

Charity Registration No. 1122173

Company Registration No. 04138032 (England and Wales)

ELBANEW

**EAST LONDON BUSINESS ALLIANCE CHARITY**

**(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2008**

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**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	H McGrath (Resigned 4 June 2008) M Cooper-Mitchell (Acting Chairman) I D F Bacon (Appointed 17 October 2007) J M M Graham (Appointed 17 October 2007) D F Kenmir (Appointed 17 October 2007) D A E Robinson (Appointed 17 October 2007) D R Willets (Appointed 17 October 2007)
<b>Chief Executive</b>	L Kane
<b>Secretary</b>	L Kane (Resigned 17 October 2007) P M Bonter (Appointed 17 October 2007)
<b>Charity number</b>	1122173
<b>Company number</b>	04138032
<b>Principal address &amp; Registered office</b>	3rd Floor City Reach 5 Greenwich View Place London E14 9NN
<b>Auditors</b>	Littlejohn Chartered Accountants & Registered Auditors 1 Westferry Circus Canary Wharf London E14 4HD
<b>Bankers</b>	HSBC Bank Plc 15 The Mall Stratford London E15 1XL
<b>Accountants/Consultants</b>	Strategic Consultancy Solutions Limited Middle House, 3 Hemnall Street, Epping Essex CM16 4LN
<b>Website</b>	<a href="http://www.elba-1.org.uk">www.elba-1.org.uk</a>

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**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
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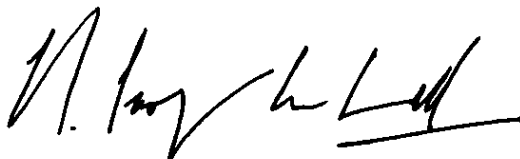
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**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2008**

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My tenure as acting or interim Chairman of ELBA began at short notice in July 2008 when our then Chairman, Harvey McGrath, was asked by the new Mayor of London, Boris Johnson, to become Chairman of the London Development Agency. Delighted as I was to take on this welcome duty, like many others associated with ELBA, I was disappointed to lose Harvey who has been such a hard-working and dedicated leader for ELBA. Given that he was in charge for all of last year, I thought it only right that he should provide us with his valedictory Chairman's statement, which follows below.

Mike Cooper-Mitchell  
Acting Chairman  
6 November 2008



**General**

As I contemplate writing this sixth annual statement of my chairmanship, it is in the knowledge that I have brought to an end recently my decade-long association with ELBA in order to take up a new public duty. In going, I believe I am leaving to my successor an organisation in the best of health and one that has an integral part to play in the ongoing regeneration and revitalisation of East London.

We have been doing just that for 19 years now and, in 2007/08, we decided it was time for a new look. With a great deal of pro-bono help and support from the national branding agency, Coley Porter Bell, ELBA acquired a new, friendlier, more personal look and feel and defined its purpose in a new strapline "Creating Possibilities in East London", which it does through amplifying the efforts and voice of the local community. I hope you agree with me that this new look reflects ELBA's vigour and vibrancy and its involving style of partnership working.

**Volunteers**

Volunteer numbers continued to grow to a new record of 7,346 alongside an increase in membership to almost 120 individual companies and organisations. The charity's income has increased to nearly £3m, which supports the efforts of over 40 dedicated professionals. At the same time our unrestricted reserves reached almost £250,000, providing ELBA a secure base going forward in the face of "credit crunch" uncertainty.

Many of ELBA's flagship programmes continue to perform ahead of expectations. The third year of the Community Affairs Trainees Scheme (CATS) saw 10 of the 11 graduates secure jobs with ELBA member companies and full funding has been secured for a fourth cadre of local graduates to become CATS 4 in 2008/09. The Real Apprentice scheme, extended to include Macquarie Bank and Hackney candidates, continues to deliver with some 30 plus graduates of the Macquarie scheme supported into full time sustainable employment in addition to more than 40 others through the original MITIE Scheme.

