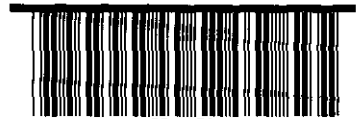


**Company No. 3169990**

**Charity No: 1053819**

**Consolidated**

**Islington Enterprise Agency Limited**  
**Report & Financial Statements**  
**31 March 2003**



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**Islington Enterprise Agency Limited**

**Index to Report and Financial Statements**

**For the Year Ended 31 March 2003**

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1	Legal and administrative details
2 - 6	The trustees' report
7	Auditors' report
8	Statement of financial activities
9	Balance sheet
10	Accounting policies
11 - 16	Notes to the financial statements

## **Islington Enterprise Agency Limited**

### **Legal & Administrative Details**

#### **For the Year Ended 31 March 2003**

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Status: The Islington Enterprise Agency Limited is a charitable company limited by guarantee, and governed by its memorandum and articles of association. The company was incorporated on 8 March 1996 and registered as a charity on 19 March 1996

Company Number 3169990

Charity Number 1053819

Registered Office and  
Operational Address 64 Essex Road  
London  
N1 8LR

Trustees	Peter Gotham	Chair
	Cllr Jennette Arnold	Resigned May 2003
	Hassan Asmal	
	Lynne Burdon	
	Julie Calleux	Appointed March 2003
	Peter M Kalton	
	Cllr Derek Sawyer	
	Brigitte Voland	

Principal Staff	Armando Pardo	Company Secretary
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Bankers The Co-Operative Bank  
1 Islington High Street  
London N1 9TR

Auditors Berg Kaprow Lewis LLP  
Chartered Accountants  
Registered Auditors  
35 Ballards Lane  
Finchley  
London N3 1XW

## **Islington Enterprise Agency Limited**

### **Trustees Report For the Year Ended 31 March 2003**

The trustees present their report and the audited financial statements for the year ended 31 March 2003.

#### **1. OBJECTS**

Islington Enterprise Agency Limited (IEA) is active in small business support, the development of social enterprises including community groups and co-operatives, and anti-poverty programmes. The agency works with people from a wide range of social backgrounds, including the unemployed, business people, education staff, students, and people working in the public and voluntary sectors. This situation helps the agency play an integrating role in the localities in which it is active.

As a registered charity, the IEA is established to advance education, particularly by the provision of vocational training and courses in literacy and numeracy; to relieve poverty, particularly amongst the unemployed, by the provision of advice to enable such persons to establish and run their own businesses; and to improve the efficient application of resources for charitable purposes by the provision of advice to community groups in Islington.

The IEA undertakes to:

Promote, encourage and develop links and networks with businesses and other support organisations

Promote classes, meetings, study groups, conferences, lectures and other such activities designed to advance education and training

Promote, and encourage or undertake organised research to increase the knowledge of key social and economic issues affecting the local area

#### **2. ORGANISATION**

A board of trustees of up to 12 members, who meet quarterly, administers the charity. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. The Trustees periodically review skills needs and seek to appoint new Trustees to fill any gaps identified. Potential trustees are identified from user groups and partner organisations. They go through an induction procedure involving attendance to meetings and a session with the general manager before being confirmed/ appointed to the board.

#### **3. RELATED PARTIES**

The charity has a very close relationship with a trading subsidiary - the IEA Trading Ltd - which is a company limited by guarantee wholly controlled by the charity. The results of the IEA Trading have been consolidated into the Statement of Financial Activities on the basis of net surplus/deficit for the year. A summary of the IEA Trading results has also been included in note 15 to the financial statements.

