

Charity Registration No 1122173

Company Registration No 04138032 (England and Wales)

**EAST LONDON BUSINESS ALLIANCE**  
**(LIMITED BY GUARANTEE)**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2012**

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

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Trustees	R H Reid (Chairman) M W Cooper-Mitchell (Deputy Chairman) J M M Graham D A E Robinson E J Taylor C I Watson D R Willetts M Byrne R Weerasekera
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Chief Executive	L J Kane
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Secretary	L J Kane
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Charity Number	1122173
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Company Number	04138032
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Principal address & Registered office	3rd Floor City Reach 5 Greenwich View Place London E14 9NN
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Auditors	Littlejohn LLP Statutory Auditors 1 Westferry Circus Canary Wharf London E14 4HD
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Bankers	HSBC Bank plc 15 The Mall Stratford London E15 1XL
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(LIMITED BY GUARANTEE)  
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**EAST LONDON BUSINESS ALLIANCE  
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CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2012**

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**General**

At the time of writing this report the Olympics have just finished and the Paralympics are eagerly awaited. The eyes of the world will have focused on east London for a relatively short period but the benefits from the Games will hopefully last a long time. The Games have gone well, Team GB earned its third place in the medals table with grace and distinction, the Queen Elizabeth Olympic Park looked magnificent and has changed people's perceptions of the East End forever. And more than 6 million visitors to London have had a wonderful time, partly made possible by Transport for London's pre-planning and more than effective publicity.

But, beginning in October, east London will face the test of delivering real, long-term sustainable social and personal benefit from the massive investment in east London's physical regeneration. The London Legacy Development Corporation (LLDC) has gotten off to a good start, having identified operators for six of the venues, including the Orbit tower, the Multi Use Arena and the Aquatics Centre in Balfour Beatty and Greenwich Leisure Limited. The LLDC has a clear forward plan for the further development of the Park and recently announced that iCity had been given preferred bidder status in its efforts to become the long term tenant of the Press and Broadcast centre site. In line with Hackney Council's and ELBA's own long term aspirations for thousands of quality legacy jobs, iCity aims to create a leading centre for technology, design and research.

In the last year, ELBA has aligned itself with the LLDC's aspirations to have the park and venues used extensively in legacy mode. ELBA's Legacy 2020 team have worked, with LLDC support, on the Olympic Lottery Distributor funded One Movement sports festivals, culminating in a marvellous one day event held in the Copper Box arena on the Olympic site in April. I am pleased to report that some 200+ graduates of the Legacy 2020 Rep London programme became London Ambassadors throughout the time of the Olympics and will do so again for the Paralympics. They staffed and operated a visitor "pod" in Spitalfields, as part of the London Mayor's wider Team London Ambassadors visitor welcome package. Alongside these successes, another 20+ Rep London graduates were trained up to support the Beach Volleyball staged in Horseguards Parade. The boys' team made such a good job of raking and retrieval in the early rounds that they won the honour of making an appearance at the Gold medal final.

And, last but not least, all the way from June to September the CREATE 12 Festival will have delivered more than 150 Cultural events headlined by an exhibition of Bailey's work in the East End over the last 50 years, which was on display at Compressor House in the Royal Docks throughout July.

A useful legacy in sport is almost guaranteed, but ELBA will be working alongside its members, the LLDC and local boroughs to optimise opportunities for economic, cultural and social benefits for the East End for a long time to come. Amidst multiple legacy options, ELBA will focus on employability and employment, working with member companies who can facilitate the integration of the newly created E20 Royal Park postal district population into the surrounding boroughs.

Looking back, the general economic background throughout 2011/12 continued to provide uncertainty and cause for concern. Public spending cuts were significant in every borough in which ELBA operates with some facing budgets reduced by around a third. In the face of those challenges, we are pleased to have been able to provide support and mentoring for a number of council senior management staff tasked with managing the changes.

**Financial Outcome**

However, turning to more positive outcomes, I am pleased to report that, despite this economic uncertainty, we were able to grow membership from 119 to 123 during the year with the hope and expectation of continuing that growth trend into 2012/13.

