

Charity Registration No.1122173

Company Registration No. 04138032 (England and Wales)

EAST LONDON BUSINESS ALLIANCE

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

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

Trustees	C I Watson (Chairman) J Baskerville M Byrne (resigned 16/02/2017) P Vasudeva (appointed 16/02/2017) M Gabriel L Hollins M Stanley E J Taylor T Waldron
Chief Executive	I Parkes (appointed 01/04/2016)
Secretary	M S Alom
Charity Number	1122173
Company Number	04138032
Principal address & Registered office	3rd Floor City Reach 5 Greenwich View Place London E14 9NN
Auditors	PKF Littlejohn LLP Statutory Auditors 1 Westferry Circus Canary Wharf London E14 4HD
Bankers	HSBC Bank plc 59-61 The Mall Stratford London E15 1XL

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
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These statutory accounts mark the end of a year of transition and development for ELBA. It has been a time of great change all around, with the EU Referendum voting for Brexit, and significant external shocks which have led to a different mood in the country in London and driving changes in the external policy environment. Internally we have made transition from our former longstanding Chief Executive to our new leader, Ian Parkes. Ian has taken time to review the business and operation of the Charity and with the Board's support has embarked in January 2017 on a significant restructure and re-focus of the organisation. This has been necessary to ensure we remain relevant to the priorities of our business partners and to ensure we address the most pressing needs in our communities. We also need to be sure we reflect the realities of the funding landscape, because it is clear that for all third sector bodies there will continue to be restrictions on the level of funding available, and increased competition for every source of finance.

We have introduced a new three year Strategic Plan which will ensure we respond to the external challenges, while retaining our three key strands:- education, employment and community development. Our trading company, London Works, is now operating without the benefit of grant income and is already close to breaking even. Our joint project with Canary Wharf Group – East London Business Place – funded by European sources is performing well.

We were very sorry to see the departure of Mike Byrne from the Board in the year, and we thank him for all his years of service. We welcome to the Board Payal Vasudeva from our long-standing partner Accenture.

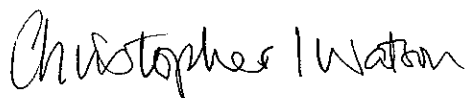
Recent events in London have highlighted both the worst and best of our capital city. Terrorist attacks show that there are people who feel outside society, and who want to strike at it. However, the response to the attacks shows how the community pulls together, at the heart of London's communities there is plentiful evidence to support the late MP Jo Cox's belief that "there is more that unites us than that which divides us". Likewise, the tragedy of the Grenfell Tower fire highlighted the inequalities in London's communities – but the outpouring of help in response from ordinary people and voluntary organisations has been overwhelming. ELBA is proud to support over 200 community based organisations every year and we placed over 12,000 volunteers into the community and schools.

During the year a succession of reports, including that from Baroness MacGregor-Smith into race inequality in the workplace, has continued to show that there is a social mobility gap in how young people access jobs and well paid careers. We are proud of our track record in getting bright young graduates from east London and Islington into the jobs which their merits deserve; this is done through our ongoing employment work, our trading arm, London Works, and our graduate placement programme Eagles, which goes from strength to strength.

During the year we celebrated 20 years of Mentoring Works, our programme which matches school students with business mentors, and we are embarked on a drive to widen the spread of this highly successful approach.

Financially, it has been a challenging year for both ELBA and its trading company, London Works. ELBA was affected by a net reduction in contributions from business partners, and by lower project funding, particularly from local authorities. There were also a number of one-off expenditure items relating to the necessary restructure of the organisation and a reduction of management overheads. The new leadership team is now in place and is focused on driving new income generation and responding to new opportunities. The ELBA Board has sanctioned further investments from designated reserves to make sure we are in good shape to secure our future. London Works has only narrowly missed its income targets in its first year of trading without the benefit of grant income. We look forward to it breaking even in 2017/18.

Finally, I must sadly mark the passing of Mike Cooper-Mitchell, our former chairman. Mike was a dedicated, enthusiastic and gifted supporter of ELBA and the communities we serve. I, we, the wider community and his family will miss him deeply.



C I Watson
Chairman and Trustee
13 September 2017

The Trustees present their report and audited consolidated financial statements for the year ended 31 March 2017.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities ("FRS102 SORP")", effective from January 2015.

Reference and Administrative Details of the Charity

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

There has been welcome stability and continuity in the governance of the charity in the period, with just one departure and new joining. During the year Mike Byrne resigned as Trustee and we thank him for his long and committed service to ELBA. Payal Vasudeva, Accenture, joined as a new trustee. We also mark the sad passing of our former chairman Mike Cooper-Mitchell who served both ELBA and the community of east London for many years. He will be greatly missed.