#### **2. REVIEW OF THE DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS**

The activities of the IEA have been grouped into two major categories:

**Small Business Support**, which includes projects offering business advice and business training, support for social enterprises, the fashion programme and Step - a scheme placing university students in small businesses

**Community Development**, which includes the work with voluntary sector organisations around the development of consortia to design and deliver collaborative projects like Community Works and Octopus

## **Islington Enterprise Agency Limited**

### **Trustees Report For the Year Ended 31 March 2003**

#### **SMALL BUSINESS SUPPORT**

##### **Start-up Programme**

This programme offers a package of support services to people interested in setting up in business, including business advice on a one-to-one basis, access to workshops and the option of joining the Business Management Training programme leading to a recognised higher level qualification in business studies. The start-up programme incorporates several strands, including the Fostering Refugee Enterprise & Employment project (FREE) funded by ESF, and business support project for Islington residents funded by the Islington Strategic Partnership. The IEA is also involved in delivery of Business Link support services under a partnership arrangement with Prevista consultants who are the main BL contractor for the local area.

##### **Social Enterprise Support**

This area of work is mainly implemented under the Community Enterprise (Comet) banner. Our aim is to support community groups engaged in self-help through the creation of community businesses, co-operatives, micro businesses, credit unions, and other such initiatives. Our outreach community business advisor is based in Finsbury Park, Islington North, which together with our head office in Islington South, enables us to comfortably cover much of Islington. The community business advisor, supported by other staff from the IEA, works closely with local residents and community groups with the aim of developing local solutions, including the setting up joint initiatives at grass root level.

##### **Industry Specific Programme - Fashion@work**

This is a collaborative venture between the IEA and Fashion works, an industry specialist. To companies the programme offers practical assistance focusing on design capability. Fashion graduates have access to portfolio development and industrial placement, and unemployed people can gain skills and qualifications in garment making and pattern cutting. Different strands of the fashion programme receive funding from different funding sources, including the European Social Fund, Finsbury Park Partnership, and the London Development Agency.

##### **Support for Existing Businesses**

The IEA also has an active programme of support services targeted at existing small businesses. Of particular importance is our focus on ethnic minority businesses located in areas of high deprivation. As part of the Midas project we provided business advice and ICT support to help businesses tackle barriers to growth. Although the Midas project has now finished, we have been able to continue working in this area through a new partnership project involving community-based organisations serving different ethnic minority business communities. The project - called Reflex -- includes partners working with Turkish, Iranian, Somali, Bengali, and Black businesses among others.

Work in the Reflex project is rapidly acquiring strategic importance for the IEA. The close association with community groups is providing an important channel to reach different ethnic minority businesses and people. Equally significant, the introduction of a level of business support within these groups, each one with an appointed trainee business advisor, is helping us create new approaches and structures in the field of Enterprise Support.

## **Islington Enterprise Agency Limited**

### **Trustees Report For the Year Ended 31 March 2003**

Another project for existing businesses (Ibis) had a focus on information technology. The aim was to raise awareness and ICT skills levels among local businesses. Ibis made extensive use of the computer suite at IEA and enabled us to provide business support to people who otherwise would not have been eligible for assistance under other programmes.

The Shell Training & Enterprise Programme (Step) has become a regular feature in the portfolio of IEA services. The programme offers companies an opportunity to recruit a university student to carry out a business project, normally related to marketing or computing. For students it is an opportunity to gain first hand experience of small businesses and sharpen their skills and knowledge. The IEA acts as the Step agent for the London Central area.

### **COMMUNITY DEVELOPMENT**

#### **Community Works 2 (CW2)**

This is a long-standing project led by the IEA and involving six other community organisations. Through the project clients can explore suitable career paths in multimedia, childcare, and play work. Tailored support is available to people from the Somali and Vietnamese Communities. Since its creation the Community Works consortium has attracted funding from ESF, London Development Agency, and local regeneration agencies. Whilst the primary purpose of this project has been the provision of services to different communities in Islington, Community Works has also stimulated much internal development within the partner organisations in the areas of general management, quality standards, and fundraising capability.

#### **Octopus**

The consortium of ten community centres that begun life three years ago is now a properly constituted organisation employing two staff. Led by the IEA, the consortium was established as part of a strategy to achieve greater stability and continuous development by organisations operating in a rapidly changing funding regime.

