

Charity Registration No.1122173

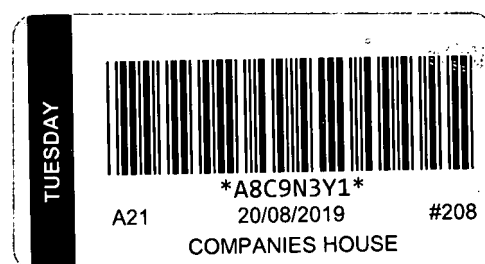
Company Registration No. 04138032 (England and Wales)

**EAST LONDON BUSINESS ALLIANCE**

**(LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**



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

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Trustees	C I Watson (Chairman) J Baskerville M Gabriel L Hollins H Morris (appointed 16/07/18) A Rakowski E J Taylor (resigned 26/07/18) P Vasudeva (resigned 30/06/18) T Waldron
Chief Executive	I Parkes
Secretary	M S Alom
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

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
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**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2019**

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These statutory accounts mark and illustrate the end of a successful year for ELBA. The financial support from our business members and partners has held up well over the last three years, although it has been much more difficult to secure funding from public bodies and charitable foundations. Despite these difficulties, we have been able to maintain both the volume and quality of the services and activities we deliver. We have returned an operating surplus across our charitable and trading activities, and are able to meet our objective to add modestly to our unrestricted reserves.

2019 is ELBA's 30<sup>th</sup> Anniversary year. We will use the year to celebrate the good work that business has done in the east London community, together with our partners from the voluntary and education sectors and local authorities. In those 30 years, we estimate that around 200,000 business people have given their time and expertise to help residents and young people in east London. These volunteers have been drawn from over 250 major employers and corporations.

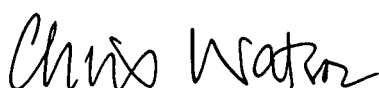
As we look forward we intend to remain relevant to the important issues in east London, and to the priorities that our business partners wish to pursue. In the coming years we can see that we will need to address the stagnation in social mobility, particularly the stubborn levels of relative and absolute poverty in parts of east London; the rise of in-work poverty; the ongoing need to support all young people to make a good transition to work; to help adults in work to progress and improve their earnings; preparing young people and adults for the challenges and opportunities to come from the Fourth Industrial Revolution; and most urgently, to work with our community partners to help address the increase in young people becoming involved in gangs and knife crime. In all our work we aim to support and strengthen the many community organisations and charities which do such important work.

During the year our major joint projects have also done well. Jointly with Canary Wharf Group, our small business support project – East London Business Place – funded by European sources, has delivered all the targets required for the European funding stream and has managed to secure a further three years EU funding, backed by local authorities, the LLDC and local businesses. The BIG Alliance, our partnership project with Islington Giving and Macquarie, has also performed very well in the year, and most noticeably has celebrated the 1,000<sup>th</sup> young person to benefit from our mentoring programme.

Our trading company, London Works, has successfully re-focussed on high value added employment and recruitment services, specialising in working with employers to improve their diversity and inclusion policies and outcomes.

We said farewell to Eileen Taylor and Payal Vasudeva from the Board in the year, and we thank them for their service. We welcome to the Board Hugh Morris from the City of London Corporation. I thank all members of the Board for their support and engagement.

In February this year our former Chief Executive, Liam Kane, died after a short illness. When he joined ELBA in 2003, it was a small organisation of 6 people, well known but with constrained impact. When he retired in 2016 he left a thriving organisation of 40 people, working across 10 boroughs in east London, and making a real impact on the lives of residents, communities and young people. He was awarded an MBE for his services to the community and we will always remember him as an extraordinary force for good and for positive change, benefitting both ELBA and the communities we serve.



**C I Watson**  
**Chairman and Trustee**  
**10 July 2019**

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2019**

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The Trustees present their report and audited consolidated financial statements for the year ended 31 March 2019.

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 ("FRS102 SORP"), effective from January 2015.

**Reference and Administrative Details of the Charity**

Full legal and administrative 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.

There continues to be stability and continuity in the governance of the Charity in the period, with just two departures. During the year Eileen Taylor and Payal Vasudeva resigned as Trustees and we thank them for their committed service to ELBA. Hugh Morris from the City of London Corporation joined the Board.

**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 total amount as may be required (not exceeding £100) to the company's assets in the event of a winding up. ELBA's business is conducted under the framework of its governing Memorandum and Articles of Association, prepared under Company law.

Trustees are usually selected from our corporate partners and other organisations and businesses in east London and beyond. Generally senior leaders 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.

Being already familiar with the organisation, Trustees receive further induction and training through providing them with copies of the Memorandum and Articles of Association, the last available annual report and accounts, current management accounts, budgets and relevant sector 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 and London Works staff and members, policies and procedures as required.

**Organisational Structure**

Setting the overall strategy and monitoring of the Charity's overall performance is the responsibility of the Board of Trustees, which is led by Chris Watson, a partner at CMS, London.