This year was the first full year in office of our new Chief Executive Ian Parkes, who joined in April 2016.

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

Trustees are usually selected from our corporate partners and other businesses in east London and beyond. Generally senior business people with wide experience and knowledge of Corporate Social Responsibility (CSR), Trustees will usually have had several years' experience of ELBA's involvement in the community and will have served on Forum or Board committees from time to time.

Being already familiar with the organisation, Trustees receive further induction and training through providing them with copies of the Memorandum and Articles of Association, the last available annual report and accounts, current management accounts, budgets and relevant sector Forum reports as well as a copy of the Charity Commission's Charitable Purposes and Public Benefits documents together with the guide to the role and responsibilities of Charity trustees. The Chief Executive provides introductions to other Trustees, ELBA and London Works staff and members, policies and procedures as required.

In addition to the Board of Trustees, ELBA has three sector Forums/Boards which supervise the work of the operational teams, following our three key themes – community, education and employment. During the year we also established a new Youth Board, recruited by open application from the young population of the boroughs we serve. The Youth Board will advise both the executive team and the Board about the issues affecting young people in east London, and our response to those issues.

Organisational Structure

Setting the overall strategy and monitoring of the Charity's overall performance is the responsibility of the Board of Trustees, which is led by Chris Watson, a partner at CMS London. Martin Stanley chairs the ELBA Finance & General Purposes Committee (Finco) which is a committee of the main Board and is charged with monitoring and reviewing the Charity's performance, in particular its financial outcomes, on a regular quarterly basis.

Membership of Finco is set at a minimum of five people currently comprising Martin Stanley (Chair), two further Board members or co-opted members with a financial background, the company's internal auditor, the Chief Executive and the Group Finance Director. Finco meets quarterly to review operating and management accounts, annual audited financial statements and policies related to financial management, including risk.

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(LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Managing Director - Employment, Director of Development and Fundraising, Director of Education and Community, and two Area Partnership Directors. Pay and remuneration for the Chief Executive is set by the Board. Pay and remuneration for the other members of the team is set by the Chief Executive who directly line manages them.

In 2014 the Board authorised the setting up of a new trading subsidiary London Works (LW). LW has operated as a key part of ELBA's employment and employability efforts providing temporary and permanent recruits for member and non-member companies drawn mainly from the academic output of east London's universities. LW, which launched in January 2014, was funded in its initial stages by Barclays Bank, the Greater London Authority, the City of London Corporation, the University of East London and the Royal Borough of Greenwich. 2016/17 was the first full year that London Works was not supported by grant funding. It made a small trading deficit at the end of the year but expects to break even or make a small surplus in 2017/18.

In future years, once it has established a steady trading position, any operating surpluses may be Gift Aided to ELBA to provide additional funding for any or all of ELBA's community, education or employment projects. There was no Gift Aid to ELBA in 2016/17 (£0), compared to £11,770 in 2015/16.

London Works also has a Finance & General Purposes committee (Finco), chaired by LW Board Director Bill Carr of CMS and with one further Board director, plus the ELBA CEO (also a London Works Director) the Group Finance Director and the London Works Managing Director, a co-opted member, usually someone who is financially qualified. London Works Finco meets quarterly to review operating and management accounts, annual audited financial statements and policies related to financial management, including risk.

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

Risk Management

The Trustees renewed ELBA's risk management strategy during 2016/17 which now comprises:

- an annual review by the Trustees of the risks the Charity may face, based on the format recommended by the Charities Commission;
- annual review by Finco of the Charity's business continuity plan and available reserve/reserves;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

Particular attention has focused on non-financial risks arising from safeguarding of children and young people, and from governance and regulatory compliance. 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 the target of continuing to accumulate unrestricted reserves until these reserves represent at least 6 months' worth of core operating costs, which would amount to £650,000. The Charity's unrestricted reserves at year end amounted to £492,558, (2015/16 £556,126) together with designated reserves for reorganisation and dilapidations amounting to £42,477 (2015/16 £109,815) making a total of £535,035 (2015/16 £665,941), following a number of one-off items and planned investments. The Charity's reserve policy is further reported below.

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

London Works Board and Finco also review risks on a regular basis. They 'key' financial risks for London Works relate to the ability to meet trading targets and cashflow. The main non-financial risks relate to key personnel and regulatory compliance.