#### **New Projects and Future Plans**

The IEA has been involved in a number of successful collaborative bids which will enable us to maintain our existing portfolio of services. Funding has been raised from Job Centre Plus (employment service) to promote employment and self-employment among the unemployed. The London Development Agency is supporting the Refugee Enterprise programme. The relationship with Prevista consultants continues to develop, leading to greater involvement in Business Link and Small Business Service projects.

The relationship with Islington Council also continues to develop and remains of strategic importance. Although we do not receive a single penny from the Council in the form of "core" grants, we work with Islington at different levels; as a contractor to provide specific services (business support services), as a partner in strategic local networks/structures (Islington Training Network, Reflex), as equal partners (Islington Business Directory, also with the Islington Chamber of Commerce), and as colleagues (presentations to delegations, council staff)

#### **Special Acknowledgements**

The Board wishes to record its appreciation of the support received from clients, partners and funding bodies whose contribution has been a vital ingredient of the work of the agency.

## **Islington Enterprise Agency Limited**

### **Trustees Report For the Year Ended 31 March 2003**

#### **Reserves Policy**

The principal aim of our Reserves Policy is to achieve a reasonable degree of financial stability so that we can provide reliable services to our beneficiaries over the longer term. Given the challenging nature of the funding regime, the company is constantly pursuing strategies to diversify its sources of revenue through the development of proposals and services both independently and in partnership with related organisations. Achieving and maintaining relevant quality standards is an essential aim of the company's effort to remain attractive to funders. The level of Free Reserves are set in relation to the Total Funds as stated in the most recent audited accounts. We aim for free reserves to cover two months' basic overheads costs, plus staff costs equivalent to 70% for similar period. Actual levels of reserves are on target with policy.

#### **Risk Management**

The trustees have carried out an analysis of the major risks that the organisation faces. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the agency in the future. This Risk Analysis will be updated each financial year when preparing the main audit.

#### **Responsibility of the trustees**

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the group and the charitable company as at the balance sheet date and of the incoming resources and application of resources including income and expenditure of the group for the year then ended.

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

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the group will continue on that basis.

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

#### **Trustees**

Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2003 was 8 (2002 - 7).

Trustees have no beneficial interest in the company and are not remunerated.

The trustees who have served during the year and after the year end are set out on page 1.

## **Islington Enterprise Agency Limited**

### **Trustees Report For the Year Ended 31 March 2003**

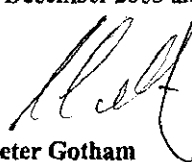
#### **Auditors**

During the year Berg Kaprow Lewis acted as auditor to the company until 1 April 2003. On 1 April 2003, Berg Kaprow Lewis transferred its business to a limited liability partnership, Berg Kaprow Lewis LLP, incorporated under the Limited Liability Partnerships Act 2000. The directors consented to treating the appointment of Berg Kaprow Lewis as extending to Berg Kaprow Lewis LLP with effect from 1 April 2003. In accordance with section 385 of the Companies Act 1985, a resolution proposing that Auditors be appointed will be put to the Annual General Meeting. Berg Kaprow Lewis LLP have expressed their willingness to continue in that capacity.

#### **Small company exemptions**

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (issued in October 2000) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to Small companies.

Approved by the Trustees on 3rd December 2003 and signed on their behalf by



**Peter Gotham**

**Chair**



## **Independent Auditors' Report**

To the Members of

### **Islington Enterprise Agency Limited**

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We have audited the financial statements of Islington Enterprise Agency Limited for the year ended 31 March 2003, on pages 8 to 16 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 and 11.

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 auditors 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 the Trustees and Auditors**

As described in the Statement of Trustees' Responsibilities on page 5 the trustees, who are also the directors of Islington Enterprise Agency Limited for the purpose of company law, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. 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 charity has not kept proper accounting records or 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 are not required to consider whether the statement in the Trustees' Report concerning major risk to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read 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 material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of 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 charity'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 have 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 charitable company and group as at 31 March 2003 and of the incoming resources and application of resources including income and expenditure of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Berg Kaprow Lewis LLP*

BERG KAPROW LEWIS LLP  
Chartered Accountants

Date 19-1-2004

Islington Enterprise Agency Limited

Consolidated Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the Year Ended 31 March 2003