FINCO, which is a committee of the main Board and is charged with monitoring and reviewing the Charity's performance and that of its trading subsidiaries, in particular its financial outcomes, meet on a regular quarterly basis. Arthur Rakowski chairs FINCO. Membership of FINCO is set at a minimum of five people currently comprising Arthur Rakowski (Chair), two further Board members or co-opted members with a financial background, the company's internal auditor, the Chief Executive and the Group Finance Director. Bill Carr, the independent London Works Director also attends FINCO meetings. 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, the senior management team and the experienced team of programme directors and project managers. The senior management team comprises the Chief Executive, Group Finance Director, Managing Director - Employment, Director of Education and Community, Director of Account Management (pt), Director of membership (pt), and the Director of BIG Alliance. Pay and remuneration for the Chief Executive is set by the Board. Pay and remuneration for the other members of the team is set by the Chief Executive who directly line manages them.

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2019**

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**Trading subsidiaries**

In 2014 the Board authorised the setting up of a new trading subsidiary, London Works (LW). LW has operated as a key part of ELBA's employment and employability efforts providing temporary and permanent recruits for member and non-member companies drawn mainly from the academic output of east London's universities. LW was funded in its initial stages by Barclays Bank, the City of London Corporation, the University of East London and the Royal Borough of Greenwich, together with a loan from the Greater London Authority. In the last 18 months the business of London Works has been refocussed on higher value, higher margin specialist services. This has proved successful and in 2018/19 London Works made a trading surplus of £5k. This will be retained in the trading company to offset losses from previous years.

In future years, once it has covered previous losses, any operating profits from London Works may be Gift Aided to ELBA to provide additional funding for any or all of ELBA's community, education or employment projects. There was no Gift Aid to ELBA in 2018/19 (£nil), the same as 2017/18 (£nil).

In 2015/16 the ELBA Board authorised the setting up of a further not-for-profit subsidiary trading company – ELBA Works. This is used to deliver contracts for service which are outside the core charitable purpose and are therefore subject to different VAT and corporate tax treatment. The surplus from this trading company is passed as Gift Aid to ELBA to support charitable activities.

**Risk Management**

ELBA's risk management strategy comprises:

- an annual review by the Trustees of the risks the Charity may face, based on the format recommended by the Charities Commission;
- 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 safeguarding of children and young people, and from governance and regulatory compliance.

The main risk to the Charity would be failure by members and other business partners to make contributions; consequently, the member payment records are submitted for detailed review to all FINCO meetings.

In addition the Group Finance Director pursues a rigorous automated monthly credit control procedure which has proven successful in minimising bad debt.

**Objectives and Activities**

East London Business Alliance is a registered charity and for nearly 30 years we have been addressing social mobility, regeneration, poverty and inequality in east London and beyond.

East London Business Alliance builds the connection between businesses and local communities, bringing the time, skills and resources of the private sector, to help build the capacity of local organisations, support young people in education and place people into employment in London.

Our mission is to create possibilities to bring about positive change in London by channelling the wide-reaching resources and influence of the private sector to address key areas of need. ELBA makes community investment by businesses easier, more effective and more rewarding.

At the heart of how we deliver our goals is the deployment at scale of employer supported volunteering, and business-driven recruitment and employment diversity.

Our long term strategic goals are to:

- Help to make east London a better place to live, with healthy, thriving and resilient communities.

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(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2019**

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- Strengthen the community sector and supporting social enterprise.
- Promote and deliver fair and equal access to work based on merit, not background, helping employers change recruitment practice and helping individual people secure good jobs.
- Support progression in careers and increasing earnings for those from disadvantaged backgrounds.
- Support successful transition for every young person from education to work and/or enterprise.

In 2019 ELBA celebrates 30 years of operation. In that time we have worked with over 250 major businesses, and helped over 200,000 business volunteers give their time and expertise to the communities of east London and beyond. In one way or another, we have touched the lives of around 2 million pupils, students, residents and other beneficiaries.

During 2018/19 we continued to work at scale in east London and beyond to deliver our goals and objectives. Our delivery in volume terms remained at the same levels as 2017/18.

- 10,215 volunteers – 12,233 including BIG Alliance
- Drawn from over 75 member companies and other business partners
- 598 volunteering events, workshops and sessions delivered
- 59 companies supported our annual Toy Appeal, donating 9,674 toys, with a value of over £116,000
- Working with 207 Community Partners
- 200 people into work
- 41 EAGLEs in our graduate placement programme

Our work with our corporate partners is across three themes:

#### **Community**

We work across east London with local charities, social enterprises and not for profit organisations. Charities are under increasing pressure with the significant decrease in local authority funding and the drive towards service level agreements, contracts and tendering. We take a holistic approach and support organisations at leadership and governance level, with management and systems expertise and the beneficiaries of the organisation through our asset based approach to employer supported volunteering. The types of volunteering include BoardMatch, Leaders in Partnership, Business Skills volunteering, interactive volunteering and we also help develop places and spaces through team challenge volunteering.

#### **Education**

ELBA partners with secondary schools and further and higher education institutions to deliver a range of activities and innovative responses that meet the needs of the education sector and ELBA's key stakeholders, while delivering the young people development objectives of our corporate partners. All support is delivered creatively through employee engagement. These include working with:

- Secondary school students, staff and governors
- Students from east London universities that have some of the lowest levels of graduate employment in the UK, via mentoring, mock interviews and careers insight training and networking clubs.

