

Charity Registration No 1122173

Company Registration No 04138032 (England and Wales)

EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013



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

Trustees	R H Reid (Chairman) M W Cooper-Mitchell (Deputy Chairman) M Byrne J M M Graham D A E Robinson (resigned 11/06/2013) E J Taylor T Waldron (appointed 14/02/2013) C I Watson R Weerasekera D R Willetts
Chief Executive	L J Kane
Secretary	L J Kane
Charity Number	1122173
Company Number	04138032
Principal address & Registered office	3rd Floor City Reach 5 Greenwich View Place London E14 9NN
Auditors	PKF Littlejohn LLP Statutory Auditors 1 Westferry Circus Canary Wharf London E14 4HD
Bankers	HSBC Bank plc 59-61 The Mall Stratford London E15 1XL

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CHAIRMAN'S REPORT
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The Olympic year

ELBA has been at work in the East End since 1989 and has seen many improvements and developments ranging from Canary Wharf to Westfield, Stratford City over that time, but there is no doubt that 2012 was a pivotal year showcasing a pivotal event for the future development of the area – the 2012 Olympic and Paralympic Games

Experiencing the Olympic and Paralympic Games on our doorstep really united east London and the country in ways we have never seen before. From the dazzling Opening Ceremony through to the haul of gold, silver and bronze medals, we were in turn inspired, enchanted and moved.

For ELBA's part, the Legacy 2020 Board and its consortium of members used the Games as a launch pad to accelerate many of our outcomes, attract significant funding from the Olympic Lottery Distributor (OLD) and considerably enhance our reach into the diverse east London communities delivering on our culture, sport and skills agendas in collaboration with many of our strategic partners.

Happily, it has become evident that the hugely positive response to the Games will give the profile of legacy a big uplift in the Olympic Host Boroughs now encouragingly and optimistically retitled as the east London "Growth Boroughs". Indeed, in July 2013, the eyes of the world once again turned to our corner of east London when the north end of the Queen Elizabeth Olympic Park reopened and the Sainsbury's Anniversary Games thrilled both the live and television audiences. Government claimed at the same time that economic benefits such as new inward investment outweighed the £9.2bn cost of the Games and the London Legacy Development Corporation (LLDC) confirmed further Park development plans, which included the recent launch of BT's new sports channel from within the Olympic Broadcast Centre. The successful growth and development of the Park and the communities around it is the biggest and most exciting challenge London will face in the next few years. In order for London's legacy to be a true success story, all the stakeholders need to collaborate and work in partnership to deliver on the vision for the area and to help achieve true "convergence" in jobs, education and health with the wealthier parts of London.

We were delighted during the year to welcome the LLDC to ELBA membership and look forward to delivering our share of their vision over the years to come.

It seems appropriate at this point to summarise the achievements of ELBA's Legacy 2020 suite of programmes since its inception in 2006.

London Legacy 2020

Impact 2006 – 2012 in numbers

4,000	business volunteers
£7m	in-kind corporate support
2,545	people into work
£1,671,984	grants distributed
100	elite and aspiring east London athletes supported financially
£100m	of contracts procured by east London SMEs via East London Business Place
43,300	people participated in Legacy 2020 programmes on the ground

And in the 2012 year itself, here are just a few of the highlights.

Culture

- CREATE's cultural festival programme attracted audiences of over 1.2m to the Host Boroughs
- 300,000 local people participated actively in CREATE events through volunteering, mentoring, training for young people, workshops, family activities and social engagement
- David Bailey's coming home exhibition, *Bailey's East End*, stood noble and proud at Compressor House, with media features on the Culture Show, in Vogue and in the Guardian newspaper.

Skills

- After successfully completing the test event last summer and succeeding at the interview and selection process, 18 young Rep London students embarked on their Olympic journey as Young Games Makers for the Beach Volleyball at Horse Guards Parade.

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- With true east London spirit, they represented the best of London – the ball retrievers were chosen to volunteer for the bronze medal match whilst the sand rakers were selected to volunteer at the gold medal match
- Almost 200 Rep London students made it through a rigorous recruitment process to be volunteer Team London Ambassadors during the Olympic and Paralympic Games
- Our information kiosk in Spitalfields, funded by the Olympic Lottery Distributor, was the only one exclusively run by young people with support from many ELBA company volunteers

Grants

A total of 73 grants were awarded to community organisations and charities working across the Host Boroughs. Yes, there were some straightforward street parties encouraging communities to get out and mix, but there were also some wonderful longer term projects such as the East Side Community Heritage which has preserved a massive archive of original East End pictures and artefacts with our help.

