

IEA Trading Limited
Report & Financial Statements
31 March 2000

Sayer Vincent

chartered accountants registered auditors



SAYER VINCENT
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IEA Trading Limited

Legal & Administrative Details

For the Year Ended 31 March 2000

Status	The organisation is a company limited by guarantee, incorporated on 19 April 1996
Company Number	2422882
Registered Office and Operational Address	64 Essex Road London N1 8LR
Directors	Peter Gotham - Chair Armando Pardo - Secretary
Bankers	Royal Bank of Scotland 4th Floor, Regents House 42 Islington High Street London N1 8XL
Auditors	Sayer Vincent Chartered Accountants Registered Auditors 23 Angel Gate City Road London EC1V 2SJ

IEA Trading Limited

Report of the Directors

For the Year Ended 31 March 2000

The Directors present their report and the audited financial statements for the year ended 31 March 2000.

Board Structure

IEA Trading Ltd. is a registered company limited by guarantee. It is managed by a voluntary Board with members representing the business community, local authority, voluntary sector and other support organisations. IEA Trading Ltd operates alongside the Islington Enterprise Agency (charitable company), and provides a range of services that fall outside the scope of that company.

IEA Trading Ltd as the Leaseholder

The company holds the head lease of the premises at 64 Essex Road, N1 until 31 December 2000. It consists of 7000 square feet approximately and includes the first floor, ground floor and basement. A new 5 year lease has been offered to the company. The current rent is £18,060 per annum to be reviewed on 1 January 2001.

Premises / Utilities management

The company uses the building to provide office accommodation and utilities to agencies working in social economic development. The list of tenants as at 31 March 2000 is as follows:

- Islington Enterprise Agency Ltd
- Business Link London City Partners
- Islington Chamber of Commerce
- Local Economic Consortium and Capacity Unlimited
- Hackney & Islington Training Partnership
- Cetra-Filef (Italian) Project
- Fashionworks Enterprise Partnership
- Dive Girl Magazine
- Prometheus Consulting
- Pronoia Limited
- JSA Consultancy

Business Link London City Partners have given notice to quit their office space at the enterprise centre as from 30 June 2000, leaving vacant 1862 square feet on the ground floor's Reception and part of the open plan. By the time of writing this report a new tenant has moved in taking over a large part of the vacant space. Other organisations have expressed an interest in the remaining vacant space of around 800 square feet. In this context, the prospects for achieving full occupancy at the enterprise centre are positive.

IEA Trading Limited

Report of the Directors

For the Year Ended 31 March 2000

To support the tenants' daily operations, the company also provides a photocopying service and is responsible for the maintenance of the premises. Quarterly tenants' meetings are held to discuss issues concerning the tenants and actions for improvements.

Contracts Management

To provide consultancy work and administrative support to project development - eg: Shell Technology Enterprise Programme (STEP) and community enterprise development.

Future Services

IEA Trading will explore the possibility of offering computerised payroll and accounts to tenants and other clients. This will require proper training on the current SAGE Sterling. The current Projects Manager is to engage in such training.

Staffing

Although the current Projects Manager covers the operations of both the trading company and the charitable company, his employment remains with IEA Trading Ltd. Similarly the IEA (charity) provides management support to the trading arm by using its core team / administration.

Directors and their Interests

The directors during the year and at the date of this report were:

Armando Pardo
Lynne Burdon
Jennette Arnold
Kevin Campbell

Derek Sawyer
Sue Bagwell
Peter Gotham
Julie Calleux

All directors are members of the company and guarantee to contribute a sum not exceeding £1 to the assets of the company in the event of it being wound up or within one year of ceasing to be members. At 31 March 2000 there were 8 members. The directors have no beneficial interest in the company and are not remunerated.

IEA Trading Limited

Report of the Directors

For the Year Ended 31 March 2000

Responsibilities of the Directors

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company as at the balance sheet date and of the surplus or deficit for the year then ended.

In preparing those financial statements, the Directors are required to:

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

Sayer Vincent were re-appointed as the company's auditors during the year and have expressed their willingness to continue in that capacity.

The directors' report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Directors on 27 September 2000 and signed on their behalf by



Peter Gotham - Chair

Auditors' Report

To the Members of

IEA Trading Limited

We have audited the financial statements on pages 6 to 11 which have been prepared on the basis of the accounting policies set out on page 8.

Respective Responsibilities of the Directors and Auditors

As described on page 4, 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 financial statements and report our opinion to you.

Basis of Opinion

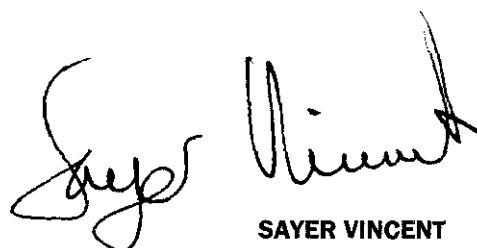
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the company in the preparation of 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 mis-statement, 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 company's affairs as at 31 March 2000 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985 as applicable to small companies.