The Legacy 2020 programme, led by Peter Welton, has supported Hackney in developing plans for capturing the Legacy benefits of the IBC/MPC complex, to be built as part of the grand scheme in the Lea valley for the 2012 Olympics. We have been able to bring together more than 30 interested companies and support organisations around the Broadcast Centre Legacy Group, and have worked collaboratively with such allies in this area as London First, the ODA, LOCOG, Business in the Community, DCLG and DCMS. There are major economic benefits that can flow from the development of what could potentially be a European hub of digital media excellence post-games. ELBA will continue to use its very best endeavours to help the Mayor of Hackney and his colleagues optimise those benefits in terms of jobs, housing, education and commercial development.

In the community area, Project Shoreditch continues to perform well, having supported 36 local charities, 9 schools and 7 small businesses in the area as well as bringing in over £200,000 of leveraged and in-kind support. Other programmes such as "Take your teacher to work" and the schools business support groups have worked well. In 2008/09 the "Take your ... to work" scheme will expand to include taking your "university professor" to work as ELBA expands its capacity building within the employability skills area for local students.

**EAST LONDON BUSINESS ALLIANCE CHARITY  
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CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2008**

**Members**

Member recruitment remains a key activity for all Programme directors and senior staff. The evident growing corporate appetite for community involvement projects has been enhanced by the prospect of Olympics-related opportunities and helped attract the following companies into membership:

Microsoft	Birkbeck College,	Red Bee Media	FTSE
Hammerson	University of London	Headstrong	ITV
Baker Botts	Freshfields	UNUM	Qualcomm
Heritage Managing Agency	Barclays Retail	Lloyd's Register	

In addition to main membership, Hammerson joined Allen & Overy and Deutsche Bank to set up "Spitalfields Together" a joint initiative particularly aimed at improving employment levels in the local Brick Lane area.

More and more companies and members are upping their community activity levels and making serious and long-term commitment to local organisations. ELBA's "Adopt a community organisation" has proved popular in all boroughs with, for example, UBS having taken the Foundation Training company (reintegrating ex-offenders) under its wing. Overall, volunteer numbers were up by only a few hundred (7346 compared to 7085 last year) but encouragingly business volunteers were some 600 higher at just more than 3,000. These are highly skilled individuals who joined the boards of local organisations, mentored community leaders, provided specialised services such as web site design and gave IT and HR support and guidance when required. Such large numbers of committed, long-term volunteers are undoubtedly making a difference and retaining and increasing this level of involvement in the community is a key element of ELBA's forward plans. Volunteer numbers by borough are below:

<b>Hackney</b>	<b>B/F 06/07</b>	<b>Apr-Jun</b>	<b>Jul-Sep</b>	<b>Oct-Dec</b>	<b>Jan-Mar</b>	<b>TOTAL</b>
Business Volunteers	64	90	114	167	251	686
Challenge Volunteers	0	272	554	217	47	1090
HSMP	235	0	0	182	33	450
<b>TOTAL</b>	<b>299</b>	<b>362</b>	<b>668</b>	<b>566</b>	<b>331</b>	<b>2226</b>
<b>Thames Gateway</b>	<b>B/F 06/07</b>	<b>Apr-Jun</b>	<b>Jul-Sep</b>	<b>Oct-Dec</b>	<b>Jan-Mar</b>	<b>TOTAL</b>
Business Volunteers	40	122	129	131	146	568
Challenge Volunteers	0	330	761	250	81	1422
<b>TOTAL</b>	<b>40</b>	<b>452</b>	<b>890</b>	<b>381</b>	<b>227</b>	<b>1990</b>
<b>Tower Hamlets</b>	<b>B/F 06/07</b>	<b>Apr-Jun</b>	<b>Jul-Sep</b>	<b>Oct-Dec</b>	<b>Jan-Mar</b>	<b>TOTAL</b>
Business Volunteers	95	83	143	145	116	582
Challenge Volunteers	0	314	895	608	29	1846
<b>TOTAL</b>	<b>95</b>	<b>397</b>	<b>1038</b>	<b>753</b>	<b>145</b>	<b>2428</b>
<b>Health</b>	<b>B/F 06/07</b>	<b>Apr-Jun</b>	<b>Jul-Sep</b>	<b>Oct-Dec</b>	<b>Jan-Mar</b>	<b>TOTAL</b>
Business Volunteers	29	19	21	14	0	83
<b>TOTAL</b>	<b>29</b>	<b>19</b>	<b>21</b>	<b>14</b>	<b>0</b>	<b>83</b>
<b>London Legacy 2020</b>	<b>B/F 06/07</b>	<b>Apr-Jun</b>	<b>Jul-Sep</b>	<b>Oct-Dec</b>	<b>Jan-Mar</b>	<b>TOTAL</b>
Business Volunteers	0	98	224	150	147	619
<b>TOTAL</b>	<b>0</b>	<b>98</b>	<b>224</b>	<b>150</b>	<b>147</b>	<b>619</b>