And achievements in Sport were by far the best results for ELBA in all the time the programme has been running and are summarised below.

Activities	Targets 2012/13	Actual
Deliver One Movement sport and music festivals	5	11
Engage people in trying out new sports & physical activities	11,250	21,119
Convert young One Movement participants to join a local sports club following the festival	5%	5.2%
Support sports clubs with mentors, workshops and other volunteers	50	88
Deliver business skills workshops for sports clubs	4 - 8	11

Transport

The potential impact of the Olympics on London travel was taken very seriously by business and ELBA played its part by having Nomura host two major seminars on Olympics travel planning for corporates given by **Transport for London**. The seminars were successful – too successful in fact given the vast changes in travel behaviour we witnessed during the Games. Like many other organisations ELBA's carefully laid plans were relaxed when the expected travel difficulties simply did not materialise.

In summary on the Legacy 2020 effort, a special thanks goes to all the Legacy team and corporate members but, in particular, I wish to note ELBA's appreciation of, and record our thanks to, Eileen Taylor, Chief Executive Officer, **Deutsche Bank UK**, for her inspiring and committed leadership of the Board and the team throughout the programme, but especially in this the year of delivery.

Community Development and Employment

ELBA's core business of supporting the development of our local communities was not neglected in the face of all the Olympic activity. In Newham we successfully expanded our Business Advisory Groups for Schools (BAGS).

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programme With significant financial support from **KPMG** and **Newham Council** as well as useful financial contributions from the schools themselves, we were able to reach out to eight schools across Newham In the current financial year we will extend that to twelve schools and, as a result of the perceived success of BAGS to date, we have been invited to support six schools in Waltham Forest from September

There is increasing appetite amongst ELBA's members to be involved in employability and employment, with a particular emphasis on the apprenticeship agenda Everyone can see that one of the most important legacies from the Games has been the raised aspirations and expectations of east London's young people Having visited, worked or volunteered at the Games and having seen their local area showcased on international television, they want to share in the success and want to work in the City, Canary Wharf and at Westfield Stratford City as a right

Several ELBA community and employment initiatives addressed that need

Mock Interview Week – run in conjunction with **Credit Suisse** saw some 200 young people given “real life” interviews followed by feedback and then a second chance to excel This programme is being adopted by several more members in the current year including **Catlin** and **NYSE Euronext**

Another of our major successes was the development and rollout of the **Skills to Succeed** project funded entirely by **Accenture**. Aimed at 16 -24 year olds this is a 36 episode, online training scheme for candidates Based on ELBA's wide ranging experience of what works over the last eight years, the **Accenture** programme brings tips, advice, ideas and innovation to many thousands S2S will be extended eventually by Accenture to many areas of the UK after its successful trial with ELBA schools, colleges and Universities in east London

Working across the boroughs with **London & Quadrant**, we set up the **BOOST** scheme aimed at helping their tenants access entry level jobs At **London City Airport** our long running **Take off into Work** scheme saw some 70 local residents access jobs In total we managed to support 809 people of all ages into useful work and over half of those had been unemployed for more than 12 months and some 80%+ were still in work six months after starting Advice and guidance was provided to another almost 2,000 residents This is a truly excellent result and we wish to record our appreciation for the key employers on ELBA's Jobs and Enterprise board who have provided most of those vacancies – **Morgan Stanley**, **ISS**, **Broadgate Estates**, **Barclays** and **Lloyd's Market** – all are long term supporters of ELBA's interventions and we look forward to having their continued help this year and in the future

In Tower Hamlets we were delighted to find a major funding sponsor for the **Beyond Boundary** project in the form of **Nomura** alongside local RSL **Tower Hamlets Homes** and **Catlin** on St Paul's Way We continue to work with **UBS**, **Societe Generale**, **KPMG** and **Linklaters** on our key embedded community projects in Hackney

