

**EAST LONDON BUSINESS ALLIANCE**

**(A Company Limited by Guarantee)  
(Company Registration no. 4138032)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD FROM**

**9 JANUARY 2001**

**TO 31 MARCH 2002**



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COMPANIES HOUSE**

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31/01/03**

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**Directors**

**Chair**

Harvey McGrath

David Robins  
Richard Ernest Gooding  
Robert Llewellyn John

**Company Secretary**

Stephen Devitt

**Chief Executive**

Liam Kane

**Principal and Registered Office**

Superintendent's House  
Abbey Mills Pumping Station  
Abbey Lane  
London E15 2RW

**Auditors**

Littlejohn Frazer  
Chartered Accountants  
and Registered Auditors  
1 Park Place  
Canary Wharf  
London E14 4HJ

**Principal Bankers**

HSBC Bank PLC  
15 The Mall  
Stratford  
London E15 1XL

The Directors present their report for the period from incorporation, 9 January 2001 to 31 March 2002.

### Objects

The Company is established to encourage private and public sector co-operation; to act as a focus for others in the economic and social improvement and development of the North East quadrant of London; to facilitate the improvement and development of the physical and cultural environment of the North East quadrant of London; to identify opportunities for investment in the area and to play a leading role in the training, educational and enterprise requirements with and through a Training and Enterprise Council.

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

The Company is limited by guarantee and has no share capital.

### Directors

The Directors who acted during the period were:

R E Gooding	(appointed 9 January 2001)
J Reeve	(appointed 9 January 2001)
H McGrath (Chairman)	(appointed 9 January 2001)
D Robins	(appointed 9 January 2001)
R L John	(appointed 9 January 2001)

Mr H McGrath succeeded Mr J Reeve as Chairman on the 24 September 2002. Mr L Kane replaced Mr G Lomax as Chief Executive effective from 1 July 2002.

All Directors are guarantors of the Company. 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 is a member or within one year after he ceases to be a member.

### Review of the Period

On the 1 April 2001 the assets and liabilities of East London Partnership were transferred to the Company.

The results are shown in the Profit and Loss Account on page 7 to the Financial Statements.

**8. Obligations Under Operating Leases**

The minimum lease payments to which the Company is committed under non-cancellable operating leases for the coming year are:

**On Leases Expiring**

	Office equipment	2002 Motor vehicles
Within one year	1,551	3,218
Between two to five years	-	7,832
	<hr/>	<hr/>
	£1,551	£11,050
	<hr/>	<hr/>

**9. Reconciliation of Movements in Reserves**

	2002
Balance transferred from East London Partnership as at 1 April 2001	10,990
Deficit for the period	(7,541)
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Balance carried forward as at 31 March 2002	£3,449
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**10. Contingent Liabilities**

There were no contingent liabilities at 31 March 2002.

**11. Capital Commitments**

There were no capital commitments at 31 March 2002.

**Policies**

**Reserves policy**

The policy to date has been to build a satisfactory level of funds to provide a secure base for the fulfilment of the Company's objectives and this continues to be the case.

**Auditors**

Littlejohn Frazer were appointed as auditors of the Company in the period and a resolution proposing the reappointment of Littlejohn Frazer as auditors for the ensuing year will be proposed at the Annual General Meeting.

By Order of the Directors

A handwritten signature in black ink, appearing to read 'S Devitt', written in a cursive style.

S Devitt

Secretary

31 January 2003

### Directors' Responsibilities

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and of its profit or loss for the year. In preparing those Financial Statements the Directors are required to:

- select suitable Accounting Policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures 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 operation.

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

**Independent Auditors' report to the Directors of East London Business Alliance**

We have audited the Financial Statements of East London Business Alliance for the period ended 31 March 2002 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

**Respective Responsibilities of Directors and Auditors**

As described in the Statement of Directors' Responsibilities, the Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the Financial Statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

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


**Basis of Opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the Financial Statements, and of whether the Accounting Policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

**Opinion**

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs as at 31 March 2002 and of its incoming resources, application of resources, including its income and expenditure for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Littlejohn Frazer

Chartered Accountants  
and Registered Auditors

31 January 2003

1 Park Place  
Canary Wharf  
London E14 4HJ



**EAST LONDON BUSINESS ALLIANCE****PROFIT AND LOSS ACCOUNT**

Period ended 31 March 2002

	Note	2002
<b>Income</b>		
Donations from East London Business Alliance Charity		431,461
Other income		2,429
		<hr/>
		433,890
<b>Management and Administration</b>	3	441,431
		<hr/>
Deficit for the period	1	(7,541)
Balance transferred from the East London Partnership as at 1 April 2001		10,990
		<hr/>
<b>Balance Carried Forward at 31 March 2002</b>	9	<u>£3,449</u>

All of the activities represent continuing activities of the Company.