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2008**

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<b>ELBA TOTAL</b>	<b>B/F 06/07</b>	<b>Apr-Jun</b>	<b>Jul-Sep</b>	<b>Oct-Dec</b>	<b>Jan-Mar</b>	<b>GRAND TOTAL</b>
Business Volunteers	228	412	631	607	660	2538
Challenge Volunteers	0	916	2210	1075	157	4358
HSMP	235	0	0	182	33	450
<b>GRAND TOTAL</b>	<b>463</b>	<b>1328</b>	<b>2841</b>	<b>1864</b>	<b>850</b>	<b>7346</b>

**Summary**

I wish to take this opportunity to thank all member companies for their substantial support and outstanding volunteer efforts over the years. Thanks also to Board colleagues, past and present, and to the excellent ELBA staff team who demonstrate their professionalism and dedication every day through their interventions.

Going into 2008/09 ELBA had a clear vision of the need for its support programmes and had a carefully considered delivery plan. Events since have somewhat changed the operational landscape, but I understand that appropriate cost reviews have already taken place and recruitment efforts have been redoubled with some success, with companies such as Swan Housing, Barclays Wealth, British Waterways Board and Execution having joined since April.

I wish ELBA every success in the future and I am sure the Board and executive team will navigate today's difficulties successfully and that ELBA will be around for another 20 years.

Harvey McGrath  
Chairman  
2002 – July 2008

# **EAST LONDON BUSINESS ALLIANCE CHARITY**

## **(LIMITED BY GUARANTEE)**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2008**

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The trustees present their report and financial statements for the year ended 31<sup>st</sup> March 2008.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005. The financial statements consolidate the Charity's subsidiary company, the East London Business Alliance.

#### **Reference and Administrative Details of the Charity**

Full details can be found on the page preceding the contents page, including the list of trustees, who are also directors for the purposes of company law, who served during the year. The trustees wish to take this opportunity to note that, since the year end, Harvey McGrath, ELBA's chairman, has been invited to become Chair of the London Development Agency. Consequent on his acceptance of this position, Mr McGrath resigned his chairmanship of ELBA to avoid any possible current or future conflict of interest. He goes with the Board's, ELBA members' and staff's heartfelt thanks for an outstanding period of leadership dating from 2002, which has seen ELBA's membership quadruple and volunteer numbers increase by a factor of 15. We know the LDA will be well served by his wise and effective leadership.

#### **Structure, Governance and Management**

##### **Governance**

The ELBA charity is a company limited by guarantee with no share capital. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute such amount as may be required (not exceeding £100) to the company's assets in the event of a winding up.

ELBA's charity business is conducted under the framework of its governing memorandum and articles of association, prepared under the Companies Acts 1985 and 2006.

Trustees are usually selected from the ranks of existing or past chairs of ELBA's Area Forums that supervise the work of ELBA staff and volunteers in the East London boroughs, including all of the Olympic Host boroughs, which remains ELBA's main geographical area of activity. Generally senior business people with wide experience, trustees will usually have had several years' experience of ELBA's involvement in the community and will have served on Forum committees from time to time. Forum chairs serve usually for a period of three years, after which they offer themselves for re-election by the Forum members.

Induction and training of trustees is done by providing them with copies of the memorandum and articles of association, the last available annual report and accounts, current management accounts and relevant area Forum reports. The Chief Executive provides introductions to other trustees, ELBA staff, policies and procedures as required.

