

**BE (LONDON EAST)**  
(Registered no. 04189203)

**Report and Financial Statements**

**Period 1 August 2008 to 31 March  
2009**

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**BE (London East)****Company Information**

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<b>Directors</b>	Marion Faust (Chair) David Blagborough Felicity Carne David Pack Kelly Simms Mike Tyler Jenny Wilkins
<b>Company secretary</b>	Michael Tyler
<b>Company number</b>	04189203
<b>Registered office</b>	Toynbee Hall 28 Commercial Street London E1 6LS
<b>Auditors</b>	Peter Gotham BA FCA FCCA DChA (Senior Statutory Auditor) Gotham Erskine LLP Chartered Accountants & Statutory 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 period 1 August 2008 to 31 March 2009.

#### **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.

For some time there have been indications that funding for education business link activities would be re-routed from consortia to Local Authorities and this was confirmed early in 2008. Following the resignation of the General Manager in August 2008, the Board decided to engage a consultant to act as General Manager with a specific remit to investigate opportunities for future funding and to produce a viability report on the future of the organisation.

As a result of the work carried out, the Board concluded that with the economic climate, the re-routing of funding to LA and the limited opportunity for future funding, it was unlikely that BE had a realistic future. The Board members agreed that it would be better to initiate a managed wind down rather than continue and risk the potential decline of the organisation and this was confirmed at their meeting on 9th December 2008.

The BE Chair has worked with Gotham Erskine (Auditors) to prepare a timeline for closure ensuring all legal and moral duties are met and that BE staff are dealt with in a fair and appropriate manner. Both the Chair and Finance and Contracts Manager are liaising with LSC and Board members to ensure a professional wind down.

#### **Directors**

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

Marion Faust	Jenny Wilkins
Mike Tyler	Kelly Simms
David Blagborough	David Pack
Gary De Ferry	Felicity Carne

The following directors resigned during the year:

David Pack	(1st Nov 2008)	Gary DeFerry	(9 Feb 2009)
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## **BE (London East)**

### **Directors' Report**

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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 regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 directors 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 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 keeping adequate accounting records that are sufficient to show and explain the company's transaction and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement of disclosure of information to auditors**

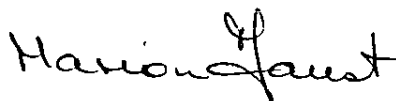
We, as the directors of the Company who held office at the date of approval of these financial statements as set out on page 1 each confirm, so far as we are aware, that:

- 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.

#### **Small company special provisions**

This report has been prepared taking advantage of the small companies exemption of section 415 A of the Companies Act 2006.

This report was approved, and authorised for issue, by the Board on 15 July 2009 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 period ended 31 March 2009 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 April 2008).

This report is made solely to the Company's members, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. 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 annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view 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 have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Companies Act 2006, and give a true and fair view. 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 adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of directors' remuneration specified by law are not made.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. 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 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 have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities;
- the financial statements have been prepared in accordance with the Companies Act 2006;
- the financial statements give a true and view of the state of the Companies affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure for the period then ended; and
- the information given in the Directors Annual Report is consistent with the financial statements.

**Peter Gotham BA FCA FCCA DChA (Senior Statutory Auditor)**  
**for and on behalf of Gotham Erskine LLP, Statutory Auditor**  
Friendly House  
52 - 58 Tabernacle Street  
London EC2A 4NJ

Date: 10 December 2009

**BE (London East)****Income and Expenditure Account****for the period from 1 August 2008 to 31 March 2009**

	Notes	Period ended 31 March 2009 £	Year ended 31 July 2008 £
<b>GRANT INCOME</b>	2	656,689	1,395,335
Direct costs		(554,722)	(1,271,551)
<b>CONTRIBUTION TO OVERHEADS</b>		<u>101,967</u>	<u>123,784</u>
Administrative expenses		(106,725)	(203,151)
<b>Operating Deficit</b>	3	<u>(4,758)</u>	<u>(79,367)</u>
Exceptional items:			
Loss on the disposal of tangible fixed assets		(2,144)	-
Distributions to EBP's on the closure of BE		(258,200)	-
		<u>(260,344)</u>	<u>-</u>
		(265,102)	(79,367)
Bank interest receivable		11,570	52,184
<b>Loss on ordinary activities before taxation</b>		<u>(253,532)</u>	<u>(27,183)</u>
Taxation	5	(2,430)	(10,611)
<b>Loss for the period</b>		<u><u>£ (255,962)</u></u>	<u><u>£ (37,794)</u></u>


