

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 2020

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

Trustees	C I Watson (Chairman) J Baskerville M Gabriel L Hollins K Ikram (appointed 15/04/20) H Morris A Rakowski T Waldron
Chief Executive	I Parkes
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 15 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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**EAST LONDON BUSINESS ALLIANCE
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CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

These statutory accounts mark and illustrate the end of a successful year for ELBA. The financial position is stable and support from our business members and partners has been very steady and consistent. We have been able to maintain both the volume and quality of the services and activities we deliver. We have returned an operating surplus across our charitable and trading activities, and are able to meet our objective to add modestly to our unrestricted reserves.

2019 was ELBA's 30th Anniversary year. Throughout the year we celebrated the good work that business has done in the east London community, together with our partners from the voluntary and education sectors and local authorities. In those 30 years, we estimate that around 200,000 business people have given their time and expertise to help residents and young people in east London. These volunteers have been drawn from over 250 major employers and corporations. Our celebrations culminated in a major celebration event on 30th October, supported by help and sponsorship from our business partners.

In this last year ELBA has also continued our drive to find new partnerships and ways to collaborate. We worked with The Big Issue to profile the needs and achievements of young people in east London, and engaged a wide ranging partnership in our Everyone's Business initiative to help prevent serious youth violence.

However, the end of the year was completely overshadowed by the COVID 19 crisis. In the space of 10 days all ELBA's face to face activity came to a halt. We have had to completely recreate our activities to operate online, with business volunteers being based from home. We have responded to the immediate needs of the community in the COVID 19 crisis – food, isolation and loneliness, losing employment, keeping up learning while schools colleges and universities close, and community organisations in crisis. I would like to thank all those business partners who stepped up to support ELBA meet these urgent needs. Never has the power of the alliance been more clearly demonstrated.

Our partnership project with Canary Wharf Group – East London Business Place, has at the same time responded to the needs of small businesses which in many cases have lost all their income.

As we look forward we will be focusing on the needs of the community as it starts to recover from the COVID 19 crisis, including responding to sustained higher levels of unemployment, pressures on community wellbeing, helping young people get back to learning, and addressing inequalities highlighted by the lockdown such as digital exclusion.

ELBA will also be working with our business and community partners to tackle longstanding inequality experienced by our black and BAME communities. It has always been part of ELBA's mission to provide practical interventions to address inequality – but we join with other organisations to say that in light of the protests sparked by the murder of George Floyd, what we have done so far is not enough. We will be looking internally and externally to find ways we can make more progress, faster.

The COVID 19 period has been a great strain on the staff team, and I pay tribute to their resilience, inventiveness and good cheer during this testing time.

Our trading company, London Works, has successfully continued on its new business model specialising in working with employers to improve their diversity and inclusion policies and outcomes.

We have had a very stable Board during the past year and we recently welcomed Kamran Ikram to the Board. I thank all members of the Board for their support and engagement.



**C I Watson
Chairman and Trustee
23 September 2020**

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

The Trustees present their report and audited consolidated financial statements for the year ended 31 March 2020.

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 2019.

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 continues to be stability and continuity in the governance of the Charity in the period, with no departures. One new trustee, Kamran Ikram from Accenture, joined the Board after the year end.

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 organisations and businesses in east London and beyond. Generally senior leaders with wide experience and knowledge of Corporate Social Responsibility (CSR), Trustees will usually have had several years' experience of the issues in the community of which it is ELBA's mission to address.

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, policies and procedures as required.

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.

FINCO, which is a committee of the main Board and is charged with monitoring and reviewing the Charity's performance and that of its trading subsidiaries, in particular its financial outcomes, meet on a quarterly basis. Arthur Rakowski chairs FINCO. Membership of FINCO is set at a minimum of five people currently comprising Arthur Rakowski (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. Bill Carr, the independent London Works Director also attends FINCO meetings. FINCO meets 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, the senior management team and the experienced team of programme directors and project managers. The senior management team comprises the Chief Executive, Group Finance Director, Deputy Chief Executive, the Director of Account Management & Communications (pt), the Director of Partnership and Practice (pt), and Director of BIG Alliance (up until December 2019). 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.

Trading subsidiaries

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 City and Canary Wharf firms drawn mainly from the academic output of east London's universities. Since October 2018, the business of London Works has

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been refocussed on higher value, higher margin specialist services. This has proved successful and in 2019/20 London Works made a trading profit of £66k. This will be retained in the trading company to offset losses from previous years.

