specified below to the assets of related companies in the event of being wound up and unable to pay their debts. All the companies are incorporated in England and Wales.

	£
Hackney Business Centre Limited (a property management company)	2
S G Warburg Enterprise Fund Limited (an investment company)	2

In addition the company owns the whole of the issued share capital of Hackney Enterprise Fund Limited (an investment company), being 100 ordinary shares of £1 each, included at cost of £1.

HACKNEY BUSINESS VENTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
30 June 1996

The results for each of these companies for the year ended 30 June 1996 are as follows:

	Surplus/ (deficit) 1995 £	Capital and Reserves £
Hackney Business Centre Limited	(4,554)	(72,414)
S G Warburg Enterprise Fund Limited	(19,919)	261,731
Hackney Enterprise Fund Limited	(10,812)	(227,323)
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Included in investments is an amount due from Hackney Business Centre of £160,000 (1995: £160,000). The company has agreed that this be repayable upon demand, but not earlier than 30 November 1998 and has waived its rights to interest for the period.

The deficit on capital and reserves of Hackney Enterprise Fund Limited is arrived at after deducting an interest free loan of £350,000 which is subordinated and is only repayable in the event of the company being wound up.

9. DEBTORS

	1996 £	1995 £
Trade debtors	71,188	15,703
Amounts owed by related company	7,866	5,424
Other debtors	71	21,000
Prepayments and accrued income	197	26,852
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	79,322	68,979
	<hr/>	<hr/>

HACKNEY BUSINESS VENTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
30 June 1996

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1996	1995
	£	£
Trade creditors	12,906	10,303
Amounts owed to related companies	34,314	3,190
Corporation tax	209	209
Other creditors including taxation and social security	13,689	9,832
Accruals and deferred income	28,310	13,207
Lease creditor	272	1,088
	<u>89,700</u>	<u>37,829</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	1996	1995
	£	£
Lease creditors	-	271
	<u>-</u>	<u>271</u>

12. RESERVES

	General fund	Funds for	Other	Total
	-Accumulated	Hackney	restricted	restricted
	surplus	Business	funds	funds
	£	Centre	£	£
At 30 June 1995	41,820	160,000	2,565	162,565
Advances	-	-	(553)	(553)
Surplus on general activities for year	26,397	-	-	-
	<u>68,217</u>	<u>160,000</u>	<u>2,012</u>	<u>162,012</u>

HACKNEY BUSINESS VENTURE LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
30 June 1996

13. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS

	1996	1995
	£	£
Retained surplus for the year	26,397	29,314
(Repayments)/advances of restricted funds	(553)	994
	<hr/>	<hr/>
	25,844	30,308
Opening Members' funds	204,385	174,077
	<hr/>	<hr/>
Closing Members' funds	230,229	204,385
	<hr/>	<hr/>

14. FINANCIAL COMMITMENTS

The annual commitments under operating leases are analysed according to the period in which each lease expires as follows:

	1996	1995
	£	£
Plant and machinery, lease expiring within one to five years	-	1,796
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HACKNEY BUSINESS VENTURE LIMITED
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**The following pages do not form part of the
audited statutory financial statements and are for
management purposes only**

HACKNEY BUSINESS VENTURE LIMITED
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For directors' use only

DETAILED INCOME AND EXPENDITURE ACCOUNT
for the year ended 30 June 1996

	1996	1995
	£	£
Income		
Donations	36,812	88,907
Miscellaneous income	5,601	2,566
Management charges	110,619	42,034
Services	377,568	259,152
	<u>530,600</u>	<u>392,659</u>
Administration		
Hire charges	847	1,047
Stationery and printing	10,277	7,738
Computer equipment	2,645	5,352
Telephone	6,136	4,531
Repairs and maintenance	2,436	2,488
Insurance	2,310	2,223
Salaries	88,768	167,911
Consultants	4,092	95,864
Postage	9,823	3,529
Travel and courier services	5,161	5,483
Depreciation	66,332	2,745
Rent	985	46,952
Sundry	2,030	762
Advertising and PR	1,079	2,148
Publications	5,000	1,022
Audit	5,834	5,000
Catering	3,803	4,515
VAT	2,592	2,321
Financial charges	3,104	2,116
Legal and professional	846	1,313
Recruitment	2,760	-
Health and safety	14,769	201
	<u>506,067</u>	<u>365,261</u>
Operating surplus on general activities	24,533	27,398
Interest receivable	1,864	1,916
	<u>26,397</u>	<u>29,314</u>
Surplus for the year transferred to the general fund	<u>26,397</u>	<u>29,314</u>

HACKNEY BUSINESS VENTURE LIMITED
(A Company Limited by Guarantee)

For directors' use only

SCHEDULE OF DONATIONS RECEIVED
for the year ended 30 June 1996

	1996	1995
	£	£
Guardian Royal Exchange Assurance Plc	1,500	1,500
The Haberdashers Company	3,000	3,000
Fenchurch Insurance	-	500
S G Warburg Group Plc	20,000	15,000
Whitbread & Company Plc	6,000	6,000
Moore Rowland	-	1,000
Touche Ross	5,000	-
Barclays Bank Plc	-	1,000
LB of Waltham Forest - WFEF	3,000	-
KPMG Peat Marwick	-	6,000
Marks & Spencer	1,500	6,000
Boots	500	500
Nat West	2,926	-
Sun Life Assurance Society	2,000	2,000
Trade Indemnity	-	100
Hackney Council - BIRS	-	20,982
British Rail	5,000	2,500
Claude Brown Memorial Fund	-	5,175
Midland Bank	-	1,000
CILNTEC - Opportunities for Business	-	1,000
Task Force	-	2,450
Simmons & Simmons	-	700
Donations received in year	50,426	77,907
Donations in kind:		
Robson Rhodes	5,000	5,000
Total donations in year	55,426	82,907
Donations deferred to 1997 against on-going projects	(18,614)	-
Donations deferred from 1994 against on-going projects	-	6,000
Donations taken to P&L in 1996	36,812	88,907