##### **Organisational Structure**

In addition to the Board of Trustees, ELBA has three area Forums which each meet on at least three occasions during the year, usually in February, June and October. None of these bodies has any fiscal duties or appointees; rather they meet to review ELBA's volunteering and other activities carried out through the executive team of programme directors and project managers. ELBA placed more than 7,000 business volunteers in the communities of Hackney, Tower Hamlets, Greenwich, Waltham Forest, Newham and the wider Thames Gateway during the year.

Monitoring of the Charity's overall performance is the responsibility of the Board of Trustees which comprises the ELBA Acting Chair, Mike Cooper-Mitchell, (a former Tower Hamlets chair), local Forum chairs, the Chair of the main board of the London Legacy 2020 project together with David Willetts, MD of member company Reeve Hepburn and David Robinson, ex EDF Man, who acts as financial advisor to the Board.

The Finance & General Purposes committee (Finco) is a sub-committee of the main board and is charged with monitoring and reviewing the charity's performance, in particular its financial outcomes. Membership is fixed at five people comprising at least two Board members, the Chief Executive and the Company Secretary. Finco meets quarterly to review operating and management accounts, annual audited financial statements and policies related to financial management, including risk.

The board delegates day-to-day running of the organisation and the achievement of its strategic interventions to the Chief Executive and the small team of senior programme directors and project managers.

# **EAST LONDON BUSINESS ALLIANCE CHARITY (LIMITED BY GUARANTEE) TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2008**

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## **Risk Management**

The trustees have a risk management strategy which comprises:

- an annual review by the trustees of the risks the charity may face;
- regular review by Finco of the charity's business continuity plan
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified only a few minor new risks but it has resulted in better emergency procedures, particularly in the area of IT provision, and the development of an appropriate contingency plan. Particular attention has focused on non-financial risks arising from fire and general health and safety issues. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

The main risk to the charity would be failure by members to make contributions and consequently the member payment records are submitted for review to all Finco meetings and the Finance Manager pursues a rigorous credit control procedure.

## **Objectives and Activities**

The charity has been responsible for delivering the objectives of its parent company, the East London Business Alliance Charity, a company limited by guarantee (No.2745818). On 4<sup>th</sup> January 2008 the charity received approval from the Charity Commission to combine all of the old charity's governance and operational activities under the auspices of the single, limited by guarantee company, (No. 04138032) to be known from that date as the East London Business Alliance Charity.

The Charity's main objectives are to promote and improve the efficiency of charities and community organisations, particularly those active in the East End boroughs of Hackney, Newham, Tower Hamlets, Greenwich and Waltham Forest and to support them in the direct furtherance of their respective charitable and other objectives. In order to achieve these objects the Charity's strategies include:

- Encouraging private and public sector co-operation and acting as a focus for others in the economic and social improvement and development of the East London boroughs
- Facilitating the improvement and development of the physical and cultural environment of the same area
- Providing opportunities for members to devise and implement local employment initiatives
- Playing a leading role in the training, educational and enterprise requirements in the area with and through the Learning and Skills Council and the London Development Agency

The charity's main aim is to bring the time, skills, influence and resources of the private sector to help build the capacity of local organisations and regeneration programmes in East London. In doing so, we aim to improve the effectiveness and sustainability of community organisations, SMEs, social enterprises and other East London entities, thereby contributing to the greater well-being of the whole community.

Objectives and strategies for the year were summarised in ELBA's business plan, which was approved by the Board in February 2008. The plan looked at developing the key themes of ELBA's work. **Community** – across the boroughs through direct employee volunteering. **Employment** – by capacity building the sector, ring fencing opportunities through ELBA membership and focusing on graduates such as scaling up the CATS scheme for year 4 and launching the Tower Hamlets graduate business club. The **Legacy 2020** - programme continues to build momentum on both the hard and soft legacy with key focus points being on the Media and Broadcast Centre, Jobs and Enterprise initiatives, Youth and Sport, Arts and Culture. More details of performance against this plan are contained in the Chairman's statement beginning on page 1.