In future years, once it has covered previous losses, any operating profits from London Works 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 2019/20 (£nil), the same as 2018/19 (£nil).

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 are therefore subject to different VAT and corporate tax treatment. The profit from this trading company is passed as Gift Aid to ELBA to support charitable activities. In 2019/20 ELBA Works made a trading profit of £30k.

Risk Management

ELBA's risk management strategy comprises:

- an annual review by the Trustees of the risks the Charity may face, based on the format recommended by the Charities Commission;
- 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.

The main risk to the Charity would be failure by business supporters and other business partners to make contributions; consequently, the annual cycle of business contributions are submitted for detailed review to all FINCO meetings.

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

During this year the routine risk assessment was accompanied by a supplementary risk assessment in response to the COVID 19 crisis.

Objectives and Activities

East London Business Alliance is a registered charity and for more than 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.

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.

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- 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 2019 ELBA celebrated 30 years of operation. In that time, we have worked with over 250 major businesses, and helped over 200,000 business volunteers give their time and expertise to the communities of east London and beyond. Our employment initiatives have helped secure more than 5,000 people into work over 13 years. In one way or another, we have touched the lives of around 2 million pupils, students, residents and other beneficiaries.

During 2019/20 we continued to work at scale in east London and beyond to deliver our goals and objectives. Our delivery in volume terms remained at the same levels as 2018/19:

- 10,955 volunteers – 12,583 including BIG Alliance
- Drawn from over 67 supporter companies and other business partners
- 698 volunteering events, workshops and sessions delivered
- 57 companies supported our annual Toy Appeal, donating 9,526 toys, with a value of over £114k
- Working with 182 Community Partners
- 181 people into work
- 40 Eagles in our graduate placement programme

Our 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 our asset based approach to employer supported volunteering. The types of volunteering include BoardMatch, Leaders in Partnership, Business Skills volunteering, interactive volunteering and we also help develop places and spaces through team challenge volunteering.

During 2019/20 we launched a new innovative programme funded by National Lottery Community Fund which is helping us to expand the reach and capacity we have to reduce isolation amongst older residents in east London. We hope to engage more community partners, open and encourage dialogue about the hopes and aspirations they have for their users as well as learning about challenges they face so that we can work together with volunteers to overcome them.

ELBA has been working on an initiative for two years to engage the business community in the fight against serious youth violence. Our programme, Everyone's Business, was awarded funding from the Mayor's Violence Reduction Unit in January 2020 for a pilot which will run in 2020/21.

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, while delivering the young people development objectives of our corporate partners. All support is delivered creatively through employee engagement. These include working with:

- Secondary school students, staff and governors; and
- 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.

During 2019/20 we launched a new programme funded by the GLA and CEC and in partnership with Local London called The London Enterprise Adviser Network which helps young people to build the skills and experiences they need to lead successful

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careers by connecting business with schools and colleges. We match volunteers with local schools across east London to provide coaching and advice to career leaders. The aim is for the volunteers to support career leaders in schools to develop and execute an employer engagement strategy which will support the delivery of impactful careers guidance for young people.

Employment

Employability skills

ELBA engages young jobseekers to raise aspirations and promote career paths. 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 and develop employability skills.

During 2019/20 we launched a new programme in partnership with the West Ham Foundation and Eagle London, funded by the Trust for London to deliver a series of interventions for 16-24 unemployed black men from Newham as part of BTEG's Moving on Up programme. Unlike our Parity project, that engages largely higher skilled/ graduate level young black male (YBM) graduates - MOU will instead engage YBM with any level of qualification as long as they reside in Newham. The project will also take a caseload approach to engagement, placing people into work in sectors beyond our traditional network including transport, engineering and the Arts.

Graduate employment

London Works, ELBA's specialist recruitment agency provides specialist recruitment services to help employers improve the diversity of their workforces, and to find good careers for the young people of east London.

