

BE (LONDON EAST)

(Registered no 04189203)

Report and Financial Statements

Year ended 31 July 2007

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COMPANIES HOUSE

**BE (London East)**

**Company Information**

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<b>Directors</b>	Marion Faust (Chair) Kathy Carson Robert Garton Sue Hunter Sarah Kent Jenny Wilkins Mike Tyler David Blagborough
<b>Company secretary</b>	Monica Tyler
<b>Company number</b>	04189203
<b>Registered office</b>	Friendly House 52-58 Tabernacle Street London EC2A 4NJ
<b>Auditors</b>	Gotham Erskine LLP Chartered Accountants & Registered Auditors Friendly House 52 - 58 Tabernacle Street London EC2A 4NJ
<b>Bankers</b>	Cater Allen Sovereign House 16-22 Western Road Romford Essex RM1 3SP

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**BE (LONDON EAST)**

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## **BE (London East)**

### **Directors' Report**

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

#### **Principal activities**

BE (Business Education) London East is a consortium of nine Education Business Partnerships and education business link organisations such as Young Enterprise and the Trident Trust. The consortium members work with employers to provide a range of services to schools to prepare young people for future employment opportunities and to increase teachers' understanding of business and industry. The programmes include face-to-face and e-mentoring, work experience, enterprise programmes, work-related learning opportunities and professional development placements for teachers.

BE are currently managing a Capital Skills pan London programme, working with consortia in London North, London Central, and relevant sector skills councils. The aim of the programme is to deliver Employer Engagement activities leading up to the introduction of four specialist diplomas.

#### **Directors**

The directors who served during the year and up to the date the accounts were approved were as follows

Kathy Carson  
Marion Faust  
Robert Garton

Sue Hunter  
Sarah Kent  
Jenny Wilkins

The following directors resigned during the year

Paul Poulter	(27/9/07)	Mark Geday	(28/9/07)
Dermot O'Brien	(28/9/07)	David Pack	(28/9/07)
Kirsten Bodley	(28/9/07)	Stephen Sidwell	(28/9/07)

The following directors were appointed during the year

Mike Tyler	(1/11/07)	David Blagborough	(1/11/07)
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#### **Directors' responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**BE (London East)**  
**Directors' Report**

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**Statement of disclosure of information to auditors**

We, as the directors of the Company who held office at the date of approval of these financial statements as set out on page 1 each confirm, so far as we are aware, that

- there is no relevant audit information of which the Company's auditors are unaware, and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

**Auditors**

A resolution to reappoint Gotham Erskine LLP as auditors will be put to the members at the Annual General Meeting

**Small company special provisions**

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

This report was approved, and authorised for issue, by the Board on 20 December 2007 and signed on its behalf by



Marion Faust  
Chair

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BE (LONDON EAST)**

We have audited the financial statements of BE (London East) for the year ended 31 July 2007 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein, and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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**

The Directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company have 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 other transactions is not disclosed.

We read the Directors' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Management Committee 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 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
BE (LONDON EAST)**

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**Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the 's affairs as at 31 July 2007, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors Annual Report is consistent with the financial statements

**Gotham Erskine LLP**  
Chartered Accountants and  
Registered Auditors  
Friendly House  
52 - 58 Tabernacle Street  
London EC2A 4NJ



Date

8 February 2008

**BE (London East)****Income and Expenditure Account****Year ended 31 July 2007**

	Notes	2007 £	2006 £
<b>GRANT INCOME</b>	2	<b>1,901,401</b>	<b>2,559,168</b>
Direct costs		<b>(1,761,927)</b>	<b>(2,458,616)</b>
<b>CONTRIBUTION TO OVERHEADS</b>		<b>139,474</b>	<b>100,552</b>
Administrative expenses		<b>(144,561)</b>	<b>(98,175)</b>
<b>Operating (Deficit)/surplus</b>	3	<b>(5,087)</b>	<b>2,377</b>
Bank interest receivable		<b>34,934</b>	<b>37,919</b>
<b>Surplus on ordinary activities before taxation</b>		<b>29,847</b>	<b>40,296</b>
Taxation	5	<b>(7,638)</b>	<b>(5,983)</b>
<b>Surplus for the financial year</b>		<b>£ 22,209</b>	<b>£ 34,313</b>