Overall we managed to place 12,175 volunteers into the community during the year of which nearly 8,000 were supported by our small Challenge ELBA team in a wide variety of skills based and traditional team training and intervention days New initiatives linked to our University membership included mentoring and Career Capital schemes with **Birkbeck**, **UEL**, **London Metropolitan** and the **London South Bank University** Given the constraints imposed on our operations by the Olympic arrangements, this must be considered an outstanding achievement when compared with the 14,167 achieved in the previous year May I record my own and the Board's thanks to the hard working team of ELBA managers and staff for yet another outstanding year of effort

Strategic review

We instigated a strategic review of all that ELBA does during the year with the help of advisors, New Philanthropy Capital, and will implement some much needed changes to our systems and operating methods during the year as we adjust to the changing and growing demands of our members and the local community in our efforts to create real possibilities across east London

All of ELBA's education interventions will combine to form “**Education Works**” a programme that will provide support and guidance to local aspirants starting at Year 10, through college and sixth form into University and beyond Alongside that we intend to launch a new, not for profit, temporary recruitment agency to be known as **London Works** which will be aimed at providing a portal to City and Canary Wharf jobs for 1,000 people every year

Financial outcome

Despite the continuing pressure on raising funds due to the prevailing economic uncertainties we managed to achieve a reasonable surplus of £37,000 on an increased turnover of £4m including some £800,000 of OLD grants ELBA's unrestricted reserves, including the designated reorganisation and dilapidation reserves, now

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stand at just over £400,000 and the Board remains committed to growing those reserves to a level where they cover a full six months' of ELBA's operating costs, which will require a sum of around £600,000

The outlook for the current year remains challenging, however we expect to earn a surplus and we are reassured that the corporate appetite for working in and supporting east London in its quest for "Convergence" remains significant and substantial as evidenced by the new members signed in the first quarter including **Aviva Group, Christie's the Auctioneers, Principle Cleaning, Bank of Tokyo Mitsubishi (BTMU) and City University**

Summary

May I conclude by offering my appreciation to the more than 100 members of ELBA for their outstanding involvement and efforts in what was a very special year for ELBA and east London. I would particularly like to thank the Chief Executive, Liam Kane, whose immense energy, enthusiasm and drive is the principal reason for our continuing success in making a positive difference to so many people and I would also like to thank the Board for the time and commitment they put in. Since the year end we noted the retirement of one of our senior trustees, David Robinson, FCA. David has served ELBA and the community for more than fifteen years – initially as a regular volunteer and for the last six years as a main Board trustee and a valued member of the Board's finance committee. He retired on the 11th of June and goes with our immense thanks and best wishes for a long and happy retirement.

ELBA now sets out on its next major challenge of supporting effectively the levelling up our heartland area's performance in all sectors so that east London at least matches the average social performance indicators pertaining to the rest of London. That is certainly a challenge we are up for and we at ELBA look forward to playing our part in turning that significant aspiration into reality.



**R H Reid
Chairman and Trustee
11 September 2013**

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2013**

The Trustees present their report and financial statements for the year ended 31 March 2013

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

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 welcomed to their number during the year, Ms Terry Waldron of Barclays, appointed on 14 February 2013

Governance, Structure 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 Borough and Sector Forums that supervise the work of ELBA staff and volunteers in the east London boroughs, including all of the Olympic host boroughs, now known as the Growth Boroughs, which remains ELBA's main geographical area of activity. Generally senior business people with wide experience and knowledge of Corporate Social Responsibility (CSR), 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 time they offer themselves for re-election by the Forum members.

Further 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, budgets and relevant area Forum reports as well as a copy of the Charity Commission's Charitable Purposes and Public Benefits documents together with the guide to the role and responsibilities of charity trustees. 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 to review ELBA's volunteering and other activities carried out through the executive team of Programme Directors and Project managers. ELBA's employment initiatives, which helped 809 people into work during the year under review, are monitored by its Jobs and Enterprise board which has more than twenty member companies amongst its number. The continuing Legacy efforts of member companies, which reached fruition in 2012, were directed and monitored by the Legacy 2020 Board, chaired by Eileen Taylor, MD, Deutsche Bank UK. ELBA placed more than 12,000 volunteers in the communities of Hackney, Tower Hamlets, Greenwich, Waltham Forest and Newham during the year.

Setting the strategy and monitoring of the Charity's overall performance is the responsibility of the Board of Trustees, which comprises the ELBA Chair, Richard Reid, Deputy Chair, Mike Cooper-Mitchell, the three local Forum chairs, the Chair of the Board of the London Legacy 2020 project together with co-opted members David Willetts, MD of member company Reeve Hepburn, David Robinson, ex EDF Man, who acts as financial advisor to the Board, as well as James Graham an ex-UBS Managing Director.