COVID 19 Crisis

The COVID 19 crisis came at the end of this reporting period, with ELBA entering lockdown in March 2020. In the space of 10 days, all ELBA's face to face activities came to a halt. We very quickly recreated online and remote activities so that our business partners could continue to respond to the immediate needs from the community arising from the COVID 19 crisis. These included:

- Food
- The isolated, elderly and vulnerable
- Those who have lost their jobs
- Schools, students, families struggling with education closures
- Maintaining community organisations
- Support for SMEs and self employed – via ELBP
- Fundraising - Donate Your Fare; Islington, Hackney and B&D Giving

In the coming year we will be shifting ELBA's priorities to focus on the needs of the community on the post-COVID 19 recovery period. This will include:

- Getting community organisations back on their feet – and keeping them strong
- Helping those who have lost their jobs or earnings
- Upskilling those in lower paid and precarious jobs
- Supporting the "Lost Generation" of school pupils – how can we help get them back on track
- Helping new education leavers and entrants to the labour market
- Open spaces and community infrastructure
- Community wellbeing and mental health
- Inequalities and structural problems highlighted by the COVID 19 crisis – particularly the digital divide

Financial review

Total main Charity income before adding ELBA Works and London Works income was in line with the previous year at £2.3m (2018/19 £2.3m).

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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. During 2019/20 we saw a continuation of the improvement in the retention of business supporters, with seven leaving, and seven joining. Income from business now also comes via one-off sales and contributions, as well as project funding, and we have adopted our approach to reflect the many ways in which businesses wish to engage in the community.

Income from annual charitable donations from businesses was £711k, marginally down on the previous year (£719k). Overall income from business, including sales via ELBA Works and projects was £2.26m, compared to £2.19m in 2018/19.

During 2019/20 we conducted a review of our business support model to ensure it remains relevant to our business partners and the needs we have to address in the community. On the whole, our business supporters welcome being part of an alliance with regular annual programmes and renewals which gives them great flexibility. The power and flexibility of the business model was demonstrated very clearly by the response to the COVID 19 crisis, in which ELBA was able with the steady support of our business supporters to recreate our activities so that they were able to continue to support the community in a time of pressing need.

The other half of our income has derived mainly from charitable corporate grants and donations as well as various third-party charitable trusts such as **Islington Giving and the Sir John Cass Foundation**, who have been substantial supporters as well as the **London Legacy Development Corporation**.

Our business supporters also sustain the many projects implemented by ELBA, mainly through the provision of volunteers although some, including **Accenture, HSBC, British Land/Broadgate Estates, Linklaters, Macquarie, Nomura, Société Générale, State Street Bank and UBS** have all made additional contributions to specific projects in the year under review.

At an operating level, the main ELBA charity broke even, compared to a surplus of £65k last year. The £30k profit under ELBA Works will be Gift Aided up to the charity next financial year.

Costs continued to be strictly controlled. During the year we renewed the lease on our main offices, taking a smaller footprint, and leases falling due on photocopying were also secured on a lower cost basis.

The expenditure on restricted fund projects totalled £1.5m and this was fully funded from the £512k of restricted funds brought forward from last year plus newly incoming restricted funds of £1.5m. 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' goal is for ELBA to hold unrestricted reserves equal to at least six months' of core operating costs (£640,000). They are aware that this target may take a little time to reach from the current level of £426k but believe that this is achievable in the longer term. They maintained a designated Dilapidations Reserve, currently £30,000 and the reorganisation reserve, currently £20,000.

The Charity's unrestricted reserves at year end amounted to £376k (2018/19 £377k), together with designated reserves for reorganisation and dilapidations amounting to £50k (2018/19 £50k) making a total of £426k (2018/19 £427k). This equates to 4 months of running costs.

The Group unrestricted reserves at year end amounted to £370k (2018/19 £274k). We envisage to clear the previous London Works losses in the next year or two.

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Plans for the future period

Our plans for the future period will be dominated by the need to respond to the COVID 19 crisis, as set out above. In addition we will be responding strongly to the need to address inequality and injustice suffered by the black and BAME communities of east London and beyond, as highlighted by the protests arising from the murder of George Floyd.

During 2020 we will also be refreshing our three-year Strategic Plan which came to an end in March 2020. As part of this process we are taking the opportunity to talk to current business supporters, community partners and stakeholders about the priorities we need to address in our communities, and how businesses would like to engage.

It is clear that the challenges faced by east London communities have changed, and ELBA's response will likewise need to adjust:

- The shift in poverty from workless households to working households – the rise of in-work poverty
- The stubborn resistance of low earnings despite the remarkable rise in educational attainment and participation in higher education
- Stalled social mobility
- High incidence of mental health issues among the young, and the need to address wellbeing in the wider community
- The need to maintain social and community infrastructure
- The differential impact of the Fourth Industrial Revolution
- The long-term, underlying issues that drive serious youth violence and knife crime

In tackling these issues ELBA's unique contribution will be the engagement and deployment of the expertise, time, ingenuity, goodwill and other resources of the business sector. We will continue to ensure that every ELBA intervention is needed and impactful; every participation will be rewarding and fulfilling.