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We welcomed **MJ Ferguson, SThree, One Housing Group, Reebok Gym, Catlin, Infosys, NYSE, BNP Paribas, Reed Smith, Aviva Group, Qedis, Mr Site, Mazars and Reynolds Porter Chamberlain** Thanks for their volunteering efforts and their support for ELBA go to those members who have resigned from ELBA, hopefully only temporarily, for a variety of reasons including budget restrictions

New member recruitment remains a key task for the Chief Executive and the Business Development Director We are seeking to add a further six members to our ranks in 2012/13 net of any departures

As every year, I wish to take this opportunity to thank ELBA's excellent staff for their continued hard work over the last year Much of the success of ELBA stems from the creativity, commitment and in-depth knowledge of east London that our staff possess, and I expect that they will continue to work alongside our member companies to help them create possibilities and lasting change in east London well into the new financial year and beyond

Overall, ELBA managed to earn a small financial surplus amounting to £22,000 on a flat turnover of £3.2m (excluding £1.2m of Grant funding for the Transformers programme provided by the Olympic Lottery Distributor), mainly as a result of tight control of costs, including unavoidable pay restraint for all staff which has been accepted with good grace The Transformers programme awarded 59 Olympics related community projects an average grant of £20,000 each Results have been stunning across the boroughs and the generations and will be reported on in detail next year

#### **Volunteers**

2011/12 saw yet another record number of volunteers working through ELBA in east London The previous year had set an all-time high of 11,270 only to be easily surpassed with a new record at 14,179 representing a marvellous uplift of 20% Many thanks go to the hard working CSR departments of ELBA member companies for championing our community organisations and their needs

Two aspects of the volunteers and their efforts are worth noting Following what seems like endless bad publicity and press for the Banks and financial services generally, the appetite of ELBA members who work in those sectors is undiminished for community volunteering, despite having to take time out from their desks to work in the community Alongside growth in business skills volunteering, demand for team challenges continues to grow - 9,532 team members were involved in almost 400 individual challenge tasks throughout the year

Conscious of the need to maintain and improve ELBA's reputation for service in that area, and to service this higher level of demand, the Challenge ELBA team was expanded from three to four people just before the year end and the team will again review all processes and procedures with a view to continued efficiency and performance improvements during 2012/13

#### **Projects**

ELBA's embedded project manager model, that sees a dedicated member of staff allocated to a specific geographic area, and which has seen measurable success in places such as Shoreditch, Shadwell, the Isle of Dogs, West Ham & Plaistow, Dalston and Canning Town amongst others, has been adopted and adapted by fellow community regeneration agency, Business in the Community (BiTC) under the name "Business Connectors" We are pleased to see this model being rolled out across the country and wish BiTC every success in building a foundation on which the Coalition Government's plans for an inclusive society supported by volunteering can be based Not to be outdone, ELBA launched a new embedded project in the St Paul's Way area of Tower Hamlets centred around the highly successful eponymous Trust school The project has support from Catlin, a Lloyd's underwriter, and Addleshaw Goddard, City solicitors

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During the year, ELBA was invited by the London Borough of Tower Hamlets to support the Council's service integration efforts in the area known as the Boundary estate. An ELBA project manager now spends two days a week in the area, but to date, no funding for a full time post has been forthcoming, however, we are confident of raising finance for a full time appointment in the short term.

The model will continue to be developed as it has a proven track record of success and lends itself to measuring the impact of volunteering efforts, a rising concern amongst companies and community groups alike. ELBA has a fairly developed impact assessment procedure, however, we intend to survey more than 100 community groups during 2012/13 to ensure that we are having the impact on social concerns and problems that we believe to be the case.

It would be remiss of me not to note the outstanding contribution made by the ELBA Employment team to our overall success. Through a variety of specially designed programmes in association with **Morgan Stanley, London City Airport, Credit Suisse, London & Quadrant, ISS Facility Services and Newham Council** the number of local residents supported into employment rose dramatically from 414 to 789 – a staggering 90% improvement. Thanks to Julie Hutchinson, Employment and Skills Director, for her team's massive performance.

**Celebrating ELBA company successes**

**Lord Mayor of London's Dragon Awards**

Three ELBA members were awarded the much coveted Lord Mayor's Dragon award for a variety of their activities. Bank of America/Merrill Lynch won the Education award, Catlin Underwriting Agencies Limited, a new ELBA member in the year under review, won the Heart of the City award for best newcomer to CSR and the Lord Mayor's own award went to Freshfields Bruckhaus Deringer for their 35 year long, wide ranging programme of action ranging from pro bono legal advice to serious work with the homeless.

ELBA partner Rokeby School in Newham, which has had the support of an ELBA managed Business Action Group for the last three years, won a national award from the Times Education Supplement for Best Business Partnership. And then, of course, we had the annual ELBA Employee Volunteering Awards (EVAs), which have been compared to winning an Oscar in other less important sectors.

