

Company Registration No 04138032 (England and Wales)

EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007

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**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
COMPANY INFORMATION**

Directors	H McGrath (Chairman) M Cooper-Mitchell
Secretary	L Kane
Company number	04138032
Registered office and business address	3rd Floor City Reach 5 Greenwich View Place London E14 9NN
Auditors	CLB Littlejohn Frazer Chartered Accountants & Registered Auditors 1 Park Place Canary Wharf London E14 4HJ
Bankers	HSBC Bank Plc 15 The Mall Stratford London E15 1XL
Accountancy consultants	Strategic Consultancy Solutions Limited Middle House, 3 Hemnall Street, Epping Essex CM16 4LN

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
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**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2007**

The directors present their report and financial statements for the year ended 31 March 2007

Principal activities and review of the business

The Company is established to encourage private and public sector co-operation, to act as a focus for other economic and social improvement and development of the North East quadrant of London, to facilitate the improvement and development of the physical and cultural environment of the North East quadrant of London, to identify opportunities for investment in the area and to play a leading role in the training, educational and enterprise requirements with and through the appropriate local and national government agencies

In order to fulfill this purpose, the Company is authorised to receive donations or contributions and to make grants to or receive grants from other organisations

The Company is limited by guarantee and has no share capital

The Company supported a number of Projects in the North East quadrant of London and received appropriations totalling £1,807,535 (2006 - £1,278,862) from its parent undertaking, the East London Business Alliance Charity, a Company limited by guarantee and a registered charity

Results

The result for the year before tax was breakeven (2006 - breakeven) No tax charge arises for the year (2006 - £nil)

The result for the year after tax was breakeven (2006 - breakeven)

Directors

The following directors have held office since 1 April 2006

H McGrath (Chairman)

M Cooper-Mitchell

Auditors

A resolution to reappoint CLB Littlejohn Frazer will be proposed at the next Annual General Meeting

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2007**

Directors' responsibilities

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 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

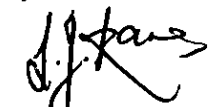
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for ensuring the Directors' Report is prepared in accordance with company law in the United Kingdom.

Disclosure of information to the Auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are individually aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all reasonable steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

By order of the board



L Kane

Secretary

17 October 2007

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EAST LONDON BUSINESS ALLIANCE**

We have audited the financial statements of East London Business Alliance for the year ended 31 March 2007 which comprise the Income and Expenditure Account, the Balance Sheet, the accounting policies and related notes 2 to 17. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the 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 directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies within it.

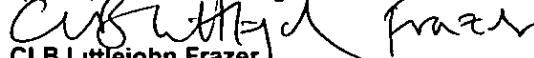
Basis of audit opinion

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 judgements 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, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 March 2007 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985. In our opinion, the information given in the Directors' Report is consistent with the financial statements.


CLB Littlejohn Frazer
Chartered Accountants and Registered Auditors

21 October 2007
1 Park Place, Canary Wharf, London, E14 4HJ

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2007**

		2007	2006
	Notes	£	£
Turnover	2	1,807,535	1,278,862
Administrative expenses		(1,807,535)	(1,278,862)
		<hr/>	<hr/>
Result on ordinary activities before taxation	3	-	-
Tax on result on ordinary activities	4	-	-
		<hr/>	<hr/>
Result on ordinary activities after taxation	11	-	-
		<hr/>	<hr/>

The income and expenditure account has been prepared on the basis that all operations are continuing

There are no recognised gains and losses other than those passing through the income and expenditure account


The notes on pages 6 to 11 form part of these financial statements

EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	5		35,987		12,195
Current assets					
Debtors	6	38,298		55,781	
Cash at bank and in hand		10,699		10,972	
		<u>48,997</u>		<u>66,753</u>	
Creditors amounts falling due within one year	7	<u>(68,388)</u>		<u>(65,602)</u>	
Net current (liabilities)/assets			<u>(19,391)</u>		<u>1,151</u>
Total assets less current liabilities			16,596		13,346
Creditors amounts falling due after more than one year	8		<u>(13,433)</u>		<u>(10,183)</u>
			<u>3,163</u>		<u>3,163</u>
Capital and reserves					
Income and expenditure account	11		<u>3,163</u>		<u>3,163</u>
Members' funds	12		<u>3,163</u>		<u>3,163</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities

The financial statements were approved by the Board on 17 October 2007 and signed on its behalf by


H McGrath
Chairman

The notes on pages 6 to 11 form part of these financial statements

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemptions in Financial Reporting Standard (FRS) 1 and FRS 8 and does not produce a cash flow statement on the grounds that it is a small company, or disclose related party transactions with its parent undertaking

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting and Financial Reporting Standards

1.3 Turnover

Turnover comprises appropriations made to the company by its parent undertaking, the East London Business Alliance Charity

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Computer equipment	33% Straight line
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Purchases of capital equipment for Projects are charged to the Income and Expenditure account as the expenditure is incurred. The Company has a policy of offering capital equipment back to the funders of the relevant Project at the time of the Project's completion

No value is attributed to capital assets which have been donated to the company

1.5 Leasing

Rentals payable under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account on the straight line basis over the lease term

1.6 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.7 Taxation

The Company's activities are not undertaken with a view to profit. As the Company is not a trading company it is therefore only liable to Corporation Tax on its non trade loan relationship credits

The Company does not make taxable supplies of goods or services and therefore cannot be registered for VAT. The Company is therefore unable to recover input tax which where applicable is included as part of the relevant expenditure

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2007**

2 Turnover

The whole of the turnover is attributable to appropriations received totalling £1,807,535 (2006 - £1,278,862) from the East London Business Alliance Charity in respect of the Company's support of a number of projects in the North East quadrant of London