Despite the many issues facing east London, it is also an area of great opportunity. We remain excited and committed to ensuring that these will be open to everyone from all parts of the community.

Fundraising Regulator statement

ELBA is not required to register with the Fundraising Regulator as we do not meet the required thresholds. However, we have chosen to make a voluntary registration.

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.

Approved by the Trustees on 23 September 2020 and signed on its behalf by



**C I Watson
Chairman and Trustee
23 September 2020**

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2020**

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

Opinion

We have audited the financial statements of East London Business Alliance (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows, the Charity Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2020, 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the trustees' report and the Chairman's report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and *companies audited under Companies Act 2006*; except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EAST LONDON BUSINESS ALLIANCE**

have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Responsibilities of trustees

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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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 Part 4 of the

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EAST LONDON BUSINESS ALLIANCE**

Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and 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 members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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

15 Westferry Circus
Canary Wharf
London E14 4HD

Date: 08 October 2020

PKF Littlejohn LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006

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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020**

Company Number 04138032

	Notes	Unrestricted Funds			Total 2020 £	Total 2019 £
		General funds £	Designated funds £	Restricted funds £		
Income from:						
Donations	2	738,142	-	-	738,142	764,841
Charitable activities	3	-	-	1,508,846	1,508,846	1,415,935
Other trading activities	4	1,031,436	-	-	1,031,436	1,058,595
Investments	5	1,854	-	-	1,854	4,950
Other income	6	10,957	-	-	10,957	3,078
Total income		1,782,389	-	1,508,846	3,291,235	3,247,399
Expenditure on:						
Raising funds		20,415	-	-	20,415	20,385
Raising funds - trading activities		894,987	-	-	894,987	951,240
Charitable activities	7	757,064	-	1,511,298	2,268,362	2,174,923
Total expenditure		1,672,466	-	1,511,298	3,183,764	3,146,548
Net income / (expenditure)		109,923	-	(2,452)	107,471	100,851
Transfers between funds	16c	(14,150)	-	14,150	-	-
Net movement in funds		95,773	-	11,698	107,471	100,851
Reconciliation of funds:						
Total funds brought forward		273,767	50,000	511,733	835,500	734,649
Total funds carried forward		369,540	50,000	523,431	942,971	835,500

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 18 to 27 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2020**

Company Number 04138032

	Notes	Unrestricted Funds			Total 2020 £	Total 2019 £
		General funds £	Designated funds £	Restricted funds £		
Income from:						
Donations	2	738,142	-	-	738,142	832,364
Charitable activities	3	-	-	1,508,846	1,508,846	1,415,935
Investments	5	1,848	-	-	1,848	4,950
Other income	6	51,557	-	-	51,557	37,828
Total income		791,547	-	1,508,846	2,300,393	2,291,077
Expenditure on:						
Raising funds		20,415	-	-	20,415	20,385
Charitable activities	7	757,064	-	1,511,298	2,268,362	2,174,923
Total expenditure		777,479	-	1,511,298	2,288,777	2,195,308
Net income / (expenditure)		14,068	-	(2,452)	11,616	95,769
Transfers between funds	16c	(14,150)	-	14,150	-	-
Net movement in funds		(82)	-	11,698	11,616	95,769
Reconciliation of funds:						
Total funds brought forward		376,537	50,000	511,733	938,270	842,501
Total funds carried forward		376,455	50,000	523,431	949,886	938,270

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 18 to 27 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2020**

Company Number 04138032

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible assets	12		52,516		7,826
Current assets					
Debtors	13	749,534		805,041	
Cash at bank and in hand		779,118		777,222	
		<u>1,528,652</u>		<u>1,582,263</u>	
Creditors: amounts falling due within one year	14a	<u>(598,197)</u>		<u>(694,589)</u>	
Net current assets			930,455		887,674
Creditors: amounts falling due after more than one year	14b		<u>(40,000)</u>		<u>(60,000)</u>
Net assets			<u>942,971</u>		<u>835,500</u>
Charity Funds					
Restricted funds	16a		523,431		511,733
Unrestricted funds	17		369,540		273,767
Designated Funds	16b		50,000		50,000
Total charity funds			<u>942,971</u>		<u>835,500</u>