In keeping with the times, the annual EVAs awards night was scaled down in size and cost. We are grateful to **CMS Cameron McKenna** for providing the use of their excellent conference facility and also for sponsoring the catering for around 70 people on the night.

**Paul Stebbings** from **Tate & Lyle Sugars** won both the overall award and the best individual volunteer award for his outstanding contribution to Stratford Circus in Newham, giving pro-bono legal support and advice for their transition to becoming a new independent organisation, **BP**, won the Partnership Award for their joint efforts with NCY (New Choices for Youth) supporting with business skills to help capacity build the charity and directly working with their young people, the **FSA** won the Team of the Year Award for the huge amount of support they have given to Teesdale and Hollybush Tenants and Residents Association,

**Malcolm Bryant** from **Morgan Stanley** won the "Employment Supporter of the Year" award for his support in enabling **Morgan Stanley** partner companies to open their doors to job opportunities for local people, **Nomura** won the Legacy Award for their incredible support of our sporting legacy programmes as well as hosting two Olympic Transport Planning seminars, **Dave Wood** from **BT** and **Richard Gooding** from **London City Airport** both received lifetime commitment awards and the winner of 2011's **Peter Welton Innovation Award** was **Ben Payne** from the **Ministry of Stories**, a social enterprise providing interactive and imaginative education for children from one of the poorest parts of Hackney.

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**Plans for 2012/13**

As the financial world moves towards solutions for the Euro, flexibility in lending and repairing its damaged reputation, ELBA will be focused on helping our members target their efforts where they are most needed and where they can have most effect. Improving employability and employment rates themselves, will be a key target and, although the staging of the Olympics has impinged on delivery of some of our major projects, we will seek to at least equal the number of people helped into work at 800.

As to volunteers, we cannot ignore the impact that the Games will have had on numbers and therefore we have targeted delivering just 12,000 volunteers against last year's total of over 14,000. A number of major, long running programmes, such as One Movement and Rep London, will culminate a few months after the end of the Olympics, but ELBA's efforts in the community, in education and in the field of employment will be pursued as vigorously as before.

May I finish this year by thanking and commending all our members for their continued outstanding commitment to the east London community which, despite demonstrable improvement in recent years, still needs all of their time, people and financial support. We will renew our efforts in this momentous year and I fully expect to be able to report significant developments accompanied by a small operating financial surplus when I report to you again next year.



**R H Reid  
Chairman and Trustee  
6 September 2012**

**EAST LONDON BUSINESS ALLIANCE  
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TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2012**

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The Trustees present their report and financial statements for the year ended 31 March 2012

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005

**Reference and Administrative Details of the Charity**

Full details can be found on the page preceding the contents page, including the list of Trustees (who are also directors for the purposes of company law) who served during the year

The Trustees welcomed to their number during the year, Mr Ruwan Weerasekera of UBS, appointed on 25 May 2011

**Governance, Structure and Management**

**Governance**

The ELBA charity is a company limited by guarantee with no share capital. None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute such amount as may be required (not exceeding £100) to the company's assets in the event of a winding up.

ELBA's charity business is conducted under the framework of its governing Memorandum and Articles of Association, prepared under the Companies Acts 1985 and 2006.

Trustees are usually selected from the ranks of existing or past chairs of ELBA's Borough and Sector Forums that supervise the work of ELBA staff and volunteers in the East London boroughs, including all of the Olympic host boroughs, which remains ELBA's main geographical area of activity. Generally senior business people with wide experience and knowledge of Corporate Social Responsibility, Trustees will usually have had several years' experience of ELBA's involvement in the community and will have served on Forum committees from time to time. Forum chairs serve usually for a period of three years, after which time they offer themselves for re-election by the Forum members.

Further induction and training of Trustees is done by providing them with copies of the Memorandum and Articles of Association, the last available annual report and accounts, current management accounts and relevant area Forum reports as well as a copy of the Charity Commission's Charitable Purposes and Public Benefits documents as well as the guide to the role and responsibilities of charity trustees. The Chief Executive provides introductions to other Trustees, ELBA staff, policies and procedures as required.