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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 on a regular basis

Membership is set at a minimum of five people comprising ELBA's Deputy Chair, who acts as Chairman, at least two further Board members, the Chief Executive and the Finance Manager. 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 experienced team of senior Programme Directors and Project managers.

Risk Management

The Trustees have a risk management strategy which comprises

- an annual review by the Trustees of the risks the charity may face,
- annual 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.

Particular attention has focused on non-financial risks arising from fire and general health and safety issues and Finco has laid down that an annual risk check is required to be reported upon to Finco. A key element in the management of financial risk is the setting of a reserves policy and its regular review by Trustees. The Trustees have an ambition to continue to accumulate reserves until these reserves represent at least 6 months' worth of core operating costs.

The main risk to the charity would be failure by members to make contributions and, consequently, the member payment records are submitted for detailed review to all Finco meetings. In addition the Finance Manager pursues a rigorous automated monthly credit control procedure which has proven successful in minimising bad debt.

Objectives and Activities

The Charity's main objectives are to promote and improve the efficiency of charities and community organisations, particularly those active in the boroughs of Hackney, Newham, Tower Hamlets, Greenwich and Waltham Forest as well as the wider east London area, 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

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, educational establishments, 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 2012. 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 with the expansion of the flagship EaGLES and Career Capital schemes for undergraduates in these areas. The **Legacy 2020** programme continued to build momentum on soft legacy projects with key focus points being on the Rep London and In the Parks programmes, which involved more than 20,000 young local young people at the heart of the 2012 Olympics experience as well as the Culture programme through the CREATE 12 Festival. More details of performance against this plan are contained in the Chairman's statement beginning on page 1.

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The ELBA charity does not make grants of any sort in its own name and has no programme of related investments other than its role as manager of the Olympic Lottery Distributor sponsored Transformers Fund. ELBA is pleased to have facilitated some 73 grants to community organisations since the programme's inception in 2010, worth a combined total of £1.7m.

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 a few hundred year ten school children in Hackney through the Schools' Mentoring Programme. ELBA's support for schools in Newham was extended through its award winning Business Action Groups for Schools model in the 2012/13 academic year and now is active in seven schools with the support of more than 30 companies.

Achievement and Performance

ELBA continued to work closely with the local boroughs to ensure that local needs and targets were identified in timely fashion and ELBA resource brought to bear. Established employment and employability schemes were to the fore in our concerns and over 800 people were assisted into permanent employment, with over 1,000 more benefiting from courses, seminars and other advice from member companies.

Financial review

As a general rule, much of the main 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, has derived mainly from various third party charitable trusts such as the **Cripplegate Foundation**, the **L&Q Foundation** and a number of City Livery companies as well as the **Olympic Lottery Distributor** and the local boroughs, all of whom have been substantial supporters. 2012/13 has seen continuing reductions in public sector funding availability which has necessitated changes to the funding structure of a number of ELBA projects and we see no prospect of that changing. The private sector has responded well to this need so far, but a continuing flat line economy gives some cause for concern in the longer term.

Member companies support the many projects implemented by the East London Business Alliance, mainly through the provision of volunteers although some, including **UBS**, **Accenture**, **Credit Suisse**, **Linklaters**, **Macquarie**, **Morgan Stanley**, **Nomura**, **Societe Generale**, **British Land**, **Hammerson**, **KPMG**, **Catlin**, **RBS**, **Deutsche Bank**, **Ogilvy**, **Qualcomm** and **Canary Wharf Group** have made additional contributions in the year under review to specific projects. Member contributions were a little short of expectations at £753,000, some 1% down on 2011/12, reflecting the financial effect of the net loss of six members as at the year end.

Total income reduced to just over £4.03m, (2012 - £4.25m) mainly as a result of minor reductions in the last year of the Olympic Lottery Distributor funded Transformers grants programme.

At an operating level, before transfers to designated reserve funds, the charity earned a surplus of almost £37,000, a marginal improvement on the £22,000 of the previous year. Representing, as it does, a margin on net turnover of less than 1% it can be seen that building unrestricted reserves to the desired level will be a longer exercise than originally planned. Costs continued to be strictly controlled and savings were effected in IT support costs as well as general office expenses where possible.