The financial statements were approved by the Board and authorised for issue on 23 September 2020 and signed on its behalf



C I Watson
Chairman & Trustee



A Rakowski
Trustee

The accounting policies and notes on pages 18 to 27 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CHARITY BALANCE SHEET
AS AT 31 MARCH 2020**

Company Number 04138032

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Tangible assets	12		52,516		7,826
Current assets					
Debtors	13	552,117		653,876	
Cash at bank and in hand		491,078		492,287	
		<u>1,043,195</u>		<u>1,146,163</u>	
Creditors: amounts falling due within one year					
Net current assets	14a	<u>(145,825)</u>		<u>(215,719)</u>	
Net assets			<u>897,370</u>		<u>930,444</u>
Charity Funds					
Restricted funds	16a		523,431		511,733
Unrestricted funds	17		376,455		376,537
Designated Funds	16b		50,000		50,000
Total charity funds			<u>949,886</u>		<u>938,270</u>

The financial statements were approved by the Board and authorised for issue on 23 September 2020 and signed on its behalf



C I Watson
Chairman & Trustee



A Rakowski
Trustee

The accounting policies and notes on pages 18 to 27 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2020**

Company Number 04138032

	Notes	2020 £	2019 £
Cash flow from operating activities	18	60,799	140,477
Net cash flow (used in) / provided by operating activities		60,799	140,477
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12	(60,757)	(11,736)
Interest received from investment		1,854	4,950
Net cash flow provided by investing activities		(58,903)	(6,786)
Change in cash and cash equivalents in the year		1,896	133,691
Cash and cash equivalents at 1 April		777,222	643,531
Cash and cash equivalents at 31 March		779,118	777,222

The accounting policies and notes on pages 18 to 27 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CHARITY STATEMENT OF CASH FLOWS
AS AT 31 MARCH 2020**

Company Number 04138032

	Notes	2020 £	2019 £
Cash flow from operating activities	18	57,700	140,324
Net cash flow used in operating activities		57,700	140,324
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12	(60,757)	(11,736)
Interest received from investment		1,848	4,950
Net cash flow provided by investing activities		(58,909)	(6,786)
Change in cash and cash equivalents in the year		(1,209)	133,538
Cash and cash equivalents at 1 April		492,287	358,749
Cash and cash equivalents at 31 March		491,078	492,287

The accounting policies and notes on pages 18 to 27 form part of these financial statements.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

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 2019.

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 undertakings, London Works Agency Limited and East London Business Alliance Works Limited for the period ending 31 March 2020.

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 and ELBA Works are 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

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 Going Concern

The Board have reviewed the budgets and cashflow forecasts for the years ended 31 March 2021 and 2022. Taking into account the financial position at 31 August 2020 and the healthy cash balances at that date they are of the opinion that the company can be considered as a going concern for a period of at least 12 months from the date of signing of these accounts. When coming to this opinion they have taken careful thought of the circumstances of the COVID-19 pandemic and its effects on the company and its partners.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

1.8 Taxation

The company is registered as a charity under the Charities Act 2011 and it is not liable to UK tax on its income and chargeable gains, as they fall within the various exemptions available to registered charities.

The company is not registered for VAT and items in the Financial Statements are stated inclusive of VAT, where applicable.

Following the triennial review of FRS 102 applicable for accounting periods commencing on or after 1 January 2019, there must be a legal obligation in place in order for a donation of profit from subsidiary to parent to be recognised in the financial statements. There was no legal obligation in place at 31 March 2020 and so the donation of the subsidiary company's profit to ELBA has correctly not been recognised within these financial statements. Where the post year end payment of the profit for the previous financial year is deemed probable, this is taken into account within the tax computation of the subsidiary company.

2 Income from donations

Group	2020 £	2019 £
Member contributions	710,914	718,610
Donations	27,228	46,231
	738,142	764,841

Income from donations was £738,142 (2019 - £764,841) all of which was attributable to unrestricted funds for both years.

Charity	2020 £	2019 £
Member contributions	710,914	718,610
Donations	27,228	46,231
Gift Aid receivable	-	67,523
	738,142	832,364

Income from donations was £738,142 (2019 - £832,364) all of which was attributable to unrestricted funds for both years.