**Organisational Structure**

In addition to the Board of Trustees, ELBA has three area Forums which each meet on at least three occasions during the year, usually in February, June and October to review ELBA's volunteering and other activities carried out through the executive team of Programme Directors and Project managers. ELBA's employment initiatives, which helped 789 people into work during the year, are monitored and reviewed by its Jobs and Enterprise board, which has more than twenty member companies amongst its number. The continuing Legacy efforts of some twenty member companies, which will reach fruition in 2012, are directed and monitored by the Legacy 2020 Board, chaired by Eileen Taylor, MD, Global Head of Diversity at Deutsche Bank. ELBA placed more than 14,000 volunteers in the communities of Hackney, Tower Hamlets, Greenwich, Waltham Forest and Newham during the year.

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

The Finance & General Purposes committee (Finco) is a sub-committee of the main Board and is charged with monitoring and reviewing the charity's performance, in particular its financial outcomes on a regular basis.



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FOR THE YEAR ENDED 31 MARCH 2012**

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Membership is set at a minimum of five people comprising ELBA's Deputy Chair, who acts as Chairman, at least two further Board members, the Chief Executive and the Finance Manager. Finco meets quarterly to review operating and management accounts, annual audited financial statements and policies related to financial management, including risk.

The Board delegates day-to-day running of the organisation and the achievement of its strategic interventions to the Chief Executive and the experienced team of senior Programme Directors and Project managers.

### **Risk Management**

The Trustees have a risk management strategy which comprises

- an annual review by the Trustees of the risks the charity may face,
- regular review by Finco of the charity's business continuity plan,
- the establishment of systems and procedures to mitigate those risks identified in the plan, and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

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

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

### **Objectives and Activities**

The Charity's main objectives are to promote and improve the efficiency of charities and community organisations, particularly those active in the boroughs of Hackney, Newham, Tower Hamlets, Greenwich and Waltham Forest as well as the wider east London area, and to support them in the direct furtherance of their respective charitable and other objectives. In order to achieve these objects the Charity's strategies include

- Encouraging private and public sector co-operation and acting as a focus for others in the economic and social improvement and development of the East London boroughs
- Facilitating the improvement and development of the physical and cultural environment of the same area
- Providing opportunities for members to devise and implement local employment initiatives
- Playing a leading role in the training, educational and enterprise requirements in the area

The charity's main aim is to bring the time, skills, influence and resources of the private sector to help build the capacity of local organisations and regeneration programmes in East London. In doing so, we aim to improve the effectiveness and sustainability of community organisations, SMEs, social enterprises and other East London entities, thereby contributing to the greater well-being of the whole community.

Objectives and strategies for the year were summarised in ELBA's business plan, which was approved by the Board in February 2011. The plan looked at developing the key themes of ELBA's work: **Community** – across the boroughs through direct employee volunteering; **Employment** – by capacity building the sector, ring fencing opportunities through ELBA membership and focusing on graduates with the expansion of the flagship Career Capital scheme for undergraduates in these areas. The **Legacy 2020** programme continues to build momentum on soft legacy projects with key focus points being on the Rep London and In the Parks programmes, which seek to involve young local young people at the heart of the 2012 Olympics experience as well as the Culture programme through the CREATE 12 Festival. More details of performance against this plan are contained in the Chairman's statement beginning on page 1.

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The ELBA charity does not make grants of any sort in its own name and has no programme of related investments other than its role as manager of the Olympic Lottery Distributor sponsored Transformers Fund. ELBA is pleased to have facilitated some 59 grants during 2011/12 worth a combined total of £1.2m with a further round of grants due to be made in 2012/13.

Volunteers working on projects implemented by the East London Business Alliance carry out a variety of activities ranging from team challenges, which can involve clean-ups, painting and local area regeneration to mentoring community leaders, joining the boards of local community organisations, supporting start-up businesses and working with a few hundred, year ten school children in Hackney through the Schools' Mentoring Programme. ELBA's support for schools in Newham will be extended through its award winning Schools Business Action groups model in the 2012/13 academic year.

#### **Achievement and Performance**

ELBA continued to work closely with the local boroughs to ensure that local needs and targets were identified in timely fashion and ELBA resource brought to bear. Established employment and employability schemes were to the fore in our concerns and over 750 people were assisted into permanent employment, with over 1,000 more benefiting from courses, seminars and other advice from member companies.

#### **Financial review**

As a general rule, much of the main ELBA core operating costs are covered and provided by the annual contribution made by its member companies. On the other hand, project funding, as the name implies, has derived mainly from various third party charitable trusts such as the Sir John Cass Trust, a number of City Livery companies, the Olympic Lottery Distributor and the local boroughs, all of whom have been substantial supporters. 2011/12 has seen some significant reductions in public sector funding availability in the longer term, which will necessitate changes to the funding structure of a number of ELBA projects.