5 December 2000



SAYER VINCENT
Chartered Accountants
Registered Auditors

23 Angel Gate
City Road
London EC1V 2SJ

IEA Trading Limited**Income and Expenditure Account****For the Year Ended 31 March 2000**

	Note	2000 £	1999 £
Income			
Rent and Service Charges		107,808	101,266
Bank Interest		539	773
Sundry Income		5,850	9,315
IEA(T) Projects		2,659	-
Total Income	2	116,856	111,354
Expenditure			
Management and Administration		120,219	110,169
Deficit for the Year Before Taxation	4	(3,363)	1,185
Taxation	5	(1,332)	(214)
Deficit for the Year After Taxation		(4,695)	971
Reserves at 1 April 1999		43,213	42,242
Reserves at 31 March 2000		38,518	43,213

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements on reserves are shown above.

IEA Trading Limited

Balance Sheet

As at 31 March 2000

	Notes	£	2000 £	1999 £
Tangible Fixed Assets	6		2,922	<u>3,871</u>
Current Assets				
Debtors	7	59,471		8,425
Cash at Bank and in Hand		<u>26,979</u>		<u>33,131</u>
		86,450		41,556
Creditors: Amounts Falling Due Within One Year	8	<u>50,854</u>		<u>2,214</u>
Net Current Assets / (Liabilities)			<u>35,596</u>	<u>39,342</u>
Net Assets			<u>38,518</u>	<u>43,213</u>
 Capital and Reserves				
General Funds			<u>38,518</u>	<u>43,213</u>
Total Funds			<u>38,518</u>	<u>43,213</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Directors on 27 September 2000

and signed on their behalf by


Peter Gotham - Chair


Lynne Burdon - Director

IEA Trading Limited

Notes to the Financial Statements

For the Year Ended 31 March 2000

1. Accounting Policies

- a) The financial statements are prepared in accordance with applicable accounting standards.
- b) Fixed assets costing over £200 are capitalised. Depreciation is provided on fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life as follows:
- | | |
|--------------------------------|---------------------------------|
| Leasehold Improvements | - period of lease being 4 years |
| Office Furniture and Equipment | - 4 years |
- c) Revenue grants are included in the income and expenditure account in the period in which they are receivable.
- d) All equipment leases are considered to be operating leases and rentals are charged against revenue when incurred. No assets are held under hire purchase agreements.

2. Income

Income is shown net of VAT.

3. Staff Costs and Numbers

The average weekly number of persons employed by the company during the year was 1 (1999 - 1).

	2000	1999
	£	£
Staff costs were as follows:		
Salaries and Wages	28,519	27,823
Social Security Costs	2,950	2,782
	<u>31,469</u>	<u>30,605</u>

IEA Trading Limited**Notes to the Financial Statements****For the Year Ended 31 March 2000**

4. Operating Surplus for the Year

	2000	1999
	£	£
The surplus is shown after charging:		
Operating Leases		
- Equipment	3,420	3,164
- Property	18,060	18,060
Auditors' Remuneration	1,900	1,900
Fees Paid to Directors	-	-
Depreciation	<u>1,551</u>	<u>1,570</u>

5. Taxation

	2000	1999
	£	£
UK Corporation Tax on surplus for the year at 20% (1999 - 21%)	1,332	131
Under Provision in previous year	-	83
	<u>1,332</u>	<u>214</u>

IEA Trading Limited

Notes to the Financial Statements

For the Year Ended 31 March 2000

6. Tangible Fixed Assets

	Leasehold Improvement £	Office Furniture & Equipment £	2000 Total £
COST			
At 1 April 1999	54,615	37,055	91,670
Additions in Year	-	602	602
At 31 March 2000	<u>54,615</u>	<u>37,657</u>	<u>92,272</u>
DEPRECIATION			
At 1 April 1999	54,615	33,184	87,799
Charge for the Year	-	1,551	1,551
At 31 March 2000	<u>54,615</u>	<u>34,735</u>	<u>89,350</u>
NET BOOK VALUE			
At 31 March 2000	<u>-</u>	<u>2,922</u>	<u>2,922</u>
At 31 March 1999	<u>-</u>	<u>3,871</u>	<u>3,871</u>

7. Debtors

	2000 £	1999 £
Trade Debtors	14,471	7,871
Prepayments	-	554
Due from Parent Undertaking	<u>45,000</u>	<u>-</u>
	<u>59,471</u>	<u>8,425</u>

IEA Trading Limited**Notes to the Financial Statements****For the Year Ended 31 March 2000**

8. Creditors : Amounts Falling Due Within One Year

	2000	1999
	£	£
Deferred Income	45,000	-
Taxation	1,332	214
Other Creditors	2,622	-
Accruals	1,900	2,000
	<u>50,854</u>	<u>2,214</u>

9. Operating Lease Commitments

The company had annual commitments under operating leases expiring as follows:

	2000	1999
	£	£
Within One Year		
Equipment	-	-
Property	<u>13,545</u>	<u>18,060</u>

10. Ultimate Parent Undertaking

Islington Enterprise Agency Limited, a registered charity and company limited by guarantee is the ultimate parent company of Islington Enterprise Agency Trading Limited. The two companies have directors in common and are managed on a unified basis.