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

Objectives and Activities

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

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

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

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

During the year the Charity adopted a new three year Strategic Plan. Our long term strategic goals are to:

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

In summary, in the next three years we will:

1. **Strengthen the power of what we do** - continue to do what we do, maintaining our focus on employment, community development and education, deepening business engagement and investment
2. **Grow modestly** – reflecting the tight funding environment, the need to spread overheads and have sufficient resources to put into future development
3. **Stay relevant and topical** - ensure we are focused and making an impact on the big issues in east London and beyond
4. **Be in the right areas** - deepen our knowledge and engagement in the geographical areas we serve and spread to new areas of emerging need and opportunity
5. **Be flexible and innovative** – differentiating our business model and offering new ways for new types of business and organisation to get involved
6. **Learn, show and tell** – develop our underpinning evidence and research, take up campaigning positions and be much better at telling what we and our partners have done
7. **Make changes, one-by-one** – keep focused on real outcomes, recognising that at the end of everything we do should be a story - of a pupil, student, job seeker, graduate, volunteer, family, resident, community organisation or business that we have affected for good.
8. **Do it well** – we will get smarter and more efficient, making better use of digital technology, delivering to high standards of quality and driving down relative spend on overheads

ELBA works in the most deprived boroughs of London and indeed the UK. With 26 years' experience, ELBA facilitates and delivers corporate involvement in community organisations, education and employment across the east London boroughs and Islington. Working with over 70 City and Canary Wharf companies, ELBA enables successful cross-sector partnerships between companies and the community, placing more than 12,000 business volunteers into more than 200 local organisations, schools, colleges and universities every year, and helping several hundred local people into work. ELBA is also supporting 20,000 direct beneficiaries gain new skills, 200 people into employment each year and support over 2,500 gained information and guidance on employability. From our recent community impact report, 100% of beneficiaries reported they had developed new skills or personal effectiveness and over 90% reported improved existing services or products as a result of intervention.

The work with our corporate partners is across three themes:

Community

We work across east London with local charities, social enterprises and not for profit organisations. Charities are under increasing pressure with the significant decrease in local authority funding and the drive towards service level agreements, contracts and tendering. We take a holistic approach and support organisations at leadership and governance level, with

management and systems expertise and the beneficiaries of the organisation through volunteering activity. The types of volunteering include Board Builders, Executive Coaching, Business Skills volunteering, interactive volunteering and we also help develop places and spaces through team challenge volunteering.

Education

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

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

Employment

Employability skills

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

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

Graduate employment

London Works, ELBA's recruitment agency provides temporary and permanent recruits of the highest order, drawn from the growing and improving east London graduate pool.

Business restructure

During the period January 2017 to May 2017 the Charity went through a period of restructuring of the operational teams and leadership positions. This was done for the following reasons:

- To be able to deliver the future plans we need the right structure with the right people in the right roles; to balance burdens and responsibilities; to make some essential overheads savings; and set a marker for a more flexible, more entrepreneurial culture. To achieve this we have:
 - Established three new operational teams – Employment and Skills; Community and Education Operations; and Development and Relationship Management.
 - Established a new team for Barking and Dagenham, reflecting that borough's position as both London's biggest development location, and the area of greatest need.
 - Amended the leadership structure to reflect the new operational teams, with a strong focus on front-line delivery and income generation. There were consequent reductions in the number of senior managers in the organisation.
 - Reduced senior management overheads substantially as a proportion of total staffing costs.

The new operational teams went live in mid May 2017 and are now working well.

Financial review

As a general rule, around half of the main ELBA core operating costs are covered and provided by the annual charitable contributions made by its business supporters. The other half has derived mainly from charitable corporate grants and donations as well as various third party charitable trusts such as the **Cripplegate Foundation**, **Islington Giving**, the **L&Q Foundation**, **Garfield Western Foundation**, **Reeves Foundation** and **Theirworld**, all of whom have been substantial supporters as well as the **London Legacy Development Corporation**. This year has seen continuing reductions in public sector funding availability, which has necessitated changes to the funding structure of a number of ELBA projects and we see no prospect of that changing in the near future. The private sector has responded well to this need so far and we are confident of continuing to derive corporate support for the community needs of east London through making innovations and improving the nature of ELBA's interventions.

Member companies support the many projects implemented by the East London Business Alliance, mainly through the provision of volunteers although some, including **Accenture**, **Barclays**, **British Land/Broadgate Estates**, **XL Catlin**, **Linklaters**,

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FOR THE YEAR ENDED 31 MARCH 2017**

Macquarie, Nomura, Societe Generale, State Street Bank and UBS have all made additional contributions to specific projects in the year under review. Member contributions over that period totalled £821,483, down from £867,409 in 2015/16.