	Note	Restricted £	Unrestricted £	2003 Total £	2002 Total £
<b>Incoming Resources</b>					
Donations and Gifts	2	-	-	-	17,420
<u>Activities in furtherance of the charity's objects</u>					
Grants Receivable	3	607,147	-	607,147	803,605
Consultancy Fees			63,917	63,917	63,409
<u>Activities for generating funds:</u>					
Investment income	4	-	2,084	2,084	3,323
Income from trading subsidiary	15		131,606	131,606	131,128
					-
<b>Total Incoming Resources</b>		<u>607,147</u>	<u>197,607</u>	<u>804,754</u>	<u>1,018,865</u>
<b>Resources Expended</b>					
<u>Charitable Expenditure</u>					
<i>Costs of activities in furtherance of charity's objects:</i>					
Community Development		292,985	-	292,985	449,072
Small Business Support		384,463	-	384,463	360,500
Support Costs			14,737	14,737	12,906
<i>Costs of generating funds</i>					
Administrative cost of Trading Company	15		128,849	128,849	135,948
		677,448	143,586	821,034	958,426
<i>Other Expenditure</i>					
Management and Administration		-	3,000	3,000	4,995
<b>Total Resources Expended</b>	6	<u>677,448</u>	<u>146,586</u>	<u>824,034</u>	<u>963,421</u>
<b>Net Incoming/(Outgoing) Resources for the Year</b>		<u>(70,301)</u>	<u>51,021</u>	<u>(19,280)</u>	<u>55,464</u>
Balances at 1 April 2002		<u>143,744</u>	<u>181,826</u>	<u>325,570</u>	<u>270,106</u>
<b>Balances at 31 March 2003</b>	14	<u>73,443</u>	<u>232,847</u>	<u>306,290</u>	<u>325,570</u>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

Movements in funds are disclosed in Note 14 to the financial statements.

**Islington Enterprise Agency Limited**

**Balance Sheet**

**As at 31 March 2003**

		<b>Group</b>		<b>Company</b>	
		<b>2003</b>	<b>2002</b>	<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Notes</b>				
<b>Fixed assets</b>					
Tangible Assets	9	<u>12,474</u>	<u>15,410</u>	<u>9,410</u>	<u>12,594</u>
<b>Current Assets</b>					
Debtors	10	377,390	234,807	363,565	215,150
Cash at Bank and in Hand		<u>137,064</u>	<u>183,910</u>	<u>135,332</u>	<u>173,593</u>
		514,454	418,717	498,897	388,743
Creditors: Amounts Falling Due Within One Year	11	<u>220,638</u>	<u>108,557</u>	<u>226,823</u>	<u>97,748</u>
<b>Net Current Assets</b>		<u>293,816</u>	<u>310,160</u>	<u>272,074</u>	<u>290,995</u>
<b>Net Assets</b>	13	<u>306,290</u>	<u>325,570</u>	<u>281,484</u>	<u>303,589</u>
<b>Funds</b>					
Restricted Funds		73,443	143,744	73,443	143,744
Unrestricted Funds					
General Funds		<u>232,847</u>	<u>181,826</u>	<u>208,041</u>	<u>159,845</u>
<b>Total Funds</b>	14	<u>306,290</u>	<u>325,570</u>	<u>281,484</u>	<u>303,589</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 and with the Financial Reporting Standard For Smaller entities (effective June 2002) and were approved by the Trustees on 3rd December 2003.

and signed on their behalf by

  
Peter Gotham - Chair

**Islington Enterprise Agency Limited**

**Notes to the Financial Statements**

**For the Year Ended 31 March 2003**

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**1. Accounting Policies**

**a) Basis of Preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the *Statement of Recommended Practice - "Accounting and Reporting by Charities"* published in October 2000, with the *Financial Reporting Standard For Smaller Entities (effective June 2002)* and with the *Companies Act 1985*.