The annexed notes form part of these financial statements

**BE (LONDON EAST) (company limited by guarantee - registered company no. 04189203)**

**Balance Sheet  
as at 31 March 2009**

	Notes	31/03/2009		31/07/2008	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	6		-		2,144
<b>Current assets</b>					
Debtors	7	201,338		149,305	
Cash at bank and in hand		<u>673,430</u>		<u>666,048</u>	
		874,768		815,353	
<b>Creditors: amounts falling due within one year</b>	8	(684,286)		(371,053)	
<b>Net current assets</b>			<u>190,482</u>		<u>444,300</u>
<b>Net assets</b>			<u>£ 190,482</u>		<u>£ 446,444</u>
<b>Capital and reserves</b>					
Income and expenditure account	9		<u>£ 190,482</u>		<u>£ 446,444</u>

The financial statements have been prepared in accordance with the provisions of 414(3) of the Companies Act 2006 relating to small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). They were approved, and authorised for issue, by the Directors on 15 July 2009 and signed on their behalf by:-



Marion Faust  
Director

The annexed notes form part of these financial statements

**BE (London East)****Notes to the Financial Statements****for the period from 1 August 2008 to 31 March 2009****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 April 2008).

The accounts have been prepared on a break-up basis, and include both the costs of closure and proposed distributions to Education Business Partnerships (EBP).

***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 income and expenditure 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**

	2009	2008
	£	£
LSC (Education Business Links)	656,689	975,315
European Social Fund	-	57,700
London Development Agency	-	362,320
	<u>£ 656,689</u>	<u>£ 1,395,335</u>

**3 Operating (deficit) / surplus**

	2009	2008
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	-	1,277
Auditors' remuneration - statutory audit	5,635	6,110
Auditors' remuneration - other	15,427	11,447
	<u>15,427</u>	<u>11,447</u>

**4 Staff and directors' remuneration**

	2009	2008
	£	£
Staff salaries	37,612	103,270
National insurance	4,013	8,584
Pensions	1,057	1,937
	<u>£ 42,682</u>	<u>£ 113,791</u>

None of the directors were employed by, or received remuneration from, the Company (2008 - £NIL).

**BE (London East)****Notes to the Financial Statements****for the period from 1 August 2008 to 31 March 2009**

<b>5 Taxation</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
UK corporation tax on bank interest receivable - current year	2,430	10,611
	<u>£ 2,430</u>	<u>£ 10,611</u>

There were no factors that affected the tax charge for the year which has been calculated on bank interest receivable. This is taxed at an effective rate of 21% (2008-20.3%).  
There are no factors that may affect future tax charges.

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

	<b>£</b>
<b>Cost</b>	
At 1 August 2008	20,423
Disposals	(20,423)
At 31 March 2009	-
<b>Depreciation</b>	
At 1 August 2008	18,279
On disposals	(18,279)
At 31 March 2009	-
<b>Net book value</b>	
At 31 March 2009	£ Nil
At 31 July 2008	<u>£ 2,144</u>

The fixed assets will be conated to EBPs upon the closure of the company - see note 14.

<b>7 Debtors</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Trade debtors	197,588	142,604
Other debtors	3,750	6,701
	<u>£ 201,338</u>	<u>£ 149,305</u>

<b>8 Creditors: amounts falling due within one year</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Trade creditors	364,702	303,943
Corporation tax	13,040	10,611
Other creditors (including those in relation to the cessation)	306,544	56,499
	<u>£ 684,286</u>	<u>£ 371,053</u>

**BE (London East)****Notes to the Financial Statements****for the period from 1 August 2008 to 31 March 2009**

<b>9 Income and expenditure account</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
At 1 August 2008	<b>446,444</b>	<b>484,238</b>
Deficit in the period	<b>(255,962)</b>	<b>(37,794)</b>
At 31 March 2009	<b><u>£ 190,482</u></b>	<b><u>£ 446,444</u></b>

**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 as stated in note 4. There were contributions outstanding at the period end of £133 (2008 - £NIL).

<b>11 Operating lease commitments - Land and buildings</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
At the period end the Company had annual commitments under non-cancellable operating leases as set out below:		
Operating leases which expire:		
within one year	<b><u>£ Nil</u></b>	<b><u>£ 10,000</u></b>

**12 Related parties**

The Company was set up as a partnership of education business organisations. In the period to 31 March 2009 most of the service delivery was carried out by 'not for profit' entities in which some of the company directors had executive positions. In none of these cases did the directors have a personal financial interest.

**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.

**14 Ongoing Operations**

A decision was made by the Board of directors before the year end to wind down the company as from March 2009 as the main LSC contract was ending. However there are still some discussions taking place as the company may still continue in some form with some of the EBP's working together in the future on joint contracts. It is intended that the majority of the reserves at 31 March 2009 will still be distributed equally amongst the member education business partnerships along with any fixed assets. These accounts have been prepared on a break up basis and include all cessation costs, such as redundancy.