3 Income from charitable activities (Group and Charity)

	2020 £	2019 £
Community Works	333,098	338,917
Education Works	238,720	329,380
Employment Works	394,909	428,810
Other	542,119	318,828
	1,508,846	1,415,935

Income from charitable activities was £1,508,846 (2019 - £1,415,935) all of which was attributable to restricted funds for both years.

4 Income from other trading activities

	2020 £	2019 £
Bureau agency fees receivable - London Works	969,976	978,691
Consultancy fees - ELBA Works	61,460	79,904
	1,031,436	1,058,595

Income from other trading activities was £1,031,436 (2019 - £1,058,595) 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 2020**

5 Income from investments

Group	2020 £	2019 £
Interest receivable	1,854	4,950

Income from other investments was £1,854 (2019 - £4,950) all of which was attributable to unrestricted funds for both years.

Charity	2020 £	2019 £
Interest receivable	1,848	4,950

Income from other investments was £1,848 (2019 - £4,950) all of which was attributable to unrestricted funds for both years.

6 Other income

Group	2020 £	2019 £
Services provided and other income	10,957	3,078

Other income was £10,957 (2019 - £3,078) all of which was attributable to unrestricted funds for both years.

Charity	2020 £	2019 £
Services provided and other	51,557	37,828

Other income was £51,557 (2019 - £37,828) all of which was attributable to unrestricted funds for both years.

7 Analysis of expenditure on charitable activities (Group and Charity)

	Direct Costs	Support Costs	2020 £	2019 £
Community Works Projects	242,325	84,119	326,444	355,174
Education Works Projects	187,069	90,887	277,956	318,560
Employment Works Projects	224,555	210,610	435,165	426,715
Other Projects	423,572	48,161	471,733	329,866
CORE	757,064	-	757,064	744,608
	1,834,585	433,777	2,268,362	2,174,923

Expenditure on charitable activities was £2,268,362 (2019 - £2,174,923) of which £757,064 was attributable to unrestricted funds (2019 - £744,608), £nil was attributable to designated funds (2019 - £nil) and £1,511,298 was attributable to restricted funds (2019 - £1,430,315).

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

8 Allocation of support costs

	Community Works Projects £	Education Works Projects £	Employment Works Projects £	Other Projects £	2020 Total £	2019 £
Governance (see note 9)	1,640	2,107	2,546	-	6,293	6,877
HR & Admin	10,978	9,448	41,421	-	61,847	62,806
Finance & Management	26,708	28,062	35,739	-	90,509	94,642
Other Staffing	14,320	21,228	62,348	48,161	146,057	136,209
Office and Other Costs	30,473	30,042	68,556	-	129,071	129,022
Total	84,119	90,887	210,610	48,161	433,777	429,556

9 Governance costs

	Core	Projects	2020 £	2019 £
Accountancy	2,917	2,569	5,486	4,473
Audit	4,376	3,724	8,100	7,700
	7,293	6,293	13,586	12,173

10 Trustees

None of the Trustees (or any person connected with them) received any remuneration or benefits from the charity during the year (2019 - £Nil).

11 Employees

Number of employees
The average number of employees during the year was:

Group	2020 Number	2019 Number
Chief Executive	1	1
Administration	4	3
Project delivery	31	29
Interns	2	2
East London Business Place	5	4
Eagles	15	20
London Works (Temporary Staff)	6	8
London Works (Establishment Staff)	-	1
	64	68

Charity

	2020 Number	2019 Number
Chief Executive	1	1
Administration	4	3
Project delivery	31	29
Interns	2	2
East London Business Place	4	4
	42	39

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Group	2020	2019
	£	£
Wages and salaries	2,117,757	2,146,016
Social security costs	203,680	203,357
Other pension costs	67,845	69,108
	2,389,282	2,418,481

The total amount of employee benefits received by key management personnel during the year was £283,256 (2019 - £254,660). The contribution payable by the company for these employees for the year was £49,711. The Charity considers its key management personnel to comprise the Chief Executive, Managing Director and Group Finance Director.

Charity	2020	2019
	£	£
Wages and salaries	1,570,313	1,457,781
Social security costs	159,880	149,310
Other pension costs	58,716	59,165
	1,788,909	1,666,256

The total amount of employee benefits received by key management personnel during the year was £283,256 (2019 - £254,660). The contribution payable by the company for these employees for the year was £49,711. The Charity considers its key management personnel to comprise the Chief Executive, Managing Director and Group Finance Director.