Total main Charity income before adding ELBA Works and London Works income, was down on the previous year at £2.3m (2015/16 £2.8m). Comparison with the previous year must reflect the fact that we received in 2015/16 a one-off donation of £200,000 from a private donor and also the reduction of project income and membership charitable contributions.

At an operating level, the main ELBA charity sustained a deficit of £93k. After transfers from ELBA works of £29k, the net deficit was £64k, significantly down on the previous year outturn of £132k. The main reasons for the reduction compared to the previous year are:

- The private donation mentioned above
- A net reduction in core donations from our business partners of £222k
- Our employment work being unsupported by additional project funding during the year
- Reduction in funding available for education work in schools

In addition to planned investments from reserves detailed below, there were three extraordinary one-off items outside our normal trading which are funded from reserves totalling £62k.

Costs continued to be strictly controlled and were in line with the previous year excluding the cost of the new automatic enrolment pension scheme for all employees.

The expenditure on restricted fund projects totalled £1.5m and this was fully funded from the £414k of restricted funds bought forward from last year plus newly incoming restricted funds of £1.4m. Accounting for restricted projects is undertaken mainly on a cash flow basis, unlike unrestricted or core funding, which is accounted for on a full prepaid and accruals basis.

Public Benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning our future activities.

Reserves Policy

The Trustees have expressed the need for ELBA to hold unrestricted reserves equal to at least six months' purchase of core operating costs (£650,000). They are aware that this target may take a little time to reach from the current level of £492,558 but believe that this is achievable over the medium term. They have taken the opportunity to establish a designated Dilapidations Reserve, currently £30,000, and designated Reorganisation Reserve of £12,477 which will be used for future expenditure designed to deal with one-off items and investments required to make the organisation more efficient or to ensure it remains responsive and relevant to the communities we serve. During 2016/17, one-off items were charged against the reorganisation reserve totalling £67k.

Recognising the need for the organisation to get into good shape for growth and to respond to changing financial situation the Board have agreed further investments in 2017/18 from designated reserves which will result in a lower reserves position at the end of 2017/18. These are:

- Potential further severance costs, conditional on a review of costs and new funding won in quarters 2 and 3 in 2017/18
- External expert support for funding bids
- Development of a new impact measurement methodology
- Further improvements in quality
- Development of a new approach to communications, using external expert input
- Development of a feasibility study and business plan for a new trading arm which will market commoditised volunteering opportunities on a casual basis to businesses

Plans for the future period

Indices of relative deprivation and inequality in east London remain stubbornly fixed among the worst in the UK. Despite the expansion of Canary Wharf and The City, young people and residents from East London struggle to access the jobs created.

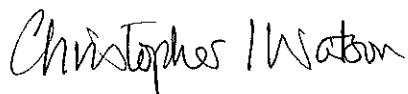
Working with our members ELBA will continue to address the barriers to social mobility, addressing issues of educational attainment, employability, enterprise, and community capacity and resilience. We will seek to be thought leaders on how the world of business can both lead and provide the solutions to these intractable problems.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2017

We are developing new approaches that bring concentrated focus on the issues, drawing in our expertise and delivery capacity from education at all levels, employment, recruitment, supply chain development and community development. Our priorities are driven by the CSR and ESG objectives of our members. Our key role will be to act as a broker and delivery agent, linking the world of business to the community.

Auditors

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



C I Watson
Chairman and Trustee
13 September 2017

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2017**

The Trustees (who are directors for the purpose of company law) are responsible for preparing the Report of the Trustees and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the surplus or deficit of the charitable Company for that period. In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departure disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable Company's website. Legislation in the United Kingdom governing preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Disclosure of Information to Auditors

The Trustees who held office at the date of approval of this Trustees' Report confirm that, so far as they are individually aware, there is no relevant audit information of which the Charity's auditors are unaware; and each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

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

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

We have audited the financial statements of East London Business Alliance for the year ended 31 March 2017 which comprise the Group and Parent Charitable Company Statements of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group Cash Flow Statement and the related notes. 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed auditor under the Companies Act 2006 and Section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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 group's and the parent 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 Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2017, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Annual Report has been prepared in accordance with applicable legal requirements.