#### **Employment**

##### *Employability skills*

ELBA engages young jobseekers to raise aspirations and promote career paths and to raise aspirations. Activities with corporate volunteers include CV and interview skills workshops which focus on the soft skills that local jobseekers need to perform well.

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TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2019**

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ELBA influences social mobility through both temporary and permanent employment engaging young people, and supporting jobseekers to raise their aspirations, promote career paths and develop employability skills.

During 2018/19 we launched a further two new innovative programmes:

**Enable**

This project is supported by HSBC and will deliver 100 learning modules aimed at improving the communication skills of people who are in low paid employment and from disadvantaged backgrounds. The objective is to help them improve their earnings.

**Future Fit**

The impact of the Fourth Industrial Revolution on the workforce will be uneven. While many new jobs will be created, those who are currently in lower paid, lower skills will face some of the earliest impacts of automation, and will be less well equipped to find their way into new roles. This project, supported by Accenture, will investigate how existing employees in vulnerable roles can best be helped to find ways to survive and thrive.

*Graduate employment*

London Works, ELBA's specialist recruitment agency provides specialist recruitment services to help employers improve the diversity of their workforces, and to find good careers for the young people of east London.

**Financial review**

Total main Charity income before adding ELBA Works and London Works income, was in line with the previous year at £2.3m (2017/18 £2.3m).

As a general rule, around half of the main ELBA core operating costs are covered and provided by the annual charitable contributions made by its business supporters. During 2018/19 we saw a continuation of the improvement in the retention of business supporters, with just five members leaving, and three new members joining. Income from business supporters now also comes via one-off sales and contributions, as well as project funding, and we have adopted our approach to reflect the many ways in which businesses wish to engage in the community.

Business income from membership was £719k, down on the previous year (£783k). Overall income from business, including sales via ELBA Works and projects was £2.19m, compared to £2.25m in 2017/18.

During 2018/19 we are conducting a review of our membership model to ensure it remains relevant to our business partners and the needs we have to address in the community.

The other half of our income has derived mainly from charitable corporate grants and donations as well as various third party charitable trusts such as **Islington Giving and Reeves Foundation**, who have been substantial supporters as well as the **London Legacy Development Corporation**.

This year 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 in the near future.

Member companies also support the many projects implemented by ELBA, mainly through the provision of volunteers although some, including **Accenture, HSBC, British Land/Broadgate Estates, AXA XL, Linklaters, Macquarie, Nomura, Societe Generale, State Street Bank and UBS** have all made additional contributions to specific projects in the year under review.

At an operating level, the main ELBA charity made a surplus of £65k, after transfers from ELBA works of £68k. This is a significant improvement on last year's performance of a net deficit of £108k.

Costs continued to be strictly controlled and were down by 8% compared to the previous year.



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(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2019**

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The expenditure on restricted fund projects totalled £1.4m and this was fully funded from the £481k of restricted funds bought forward from last year plus newly incoming restricted funds of £1.4m. 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.

**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.

**Reserves Policy**

The Trustees' goal is for ELBA to hold unrestricted reserves equal to at least six months' of core operating costs (£650,000). They are aware that this target may take a little time to reach from the current level of £427k but believe that this is achievable in the longer term. They maintained a designated Dilapidations Reserve, currently £30,000 and the reorganisation reserve has been topped up by £20,000.

The Charity's unrestricted reserves at year end amounted to £377k, (2017/18 £332k) together with designated reserves for reorganisation and dilapidations amounting to £50k (2017/18 £30k) making a total of £427k (2016/17 £362k). This equates to 4.2 months of running costs.

The Group unrestricted reserves at year end amounted to £274k (2017/18 £224k). We envisage to clear the previous losses over the next 3/4 years.

**Plans for the future period**

During 2019 we will be refreshing our three year Strategic Plan which comes to an end in March 2020. As part of this process we are taking the opportunity to talk to current business members, community partners and ex-members about the priorities we need to address in our communities, and how businesses would like to engage.

It is clear that the challenges faced by east London communities have changed, and ELBA's response will likewise need to adjust:

- The shift in poverty from workless households to working households – the rise of in-work poverty
- The stubborn resistance of low earnings despite the remarkable rise in educational attainment and participation in higher education
- Stalled social mobility
- High incidence of mental health issues among the young, and the need to address wellbeing in the wider community
- The need to maintain social and community infrastructure
- The differential impact of the Fourth Industrial Revolution
- The long-term, underlying issues that drive serious youth violence and knife crime

In tackling these issues ELBA's unique contribution will be the engagement and deployment of the expertise, time, ingenuity, goodwill and other resources of the business sector. We will continue to ensure that every ELBA intervention is needed and impactful; every participation will be rewarding and fulfilling.

We are using the 30<sup>th</sup> anniversary of ELBA's foundation as a springboard to get more businesses engaged in our essential work.

Despite the many issues facing east London, it is also an area of great opportunity. We remain excited and committed to ensuring that these will be open to everyone from all parts of the community.