The number of employees whose annual emoluments were £60,000 or more were (Group and Charity):

	2020	2019
	Number	Number
£60,000 to £69,999	1	1
£70,000 to £79,999	2	2
£90,000 to £99,999	1	1

The employees whose emoluments, including annual bonus, 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 £11,706 (2019 - £16,695).

12 Tangible Fixed Assets (Group and Charity)

	Computer Equipment	Total
	£	£
Cost		
At 1 April 2019	20,290	20,290
Additions	60,757	60,757
Disposals	<u>(8,551)</u>	<u>(8,551)</u>
At 31 March 2020	72,496	72,496
Depreciation		
At 1 April 2019	12,464	12,464
Charge for the year	16,067	16,067
On disposals	<u>(8,551)</u>	<u>(8,551)</u>
At 31 March 2020	19,980	19,980
Net book value		
At 31 March 2020	52,516	52,516
At 31 March 2019	7,826	7,826

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

13 Debtors

Group	2020	2019
	£	£
Grants and donations receivable	678,862	737,950
Other debtors	15,776	19,451
Prepayments and accrued income	54,896	47,640
	<u>749,534</u>	<u>805,041</u>
	<u>749,534</u>	<u>805,041</u>
Charity	2020	2019
	£	£
Grants and donations receivable	460,590	483,494
Amounts owed by group undertakings	22,500	105,874
Other debtors	15,777	19,295
Prepayments and accrued income	53,250	45,213
	<u>552,117</u>	<u>653,876</u>
	<u>552,117</u>	<u>653,876</u>

Included within Other debtors of both Group and Company is an amount of £15,000 which is receivable after more than one year (2019 - £15,000) being the office rent deposit. There were no staff loans receivable after more than one year (2019 - £NIL). In the previous year an inter company loan from ELBA to London Works of £70,000 was repaid on 29 March 2019.

14a Creditors: amounts falling due within one year

Group	2020	2019
	£	£
Purchase ledger balances	15,074	40,315
Other creditors	62,897	53,555
Accruals	24,294	36,434
VAT	46,894	66,248
Grants received in advance	429,038	478,037
Loan repayable to Greater London Authority	20,000	20,000
	<u>598,197</u>	<u>694,589</u>
	<u>598,197</u>	<u>694,589</u>
Charity	2020	2019
	£	£
Purchase ledger balances	11,926	11,318
Other creditors	60,705	51,617
Accruals	15,194	29,284
Grants received in advance	58,000	123,500
	<u>145,825</u>	<u>215,719</u>
	<u>145,825</u>	<u>215,719</u>

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

Group	2020	2019
	£	£
Loan repayable to Greater London Authority	40,000	60,000
	<u>40,000</u>	<u>60,000</u>
	<u>40,000</u>	<u>60,000</u>

Charity

The Charity does not have any creditors amounts falling due after more than one year.

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

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 Charity)

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 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2020 £
Community Works	72,861	333,098	326,444	3,852	83,367
Education Works	215,812	238,720	277,956	25,000	201,576
Employment Works	122,754	394,909	435,165	14,836	97,334
Other	100,306	542,119	471,733	(29,538)	141,154
	<u>511,733</u>	<u>1,508,846</u>	<u>1,511,298</u>	<u>14,150</u>	<u>523,431</u>

	Balance at 1 April 2018 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2019 £
Community Works	82,471	338,917	355,174	6,647	72,861
Education Works	174,992	329,380	318,560	30,000	215,812
Employment Works	123,554	428,810	426,715	(2,895)	122,754
Other	99,754	318,828	329,866	11,590	100,306
	<u>480,771</u>	<u>1,415,935</u>	<u>1,430,315</u>	<u>45,342</u>	<u>511,733</u>

16b Unrestricted designated funds (Group and Charity)

	Balance at 1 April 2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2020 £
Reorganisation Reserve	20,000	-	-	-	20,000
Dilapidations reserve	30,000	-	-	-	30,000
	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,000</u>

	Balance at 1 April 2018 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2019 £
Reorganisation Reserve	-	-	-	20,000	20,000
Dilapidations reserve	30,000	-	-	-	30,000
	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>50,000</u>

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

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 Analysis of net assets between funds