Member companies support the many projects implemented by the East London Business Alliance, mainly through the provision of volunteers although some, including **UBS, Accenture, City of London Corporation, Credit Suisse, Deutsche Bank, Canary Wharf Group, Linklaters, Macquarie, Morgan Stanley, Nomura, Societe Generale, British Land, Hammerson, L&Q and Southern Housing** have made additional contributions in the year under review to specific projects. Member contributions were ahead of expectations at £774,000, some 10% up on 2010/11, reflecting the net gain of 4 new members as at the year end.

Total income was significantly uplifted to just over £4.25m, (2011 - £3.1m) mainly as a result of the Olympic Lottery Distributor funded Transformers programme with its £1.2m of grants distributed via ELBA.

At an operating level, before transfers to designated reserve funds, the charity earned a surplus of almost £22,000. Costs continued to be strictly controlled and, in line with many other companies and charities, ELBA did not implement an annual wage review although a small, one off bonus was paid to all staff at Christmas 2011.

The net inflow on restricted fund projects totalled £533,000 representing the excess of current year income over expenditure including Transformers grant funding paid in advance of distribution. 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.

#### **The main objectives of the charity**

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

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FOR THE YEAR ENDED 31 MARCH 2012**

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

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

**Reserves Policy**

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

**Plans for the future period**

Continuing economic difficulties present a challenge for ELBA members and staff. Despite ever increasing work pressures for volunteers, our numbers continue to rise. That reflects on-going and greater commitment from our corporate members and their CSR teams, as well as ELBA providing innovative opportunities for volunteering including a big push on bringing the community into the City and Canary Wharf offices.

For the next year, ELBA will continue to champion its embedded Project/Account manager model both for the Community programmes and for Employment. Targets include a funded programme focussed on the Boundary and Weaver's Green area of Tower Hamlets, as well as expansion of the employability/employment related work we are doing with Registered Social landlords across the ELBA area of operation.

Public sector support for some programmes, such as the EaGLES Graduate intern scheme, continues to decline and we will be obliged to attract increased private sector funding through providing more opportunities and better prepared candidates to ensure the programme's sustainability.

The Legacy 2020 Board and team have a clear vision of delivery expectations in this new, exciting Olympics year. From staffing one of the London Mayor's Team London Ambassador Pods at Spitalfields market, involving some 200+ young graduates of the Rep London training scheme, to providing new sports sampling opportunities to 11,250 young residents of the Host boroughs, the team will have their work cut out. Alongside these activities, ELBA members will continue their, by now, well established support for east London's exciting CREATE Cultural festival involving some 150 events, headlined by an exhibition of some of the best work of globally renowned photographer David Bailey, who hails from Newham. The CREATE festival has as its main sponsor Deutsche Bank, a substantial Arts award provided by Bank of America/Merrill Lynch and further significant financial support from the culture department at Canary Wharf Group.

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

**Auditors**

Littlejohn LLP has expressed its willingness to continue in office as auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Littlejohn LLP be reappointed as auditors of the company will be put to the Annual General Meeting



**R H Reid  
Chairman and Trustee  
6 September 2012**

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 21 MARCH 2012**

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The Trustees 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, 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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We have audited the financial statements of East London Business Alliance for the year ended 31 March 2012 which comprise the Statement of Financial Activities, incorporating an Income and Expenditure Account, Balance Sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Trustees and Auditors**

As explained more fully in the Trustees' Responsibilities Statement, set out on page 10, the Trustees (who are also the directors of the charitable Company for the purposes of company law) are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view.

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

**Scope of the audit of the Financial Statements**

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

**Opinion on the Financial Statements**

In our opinion the Financial Statements

- give a true and fair view of the state of the charitable Company's affairs as at 31 March 2012, and of the charitable Company's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

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

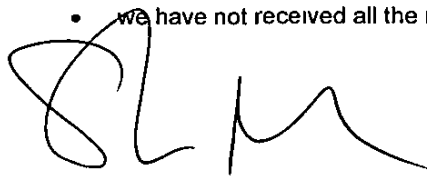
**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF EAST LONDON BUSINESS ALLIANCE**