The ELBA charity does not make grants of any sort and has no direct programme of related investments. Volunteers working on projects implemented by the East London Business Alliance carry out a variety of activities ranging from team challenges, which can involve clean-ups, painting and local area regeneration to mentoring community leaders, joining the boards of local community organisations, supporting start-up businesses and working with several hundred year ten school children in Hackney through the Schools' Mentoring Programme.



# **EAST LONDON BUSINESS ALLIANCE CHARITY (LIMITED BY GUARANTEE) TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2008**

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## **Achievement and Performance**

ELBA continued to work closely with the London Development Agency and the local boroughs to ensure that local needs and targets were identified in timely fashion and ELBA resource brought to bear. The Legacy 2020 programme has forged links with the Olympic Delivery Authority, the London Organising Committee of the Olympic Games, Department for Culture, Media and Sport, Department of Communities and Local Government, Sport England and the Arts Council.

## **Financial review**

As a general rule, the ELBA core operating costs are covered and provided by the annual contribution made by its member companies. On the other hand, project funding, as the name implies, derives mainly from various third party charitable trusts such as the Sir John Cass Trust, the City Bridge Trust or the Jack Petchey Foundation through to government bodies such as the London Development Agency.

Member companies support the many projects implemented by the East London Business Alliance, mainly through the provision of volunteers although some, including UBS, Man Group, Deutsche Bank, Linklaters, Citi, Macquarie, Morgan Stanley and Allen & Overy have made additional contributions in the year under review to specific projects. Member contributions were ahead of expectations at £647,500 some 8% up on 2006/07 as a result of signing new members thereby taking total membership to almost 120 as at the year end. Contributions to the London Legacy 2020 project totalled £534,000, making the company donations overall £1,181,500. Total income was leveraged through additional public grant funding and other income to £2,803,585.

The charity received appropriations from its parent undertaking, the East London Business Alliance Charity, a Company limited by guarantee and a registered charity, totalling £2,754,283.

During the year, the Charity, working with Canary Wharf Group and ten London Thames Gateway boroughs, set up a new SME support and advisory service, focusing mainly on local procurement, called East London Business Place. Grants received from the funder, the London Development Agency, amounted to £433,186 at the year end and in part represented prepaid income for 2008/09 and have since been used mainly on the setup costs for the project operating from its new base at Heron Quays on the Canary Wharf estate.

Expenditure was in line with expectations based upon detailed budgets drawn up at the beginning of the financial year. The Finance & General Purposes committee has expressed a desire to build up sufficient unrestricted funds from their current level of £252,625, representing over four months' operating costs (after recharges to restricted projects), to a level sufficient to meet six months' core operating costs. They are aware that this target may take some years to achieve but believe that this is achievable over the medium term.

At 31<sup>st</sup> March 2008, the entire assets and liabilities of the East London Business Alliance Charity (No. 2745818) were transferred to this charity.

## **Plans for the future periods**

The London Legacy 2020 programme has taken centre stage in ELBA's efforts and will continue to do so. To optimise benefits from the Games, we hope to ensure that local aspirations and demands are heard, considered and fulfilled. In particular the jobs opportunities potentially available through the development of the IBC/MPC are significant and we intend to help Hackney secure them. Drivers such as the 2012 Olympic Games and Central/Local Government emphasis on reducing unemployment and the consequential benefits burden are throwing the spotlight on employment in East London as never before. With its Employment Programme, ELBA is well placed to play a key role in working towards resolving the economic and social consequences of unemployment. The strategic drive over the next three years should focus on creating a wider market for ELBA's expertise on employment and optimising the use of resources.

Our Core volunteering programmes will continue to play the major part in our overall efforts however, and we expect to grow volunteer numbers, borough projects and local interventions through the expansion of the borough Forums. In particular, the highly successful Community Affairs Trainee Scheme (CATS) will continue into its 5<sup>th</sup> year and we look forward to seeing the Real Apprentice model, which is already successfully working in Tower Hamlets with Mitie and Hackney with Macquarie, moving into the Thames Gateway. ELBA thrives by scaling up proven models. Developing well established community based partnerships has been a real driver of our success over the past 5 years. With the award winning Banking on Shadwell and Project Shoreditch along with West Ham and Plaistow NDC projects successfully embedded within their communities, ELBA has proven the benefits of the private and voluntary sector working in partnership to maximise

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2008**

opportunities. This year sees the launch of a further partnership programme in Spitalfields with Deutsche Bank, Allen and Overy and Hammerson leading the charge, from which measurable results have been achieved already.

**Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Littlejohn be reappointed as auditors of the company will be put to the Annual General Meeting.

A handwritten signature in black ink, appearing to read 'M. Cooper-Mitchell', with a stylized flourish at the end.

Mike Cooper-Mitchell  
Acting Chairman and Trustee  
6 November 2008

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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The trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**Disclosure of Information to Auditors**

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

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF EAST LONDON BUSINESS ALLIANCE CHARITY**

We have audited the financial statements of East London Business Alliance Charity for the year ended 31 March 2008 which comprise the Statement of Financial Activities, the Balance Sheet, the accounting policies and related notes 2 to 17. These financial statements have been prepared under 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 trustees and auditors**

As described in the statement of trustees' responsibilities, the trustees, who are also the directors of East London Business Alliance Charity for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts 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 accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with the accounts, if the charity 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 with the charity is not disclosed.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

**Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion:

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs as at 31 March 2008 and of its incoming resources and application of resources in the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the accounts.

  
22 December 2008  
**Littlejohn**

Chartered Accountants & Registered Auditors

1 Westferry Circus, Canary Wharf  
London, E14 4HD

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2008**

	Notes	Unrestricted funds £	Restricted funds £	Total 2008 £	Total 2007 £
<b>Incoming resources from generated funds</b>					
Appropriations from East London Business Alliance Charity (ELBAOLD)	2	2,754,283	-	2,754,283	1,807,535
<b>Total incoming resources</b>		<b>2,754,283</b>	<b>-</b>	<b>2,754,283</b>	<b>1,807,535</b>
<b>Resources expended</b>					
Charitable activities	3	2,699,572	-	2,699,572	1,753,765
Costs of generating voluntary income		32,198	-	32,198	31,063
<b>Total charitable expenditure</b>		<b>2,731,770</b>	<b>-</b>	<b>2,731,770</b>	<b>1,784,828</b>
Governance costs		22,513	-	22,513	22,707
<b>Total resources expended</b>		<b>2,754,283</b>	<b>-</b>	<b>2,754,283</b>	<b>1,807,535</b>
<b>Net income for the year/ Net movement in funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transfer of assets from old charity</b>	17	<b>249,462</b>	<b>549,671</b>	<b>799,133</b>	<b>-</b>
<b>Fund balances at 1 April 2007</b>		<b>3,163</b>	<b>-</b>	<b>3,163</b>	<b>3,163</b>
<b>Fund balances at 31 March 2008</b>		<b>252,625</b>	<b>549,671</b>	<b>802,296</b>	<b>3,163</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985 and has been prepared on the basis that all operations are continuing.

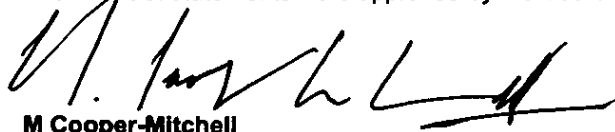
The notes on pages 12 to 19 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
BALANCE SHEET**

**AS AT 31 MARCH 2008**

	Notes	2008 £	£	2007 £	£
<b>Fixed assets</b>					
Tangible assets	6		32,477		35,987
<b>Current assets</b>					
Debtors	7	995,992		38,298	
Cash at bank and in hand		483,255		10,699	
		1,479,247		48,997	
<b>Creditors: amounts falling due within one year</b>	8	(551,195)		(68,388)	
<b>Net current assets/(liabilities)</b>			928,052		(19,391)
<b>Total assets less current liabilities</b>			960,529		16,596
<b>Creditors: amounts falling due after more than one year</b>	9		(158,233)		(13,433)
<b>Net assets</b>			802,296		3,163
<b>Income funds</b>					
Restricted funds	11		549,671		-
Unrestricted funds			252,625		3,163
			802,296		3,163

The financial statements were approved by the Board on 6 November 2008 and signed on its behalf by:

  
M Cooper-Mitchell  
Trustee

The notes on pages 12 to 19 form part of these financial statements.