The net outflow on restricted fund projects totalled £184,000 representing the excess of current year spend over income which was fully funded from the £766,000 of restricted funds brought forward from last year. Accounting for restricted projects is undertaken mainly on a cash flow basis, unlike unrestricted or CORE funding, which is accounted for on a full prepaid and accruals basis.

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Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning our future activities

The main objectives of the charity

To promote and improve the efficiency of charities, community organisations, public sector agencies and other regeneration bodies, particularly, but not limited to, those active in the east London boroughs of Hackney, Newham, Tower Hamlets, Greenwich, Waltham Forest and Islington and to support them in direct furtherance of their respective objects through the promotion of private and public sector involvement in the economic and social improvement and development of the wider east London area

To promote, for the benefit of the public, urban regeneration in areas of social and economic deprivation in the wider east London area by all or any of the following means

- relief of financial hardship,
- relief of unemployment, the advancement of education, training or retraining, particularly among unemployed people and providing unemployed people with work experience, the provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in case of financial or other charitable need through help (i) in setting up their own businesses, or (ii) to existing businesses,
- creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms,
- provision of housing for those who are in conditions of need and the improvement of housing in the public sector or in charitable ownership provided that the support shall not extend to relieving any local authorities or other bodies of a statutory duty to provide or improve housing, the maintenance, improvement or provision of public amenities,
- protection of recreational facilities for the public at large or those who by the reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, have need of such facilities,
- protection or conservation of the environment, the provision of public health facilities and childcare and the promotion of public safety and prevention of crime

Reserves Policy

The Trustees have expressed a desire to hold unrestricted reserves equal to at least six months' purchase of core operating costs (£600,000) They are aware that this target may take some years to reach but believe that this is achievable over the medium term They have taken the opportunity to establish a Designated Reorganisation Reserve, which will be used for certain specific, but as yet unquantifiable, expenditure in the future

Plans for the future period

Continuing economic restraint presents a challenge for ELBA members and staff Members continue to resize to reflect improving technology and the need to contain costs and that extends in some cases to their financial provision for community investment Despite these constraints, and the mildly disruptive effect of the staging of the Olympics, volunteer numbers held up well at 12,175 compared with the record achievement of 14,167 in the previous year

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For the next year, ELBA will continue to champion its embedded Project/Account manager model both for the Community programmes and for Employment, and would expect to deliver volunteer numbers in excess of 10,000. However, recognising the fast changing operational environment, ELBA has embarked on a strategic review of its mission and its operations. It is clear to us that more volunteering requires to be skills based to meet the needs of the members and the community and ELBA will require to restructure and amend their programmes to meet these identified needs.

In the medium to longer term, ELBA will continue to support the aims and objectives of the London Legacy Development Corporation, which strives to support the key Growth Boroughs' target of achieving "convergence" with the rest of London.

Auditors

The auditor, PKF Littlejohn LLP (formerly Littlejohn LLP), will be proposed for re-appointment at the Annual General Meeting in accordance with Section 485 of the Companies Act 2006.



**R H Reid
Chairman and Trustee
11 September 2013**

**EAST LONDON BUSINESS ALLIANCE
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2013**

The Trustees (who are directors for the purpose of company law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and regulations

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the charitable Company for that period. In preparing these Financial Statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the Financial Statements, and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website. Legislation in the United Kingdom governing preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

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 audit information of which the Charity's auditors are unaware, and each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

**EAST LONDON BUSINESS ALLIANCE
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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 2013 which comprise the Statement of Financial Activities, incorporating an Income and Expenditure Account, Balance Sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable 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 explained more fully in the Trustees' Responsibilities Statement, set out on page 10, the Trustees (who are also the directors of the charitable Company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board (APB's) Ethical Standards for Auditors.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the Financial Statements sufficient to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Trustees, and the overall presentation of the Financial Statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited Financial Statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the Financial Statements

In our opinion the Financial Statements

- give a true and fair view of the state of the charitable Company's affairs as at 31 March 2013, and of the charitable Company's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EAST LONDON BUSINESS ALLIANCE**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the Financial Statements are not in agreement with the accounting records and returns,
- certain disclosures of Trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



**Sarah Morrison
(Senior Statutory Auditor)**

For and on behalf of
PKF Littlejohn LLP
Statutory Auditors
1 Westferry Circus
Canary Wharf
London E14 4HD