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

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

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



**Sarah Morrison  
(Senior Statutory Auditor)**

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

10 September 2012

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2012**

Company Number 04138032

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2012 £	Total 2011 £
<b>Incoming Resources</b>						
Incoming resources from charitable activities						
Project funding	2	-	-	3,456,462	3,456,462	2,364,655
Incoming resources from generated funds						
Member contributions		774,000	-	-	774,000	701,500
Investment income		5,885	-	-	5,885	6,546
Other income		20,451	-	-	20,451	12,017
<b>Total incoming resources</b>		<b>800,336</b>	<b>-</b>	<b>3,456,462</b>	<b>4,256,798</b>	<b>3,084,718</b>
<b>Resources expended</b>	3					
Charitable activities		660,721	-	2,923,395	3,584,116	2,977,065
Costs of generating voluntary income		30,045	-	-	30,045	31,585
<b>Total charitable expenditure</b>		<b>690,766</b>	<b>-</b>	<b>2,923,395</b>	<b>3,614,161</b>	<b>3,008,650</b>
Governance costs		23,827	-	-	23,827	25,281
<b>Total resources expended</b>		<b>714,593</b>	<b>-</b>	<b>2,923,395</b>	<b>3,637,988</b>	<b>3,033,931</b>
<b>Net incoming resources before transfers</b>		<b>85,743</b>	<b>-</b>	<b>533,067</b>	<b>618,810</b>	<b>50,787</b>
Transfers between funds	10c	(88,266)	24,000	64,266	-	-
<b>Net movement in funds</b>	14	<b>(2,523)</b>	<b>24,000</b>	<b>597,333</b>	<b>618,810</b>	<b>50,787</b>
Funds balances at 1 April		325,030	43,000	352,796	720,826	670,039
<b>Funds balances at 31 March</b>		<b>322,507</b>	<b>67,000</b>	<b>950,129</b>	<b>1,339,636</b>	<b>720,826</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 notes on pages 15 to 21 form part of these financial statements.

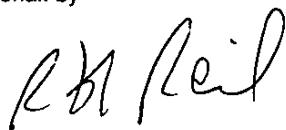


**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
BALANCE SHEET  
AS AT 31 MARCH 2012**

Company Number 04138032

	Notes	2012 £	2011 £
<b>Fixed Assets</b>			
Tangible assets	6	29,667	20,523
<b>Current assets</b>			
Debtors	7	1,018,173	535,688
Cash at bank and in hand		664,307	508,791
		<u>1,682,480</u>	<u>1,044,479</u>
<b>Creditors amounts falling due within one year</b>	8	<u>(372,511)</u>	<u>(344,176)</u>
Net current assets		1,309,969	700,303
		<u>1,339,636</u>	<u>720,826</u>
		<u>1,339,636</u>	<u>720,826</u>
<b>Income funds</b>			
Restricted funds	10a	950,129	352,796
Unrestricted funds		322,507	325,030
Designated Funds	10b	67,000	43,000
		<u>1,339,636</u>	<u>720,826</u>

The financial statements were approved by the Board on 06 September 2012 and signed on its behalf by



R H Reid  
Chairman & Trustee



M W Cooper-Mitchell  
Deputy Chairman & Trustee

The notes on pages 15 to 21 form part of these financial statements

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2012**

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**1 Accounting policies**

**1.1 Basis of preparation**

The financial statements have been prepared under the historical cost convention

It is the opinion of the Directors /Trustees that the use of the going concern basis of accounting is appropriate because there are no material uncertainties relating to events or conditions that may cast significant doubt about the ability of the charitable Company to continue as a going concern, there is reasonable expectation that the charitable Company has adequate resources to continue in operational existence for the foreseeable future

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

The financial statements have been prepared in accordance with applicable United Kingdom Accounting and Financial Reporting Standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006

**1.2 Incoming resources**

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

**1.3 Resources expended**

Expenditure has been included in the Financial Statements on the accruals basis and is stated inclusive of VAT. Support costs represent staff and office costs and are apportioned to charitable activities, costs of generating funds and governance costs on the basis of estimated time spent on those activities. The company benefits from contributed resources including premises and staff time. This is often very difficult to quantify in financial terms and where it is not considered to be material

**1.4 Net movement in funds**

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

**1.5 Tangible fixed assets and depreciation**

Tangible fixed assets over £1,000 are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows -

Computer equipment	33% Straight line
Motor vehicle	25% Straight line
Fixtures & Fittings	25% Straight line

**1.6 Leasing and hire purchase commitments**

Rentals payable under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the SOFA on a straight line basis over the lease term

**1.7 Pensions**

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

**1.8 Accumulated funds**

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

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

**1 9 Designated Funds**

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

**1 10 Taxation**

As a registered charity, the company is generally exempt from Corporation Tax in respect of its charitable activities. The company is not registered for VAT and items in the Financial Statements are stated inclusive of VAT, where applicable.