**Fundraising Regulator statement**

ELBA is not required to register with the Fundraising Regulator as we do not meet the required thresholds. However, we have chosen to make a voluntary registration.

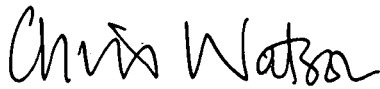
EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2019

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Auditors

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

Approved by the Trustees on 10 July 2019 and signed on its behalf by



C I Watson  
Chairman and Trustee  
10 July 2019

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 MARCH 2019**

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF EAST LONDON BUSINESS ALLIANCE**

**Opinion**

We have audited the financial statements of East London Business Alliance (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Company Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Company Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2019, and of the group'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 and the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the trustees' report and the Chairman's report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and *companies audited under Companies Act 2006*; except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we

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

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have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- 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.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the

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

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Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Alastair Duke (Senior Statutory Auditor)  
For and on behalf of PKF Littlejohn LLP  
Statutory Auditor**

**1 Westferry Circus  
Canary Wharf  
London E14 4HD**

*15 August* 2019

PKF Littlejohn LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

**EAST LONDON BUSINESS ALLIANCE**

**(LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2019**

Company Number 04138032

	Notes	Unrestricted Funds General funds £	Designated funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>Income from:</b>						
Donations	2	764,841	-	-	764,841	812,485
Charitable activities	3	-	-	1,415,935	1,415,935	1,429,062
Other trading activities	4	1,058,595	-	-	1,058,595	1,439,458
Investments	5	4,950	-	-	4,950	5,409
Other income	6	3,078	-	-	3,078	2,801
<b>Total income</b>		<b>1,831,464</b>	<b>-</b>	<b>1,415,935</b>	<b>3,247,399</b>	<b>3,689,215</b>
<b>Expenditure on:</b>						
Raising funds		20,385	-	-	20,385	20,354
Raising funds - trading activities		951,240	-	-	951,240	1,421,858
Charitable activities	7	744,608	-	1,430,315	2,174,923	2,374,129
<b>Total expenditure</b>		<b>1,716,233</b>	<b>-</b>	<b>1,430,315</b>	<b>3,146,548</b>	<b>3,816,341</b>
<b>Net income / (expenditure)</b>		<b>115,231</b>	<b>-</b>	<b>(14,380)</b>	<b>100,851</b>	<b>(127,126)</b>
Transfers between funds	16c	(65,342)	20,000	45,342	-	-
<b>Net movement in funds</b>		<b>49,889</b>	<b>20,000</b>	<b>30,962</b>	<b>100,851</b>	<b>(127,126)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		223,878	30,000	480,771	734,649	861,775
<b>Total funds carried forward</b>		<b>273,767</b>	<b>50,000</b>	<b>511,733</b>	<b>835,500</b>	<b>734,649</b>

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 accounting policies and notes on pages 18 to 26 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2019**

Company Number 04138032

	Notes	Unrestricted Funds General funds £	Designated funds £	Restricted funds £	Total 2019 £	Total 2018 £
<b>Income from:</b>						
Donations	2	832,364	-	-	832,364	840,379
Charitable activities	3	-	-	1,415,935	1,415,935	1,429,062
Investments	5	4,950	-	-	4,950	5,409
Other income	6	37,828	-	-	37,828	39,301
<b>Total income</b>		<b>875,142</b>	<b>-</b>	<b>1,415,935</b>	<b>2,291,077</b>	<b>2,314,151</b>
<b>Expenditure on:</b>						
Raising funds		20,385	-	-	20,385	20,354
Charitable activities	7	744,608	-	1,430,315	2,174,923	2,374,129
<b>Total expenditure</b>		<b>764,993</b>	<b>-</b>	<b>1,430,315</b>	<b>2,195,308</b>	<b>2,394,483</b>
<b>Net income / (expenditure)</b>		<b>110,149</b>	<b>-</b>	<b>(14,380)</b>	<b>95,769</b>	<b>(80,332)</b>
Transfers between funds	16c	(65,342)	20,000	45,342	-	-
<b>Net movement in funds</b>		<b>44,807</b>	<b>20,000</b>	<b>30,962</b>	<b>95,769</b>	<b>(80,332)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		331,730	30,000	480,771	842,501	922,833
<b>Total funds carried forward</b>		<b>376,537</b>	<b>50,000</b>	<b>511,733</b>	<b>938,270</b>	<b>842,501</b>

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 accounting policies and notes on pages 18 to 26 form part of these financial statements.