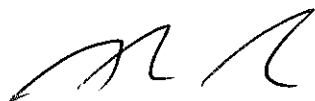
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(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EAST LONDON BUSINESS ALLIANCE

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Annual Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; [or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



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

1 Westferry Circus
Canary Wharf

30 Oct 2017

EAST LONDON BUSINESS ALLIANCE

(LIMITED BY GUARANTEE)

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

FOR THE YEAR ENDED 31 MARCH 2017

Company Number 04138032

	Notes	Unrestricted Funds General funds £	Designated funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income from:						
Donations	2	821,483	-	-	821,483	1,087,409
Charitable activities	3	-	-	1,409,512	1,409,512	1,631,763
Other trading activities	4	1,604,206	-	-	1,604,206	1,239,574
Investments	5	5,214	-	-	5,214	3,158
Other income	6	29,296	-	-	29,296	52,892
Total income		2,460,199	-	1,409,512	3,869,711	4,014,796
Expenditure on:						
Raising funds		20,113	-	-	20,113	36,732
Raising funds - trading activities		1,613,954	-	-	1,613,954	1,241,613
Charitable activities	7	876,142	67,338	1,510,269	2,453,749	2,615,558
Total expenditure		2,510,209	67,338	1,510,269	4,087,816	3,893,903
Net income / (expenditure)		(50,010)	(67,338)	(100,757)	(218,105)	120,893
Transfers between funds	16c	(74,616)	-	74,616	-	-
Net movement in funds		(124,626)	(67,338)	(26,141)	(218,105)	120,893
Reconciliation of funds:						
Total funds brought forward		556,126	109,815	413,939	1,079,880	958,987
Total funds carried forward		431,500	42,477	387,798	861,775	1,079,880

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006 and has been prepared on the basis that all operations are continuing. The company has no gain or losses other than those shown above.

The accounting policies and notes on pages 17 to 24 form part of these financial statements.

EAST LONDON BUSINESS ALLIANCE

(LIMITED BY GUARANTEE)

COMPANY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2017

Company Number 04138032

	Unrestricted Funds				
	General	Designated	Restricted	Total	Total
	funds	funds	funds	2017	2016
	£	£	£	£	£
Income from:					
Donations	850,443	-	-	850,443	1,099,179
Charitable activities	-	-	1,409,512	1,409,512	1,648,589
Investments	5,214	-	-	5,214	3,158
Other income	49,296	-	-	49,296	39,083
Total income	904,953	-	1,409,512	2,314,465	2,790,009
Expenditure on:					
Raising funds	20,113	-	-	20,113	36,732
Charitable activities	873,792	67,338	1,510,269	2,451,399	2,632,384
Total expenditure	893,905	67,338	1,510,269	2,471,512	2,669,116
Net income / (expenditure)	11,048	(67,338)	(100,757)	(157,047)	120,893
Transfers between funds	(74,616)	-	74,616	-	-
Net movement in funds	(63,568)	(67,338)	(26,141)	(157,047)	120,893
Reconciliation of funds:					
Total funds brought forward	556,126	109,815	413,939	1,079,880	958,987
Total funds carried forward	492,558	42,477	387,798	922,833	1,079,880

The statement of financial activities also complies with the requirement for an income and expenditure account under the Companies Act 2006 and has been prepared on the basis that all operations are continuing. The company has no gain or losses other than those shown above.


The accounting policies and notes on pages 17 to 24 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2017**

Company Number 04138032

		2017	2016
	Notes	£	£
Fixed Assets			
Tangible assets	12	9,779	17,326
Current assets			
Debtors	13	668,678	827,406
Cash at bank and in hand		803,153	783,512
		<u>1,471,831</u>	<u>1,610,918</u>
Creditors: amounts falling due within one year	14a	<u>(519,835)</u>	<u>(448,364)</u>
Net current assets		951,996	1,162,554
Creditors: amounts falling due after more than one year	14b	<u>(100,000)</u>	<u>(100,000)</u>
Net assets		<u>861,775</u>	<u>1,079,880</u>
Charity Funds			
Restricted funds	16a	387,798	413,939
Unrestricted funds		431,500	556,126
Designated Funds	16b	42,477	109,815
Total charity funds		<u>861,775</u>	<u>1,079,880</u>

The financial statements were approved by the Board on 13 September 2017 and signed on its behalf by:



C I Watson
Chairman & Trustee



M Stanley
Trustee

The accounting policies and notes on pages 17 to 24 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
COMPANY BALANCE SHEET
AS AT 31 MARCH 2017**

Company Number 04138032

	Notes	2017 £	2016 £
Fixed Assets			
Tangible assets	12	9,779	17,326
Current assets			
Debtors	13	613,872	542,236
Cash at bank and in hand		543,523	634,339
		<u>1,157,395</u>	<u>1,176,575</u>
Creditors: amounts falling due within one year	14	<u>(244,341)</u>	<u>(114,021)</u>
Net current assets		913,054	1,062,554
Net assets		<u>922,833</u>	<u>1,079,880</u>
Charity Funds			
Restricted funds	16a	387,798	413,939
Unrestricted funds		492,558	556,126
Designated Funds	16b	42,477	109,815
Total charity funds		<u>922,833</u>	<u>1,079,880</u>