Consolidated financial statements "group accounts" have been prepared in respect of the charitable company and its wholly controlled subsidiary, IEA Trading Limited. The results of IEA Trading Limited have been consolidated into the Statement of Financial Activities on the basis of net surplus/deficit for the year. In accordance with Section 230 of the Companies Act 1985 a separate Income and Expenditure Account for the charitable company has not been presented.

**b) Company status**

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**c) Funding account**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with the specific restriction imposed by the donors.

**d) Incoming resources**

All incoming resources are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. This includes donations-in-kind included at estimated valuation. Direct charitable expenditure comprises all expenditure directly relating to the objects of the charity including support costs.

Grants are credited to incoming resources in the year in which they are received or are receivable whichever is the earlier, unless they relate to a specified future period, in which case they are deferred.

**e) Resources expended**

All expenditure is accounted for on an accruals basis inclusive of VAT which cannot be recovered. Support costs comprise costs incurred directly in support of expenditure on the objects of the charity.

Management and administration costs comprise compliance costs such as the cost of the audit.

Costs are allocated to the functional expenditure categories as far as possible. The remaining costs are then apportioned on the basis of staff time spent.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure, which meets these criteria, is identified to the fund.

The group makes payments to staff personal pension schemes on behalf of its employees. The contributions are recognised in the Statement of Financial Activities as they fall due.

**Islington Enterprise Agency Limited**

**Notes to the Financial Statements**

**For the Year Ended 31 March 2003**

**f) Tangible fixed assets and depreciation**

Tangible assets costing more than £200 are capitalised. The incidental cost of installing and incidental costs of acquisition are not capitalised.

Depreciation is provided on all tangible assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Leasehold improvements	- over the lease term
Computer Equipment	- 3 years
Office Equipment	- 3 years
Fixtures and Fittings	- 3 years

**g) Leasing costs**

Rentals payable under operating leases where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the lease duration.

<b>2. Donations and gifts</b>	<b>Restricted</b>	<b>Unrestricted</b>	<b>2003 Total</b>	<b>2002 Total</b>
Corporate donors	-	-	-	9,900
Gifts in kind	-	-	-	7,520
	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,420</u>

Gifts in kind are valued on a commercial basis of the costs that would have been defrayed by the donor.

**3. Grants Receivable**

	<b>Restricted</b>	<b>Unrestricted</b>	<b>2003 Total</b>	<b>2002 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
SRB - Finsbury Park Partnership	38,698	-	38,698	-
London Borough of Islington	-	-	-	-
- Community Development	-	-	-	19,745
- SME Support	49,222	-	49,222	67,236
National Lottery Charities Board	-	-	-	9,504
European Social Fund	387,562	-	387,562	476,605
Bootstrap	-	-	-	5,138
Hackney council	-	-	-	23,625
Economic Regional Development fund	63,574	-	63,574	25,372
London Development agency	-	-	-	156,012
Renaiss -World class	10,000	-	10,000	-
Other	2,929	-	2,929	1,768
FSST	45,162	-	45,162	-
City Fringe Partnership	10,000	-	10,000	18,600
Total Grants Receivable	<u>607,147</u>	<u>-</u>	<u>607,147</u>	<u>803,605</u>

**Islington Enterprise Agency Limited**

**Notes to the Financial Statements**

**For the Year Ended 31 March 2003**

<b>4. Investment income</b>	<b>2003 £</b>	<b>2002 £</b>
Interest receivable	<u>2,064</u>	<u>3,323</u>

**5. Staff Costs and Numbers**

	<b>2003 £</b>	<b>2002 £</b>
Staff costs for the group were as follows:		
Salaries and Wages	199,652	149,477
Social Security Costs	18,743	14,199
Pension Contributions	<u>2,551</u>	<u>2,511</u>
	<u>220,945</u>	<u>166,187</u>

No employee earned more than £50,000 during the year.