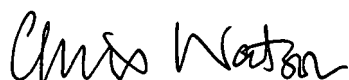


**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2019**

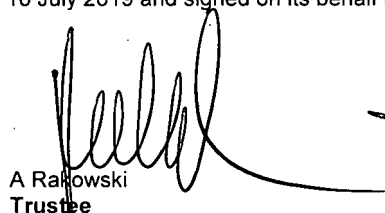
Company Number 04138032

	Notes	2019 £	2018 £
<b>Fixed Assets</b>			
Tangible assets	12	7,826	2,852
<b>Current assets</b>			
Debtors	13	805,041	809,594
Cash at bank and in hand		777,222	643,531
		<u>1,582,263</u>	<u>1,453,125</u>
<b>Creditors: amounts falling due within one year</b>	14a	<u>(694,589)</u>	<u>(641,328)</u>
Net current assets		887,674	811,797
<b>Creditors: amounts falling due after more than one year</b>	14b	<u>(60,000)</u>	<u>(80,000)</u>
<b>Net assets</b>		<u>835,500</u>	<u>734,649</u>
<b>Charity Funds</b>			
Restricted funds	16a	511,733	480,771
Unrestricted funds		273,767	223,878
Designated Funds	16b	50,000	30,000
<b>Total charity funds</b>		<u>835,500</u>	<u>734,649</u>

The financial statements were approved by the Board and authorised for issue on 10 July 2019 and signed on its behalf by:



C I Watson  
Chairman & Trustee

  
A Rakowski  
Trustee

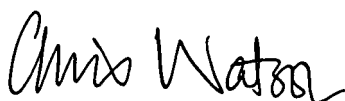
The accounting policies and notes on pages 18 to 26 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
CHARITY BALANCE SHEET  
AS AT 31 MARCH 2019**

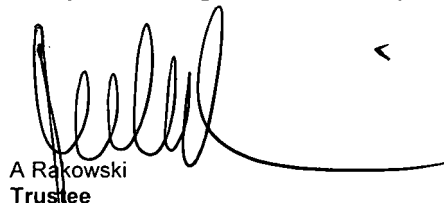
Company Number 04138032

	Notes	2019 £	2018 £
<b>Fixed Assets</b>			
Tangible assets	12	7,826	2,852
<b>Current assets</b>			
Debtors	13	653,876	708,546
Cash at bank and in hand		492,287	358,749
		<u>1,146,163</u>	<u>1,067,295</u>
<b>Creditors: amounts falling due within one year</b>	14a	<u>(215,719)</u>	<u>(227,646)</u>
Net current assets		930,444	839,649
<b>Net assets</b>		<u>938,270</u>	<u>842,501</u>
<b>Charity Funds</b>			
Restricted funds	16a	511,733	480,771
Unrestricted funds		376,537	331,730
Designated Funds	16b	50,000	30,000
<b>Total charity funds</b>		<u>938,270</u>	<u>842,501</u>

The financial statements were approved by the Board and authorised for issue on 10 July 2019 and signed on its behalf by:



C I Watson  
Chairman & Trustee



A Rakowski  
Trustee

The accounting policies and notes on pages 18 to 26 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
CONSOLIDATED STATEMENT OF CASH FLOWS  
AS AT 31 MARCH 2019**

Company Number 04138032

	Notes	2019 £	2018 £
Cash flow from operating activities	18	140,477	(165,031)
Net cash flow (used in) / provided by operating activities		140,477	(165,031)
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12	(11,736)	-
Interest received from investment		4,950	5,409
Net cash flow provided by investing activities		(6,786)	5,409
Change in cash and cash equivalents in the year		133,691	(159,622)
Cash and cash equivalents at 1 April		643,531	803,153
Cash and cash equivalents at 31 March		777,222	643,531

The accounting policies and notes on pages 18 to 26 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
CHARITY STATEMENT OF CASH FLOWS  
AS AT 31 MARCH 2019**

Company Number 04138032

	Notes	2019 £	2018 £
Cash flow from operating activities	18	140,324	(190,183)
Net cash flow used in operating activities		140,324	(190,183)
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12	(11,736)	-
Interest received from investment		4,950	5,409
Net cash flow provided by investing activities		(6,786)	5,409
Change in cash and cash equivalents in the year		133,538	(184,774)
Cash and cash equivalents at 1 April		358,749	543,523
Cash and cash equivalents at 31 March		492,287	358,749

The accounting policies and notes on pages 18 to 26 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**1 Accounting policies**

**1.1 General information and basis of preparation**

East London Business Alliance is a Charity and a company limited by guarantee with no share capital in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £100 per member of the charity. The address of the registered office is given in the legal and administrative information page of these financial statements. The nature of the charity's operations and principal activities are detailed under objectives and activities on pages 3 and 4 of the Trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated financial statements consolidate the financial statements of East London Business Alliance and its subsidiary undertakings, London Works Agency Limited and East London Business Alliance Works Limited for the period ending 31 March 2019.

**1.2 Income recognition**

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.

Trading income is invoiced on an accruals basis.

**1.3 Expenditure recognition**

Expenditure has been included in the Financial Statements on the accruals basis and is stated inclusive of VAT for ELBA. LW is VAT registered and the expenditure is therefore included net of VAT.

Support costs represent staff and office costs and are apportioned to charitable activities and fundraising activities 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 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	-
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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 SOFA on a straight line basis over the lease term.

**1.6 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.

**1.7 Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**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.

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

**2 Income from donations**

<b>Group</b>	<b>2019 £</b>	<b>2018 £</b>
Member contributions	718,610	783,149
Donations	46,231	29,336
	<u>764,841</u>	<u>812,485</u>

Income from donations was £764,841 (2018 - £812,485) all of which was attributable to unrestricted funds for both years.