All turnover arose within the United Kingdom

3 Operating result	2007	2006
	£	£
Operating result is stated after charging		
Depreciation of tangible assets	22,707	7,207
Operating lease rentals		
- Plant and machinery	14,188	15,241
- Other assets	59,598	24,081
Auditors' remuneration	2,000	2,000
	<u> </u>	<u> </u>

4 Taxation

There is no current tax charge (2006 - £Nil)

The Company's activities are not undertaken with a view to a profit. The Company is not a trading company and is therefore only liable to Corporation Tax on its bank interest received.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2007**

5 Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2006	29,831
Additions	46,499
	<hr/>
At 31 March 2007	76,330
	<hr/>
Depreciation	
At 1 April 2006	17,636
Charge for the year	22,707
	<hr/>
At 31 March 2007	40,343
	<hr/>
Net book value	
At 31 March 2007	35,987
	<hr/> <hr/>
At 31 March 2006	12,195
	<hr/> <hr/>

6 Debtors	2007 £	2006 £
Other debtors	16,341	45,627
Prepayments and accrued income	21,957	10,154
	<hr/>	<hr/>
	38,298	55,781
	<hr/> <hr/>	<hr/> <hr/>

7 Creditors amounts falling due within one year	2007 £	2006 £
Trade creditors	3,397	5,309
Other creditors	18,194	8,123
Accruals and deferred income	46,797	52,170
	<hr/>	<hr/>
	68,388	65,602
	<hr/> <hr/>	<hr/> <hr/>

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2007**

8	Creditors: amounts falling due after more than one year	2007	2006
		£	£
	Office lease	13,433	10,183

9 Pension costs

Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £6,083 (2006- £651) were payable to the fund at the year end and are included in creditors.

	2007	2006
	£	£
Contributions payable by the company for the year	39,189	32,333

10 Company status

The Company is a private company limited by guarantee and consequently does not have share capital.

Each of the members is liable to contribute a sum not exceeding £100 towards the assets of the company in the event of liquidation.

11 Statement of movements on income and expenditure account

	Income and Expenditure account
	£
Balance at 1 April 2006 and at 31 March 2007	3,163

EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2007

12 Reconciliation of movements in members' funds	2007	2006
	£	£
Result for the financial year	-	-
Opening members' funds	3,163	3,163
Closing members' funds	3,163	3,163

13 Financial commitments

At 31 March 2007 the company was committed to making the following payments under non-cancellable operating leases

	Land and buildings		Other	
	2007	2006	2007	2006
	£	£	£	£
Operating leases which expire				
Within one year	-	-	4,737	328
Between two and five years	-	-	3,120	4,737
In over five years	42,880	33,800	10,560	9,799
	42,880	33,800	18,417	14,864

14 Directors' emoluments

None of the directors received any remuneration during the year (2006 - £Nil)

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2007**

15 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2007 Number	2006 Number
Chief executive	1	1
Administration and IT	4	4
Project deliverers	31	22
	<u>36</u>	<u>27</u>

Employment costs

	£	£
Wages and salaries	1,136,339	835,960
Social security costs	118,291	86,401
Other pension costs	39,189	32,333
	<u>1,293,819</u>	<u>954,694</u>

16 Ultimate parent undertaking

The parent undertaking of the Company is the East London Business Alliance Charity, a charitable company incorporated in England and Wales (registered charity No 1014255 and company No 2745818) The East London Business Alliance Charity prepares group financial statements and these are publicly available from Companies House, Cardiff CF14 3UZ

17 Related party transactions

H McGrath a Director of the East London Business Alliance is also a trustee of the East London Business Alliance Charity

M Cooper-Mitchell a Director of the East London Business Alliance was also a Director of Marsh Ltd during the period under review Marsh Ltd is a contributor to ELBA Charity

L Kane, Company Secretary and Chief Executive is also the Company Secretary and Chief Executive of the East London Business Alliance Charity

EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 MARCH 2007

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2007**

	2007		2006	
	£	£	£	£
Turnover				
Appropriations from East London Business Alliance Charity		1,807,535		1,278,862
Administrative expenses		(1,807,535)		(1,278,862)
Operating result		-		-

This information is provided for directors use only and does not form part of the statutory financial statements

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED 31 MARCH 2007**

	2007	2006
	£	£
Administrative expenses		
Wages and salaries (excl NI)	1,139,159	835,960
Employer's NI contributions	118,291	86,401
Staff pension costs	39,189	32,333
Staff expenses	25,729	18,465
Staff private health insurance	3,862	3,672
Life insurance costs	3,000	4,835
Recruitment costs	8,519	5,734
Rent/service charges re operating leases	59,598	24,081
Rent re licences and other	-	4,997
Insurance	9,792	6,132
Printing, postage and stationery	42,675	31,045
Publicity & training costs	70,997	52,015
Telephone	32,388	24,228
Computer running costs	58,634	17,095
Photocopier operating lease costs	5,350	6,578
Motor vehicle leasing	8,838	8,663
Motor running expenses	12,042	3,533
Consultancy fees	106,663	55,748
Accountancy	6,251	3,771
Audit fees	2,000	2,000
Bank charges	550	454
Partnership expenses	9,259	7,330
Volunteer expenses	6,086	5,596
General office & supplies	8,381	9,184
Relocation costs	4,812	20,008
Publications, subscriptions, taxis & couriers	2,148	1,512
Challenge expenditure	615	285
Depreciation on plant and machinery	22,707	7,207
	<u>1,807,535</u>	<u>1,278,862</u>

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