**2 Incoming resources**

	2012	2011
	£	£
Hackney Schools' Mentoring Programme	55,132	102,988
Employment & Skills Hackney	28,000	28,000
Project Shoreditch	68,000	51,000
Project Central Hackney	57,497	57,000
EaGLES	105,228	151,500
Spitalfields Together	16,100	35,000
Jobs next Door	-	33,046
Skills Development Various	188,970	47,075
Morgan Stanley 2	54,865	-
Business Health	1,805	42,389
St Paul's Way	38,000	-
Canning Town Education & Youth	-	35,000
Take off into work	150,000	150,000
Newham Real Apprentice	222,578	205,360
One East London	180	62,750
Transformers	1,195,357	181,861
Morgan Stanley NRA	44,128	-
London Legacy 2020	212,283	391,540
ELBP 2	221,207	425,731
Represent London	233,518	81,086
In the Parks	291,973	100,668
In the Parks Other	38,200	-
Reaching New Heights	24,746	25,868
Greenwich Real Apprentice / BOOST	107,363	20,000
Banking on Talent	5,000	29,000
Toy Appeal	9,224	6,149
Team Challenges	30,543	7,840
Poplar Harca Employment	-	7,929
Sundry Projects	56,565	35,875
Josh Lewsey Rugby Academy	-	50,000
	<b>3,456,462</b>	<b>2,364,655</b>

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

<b>3</b>	<b>Total resources expended</b>	<b>Charitable Activities</b>	<b>Costs of Generating Funds</b>	<b>Governance costs</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Social & economic regeneration direct costs	2,923,395	-	-	<b>2,923,395</b>	2,447,258
	Support costs	660,721	30,045	10,020	<b>700,786</b>	571,926
	Accountancy support	-	-	6,907	<b>6,907</b>	8,255
	Audit fees	-	-	6,900	<b>6,900</b>	6,492
		<b>3,584,116</b>	<b>30,045</b>	<b>23,827</b>	<b>3,637,988</b>	<b>3,033,931</b>

**4** **Trustees**

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

**5** **Employees**

Number of employees

The average number of employee during the year was

	<b>2012 Number</b>	<b>2011 Number</b>
Chief Executive	<b>1</b>	<b>1</b>
Administration	<b>4</b>	<b>4</b>
Project delivery	<b>44</b>	<b>41</b>
East London Business Place	<b>1</b>	<b>6</b>
	<b>50</b>	<b>52</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>1,766,165</b>	<b>1,686,040</b>
Social security costs	<b>186,797</b>	<b>177,782</b>
Other pension costs	<b>44,968</b>	<b>37,847</b>
Redundancy costs and ex-gratia	<b>16,333</b>	<b>24,515</b>
	<b>2,014,263</b>	<b>1,926,184</b>

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

**5 Employees (cont )**

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

	2012 Number	2011 Number
£60,000 to £69,999	-	1
£70,000 to £79,999	-	-
£120,000 to £129,999	-	-
£130,000 to £139,999	1	1

The employees whose emoluments (including annual bonus, car allowance and pension contributions) exceed £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 £23,347 (2011 - £14,571)

**6 Tangible Fixed Assets**

	Fixtures & Fittings £	Motor Vehicle £	Computer Equipment £	2012 Total £
Cost				
At 1 April 2011	3,484	5,250	43,476	52,210
Additions	-	-	31,571	31,571
At 31 March 2012	3,484	5,250	75,047	83,781
Depreciation				
At 1 April 2011	1,089	3,007	27,591	31,687
Charge for the year	871	1,313	20,243	22,427
At 31 March 2012	1,960	4,320	47,834	54,114
Net book value				
At 31 March 2012	1,524	930	27,213	29,667
At 31 March 2011	2,395	2,243	15,885	20,523

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

<b>7 Debtors</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Grants and donations receivable	<b>890,956</b>	475,618
Other debtors	<b>18,096</b>	17,184
Prepayments and accrued income	<b>109,121</b>	42,886
	<b><u>1,018,173</u></b>	<b><u>535,688</u></b>

Included within Other debtors is an amount of £16,260 which is receivable after more than one year (2011 - £16,260)

<b>8 Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Purchase ledger balances	<b>67,169</b>	52,535
Other creditors	<b>158,258</b>	154,794
Accruals	<b>58,234</b>	39,440
Grants received in advance	<b>88,850</b>	97,407
	<b><u>372,511</u></b>	<b><u>344,176</u></b>

**9 Share capital and the liability of members**

The company has no share capital, being limited by guarantee. Each member of the company undertakes to contribute such amount as may be required (not exceeding £100) to the company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member.