<b>Charity</b>	<b>2019 £</b>	<b>2018 £</b>
Member contributions	718,610	783,149
Donations	46,231	29,336
Gift Aid receivable	67,523	27,894
	<u>832,364</u>	<u>840,379</u>

Income from donations was £832,364 (2018 - £840,379) all of which was attributable to unrestricted funds for both years.

**3 Income from charitable activities (Group and Charity)**

	<b>2019 £</b>	<b>2018 £</b>
Community Works	338,917	341,552
Education Works	329,380	342,180
Employment Works	428,810	389,052
Other	318,828	356,278
	<u>1,415,935</u>	<u>1,429,062</u>

Income from charitable activities was £1,415,935 (2018 - £1,429,062) all of which was attributable to restricted funds for both years.

**4 Income from other trading activities**

	<b>2019 £</b>	<b>2018 £</b>
Bureau agency fees receivable - London Works	978,691	1,393,991
Consultancy fees - ELBA Works	79,904	45,467
	<u>1,058,595</u>	<u>1,439,458</u>

Income from other trading activities was £1,058,595 (2018 - £1,439,458) all of which was attributable to unrestricted funds for both years.

**5 Income from investments (Group and Charity)**

	<b>2019 £</b>	<b>2018 £</b>
Interest receivable	4,950	5,409

Income from other investments was £4,950 (2018 - £5,409) all of which was attributable to unrestricted funds for both years.

**EAST LONDON BUSINESS ALLIANCE**  
**(LIMITED BY GUARANTEE)**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2019**

**6 Other income**

Group	2019 £	2018 £
Services provided and other income	3,078	2,801

Other income was £3,078 (2018 - £2,801) all of which was attributable to unrestricted funds for both years.

Charity	2019 £	2018 £
Services provided and other	37,828	39,301

Other income was £37,828 (2018 - £39,301) all of which was attributable to unrestricted funds for both years.

**7 Analysis of expenditure on charitable activities (Group and Charity)**

	Direct Costs	Support Costs	2019 £	2018 £
Community Works Projects	260,967	94,207	355,174	371,767
Education Works Projects	203,969	114,591	318,560	427,450
Employment Works Projects	228,093	198,622	426,715	390,807
Other Projects	307,730	22,136	329,866	328,675
CORE	744,608	-	744,608	855,430
	1,745,367	429,556	2,174,923	2,374,129

Expenditure on charitable activities was £2,174,923 (2018 - £2,374,129) of which £744,608 was attributable to unrestricted funds (2018 - £789,794), £nil was attributable to designated funds (2018 - £65,636) and £1,430,315 was attributable to restricted funds (2018 - £1,518,699).

**8 Allocation of support costs**

	Community Works Projects £	Education Works Projects £	Employment Works Projects £	Other Projects £	2019 Total £	2018 £
Governance (see note 9)	1,950	2,733	2,194	-	6,877	6,165
HR & Admin	14,831	14,946	33,029	-	62,806	54,835
Finance & Management	30,162	31,880	32,600	-	94,642	84,008
Other Staffing	13,192	28,191	72,690	22,136	136,209	127,744
Office and Other Costs	34,072	36,841	58,109	-	129,022	121,791
Total	94,207	114,591	198,622	22,136	429,556	394,543

**9 Governance costs**

	Core	Projects	2019 £	2018 £
Accountancy	1,582	2,891	4,473	4,743
Audit	3,714	3,986	7,700	7,330
	5,296	6,877	12,173	12,073

**10 Trustees**

None of the Trustees (or any person connected with them) received any remuneration or benefits from the charity during the year (2018 - £Nil).

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

**11 Employees**

Number of employees

The average number of employees during the year was:

Group	2019 Number	2018 Number
Chief Executive	1	1
Administration	3	3
Project delivery	29	30
Interns	2	1
East London Business Place	4	4
Eagles	20	21
London Works (Temporary Staff)	8	16
London Works (Establishment Staff)	1	4
	<b>68</b>	<b>80</b>

Charity	2019 Number	2018 Number
Chief Executive	1	1
Administration	3	3
Project delivery	29	30
Interns	2	1
East London Business Place	4	4
	<b>39</b>	<b>39</b>

Group	£	£
Wages and salaries	2,146,016	2,590,470
Social security costs	203,357	250,692
Other pension costs	69,108	72,610
Redundancy costs and ex-gratia	-	11,900
	<b>2,418,481</b>	<b>2,925,672</b>

The total amount of employee benefits received by key management personnel during the year was £254,660 (2018 - £332,618). The Charity considers its key management personnel to comprise the Chief Executive, Managing Director and Group Finance Director.

Charity	£	£
Wages and salaries	1,457,781	1,502,715
Social security costs	149,310	156,165
Other pension costs	59,165	60,684
Redundancy costs and ex-gratia	-	11,900
	<b>1,666,256</b>	<b>1,731,464</b>

The total amount of employee benefits received by key management personnel during the year was £254,660 (2018 - £332,618). The Charity considers its key management personnel to comprise the Chief Executive, Managing Director and Group Finance Director.