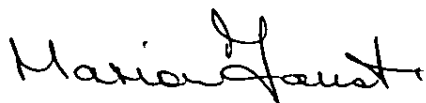
The annexed notes form part of these financial statements



**BE (London East)****Balance Sheet****as at 31 July 2007**

	Notes	£	2007 £	£	2006 £
<b>Fixed assets</b>					
Tangible assets	6		1,010		1,513
<b>Current assets</b>					
Debtors	7	692,555		476,023	
Cash at bank and in hand		699,705		612,802	
		<u>1,392,260</u>		<u>1,088,825</u>	
<b>Creditors: amounts falling due within one year</b>	8	(909,032)		(628,309)	
<b>Net current assets</b>			<u>483,228</u>		<u>460,516</u>
<b>Net assets</b>			<u>£ 484,238</u>		<u>£ 462,029</u>
<b>Capital and reserves</b>					
Income and expenditure account	9		<u>£ 484,238</u>		<u>£ 462,029</u>

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2005). They were approved, and authorised for issue, by the Directors on 20 December 2007 and signed on their behalf by -



Marion Faust  
Director

The annexed notes form part of these financial statements

# Notes to the Financial Statements

## Year ended 31 July 2007

### 1 Accounting policies

#### **Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

#### **Income**

Grant income is recognised in full only when conditions for receipt have been met and, in the case of grants for specific projects, associated project expenditure has been incurred

#### **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

Office equipment	25% straight line
Computer equipment	33% straight line

#### **Pensions**

The Company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme

#### **Grants payable**

Grants payable by the Company out of income received for this purpose are reflected as a cost in the accounts to the extent to which funds have become receivable from the main funder

2 Grants and donations receivable	2007	2006
	£	£
LSC (Education Business Links)	970,914	985,526
LSC (Local Initiative Fund)	-	114,716
LSC (Enterprise Advisors)	-	962,095
Thames Gateway London Partnership	-	100,000
GOL	60,000	64,517
European Social Fund	547,221	227,164
London Development Agency	322,866	105,150
Other	400	-
	<u>£ 1,901,401</u>	<u>£ 2,559,168</u>

3 Operating surplus	2007	2006
	£	£
This is stated after charging		
Depreciation of owned fixed assets	1,495	3,081
Auditors' remuneration - statutory audit	<u>6,110</u>	<u>6,110</u>

**BE (London East)****Notes to the Financial Statements****Year ended 31 July 2007**

<b>4 Staff and Directors' remuneration</b>	<b>2007</b>	<b>2006</b>
	£	£
Staff salaries	78,915	428,941
National insurance	8,360	45,932
Pensions	3,254	3,760
	<u>£ 90,529</u>	<u>£ 478,633</u>

None of the directors were employed by the Company and so no directors received any emoluments (2006 - £NIL) A payment of £6,400 was made to a company employing one of the directors services provided to the Company in the capacity of part-time interim Chief Executive

<b>5 Taxation</b>	<b>2007</b>	<b>2006</b>
	£	£
UK corporation tax on bank interest receivable - current year	6,754	5,983
Adjustments for previous year	884	-
	<u>7,638</u>	<u>5,983</u>

There were no factors that affected the tax charge for the year which has been calculated on bank interest This is taxed at an effective rate of 19.3% (2006-18.1%)

There are no factors that may affect future tax charges

**6 Tangible fixed assets - Office and computer equipment**

	£
<b>Cost</b>	
At 1 August 2006	17,593
Additions	992
At 31 July 2007	<u>18,585</u>
<b>Depreciation</b>	
At 1 August 2006	16,080
Charge for the year	1,495
At 31 July 2007	<u>17,575</u>
<b>Net book value</b>	
At 31 July 2007	<u>£ 1,010</u>
At 31 July 2006	<u>£ 1,513</u>

<b>7 Debtors</b>	<b>2007</b>	<b>2006</b>
	£	£
Trade debtors	225,191	349,768
Other debtors	467,364	126,255
	<u>£ 692,555</u>	<u>£ 476,023</u>