The financial statements were approved by the Board on 13 September 2017 and signed on its behalf by:

Christopher I Watson

C I Watson
Chairman & Trustee

M Stanley
Trustee

The accounting policies and notes on pages 17 to 24 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2017**

Company Number 04138032

	Notes	2017 £	2016 £
Cash flow from operating activities	17	19,228	185,272
Net cash flow provided by / (used in) operating activities		19,228	185,272
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12	(8,551)	(12,230)
Receipts from sale of fixed assets		3,750	-
Interest received from investment		5,214	3,158
Net cash flow provided by / (used in) investing activities		413	(9,072)
Change in cash and cash equivalents in the year		19,641	176,200
Cash and cash equivalents at 1 April		783,512	607,312
Cash and cash equivalents at 31 March		803,153	783,512

The accounting policies and notes on pages 17 to 24 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
COMPANY STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2017**

Company Number 04138032

	Notes	2017 £	2016 £
Cash flow from operating activities	17	(91,229)	258,124
Net cash flow provided by / (used in) operating activities		(91,229)	258,124
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12	(8,551)	(12,230)
Receipts from sale of fixed assets		3,750	-
Interest received from investment		5,214	3,158
Net cash flow provided by / (used in) investing activities		413	(9,072)
Change in cash and cash equivalents in the year		(90,816)	249,052
Cash and cash equivalents at 1 April		634,339	385,287
Cash and cash equivalents at 31 March		543,523	634,339

The accounting policies and notes on pages 17 to 24 form part of these financial statements.

1 Accounting policies

1.1 General information and basis of preparation

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

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

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

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

The consolidated financial statements consolidate the financial statements of East London Business Alliance and its subsidiary undertaking, London Works Agency Limited and East London Business Alliances Works Limited for the period ending 31 March 2017.

1.2 Income recognition

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

Trading income is invoiced on an accruals basis.

1.3 Expenditure recognition

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

Support costs represent staff and office costs and are apportioned to charitable activities and fundraising activities on the basis of estimated time spent on those activities.

The company benefits from contributed resources including premises and staff time. This is often very difficult to quantify in financial terms and where it is not considered to be material is not reported upon.

1.4 Tangible fixed assets and depreciation

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

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

1.5 Leasing and hire purchase commitments

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

1.6 Pensions

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

1.7 Funds

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

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

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

1.8 Taxation

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

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

2	Income from donations	2017 £	2016 £
	Member contributions	821,483	867,409
	Donations	-	220,000
		<u>821,483</u>	<u>1,087,409</u>

Income from donations was £821,483 (2016 - £1,087,409) all of which was attributable to unrestricted funds for both years.

3	Income from charitable activities	2017 £	2016 £
	Community Works	320,330	350,236
	Education Works	435,994	474,307
	Employment Works	152,552	452,807
	Other	500,636	354,413
		<u>1,409,512</u>	<u>1,631,763</u>

Income from charitable activities was £1,409,512 (2016 - £1,631,763) all of which was attributable to restricted funds for both years.

4	Income from other trading activities	2017 £	2016 £
	Bureau agency fees receivable - London Works	1,562,896	1,239,574
	Consultancy fees - ELBA Works	41,310	-
		<u>1,604,206</u>	<u>1,239,574</u>

Income from other trading activities was £1,604,206 (2016 - £1,239,574) all of which was attributable to unrestricted funds for both years.

5	Income from investments	2017 £	2016 £
	Interest receivable	5,214	3,158

Income from other investments was £5,214 (2016 - £3,158) all of which was attributable to unrestricted funds for both years.

6	Other income	2017 £	2016 £
	Services provided and other	29,296	52,892

Other income was £29,296 (2016 - £52,892) all of which was attributable to unrestricted funds for both years.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

7 Analysis of expenditure on charitable activities

	Direct Costs	Support Costs	2017 £	2016 £
Community Works Projects	229,135	98,740	327,875	359,511
Education Works Projects	347,996	178,393	526,389	478,384
Employment Works Projects	189,416	108,032	297,448	490,108
Other Projects	331,950	26,607	358,557	354,914
CORE	943,480	-	943,480	932,641
	2,041,977	411,772	2,453,749	2,615,558

Expenditure on charitable activities was £2,404,174 (2016 - £2,615,558) of which £896,255 was attributable to unrestricted funds (2016 - £929,641), £67,338 was attributable to designated funds (2016 - £3,000) and £1,510,269 was attributable to restricted funds (2016 - £1,682,917).