11 September 2013

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2013**

Company Number 04138032

		Unrestricted Funds			Total	Total
	Notes	General funds	Designated funds	Restricted funds	2013	2012
		£	£	£	£	£
Incoming Resources						
Incoming resources from charitable activities						
Project funding	2	-	-	3,222,501	3,222,501	3,456,462
Incoming resources from generated funds						
Member contributions		753,000	-	-	753,000	774,000
Investment income		7,187	-	-	7,187	5,885
Other income		50,537	-	-	50,537	20,451
Total incoming resources		810,724	-	3,222,501	4,033,225	4,256,798
Resources expended	3					
Charitable activities		701,171	16,650	3,432,833	4,150,654	3,584,116
Costs of generating voluntary income		30,852	-	-	30,852	30,045
Total charitable expenditure		732,023	16,650	3,432,833	4,181,506	3,614,161
Governance costs		25,249	-	-	25,249	23,827
Total resources expended		757,272	16,650	3,432,833	4,206,755	3,637,988
Net incoming resources before transfers		53,452	(16,650)	(210,332)	(173,530)	618,810
Transfers between funds		(49,804)	24,000	25,804	-	-
Net movement in funds	1 4	3,648	7,350	(184,528)	(173,530)	618,810
Funds balances at 1 April		322,507	67,000	950,129	1,339,636	720,826
Funds balances at 31 March		326,155	74,350	765,601	1,166,106	1,339,636

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006 and has been prepared on the basis that all operations are continuing. The company has no gain or losses other than those shown above.

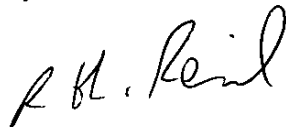
The notes on pages 15 to 20 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2013**

Company Number 04138032

	Notes	2013 £	2012 £
Fixed Assets			
Tangible assets	6	19,561	29,667
Current assets			
Debtors	7	484,510	1,018,173
Cash at bank and in hand		820,912	664,307
		<u>1,305,422</u>	<u>1,682,480</u>
Creditors amounts falling due within one year	8	<u>(158,877)</u>	<u>(372,511)</u>
Net current assets		<u>1,146,545</u>	<u>1,309,969</u>
		<u>1,166,106</u>	<u>1,339,636</u>
Income funds			
Restricted funds	9a	765,601	950,129
Unrestricted funds		326,155	322,507
Designated Funds	9b	74,350	67,000
		<u>1,166,106</u>	<u>1,339,636</u>

The financial statements were approved by the Board on 11 September 2013 and signed on its behalf by



R H Reid
Chairman & Trustee



M W Cooper-Mitchell
Deputy Chairman & Trustee

The notes on pages 15 to 20 form part of these financial statements

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2013**

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention

It is the opinion of the Directors / Trustees that the use of the going concern basis of accounting is appropriate because

- there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the charitable Company to continue as a going concern,
- there is reasonable expectation that the charitable Company has adequate resources to continue in operational existence for the foreseeable future

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 financial statements 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 2006

1.2 Incoming resources

Income from membership contributions and grants is credited to the SOFA at the time the commitment is agreed and an invoice issued by ELBA. Contributions and income received in advance, which is wholly attributable to future periods, is deferred to the Balance sheet and transferred to the SOFA in the period to which it relates

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 time spent on those activities.

The company benefits from contributed resources including premises and staff time. This is often very difficult to quantify in financial terms and where it is not considered to be material is not reported upon.

1.4 Net movement in funds

The net movement of restricted funds represents payments in respect of projects which are met from both current year income and brought forward funds.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets over £1,000 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
Motor vehicle	25% Straight line
Fixtures & Fittings	25% Straight line

1.6 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 SOFA on a straight line basis over the lease term.

1.7 Pensions

The charity operates a defined contributions pension scheme which is open to all members of staff and the pension charge represents the amount payable by the charitable company to the fund in respect of the year.

1.8 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used.

1.9 Designated Funds

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. The aim and use of the funds is set out in the notes to the Financial Statements.