The average weekly number of employees (full-time equivalent) during the year was as follows:

	<b>2003 No.</b>	<b>2002 No.</b>
Charitable activities	8	4
Support costs	1	1
IEA Trading	<u>1</u>	<u>1</u>
	<u>10</u>	<u>6</u>

Islington Enterprise Agency Limited

Notes to the Financial Statements

For the Year Ended 31 March 2003

6 Total resources expended

	Staff costs	Other direct costs	2003	2002
Charitable expenditure	180,435	497,013	677,448	809,572
Support costs	7,397	7,340	14,737	12,906
Management & administration		3,000	3,000	4,995
Cost of trading subsidiary	33,113	95,736	128,849	135,948
	<u>220,945</u>	<u>603,089</u>	<u>824,034</u>	<u>963,421</u>

Other direct costs include:

	2003	2002
Auditors remuneration		
Audit fee	5,200	5,700
Operating lease rentals		
Land & buildings	102,686	116,353
Depreciation	7,481	8,583
Trustees' Indemnity insurance	1,680	1,680

Analysis of total resources expended

	Community Development	Small Business Support	Support Costs	Management, Administration and subsidiary costs	2003 Total	2002 Total
	£	£	£	£	£	£
Staff Costs	88,081	94,893	7,397	-	190,371	132,515
Project Costs	167,220	234,246	-	-	401,466	552,768
Training Materials	3,150	8,062	200	-	11,412	1,468
travel					-	976
Premises	14,279	24,949	7,139	-	46,367	86,528
Sundry Costs	19	19	-	-	38	1,041
Office Costs	5,577	8,100	-	-	13,677	17,474
Equipment Maintenananc	6,269	6,269	-	-	12,538	10,765
Hospitality	188	520	-	-	708	484
Library and Subscriptio	723	995	-	-	1,718	1,117
Professional / Legal	2,729	1,651	-	3,000	7,381	4,995
Insurance	1,482	1,482	-	-	2,963	3,404
Freelance costs					-	7,500
Bank Charges	97	107	-	-	205	234
Depreciation	3,171	3,171	-	-	6,342	6,204
Cost of trading subsidiary				128,849	128,849	135,948
	<u>292,985</u>	<u>384,463</u>	<u>14,737</u>	<u>131,849</u>	<u>824,034</u>	<u>963,421</u>

7 Trustees remuneration

The trustees neither received nor waived any emoluments during the year (2002: Nil).

During the year Julie Calleux provided professional services to the value of £494 to the company, regarding legal advice on employment issues.

8 Corporation Tax

The charitable company is exempt from Corporation Tax as all its income is charitable and is applied for charitable purposes. There is no provision for Corporation Tax of by the trading subsidiary in respect of its taxable activities as its taxable income was covered by its trading loss for the year (2002:Nil).

Notes to the Financial Statements

For the Year Ended 31 March 2003

9. Tangible Fixed Assets

Group	Leasehold Improvements £	Computer Equipment £	Office Equipment £	2003 Total £
<b>COST</b>				
At 1 April 2002	57,989	23,345	6,802	88,136
Additions in Year	1,387	3,158	-	4,545
Disposals	-	-	-	-
At 31 March 2003	<u>59,376</u>	<u>26,503</u>	<u>6,802</u>	<u>92,681</u>
<b>DEPRECIATION</b>				
At 1 April 2002	55,293	10,751	6,682	72,726
Disposals	-	-	-	-
Charge for the Year	<u>1,020</u>	<u>6,342</u>	<u>119</u>	<u>7,481</u>
At 31 March 2003	<u>56,313</u>	<u>17,093</u>	<u>6,801</u>	<u>80,207</u>
<b>NET BOOK VALUE</b>				
At 31 March 2003	<u>3,063</u>	<u>9,410</u>	<u>1</u>	<u>12,474</u>
At 31 March 2002	<u>2,696</u>	<u>12,594</u>	<u>120</u>	<u>15,410</u>