The number of employees whose annual emoluments were £60,000 or more were (Group and Charity):

	2019 Number	2018 Number
£60,000 to £69,999	1	1
£70,000 to £79,999	2	3
£90,000 to £99,999	1	1

The employees whose emoluments, including annual bonus, exceeded £60,000, had retirement benefits accruing under a defined contribution pension scheme. The contribution payable by the company for these employees for the year was £16,695 (2018 - £12,013).



**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

**12 Tangible Fixed Assets (Group and Charity)**

	<b>Computer Equipment £</b>	<b>Total £</b>
Cost		
At 1 April 2018	20,783	20,783
Additions	11,736	11,736
Disposals	(12,229)	(12,229)
At 31 March 2019	20,290	20,290
Depreciation		
At 1 April 2018	17,931	17,931
Charge for the year	6,762	6,762
On disposals	(12,229)	(12,229)
At 31 March 2019	12,464	12,464
Net book value		
At 31 March 2019	7,826	7,826
At 31 March 2018	2,852	2,852

**13 Debtors**

<b>Group</b>	<b>2019 £</b>	<b>2018 £</b>
Grants and donations receivable	737,950	739,810
Other debtors	19,451	20,951
Prepayments and accrued income	47,640	48,833
	<b>805,041</b>	<b>809,594</b>
<b>Charity</b>	<b>2019 £</b>	<b>2018 £</b>
Grants and donations receivable	483,494	535,297
Amounts owed by group undertakings	105,874	108,558
Other debtors	19,295	20,918
Prepayments and accrued income	45,213	43,773
	<b>653,876</b>	<b>708,546</b>

Included within Other debtors of both Group and Company is an amount of £15,000 which is receivable after more than one year (2018 - £15,000) being the office rent deposit. There were no staff loans receivable after more than one year (2018 - £NIL). There was an inter company loan from ELBA to London Works of £70,000 which was repaid on 29 March 2019 (2018 - £70,000).

**14a Creditors: amounts falling due within one year**

<b>Group</b>	<b>2019 £</b>	<b>2018 £</b>
Purchase ledger balances	40,315	33,358
Other creditors	53,555	154,557
Accruals	36,434	8,920
VAT	66,248	65,391
Grants received in advance	478,037	359,102
Loan repayable to Greater London Authority	20,000	20,000
	<b>694,589</b>	<b>641,328</b>

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

Charity	2019 £	2018 £
Purchase ledger balances	11,318	17,921
Other creditors	51,617	150,105
Accruals	29,284	6,620
Grants received in advance	123,500	53,000
	<u>215,719</u>	<u>227,646</u>

**14b Creditors: amounts falling due after more than one year**

Group	2019 £	2018 £
Loan repayable to Greater London Authority	<u>60,000</u>	<u>80,000</u>
	<u>60,000</u>	<u>80,000</u>

**Charity**

The Charity does not have any creditors amounts falling due after more than one year.

**15 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.

**16a Restricted funds (Group and Charity)**

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 2018 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2019 £
Community Works	82,471	338,917	355,174	6,647	72,861
Education Works	174,992	329,380	318,560	30,000	215,812
Employment Works	123,554	428,810	426,715	(2,895)	122,754
Other	99,754	318,828	329,866	11,590	100,306
	<u>480,771</u>	<u>1,415,935</u>	<u>1,430,315</u>	<u>45,342</u>	<u>511,733</u>
	Balance at 1 April 2017 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2018 £
Community Works	76,889	341,552	371,767	35,796	82,470
Education Works	149,999	342,180	427,450	110,263	174,992
Employment Works	74,742	389,052	390,807	50,567	123,554
Other	86,168	356,278	328,675	(14,016)	99,755
	<u>387,798</u>	<u>1,429,062</u>	<u>1,518,699</u>	<u>182,610</u>	<u>480,771</u>

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

**16b Unrestricted designated funds (Group and Charity)**

	Balance at 1 April 2018 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2019 £
Reorganisation Reserve	-	-	-	20,000	20,000
Dilapidations reserve	30,000	-	-	-	30,000
	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>50,000</u>
	Balance at 1 April 2017 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2018 £
Reorganisation Reserve	12,477	-	65,636	53,159	-
Dilapidations reserve	30,000	-	-	-	30,000
	<u>42,477</u>	<u>-</u>	<u>65,636</u>	<u>53,159</u>	<u>30,000</u>

The Directors have agreed to create funds for lease dilapidations.

