

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 2021

**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 15/04/2020) R Knight (appointed 23/09/2020) 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 2021**

This year has been a year like no other. ELBA has operated through the entirety of 2020/21 under the varying levels of COVID-19 restrictions. Our focus throughout has been on relieving the impacts of the pandemic on the communities we serve. Despite all that, the financial position is stable and has strengthened during the year. We have had no recourse to the Government's COVID-19 assistance schemes. We have returned a small operating surplus across our charitable and trading activities, and are able to meet our objective to add modestly to our unrestricted reserves.

Support from our business supporters and contributors has been strong as they responded to the needs of the COVID-19 crisis.

While we had to undergo a complete transformation of service delivery from March 2020 onwards – moving everything we do online - we have been able to maintain the quality of the services and activities. Volumes of activity were constrained by COVID-19 as large team based events could not take place. However, 5,600 business people were engaged during the year.

As we look forward, we will maintain our focus 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.

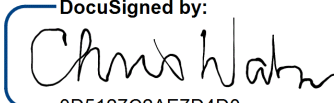
ELBA will also be keeping up the momentum on tackling longstanding inequality experienced by our Black, Asian and minority ethnic communities. While the initial conflagration of protest sparked by the murder of George Floyd has dissipated, the need to make greater and faster change remains and we will continue to look internally and externally at how we can improve ourselves and help others to make progress.

We also have taken a medium term view of the probable ESG priorities of our corporate supporters and recognise that increasingly they will want to tie their community engagement work to their sustainability, carbon reduction and climate response goals. This coincides with many of our local stakeholders adopting demanding targets for carbon-net zero and biodiversity gain. ELBA exists to make the links between business and local communities, and we will be developing a range of practical programmes which will contribute to the achievement of the targets and goals of both groups.

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. I would also like to thank all our business supporters for the amazing way they have stepped up to respond to the pandemic.

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 Rob Knight to the Board. I thank all members of the Board for their support and engagement.

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C I Watson
Chairman and Trustee
22 September 2021

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The Trustees present their report and audited consolidated financial statements for the year ended 31 March 2021.

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"), issued by The Charity Commission, 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 UK 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. Two new trustees, Rob Knight from Barings Investment, and K Ikram from Accenture, joined the Board during the year.

Governance

The ELBA Charity is a UK 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 UK 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 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 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 meeting quarterly, is charged with monitoring and reviewing the Charity's financial performance and that of its trading subsidiaries, in particular its financial outcomes. 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 managers and project managers. The senior management team comprises the Chief Executive, Group Finance Director, Deputy Chief Executive, the Director of Account Management & Communications (pt), and the Director of Partnership and Practice (pt). 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.

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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 effort 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 been refocussed on higher value, higher margin specialist services. This has proved successful and in 2020/21 London Works made a trading profit of £37.5k. £37k of this will be retained in the trading company to offset the remaining £37k of losses from previous years, and the balance of £731 will be gift aided up to ELBA.

Now that all previous losses have been covered, any future 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 £731 of Gift Aid to ELBA in 2020/21 (£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 2020/21 ELBA Works made a trading profit of £22k. There was £52k of Gift Aid to ELBA in 2020/21 (£nil),

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 on 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 practical programmes to bring about positive change in London by channelling the wide-reaching resources, people power 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.

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FOR THE YEAR ENDED 31 MARCH 2021**

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 support social enterprise.
- Promote and deliver fair and equal access to work based on merit, not background, help employers change recruitment practices and help individual people secure good jobs.
- Support progression in careers and increase earnings for those from disadvantaged backgrounds.
- Support successful transition for every young person from education to work and/or enterprise.

During 2020/21 our focus has been on responding to the impact of the COVID-19 pandemic. Initially, we focused on urgent needs, including food supply, help for young people and families learning at home, and support for the elderly and isolated. As the year progressed, we shifted our focus to the recovery priorities of the community we serve.

ELBA was fully active throughout the COVID-19 period and throughout 2020/21 we continued to work at scale in east London and beyond to deliver our goals and objectives. While the volume of volunteers was down on a normal year, there was still an incredible response from business people wanting to help local communities.