In the event of the company being wound up or dissolved, any surplus property shall be given or transferred to some other charitable institution having similar charitable objects to the company. The property cannot be paid to or distributed among members of the company.

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

**10a Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes

	Balance at 1 April 2011 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2012 £
Hackney Schools' Mentoring Programme	57,616	55,132	82,068	-	30,680
Employment & Skills Hackney	4,794	28,000	32,401	(393)	-
Project Shoreditch	22,646	68,000	62,536	(23,000)	5,110
Project Central Hackney	28,256	57,497	61,618	-	24,135
EaGLES	12,745	105,228	97,596	10,000	30,377
Spitalfields Together	13,556	16,100	26,051	(3,605)	-
Jobs next Door	-	-	7,569	30,615	23,046
Skills Development Various	-	188,970	178,902	(10,000)	68
Morgan Stanley 2	-	54,865	8,099	(14,114)	32,652
Business Health	-	1,805	(240)	(2,045)	-
St Paul's Way	-	38,000	37,943	12,667	12,724
Boundary	-	-	22,798	22,798	-
Canning Town Education & Youth	-	-	25,402	25,402	-
Take off into work	11,400	150,000	141,651	(7,615)	12,134
Newham Real Apprentice	1,704	222,578	208,271	(10,374)	5,637
One East London	-	180	43,828	43,648	-
Transformers	69,054	1,195,357	688,583	-	575,828
Morgan Stanley NRA	-	44,128	48,487	4,327	(32)
London Legacy 2020	71,731	212,283	243,125	(590)	40,299
ELBP 2	60,349	221,207	236,489	-	45,067
Represent London	-	233,518	218,518	-	15,000
In the Parks	-	291,973	230,973	-	61,000
In the Parks Other	-	38,200	28,190	590	10,600
Reaching New Heights	1,331	24,746	28,711	(1,331)	(3,965)
Greenwich Real Apprentice / BOOST	(25,302)	107,363	69,775	-	12,286
Sundry projects Tower Hamlets	-	56,565	46,792	(1,000)	8,773
Banking on Talent	18,714	5,000	22,000	(1,714)	-
Toy Appeal	3,523	9,224	4,331	-	8,416
Team Challenges	679	30,543	20,928	(10,000)	294
	<b>352,796</b>	<b>3,456,462</b>	<b>2,923,395</b>	<b>64,266</b>	<b>950,129</b>

**10b Unrestricted funds**

	Balance at 1 April 2011 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2012 £
Reorganisation Reserve	43,000	-	-	18,000	61,000
Dilapidations reserve	-	-	-	6,000	6,000
	<b>43,000</b>	<b>-</b>	<b>-</b>	<b>24,000</b>	<b>67,000</b>

The Directors have agreed to create funds for the future reorganisation of the charitable company as well as lease dilapidations

**10c Transfers**

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

**EAST LONDON BUSINESS ALLIANCE  
(LIMITED BY GUARANTEE)  
NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2012**

	Unrestricted funds £	Designated funds	Restricted funds £	Total £
Tangible fixed assets	29,667	-	-	29,667
Net Current assets	292,840	67,000	950,129	1,309,969
	<u>322,507</u>	<u>67,000</u>	<u>950,129</u>	<u>1,339,636</u>

**12 Contingent liabilities**

There were no contingent liabilities at 31 March 2012 (2011 - None)

**13 Commitments under operating leases**

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2012 £	2011 £	2012 £	2011 £
Expiry date				
In less than 1 year	-	-	4,192	-
Between two and five years	42,880	42,880	44,496	40,776
	<u>42,880</u>	<u>42,880</u>	<u>48,688</u>	<u>40,776</u>

**14 Capital commitments**

There were no capital commitments at 31 March 2012 (2011 - None)

**15 Related Parties**

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

E J Taylor, Representative of Deutsche Bank

C I Watson, Partner CMS Cameron Mckenna

R H Reid, London Chairman, KPMG

M Byrne, Representative of Accenture

R Weerasekera, Representative of UBS - appointed 25 May 2011