The Company has no recognised gains or losses other than the profit for the year stated above.

The Accounting Policies and Notes on pages 9 to 13 form part of these Financial Statements.

## EAST LONDON BUSINESS ALLIANCE

BALANCE SHEET  
At 31 March 2002

	Note	2002
<b>Fixed Assets</b>		
Tangible assets	4	4,185
<b>Current Assets</b>		
Debtors	5	2,893
Cash at bank and in hand	6	181,388
		<hr/>
		184,281
Creditors: amounts falling due within one year	6	185,017
		<hr/>
<b>Net Current Liabilities</b>		(736)
		<hr/>
<b>Total Assets less Current Liabilities</b>		£3,499
		<hr/>
<b>Represented by:</b>		
<b>Reserves</b>		
Profit and Loss account	9	£3,449
		<hr/>

Approved on behalf of the Board of Directors on 31/11/2003.

  
H McGrath Chairman

The Accounting Policies and Notes on pages 9 to 13 form part of these Financial Statements.

## **Accounting Policies**

### **Basis of Accounting**

The Financial Statements are prepared under the historical cost basis of accounting and in accordance with the Companies Act 1985 and applicable Accounting and Financial Reporting Standards.

### **Income**

The income of the Company substantially comprised the donations received from the East London Business Alliance charity.

### **Expenses**

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

### **Taxation**

The Company's activities are not undertaken with a view to profit and no provision for Corporation tax is made in these Financial Statements.

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

### **Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset, less any estimated residual value, evenly over its expected useful life. The expected useful life of the category of asset is:

Computer equipment            - 3 years

### **Operating Leases**

Rentals paid under operating leases are charged to expenditure as incurred.

### **Pension Contributions**

The Company operates a defined contribution pension scheme for its senior employees. The funds of the scheme are administered by Friends Provident, Allied Dunbar and Axa Sun Life and are separate from the Company. The pension charge represents contributions payable by the company for the year. The Company's liability is limited to the amounts of the contribution.

# 1. Deficit for the Period 2002

This is stated after charging,  
the following amounts:

Auditors' Remuneration	- audit	£ 5,950
	- other services	£ -
Depreciation		£ 3,261
Operating leases		£ 15,933
		<hr/>

## 2. Employees (including Directors)

### Staff Costs

Wages and salaries	295,978
Social security costs	29,087
Other pension costs	33,575
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**£358,640**

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**Average number of employees during the Period No**

General administration 8

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Included in wages and salaries is an amount of £15,384 paid to London Borough of Tower Hamlets (LBTH) for an employee of LBTH who is seconded to the East London Business Alliance.

No Directors received any remuneration or benefits during the period.

## 3. Management and Administration Costs

## Staff Costs

Salaries and wages	325,064
Pension costs	33,575
Medical insurance	3,451
Lease cars, petrol and insurance	15,350
Staff expenses	23,588

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401,028

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## Publicity and Training Costs

5,644

## Overheads

Property rates and insurance	4,726
Telephone	13,494
Postage	1,750
Stationery	4,487
Photocopier costs	3,266
Publications, subscriptions, taxis and couriers	1,583
Depreciation	3,261
Audit fees	5,950
VAT on above	1,041
General office and supplies	2,451

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42,009

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Contribution towards management and administration  
costs from East London Business Alliance Charity

(7,250)

## Total Management and Administration Expenses

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£441,431

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**4. Tangible Fixed Assets**

Cost	Computer equipment
Transfer from East London Partnership	2,041
Additions	7,054
Disposals	(1,649)
	<hr/>
At 31 March 2002	7,446
	<hr/>
<b>Depreciation</b>	
Charge for year	3,261
	<hr/>
At 31 March 2002	3,261
	<hr/>
<b>Net Book Value</b>	
At 31 March 2002	£4,185
	<hr/> <hr/>

The assets transferred from the East London Partnership have been included at their carrying amount at the date of transfer.

<b>5. Debtors</b>	<b>2002</b>
Prepayments	2,221
Other debtors	672
	<hr/>
	£2,893
	<hr/> <hr/>

**6. Creditors: amounts falling due within one year**

Amounts held on behalf of the East London Business Alliance Charity	134,053
Accruals	50,964
	<hr/>
	£185,017
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The amount held on behalf of the East London Business Alliance Charity is held in the Company's bank account.

**7. 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 is a member or within one year after he 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.