1.10 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.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

2 Incoming resources

	2013	2012
	£	£
Hackney Schools' Mentoring Programme	94,133	55,132
Employment & Skills Hackney	-	28,000
Project Shoreditch	68,000	68,000
Project Central Hackney	57,070	57,497
Transforming Local Infrastructure HIP	16,840	-
EaGLES	156,398	105,228
Sptalfields Together	-	16,100
Jobs next Door	114,385	188,970
Morgan Stanley 2	54,856	54,865
Business Health	-	1,805
St Paul's Way	19,000	38,000
Beyond Boundary	38,000	-
RBS	28,000	-
Credit Suisse - Journeys to Success	61,256	-
Broadgate Estates	85,304	-
Sundry projects Tower Hamlets	36,000	56,565
Take Off into Work	150,000	150,000
Newham Real Apprentice	75,000	222,578
Transformers Grants Project	574,123	1,195,357
Morgan Stanley NRA	30,870	44,128
LBN ISS	315,575	-
Business Action Groups for Schools (BAGS)	88,000	-
London Legacy 2020	190,340	212,283
ELBP 4 - Fit for Legacy ERDF	139,799	-
ELBP 3	81,427	221,207
Represent London	176,632	233,518
In the Parks	301,016	330,173
Reaching New Heights/City of London	6,050	24,746
BOOST	78,343	107,363
Banking on Talent	-	5,000
The BIG Alliance - Islington	112,821	-
Toy Appeal	4,773	9,224
Team Challenges	68,490	30,543
	3,222,501	3,456,282

3 Total resources expended

	Charitable Activities	Costs of Generating Funds	Governance costs	2013	2012
	£	£	£	£	£
Social & economic regeneration direct costs	3,432,833	-	-	3,432,833	2,923,395
Reorganisation	16,650	-	-	16,650	-
Support costs	701,171	30,852	10,289	742,312	700,786
Accountancy support	-	-	8,000	8,000	6,907
Audit fees	-	-	6,960	6,960	6,900
	4,150,654	30,852	25,249	4,206,755	3,637,988

4 Trustees

None of the Trustees (or any person connected with them) received any remuneration or benefits from the charity during the year

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

5 Employees

Number of employees

The average number of employee during the year was

	2013 Number	2012 Number
Chief Executive	1	1
Administration	4	4
Project delivery	44	40
East London Business Place	1	2
EaGLES and Secondees	10	6
	60	53
	£	£
Wages and salaries	1,883,209	1,766,165
Social security costs	197,474	186,797
Other pension costs	51,315	44,968
Redundancy costs and ex-gratia	4,730	16,333
	2,136,728	2,014,263

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

	2013 Number	2012 Number
£60,000 to £69,999	-	-
£70,000 to £79,999	-	-
£120,000 to £129,999	-	-
£130,000 to £139,999	1	1

The employee whose emoluments (including annual bonus, car allowance and pension contributions) exceeded £60,000, had retirement benefits accruing under a defined contribution pension scheme. The contribution payable by the company for this employee for the year was £28,382 (2012 - £23,347)

6 Tangible Fixed Assets

	Fixtures & Fittings £	Motor Vehicle £	Computer Equipment £	2013 Total £
Cost				
At 1 April 2012	3,484	5,250	75,047	83,781
Additions	-	-	12,573	12,573
Disposals	-	-	-	-
At 31 March 2013	3,484	5,250	87,620	96,354
Depreciation				
At 1 April 2012	1,960	4,320	47,834	54,114
Charge for the year	871	930	20,878	22,679
On disposals	-	-	-	-
At 31 March 2013	2,831	5,250	68,712	76,793
Net book value				
At 31 March 2013	653	-	18,908	19,561
At 31 March 2012	1,524	930	27,213	29,667

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

7 Debtors	2013	2012
	£	£
Grants and donations receivable	425,741	890,956
Other debtors	17,962	18,096
Prepayments and accrued income	40,807	109,121
	484,510	1,018,173

Included within Other debtors is an amount of £16,294 which is receivable after more than one year (2012 - £16,260) being the office rent deposit

8 Creditors amounts falling due within one year	2013	2012
	£	£
Purchase ledger balances	30,819	67,169
Other creditors	4,316	158,258
Accruals	10,948	58,234
Grants received in advance	112,794	88,850
	158,877	372,511

9 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
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