8 Allocation of support costs

	Community Works Projects £	Education Works Projects £	Employment Works Projects £	Other Projects £	2017 Total £	2016 £
Governance (see note 9)	1,801	3,768	1,345	-	6,914	5,809
Finance & Management	15,562	29,138	21,531	-	66,231	108,152
HR & Admin	22,286	42,612	19,069	-	83,967	72,876
Other Staffing	26,793	40,203	29,535	26,607	123,138	116,577
Office and Other Costs	32,298	62,672	36,552	-	131,522	144,282
Total	98,740	178,393	108,032	26,607	411,772	447,696

9 Governance costs

	Core	Projects	2017 £	2016 £
Accountancy	2,834	2,566	5,400	5,000
Audit	3,542	4,348	7,890	7,170
	6,376	6,914	13,290	12,170

10 Trustees

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

11 Employees

Number of employees

The average number of employees during the year was:

	2017 Number	2016 Number
Chief Executive	1	1
Administration	3	4
Project delivery	34	35
East London Business Place	5	5
EAGLES	21	17
London Works (Temporary Staff)	23	22
London Works (Establishment Staff)	5	5
	92	89

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

	£	£
Wages and salaries	2,910,569	2,760,653
Social security costs	286,600	270,661
Other pension costs	57,851	62,808
Redundancy costs and ex-gratia	34,595	(1,268)
	3,289,615	3,092,854

The total amount of employee benefits received by key management personnel during the year was £368,658 (2016 - £395,828). The Charity considers its key management personnel to comprise the Chief Executive, two Managing Directors, Group Finance Director and HR/IT Director.

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

	2017 Number	2016 Number
£60,000 to £69,999	1	2
£70,000 to £79,999	4	1
£100,000 to £109,999	1	-
£160,000 to £169,999	-	1

The employees whose emoluments (including annual bonus, car allowance and pension contributions) exceeded £60,000, had retirement benefits accruing under a defined contribution pension scheme. The contribution payable by the company for these employees for the year was £12,013 (2016 - £21,276).

12 Group and Company Tangible Fixed Assets

	Fixtures & Fittings £	Motor Vehicle £	Computer Equipment £	2017 Total £
Cost				
At 1 April 2016	-	15,000	48,232	63,232
Additions	-	-	8,551	8,551
Disposals	-	(15,000)	-	(15,000)
At 31 March 2017	-	-	56,783	56,783
Depreciation				
At 1 April 2016	-	7,500	38,406	45,906
Charge for the year	-	3,750	8,598	12,348
On disposals	-	(11,250)	-	(11,250)
At 31 March 2017	-	-	47,004	47,004
Net book value				
At 31 March 2017	-	-	9,779	9,779
At 31 March 2016	-	7,500	9,826	17,326

13 Debtors

Group	2017 £	2016 £
Grants and donations receivable	594,089	752,069
Other debtors	23,092	25,139
Prepayments and accrued income	51,497	50,198
	668,678	827,406
Company	2017 £	2016 £
Grants and donations receivable	423,522	457,543
Amounts owed by group undertakings	118,960	11,770
Other debtors	23,092	24,789
Prepayments and accrued income	48,298	48,134
	613,872	542,236

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

Included within Other debtors of both Group and Company is an amount of £15,000 which is receivable after more than one year (2016 - £16,306) being the office rent deposit. There were no staff loans receivable after more than one year (2016 - £NIL). There is an inter company loan from ELBA to London Works of £70,000 which is receivable after more than one year (2016 - £NIL).

14a Creditors: amounts falling due within one year

Group	2017	2016
	£	£
Purchase ledger balances	58,683	55,965
Other creditors	17,318	12,577
Accruals	65,033	42,418
VAT	68,939	74,074
Grants received in advance	309,862	263,330
	519,835	448,364
Company	2017	2016
	£	£
Purchase ledger balances	35,768	30,572
Amounts owed to group undertaking	41,580	-
Other creditors	16,315	6,261
Accruals	57,678	23,188
Grants received in advance	93,000	54,000
	244,341	114,021

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

Group	2017	2016
	£	£
Loan repayable to Greater London Authority	100,000	100,000
	100,000	100,000

15 Liability of members

The company has no share capital, being limited by guarantee. Each member of the company undertakes to contribute such amount as may be required (not exceeding £100) to the company's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member. In the event of the company being wound up or dissolved, any surplus property shall be given or transferred to some other charitable institution having similar charitable objects to the company. The property cannot be paid to or distributed among members of the company.