**16c 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.

**17 Analysis of net assets between funds**

Group	Unrestricted funds	Designated funds	Restricted funds	Total 2019
Tangible fixed assets	7,826	-	-	7,826
Net Current assets	325,941	50,000	511,733	887,674
Creditors falling due after more than one year	(60,000)	-	-	(60,000)
	<u>273,767</u>	<u>50,000</u>	<u>511,733</u>	<u>835,500</u>
	Unrestricted funds	Designated funds	Restricted funds	Total 2018
Tangible fixed assets	2,852	-	-	2,852
Net Current assets	301,026	30,000	480,771	811,797
Creditors falling due after more than one year	(80,000)	-	-	(80,000)
	<u>223,878</u>	<u>30,000</u>	<u>480,771</u>	<u>734,649</u>
Charity	Unrestricted funds	Designated funds	Restricted funds	Total 2019
Tangible fixed assets	7,826	-	-	7,826
Net Current assets	368,711	50,000	511,733	930,444
	<u>376,537</u>	<u>50,000</u>	<u>511,733</u>	<u>938,270</u>
	Unrestricted funds	Designated funds	Restricted funds	Total 2018
Tangible fixed assets	2,852	-	-	2,852
Net Current assets	328,878	30,000	480,771	839,649
	<u>331,730</u>	<u>30,000</u>	<u>480,771</u>	<u>842,501</u>

**EAST LONDON BUSINESS ALLIANCE  
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

**18 Reconciliation of net income / (expenditure) to net cash flow from operating activities**

Group	2019 £	2018 £
Net income / (expenditure) for year	100,851	(127,126)
Interest from investments	(4,950)	(5,409)
Depreciation of tangible fixed assets	6,762	6,927
(Increase) / decrease in debtors	4,553	(140,916)
Increase / (decrease) in creditors	33,261	101,493
Net cash flow from operating activities	<b>140,477</b>	<b>(165,031)</b>
Charity	2019 £	2018 £
Net income / (expenditure) for year	95,769	(80,332)
Interest from investments	(4,950)	(5,409)
Depreciation of tangible fixed assets	6,762	6,927
(Increase) / decrease in debtors	54,670	(94,674)
Increase / (decrease) in creditors	(11,927)	(16,695)
Net cash flow from operating activities	<b>140,324</b>	<b>(190,183)</b>

**19 Contingent liabilities**

There were no contingent liabilities at 31 March 2019 (2018 - None).

**20 Group commitments under operating leases**

At 31 March 2019 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2019 £	2018 £	2019 £	2018 £
Falling due (Expiry date):				
Not later than one year	80,124	66,770	25,477	43,675
Later than one and not later than five years	44,836	104,671	34,998	26,780
	<b>124,960</b>	<b>171,441</b>	<b>60,475</b>	<b>70,455</b>

Lease payments of £80,124 (2018 - £66,770) were recognised as an expense in the year.

**21 Capital commitments**

There were no capital commitments at 31 March 2019 (2018 - None).

**22 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:

	2019 £	2018 £
C I Watson, Partner CMS Cameron McKenna Nabarro Olswang	18,000	25,500
A Rakowski, Representative of Macquarie	120,000	120,000
J Baskerville, Representative of KPMG	18,000	19,250
M Gabriel, Representative of East London Foundation Trust	9,950	9,950
P Vasudeva, Representative of Accenture (resigned 30 June 2018)	95,267	177,287
T Waldron, Representative of CH & Co	10,000	10,000

*London Works Director:*

*W Carr, Partner CMS Cameron McKenna Nabarro Olswang*

**EAST LONDON BUSINESS ALLIANCE  
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**23 Subsidiary undertaking**

These consolidated financial statements include the financial statements of the subsidiary company London Works Agency Limited and ELBA Works Limited. London Works Agency Limited (Company No. 08525614) and ELBA Works Limited (Company No. 08559404) are private companies limited by guarantee and are both registered in England & Wales and wholly owned by ELBA Charity.

LW was set up as a staff recruitment agency to provide pathways to work in the City and Canary Wharf for local graduates and A Level school leavers.

ELBA Works Ltd was set up to deliver activities which fall outside the scope of Core charitable activity.

Its trading results, extracted from its audited financial statements, which are included in the unrestricted funds column in the SOFA, were

	<b>ELBA Works Limited</b>		<b>London Works Agency Limited</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>Turnover</b>	<b>79,904</b>	<b>45,467</b>	<b>978,691</b>	<b>1,393,991</b>
<b>Administrative expenses</b>	<b>(12,381)</b>	<b>(17,573)</b>	<b>(973,609)</b>	<b>(1,440,784)</b>
<b>Profit on ordinary activities before taxation</b>	<b>67,523</b>	<b>27,894</b>	<b>5,082</b>	<b>(46,793)</b>
<b>Tax on profit on ordinary activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit for the financial year</b>	<b>67,523</b>	<b>27,894</b>	<b>5,082</b>	<b>(46,793)</b>
<b>Gift Aid donation to ELBA</b>	<b>(67,523)</b>	<b>(27,894)</b>	<b>-</b>	<b>-</b>
<b>Profit for the financial year after Gift Aid</b>	<b>-</b>	<b>-</b>	<b>5,082</b>	<b>(46,793)</b>
<b>Balance brought forward</b>	<b>-</b>	<b>-</b>	<b>(107,851)</b>	<b>61,058</b>
<b>Balance carried forward</b>	<b>-</b>	<b>-</b>	<b>(102,769)</b>	<b>(107,851)</b>

**24 Inter Company Loan**

On 1 July 2016, East London Business Alliance and London Works Agency Limited entered into a 'Facility Agreement: Intra-Group' for a period to 31 March 2019. This loan has been repaid in full on 29 March 2019.