# **EAST LONDON BUSINESS ALLIANCE CHARITY (LIMITED BY GUARANTEE) NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 MARCH 2008**

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## **1 Accounting policies**

### **1.1 Basis of preparation**

The accounts have been prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

The accounts have been prepared in accordance with applicable United Kingdom Accounting and Financial Reporting Standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

### **1.2 Incoming resources**

The incoming resources represent appropriations made to the charity by East London Business Alliance Charity, ELBAOLD (charity no. 1014255, company no. 2745818). On 31 March 2008 the assets of that charity (ELBAOLD) were transferred to this new charity which is also called East London Business Alliance Charity (ELBANEW). Further details can be found in the Trustees' Report and note 17.

### **1.3 Resources expended**

Expenditure has been included in the Financial Statements on the accruals basis and is stated inclusive of VAT.

Support costs represent staff and office costs and are apportioned to charitable activities, costs of generating funds and governance costs on the basis of estimated staff time spent on those activities.

### **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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### **1.5 Leasing and hire purchase commitments**

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 a straight line basis over the lease term.

### **1.6 Pensions**

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

### **1.7 Accumulated funds**

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2008**

**1 Accounting Policies**

**(continued)**

**1.8 Taxation**

As a registered charity, the company is generally exempt from Corporation Tax in respect of its charitable activities. The company is not registered for VAT and items in the Financial Statements are stated inclusive of VAT, where applicable.

**2 Other incoming resources**

	2008 £	2007 £
Appropriations from East London Business Alliance Charity (ELBAOLD)	<u>2,754,283</u>	<u>1,807,535</u>

**3 Total resources expended**

	Charitable Activities	Costs of Generating Funds	Governance Costs	2008 £	2007 £
	£	£	£	£	£
Social & economic regeneration direct costs	2,096,095	-	-	2,096,095	1,179,661
Support costs	603,477	32,198	15,238	650,913	619,674
Accountancy support	-	-	5,775	5,775	6,200
Audit fees	-	-	1,500	1,500	2,000
	<u>2,699,572</u>	<u>32,198</u>	<u>22,513</u>	<u>2,754,283</u>	<u>1,807,535</u>

**4 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.



**EAST LONDON BUSINESS ALLIANCE CHARITY**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**5 Employees**

**Number of employees**

The average monthly number of employees during the year was:

	<b>2008</b>	<b>2007</b>
	<b>Number</b>	<b>Number</b>
Chief Executive	1	1
Administration and IT	4	4
Project deliverers	47	31
	<b>52</b>	<b>36</b>
Wages and salaries	<b>1,439,622</b>	1,136,339
Social security costs	<b>151,380</b>	118,291
Other pension costs	<b>43,233</b>	39,189
Redundancy costs	<b>7,577</b>	-
	<b>1,641,812</b>	<b>1,293,819</b>

The number of employees whose annual emoluments were £60,000 or more were:

	<b>2008</b>	<b>2007</b>
	<b>Number</b>	<b>Number</b>
£60,000 to £69,999	-	1
£70,000 to £79,999	1	-
£120,000 to £129,999	-	1
£130,000 to £139,999	1	-

The employees whose emoluments (including annual bonus, car allowance and pension contributions) exceed £60,000, had retirement benefits accruing under defined benefit pension schemes. The contribution payable by the company for the year was £15,792 (2007 - £15,122).

**EAST LONDON BUSINESS ALLIANCE CHARITY**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2008**

**6 Tangible fixed assets**

	<b>Computer equipment £</b>
<b>Cost</b>	
At 1 April 2007	76,330
Additions	21,027
Disposals	(14,867)
<b>At 31 March 2008</b>	<b>82,490</b>
<b>Depreciation</b>	
At 1 April 2007	40,343
Charge for the year	24,537
On disposals	(14,867)
<b>At 31 March 2008</b>	<b>50,013</b>
<b>Net book value</b>	
<b>At 31 March 2008</b>	<b>32,477</b>
At 31 March 2007	35,987