16a Restricted funds

Group and Company

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 2016	Incoming Resources	Outgoing Resources	Transfers	Balance at 31 March 2017
	£	£	£	£	£
Community Works	80,823	320,330	327,875	3,611	76,889
Education Works	204,397	435,994	526,389	35,997	149,999
Employment Works	103,204	152,552	297,448	116,434	74,742
Other	25,515	500,636	358,557	(81,426)	86,168
	413,939	1,409,512	1,510,269	74,616	387,798

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

16b Unrestricted designated funds

Group and company	Balance at 1 April 2016 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2017 £
Reorganisation Reserve	79,815	-	67,338	-	12,477
Dilapidations reserve	30,000	-	-	-	30,000
	<u>109,815</u>	<u>-</u>	<u>67,338</u>	<u>-</u>	<u>42,477</u>

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

16c Transfers

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

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

Group	2017 £	2016 £
Net income / (expenditure) for year	(218,105)	120,893
Interest from investments	(5,214)	(3,158)
Depreciation of tangible fixed assets	12,348	15,636
(Increase) / decrease in debtors	158,728	21,063
Increase / (decrease) in creditors	71,471	30,838
Net cash flow from operating activities	<u>19,228</u>	<u>185,272</u>
Company	2017 £	2016 £
Net income / (expenditure) for year	(157,047)	120,893
Interest from investments	(5,214)	(3,158)
Depreciation of tangible fixed assets	12,348	15,636
(Increase) / decrease in debtors	(71,636)	204,019
Increase / (decrease) in creditors	130,320	(79,266)
Net cash flow from operating activities	<u>(91,229)</u>	<u>258,124</u>

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017**

18 Analysis of net assets between funds

Group	Unrestricted funds	Designated funds	Restricted funds	Total
Tangible fixed assets	9,779	-	-	9,779
Net Current assets	521,721	42,477	387,798	951,996
Creditors falling due after more than one year	(100,000)	-	-	(100,000)
	<u>431,500</u>	<u>42,477</u>	<u>387,798</u>	<u>861,775</u>
Company	Unrestricted funds	Designated funds	Restricted funds	Total
Tangible fixed assets	9,779	-	-	9,779
Net Current assets	482,779	42,477	387,798	913,054
	<u>492,558</u>	<u>42,477</u>	<u>387,798</u>	<u>922,833</u>

19 Contingent liabilities

There were no contingent liabilities at 31 March 2017 (2016 - None).

20 Group commitments under operating leases

At 31 March 2017 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2017	2016	2017	2016
	£	£	£	£
Falling due (Expiry date):				
Not later than one year	67,678	57,398	40,380	40,380
Later than one and not later than five years	173,711	205,772	45,970	89,225
	<u>241,389</u>	<u>263,170</u>	<u>86,350</u>	<u>129,605</u>

21 Capital commitments

There were no capital commitments at 31 March 2017 (2016 - None).

22 Related parties

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

C I Watson, Partner CMS London
M Stanley, Representative of Macquarie
J Baskerville, Representative of KPMG
M Byrne, Representative of Accenture
M Gabriel, Representative of East London Foundation Trust
P Vasudeva, Representative of Accenture
E J Taylor, Representative of Deutsche Bank
T Waldron, Representative of Barclays
W Carr, Representative of CMS London

23 Subsidiary undertaking

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

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

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

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

	ELBA Works Limited		London Works Agency Limited	
	2017	2016	2017	2016
Turnover	41,310	-	1,562,896	1,356,069
Administrative expenses	(12,350)	-	(1,623,954)	(1,344,299)
Profit on ordinary activities before taxation	28,960	-	(61,058)	11,770
Tax on profit on ordinary activities	-	-	-	-
Profit for the financial year	28,960	-	(61,058)	11,770
Gift Aid donation to ELBA	(28,960)	-	0	(11,770)
	-	-	(61,058)	-

24 Inter Company Loan

On 1 July 2016, East London Business Alliance and London Works Agency Limited entered into a 'Facility Agreement: Intra-Group' for a period to 31 March 2019.

The lender (ELBA) agrees to grant to the borrower (LW) an unsecured sterling term loan facility of a total principal amount not exceeding £100,000. The initial loan of £70,000 was granted on 1 August 2016.

The purpose of the facility is to assist LW to meet its working capital needs.

The terms of the agreement require LW to pay interest on the facility at the rate of 5% above the base rate of HSBC as varied from time to time.

Demand for repayment is limited to insolvency.