Company	Computer Equipment £	2003 Total £
<b>COST</b>		
At 1 April 2002	23,345	23,345
Additions in Year	3,158	3,158
Disposals	-	-
At 31 March 2003	<u>26,503</u>	<u>26,503</u>
<b>DEPRECIATION</b>		
At 1 April 2002	10,751	10,751
Disposals	-	-
Charge for the Year	<u>6,342</u>	<u>6,342</u>
At 31 March 2003	<u>17,093</u>	<u>17,093</u>
<b>NET BOOK VALUE</b>		
At 31 March 2003	<u>9,410</u>	<u>9,410</u>
At 31 March 2002	<u>12,594</u>	<u>12,594</u>

10. Debtors

	Group		Company	
	2003 £	2002 £	2003 £	2002 £
Grants Receivable	322,037	215,150	322,037	215,150
Trade Debtors	12,012	17,658	-	-
Other Debtors and Prepayments	<u>43,341</u>	<u>1,999</u>	<u>41,528</u>	-
	<u>377,390</u>	<u>234,807</u>	<u>363,565</u>	<u>215,150</u>



## Notes to the Financial Statements

For the Year Ended 31 March 2003

## 11. Creditors : Amounts Falling Due Within One Year

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Deferred Income	-	-	-	-
Other Taxation and Social Security Costs	994	3,596	-	2,035
Other Creditors	212,666	97,396	211,580	89,410
Accruals	6,978	7,565	3,000	3,500
Due to Subsidiary Undertaking	-	-	12,243	2,803
	<u>220,638</u>	<u>108,557</u>	<u>226,823</u>	<u>97,748</u>

## 12. Financial commitments

At 31 March 2003 the group had annual commitments under non- cancellable leases as follows

	2003		2002	
	Land & Building	Other	Land & Building	Other
Within 1 year		579		
two - five years	82,000	2,160	82,000	-

## 13. Analysis of Group Net Assets Between Funds

	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	£
Tangible Fixed Assets	-	12,474	12,474
Current Assets	288,023	226,431	514,454
Creditors: Amounts Falling Due Within One Year	(214,580)	(6,058)	(220,638)
Net Assets at 31 March 2003	<u>73,443</u>	<u>232,847</u>	<u>306,290</u>

## 14. Movements in Funds

	At 1 April 2002	Incoming Resources	Outgoing Resources	At 31 March 2003
	£	£	£	£
Restricted Funds:				
Community Development	16,999	271,562	(292,985)	(4,424)
Small Business Support	<u>126,745</u>	<u>335,585</u>	<u>(384,463)</u>	<u>77,867</u>
Total Restricted Funds	143,744	607,147	(677,448)	73,443
Unrestricted Funds	<u>181,826</u>	<u>197,607</u>	<u>(146,586)</u>	<u>232,847</u>
Total Funds	<u>325,570</u>	<u>804,754</u>	<u>(824,034)</u>	<u>306,290</u>

## Purpose of Restricted Funds

The balances on the Community Development, Small Business Support, and Training Programmes will be used to fund the respective programmes in the coming year.

A portion of the monies held on the general fund will be used to provide training for residents, community groups and small businesses in the local area.

**Islington Enterprise Agency Limited**

**Notes to the Financial Statements**

**For the Year Ended 31 March 2003**

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**15. Trading Subsidiary**

The results of the charitable company have been consolidated with those of its trading subsidiary, IEA Trading Limited, a company limited by guarantee in England and Wales (company number 2422882).

IEA Trading holds the head lease of the premises at 64 Essex road, London N1. IEA Trading provides managed workspace and office accommodation to agencies working in the social economic development field.

The results of IEA Trading Limited for the financial year are summarised below.

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Turnover	182,194	178,928
Management and Administration	<u>(178,437)</u>	<u>(183,748)</u>
Operating Deficit for the Year	2,757	(4,820)
Interest receivable	68	
Taxation	<u>-</u>	<u>-</u>
Surplus/(Deficit) for the Year After Taxation	2,825	(4,820)
Reserves at 1 April 2001	<u>21,981</u>	<u>26,801</u>
Reserves at 31 March 2002	<u>24,808</u>	<u>21,981</u>

Included in turnover above is an amount of £50,588 (2002: £47,800) representing rental and service charges paid by Islington Enterprise Agency Limited

**16. Control**

No one single party controls the charitable company.