**7 Debtors**

	<b>2008 £</b>	<b>2007 £</b>
Grants and donations receivable	948,849	-
Other debtors	16,540	16,341
Prepayments and accrued income	30,603	21,957
	<b>995,992</b>	<b>38,298</b>

**EAST LONDON BUSINESS ALLIANCE CHARITY**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2008**

<b>8 Creditors: amounts falling due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Purchase ledger balances	<b>198,358</b>	3,397
Other creditors	<b>20,819</b>	21,707
Accruals	<b>74,727</b>	43,284
Grants received in advance	<b>257,291</b>	-
	<b>551,195</b>	<b>68,388</b>

<b>9 Creditors: amounts falling due after more than one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Grants received in advance	<b>150,000</b>	-
Office lease	<b>8,233</b>	13,433
	<b>158,233</b>	<b>13,433</b>

**10 Share capital and the liability of members**

The company has no share capital, being limited by guarantee. Each member of the company undertakes to contribute such amount as may be required (not exceeding £100) to the company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member.

In the event of the company being wound up or dissolved, any surplus property shall be given or transferred to some other charitable institution having similar charitable objects to the company. The property cannot be paid to or distributed among members of the company.

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2008**

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**11 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	<b>Balance at 31 March 2008</b>
The following balances were transferred from the old charity on 31 March 2008.	£
Hackney Schools Mentoring Programme	98,957
Toy Appeal	2,068
Employment & Skills Hackney	45,477
Employment & Skills Tower Hamlets	13,898
CATS	15,737
Stepney Project	3,682
West Ham Project	5,983
London Legacy 2020	(4,058)
Legacy Sports	25,743
Stratford Works	49,998
Canning Town Education & Youth	38,415
Legacy Culture	32,358
Legacy Youth	27,723
Legacy Jobs	15,957
Legacy Joblink	49,163
Legacy Banking on Talent	2,287
Fords Park	77,450
Spitalfields	48,833
	<hr/>
	<b>549,671</b>
	<hr/>

**EAST LONDON BUSINESS ALLIANCE CHARITY**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2008**

**12 Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2008 are represented by:			
Tangible fixed assets	32,477	-	32,477
Current assets	522,285	956,962	1,479,247
Creditors: amounts falling due within one year	(293,904)	(257,291)	(551,195)
Creditors: amounts falling due after more than one year	(8,233)	(150,000)	(158,233)
	<u>252,625</u>	<u>549,671</u>	<u>802,296</u>

**13 Contingent liabilities**

There were no contingent liabilities at 31 March 2008 (2007 - None).

**14 Commitments under operating leases**

At 31 March 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2008	2007	2008	2007
	£	£	£	£
Expiry date:				
Within one year	-	-	-	4,737
Between two and five years	-	-	7,619	3,120
In over five years	42,880	42,880	9,800	10,560
	<u>42,880</u>	<u>42,880</u>	<u>17,419</u>	<u>18,417</u>

**15 Capital commitments**

There were no capital commitments at 31 March 2008 (2007 - None).

**EAST LONDON BUSINESS ALLIANCE CHARITY  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2008**

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**16 Related parties**

H McGrath a trustee of the East London Business Alliance Charity no. 1122173 (ELBANEW) was also a trustee of the East London Business Alliance Charity no. 1014255 (ELBAOLD).

L Kane, Chief Executive of ELBANEW was also the Company Secretary and Chief Executive of ELBAOLD.

P M Bonter, the Company Secretary of ELBANEW is a trustee of ELBAOLD.

The following trustees of ELBANEW were Directors or representatives of the companies as shown below that made contributions or donations to ELBAOLD during the year:

H McGrath, Director of Man Group Plc - £72,500

J M M Graham, Representative of UBS - £61,265

I D F Bacon, Director of Tate & Lyle Industries Ltd - £31,000

D F Kenmir, Director of The Financial services Authority - £15,000

**17 Transfer of assets and liabilities from old charity**

On 31 March 2008 the assets and liabilities of East London Business Alliance Charity, ELBAOLD (charity no. 1014255 & company no. 2745818) were transferred to this company, ELBANEW. The total transferred was £799,133.