10a 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

	Balance at 1 April 2012 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2013 £
Hackney Schools' Mentoring Programme	30,680	94,133	83,448	-	41,365
Project Shoreditch	5,110	68,000	73,345	-	(235)
Project Central Hackney	24,135	57,070	60,748	8,895	29,352
Transforming Local Infrastructure HIP	-	16,840	2,945	(13,895)	-
EaGLES	30,377	156,398	149,912	13,390	50,253
Jobs Next Door	23,114	114,385	53,091	(8,475)	75,933
Morgan Stanley 2	32,652	54,856	24,654	(15,652)	47,202
St Paul's Way	12,724	19,000	47,964	19,000	2,760
Beyond Boundary	-	38,000	53,196	42,404	27,208
RBS	-	28,000	19,678	-	8,322
Credit Suisse - Journeys to Success	-	61,256	34,004	-	27,252
Broadgate Estates	-	85,304	75,697	-	9,607
Sundry projects Tower Hamlets	8,773	36,000	44,543	-	230
Take Off into Work	12,134	150,000	107,385	(37,823)	16,926
Newham Real Apprentice	5,637	75,000	77,861	-	2,776
One East London	-	-	10,740	10,740	-
Transformers Grants Project	575,828	574,123	1,097,818	(52,133)	-
Morgan Stanley NRA	(32)	30,870	42,371	11,533	-
LBN ISS	-	315,575	161,984	-	153,591
Business Action Groups for Schools	-	88,000	50,710	-	37,290
London Legacy 2020	40,299	190,340	203,478	58,101	85,262
ELBP 4 - Fir For Legacy ERDF	-	139,799	78,343	-	61,456
ELBP 3	45,067	81,427	85,638	-	40,856
Represent London	15,000	176,632	193,822	2,190	-
In the Parks	61,000	299,998	353,135	(7,863)	-
In the Parks Other	10,600	1,018	11,323	(295)	-
Reaching New Heights/City of London	(3,965)	6,050	6,050	3,965	-
BOOST	12,286	78,343	84,907	25,712	31,434
The BIG Alliance - Islington	-	112,821	98,597	(13,390)	834
Toy Appeal	8,416	4,773	6,820	-	6,369
Team Challenges	294	68,490	38,626	(20,600)	9,558
	<u>950,129</u>	<u>3,222,501</u>	<u>3,432,833</u>	<u>25,804</u>	<u>765,601</u>

10b Unrestricted funds

	Balance at 1 April 2012 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2013 £
Reorganisation Reserve	61,000	18,000	16,650	-	62,350
Dilapidations reserve	6,000	6,000	-	-	12,000
	<u>67,000</u>	<u>24,000</u>	<u>16,650</u>	<u>-</u>	<u>74,350</u>

The Directors have agreed to create funds for the future reorganisation of the charitable company as well as lease dilapidations. The expenditure of £16,650 during the year represents 50% of the Board approved cost in relation to an ELBA Strategic Review conducted by New Philanthropy Capital alongside the senior executive management team

10c Transfers

Transfers between funds comprise transfers from unrestricted funds to the Reorganisation and Dilapidations Reserves, transfers to Restricted Funds to cover small shortfalls in certain Project funding and transfers to unrestricted funds (Core) where the charity is entitled to any surpluses arising on those funds as detailed above

	Unrestricted funds	Designated funds	Restricted funds	Total
Tangible fixed assets	19,561	-	-	19,561
Net Current assets	306,594	74,350	765,601	1,146,545
	<u>326,155</u>	<u>74,350</u>	<u>765,601</u>	<u>1,166,106</u>

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

12 Contingent liabilities

There were no contingent liabilities at 31 March 2013 (2012 - None)

13 Commitments under operating leases

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2013	2012	2013	2012
	£	£	£	£
Expiry date				
In less than 1 year	-	-	1,422	4 192
Between two and five years	42,880	42,880	49,096	44,496
	42,880	42 880	50,518	48 688

14 Capital commitments

There were no capital commitments at 31 March 2013 (2012 - None)

15 Related Parties

The following trustees of the company are directors or representatives of the companies as shown below that made contributions or donations to the company during the year

E J Taylor Representative of Deutsche Bank

C I Watson, Partner CMS Cameron McKenna

R H Reid, London Chairman, KPMG

M Byrne, Representative of Accenture

R Weerasekera, Representative of UBS

T Waldron, Representative of Barclays - Appointed 14 February 2013

DAE Robinson, a trustee, is also a trustee of Ascension Eagles Cheerleaders. During the year a grant of £20,000 was awarded to the charity on an arm's length basis. No amount was outstanding at the year end.