**BE (London East)****Notes to the Financial Statements****Year ended 31 July 2007**

<b>8 Creditors: amounts falling due within one year</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Trade creditors	877,714	457,904
Corporation tax	7,638	5,983
Other creditors	23,680	164,422
	<u><b>£ 909,032</b></u>	<u><b>£ 628,309</b></u>

<b>9 Income and expenditure account</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
At 1 August 2006	462,029	427,716
Retained profit	22,209	34,313
At 31 July 2007	<u><b>£ 484,238</b></u>	<u><b>£ 462,029</b></u>

**10 Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £3,254 (2006 £3,760). There were no contributions outstanding at the year end (2006 - £NIL).

<b>11 Operating lease commitments - Land and buildings</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
At the year end the Company had annual commitments under non-cancellable operating leases as set out below		
Operating leases which expire within one year	<u><b>£ 15,040</b></u>	<u><b>£ 12,032</b></u>

**12 Related parties**

The Company was set up as a partnership of education business organisations. In the year to 31 July 2007 most of the service delivery was carried out by 'not for profit' entities which some of the company directors had executive positions. In none of these cases did the directors have a personal financial interest.

One of the partner bodies seconded on a temporary basis a staff member, who is a director of BE, to work as part-time interim chief executive (see note 4).

**13 Company status**

The Company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the Company in the event of liquidation.

**BE (London East)****Detailed income and expenditure account****Year ended 31 July 2007***for the information of the directors only*

	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>GRANT INCOME</b>	<b>1,901,401</b>	<b>2,559,168</b>
Direct costs	<b>(1,761,927)</b>	<b>(2,458,616)</b>
<b>CONTRIBUTION TO OVERHEADS</b>	<b>139,474</b>	<b>100,552</b>
<b>Less: OVERHEADS</b>		
Administrative expenses	<b>(144,561)</b>	<b>(98,175)</b>
<b>Operating (loss)/surplus</b>	<b>(5,087)</b>	<b>2,377</b>
Interest receivable	<b>34,934</b>	<b>37,919</b>
<b>Surplus before tax</b>	<b>£ 29,847</b>	<b>£ 40,296</b>

**BE (London East)****Schedule to the income and expenditure account****Year ended 31 July 2007***for the information of the directors only*

	2007	2006
	£	£
<b>Grants and contracts</b>		
LSC (Education Business Links)	970,914	985,526
LSC (Local Initiative Fund)	-	114,716
LSC (Enterprise Advisors)	-	962,095
European Social Fund	547,221	227,164
Thames Gateway London Partnership	-	100,000
GOL	60,000	64,517
London Development Agency	322,866	105,150
Sundry Income	400	-
	<b>£ 1,901,401</b>	<b>£ 2,559,168</b>
	2007	2006
	£	£
<b>Direct costs</b>		
LSC (Education Business Links) projects	889,142	874,672
LSC (Local Initiative Fund) projects	682	90,485
LSC (Enterprise Advisors) projects	4,396	1,049,193
European Social Fund projects	495,035	207,259
Thames Gateway London Partnership projects	16,834	97,817
GOL projects	-	60,851
London Development Agency - Capital Skills Contract	355,838	78,339
	<b>£ 1,761,927</b>	<b>£ 2,458,616</b>
<b>Administrative expenses</b>		
Management and administration salaries	52,157	47,565
Pension costs	3,253	3,760
Consultancy fees	41,047	-
Recruitment and training	5,400	5,127
Temporary staffing agency	1,291	-
Rent	12,478	14,078
Website costs	1,575	247
Room hire	737	1,545
Removal expenses	444	-
Insurance	2,335	(591)
Repairs and maintenance	759	4,618
Stationary, printing and consumables	1,116	1,417
Postage	99	160
Telephone and fax	5,592	1,893
Travel and subsistence	1,569	672
Marketing	-	3,804
Bank charges	99	-
Legal and professional	4,113	3,325
Fees to auditors - other than those charged as a project cost	5,407	3,416
Depreciation	1,496	3,081
Sundry expenses	3,594	232
(Profit)/loss on disposal of fixed assets	-	3,826
	<b>£ 144,561</b>	<b>£ 98,175</b>

The annexed notes form part of these financial statements