Group	Unrestricted funds	Designated funds	Restricted funds	Total 2020
Tangible fixed assets	52,516	-	-	52,516
Net Current assets	357,024	50,000	523,431	930,455
Creditors falling due after more than one year	(40,000)	-	-	(40,000)
	<u>369,540</u>	<u>50,000</u>	<u>523,431</u>	<u>942,971</u>
	Unrestricted funds	Designated funds	Restricted funds	Total 2019
Tangible fixed assets	7,826	-	-	7,826
Net Current assets	325,941	50,000	511,733	887,674
Creditors falling due after more than one year	(60,000)	-	-	(60,000)
	<u>273,767</u>	<u>50,000</u>	<u>511,733</u>	<u>835,500</u>
	Unrestricted funds	Designated funds	Restricted funds	Total 2020
Tangible fixed assets	52,516	-	-	52,516
Net Current assets	323,939	50,000	523,431	897,370
	<u>376,455</u>	<u>50,000</u>	<u>523,431</u>	<u>949,886</u>
	Unrestricted funds	Designated funds	Restricted funds	Total 2019
Tangible fixed assets	7,826	-	-	7,826
Net Current assets	368,711	50,000	511,733	930,444
	<u>376,537</u>	<u>50,000</u>	<u>511,733</u>	<u>938,270</u>

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

Group	2020	2019
	£	£
Net income / (expenditure) for year	107,471	100,851
Interest from investments	(1,854)	(4,950)
Depreciation of tangible fixed assets	16,067	6,762
(Increase) / decrease in debtors	55,507	4,553
Increase / (decrease) in creditors	(116,392)	33,261
Net cash flow from operating activities	<u>60,799</u>	<u>140,477</u>

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Charity	2020	2019
	£	£
Net income / (expenditure) for year	11,616	95,769
Interest from investments	(1,848)	(4,950)
Depreciation of tangible fixed assets	16,067	6,762
(Increase) / decrease in debtors	101,759	54,670
Increase / (decrease) in creditors	(69,894)	(11,927)
	<u>57,700</u>	<u>140,324</u>

19 Contingent liabilities

There were no contingent liabilities at 31 March 2020 (2019 - None).

20 Group commitments under operating leases

At 31 March 2020 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2020	2019	2020	2019
Falling due (Expiry date):	£	£	£	£
Not later than one year	86,008	71,039	17,747	25,478
Later than one and not later than five years	247,763	47,670	23,819	37,134
	<u>333,771</u>	<u>118,709</u>	<u>41,566</u>	<u>62,612</u>

21 Capital commitments

There were no capital commitments at 31 March 2020 (2019 - 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:

	2020	2019
	£	£
C I Watson, Partner CMS Cameron McKenna Nabarro Olswang	18,000	18,000
A Rakowski, Representative of Macquarie	120,000	120,000
J Baskerville, Representative of KPMG	18,000	18,000
M Gabriel, Representative of East London Foundation Trust	9,950	9,950
K Ikram, Representative of Accenture (appointed 15 April 2020)	123,495	95,267
T Waldron, Representative of CH & Co	10,000	10,000

London Works Director:

W Carr, Partner CMS Cameron McKenna Nabarro Olswang

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

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 and wholly owned by ELBA Charity.

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	
	2020	2019	2020	2019
Turnover	61,460	79,904	969,976	978,691
Administrative expenses	<u>(31,617)</u>	<u>(12,381)</u>	<u>(903,971)</u>	<u>(973,609)</u>
Profit on ordinary activities before taxation	29,843	67,523	66,005	5,082
Tax on profit on ordinary activities	-	-	-	-
Interest receivable	6	-	-	-
Profit for the financial year	<u>29,849</u>	<u>67,523</u>	<u>66,005</u>	<u>5,082</u>
Gift Aid donation to ELBA	<u>-</u>	<u>(67,523)</u>	<u>-</u>	<u>-</u>
Profit for the financial year after Gift Aid	29,849	-	66,005	5,082
Balance brought forward	-	-	(102,769)	(107,851)
Balance carried forward	<u>29,849</u>	<u>-</u>	<u>(36,764)</u>	<u>(102,769)</u>

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. This loan was repaid in full on 29 March 2019.

25 Post Balance Sheet Events

The Trustees discussion of the effects of COVID-19 on the charitable company have been discussed in the Trustees Annual report on page 5. There are no post year end events that effect the year ended 31 March 2020.