Key highlights from the year:

- 5,481 volunteers – 5,871 including BIG Alliance
- Drawn from over 79 supporter companies and other business partners
- Over 700 volunteering events, workshops and sessions delivered
- 70 companies supported our annual Toy Appeal, donating 22,648 toys, with a value of over £283k, more than double compared to last year
- Working with over 100 Community Partners
- 101 people into work
- 27 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.

We continued our Everyone's Business programme to tackle knife crime and serious youth violence and were awarded a second year of funding from the Mayor's Violence Reduction Unit. The Lottery funded Reducing Isolation programme was found to be very popular during periods of lockdown, and we successfully navigated ways to take activities to on-line and remote delivery.

During the year, the Hackney East programme completed its third and final year. It has been replaced by the Evolve programme, supported again by UBS, Linklaters and Société Générale, which will focus on building the capacity of community organisation in Hackney in the post COVID-19 period.

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

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people development objectives of our corporate partners. All support is delivered creatively through employee engagement. This includes 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.

All activity was taken on-line throughout 2020/21 and despite this we were able to maintain the level of input from business volunteers. As COVID-19 recedes, we will be seeking to help get learners back on track and to re-introduce face to face activity. In particular, the impact of business mentoring is greatest when students can meet their mentors in person, in the workplace of the mentor.

Employment

Employability skills

ELBA engages young jobseekers to raise their 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 through development of employability skills. During this last year we became a Trailblazer organisation and national partner for the SkillsBuilder framework, which is increasingly seen as the national framework for essential skills.

During the year we continued delivery of our award-winning Parity programme which supports the employment aspirations of young black men. We also delivered an engagement programme for the same group – Move on Up, and two further engagement programmes in Waltham Forest aimed at older black men and young black women.

We also became a Kickstart Gateway Plus employer under the Government's national programme and we will be recruiting, training and supporting 35 young unemployed people. Through generous COVID-19 recovery funding from ING, we will be able to give these young people in-depth digital skills training and also to provide work placements for young people who do not qualify for the Government's scheme.

Equate and Balance are our 2 new London Borough of Waltham Forest initiatives which exclusively support Black Communities in the borough. They are designed to support underemployed and COVID-19 displaced residents with access to opportunities and career-boosting activities, both are in the pilot stage, and we are developing a long term strategy to extend and expand our provision in the area. Feedback from the funder is so far incredibly positive.

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. London Works operates ELBA's Eagles and Student Associate programmes, which were reduced due to the COVID-19 crisis but still continued to operate throughout the year.

COVID-19 Crisis

The COVID-19 crisis has overshadowed the whole of this reporting period. In the space of 10 days, all ELBA's face to face activities came to a halt. We very quickly re-created 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

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

As the year progressed, we shifted ELBA's priorities to focus on the needs of the community in the post COVID-19 recovery period. This included:

- 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 £3.0m (2019/20 £2.3m).

As a general rule, around half of the ELBA core operating costs are covered and provided by the annual charitable contributions made by its business supporters. During 2020/21 we saw a net reduction of Core business supporters of 1, with six leaving, and five joining. Income from business now also comes via one-off sales and contributions, as well as project funding, and we have adapted our approach to reflect the many ways in which businesses wish to engage in the community.

Income from annual charitable donations from businesses was £688k, marginally down on the previous year (£711k). Overall income from business, including sales via ELBA Works and projects was £3m, compared to £2.3m in 2019/20.

The power and flexibility of the ELBA 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 together we 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 Portal Trust**.

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, ING, BUPA, Lloyd's and UBS** have all made additional contributions to specific projects in the year under review.

At an operating level, the main ELBA charity made a surplus of £47k, compared to a break even position last year. The £30k profit under ELBA Works achieved in 2019/20 is part of the Gift Aid this financial year.

Costs continued to be strictly controlled. During the year we renewed the lease on our main offices, taking a smaller footprint.

The expenditure on restricted fund projects totalled £1.8m and this was fully funded from the £523k of restricted funds brought forward from last year plus newly incoming restricted funds of £2.2m. 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 to cover between 3 and 6 months' of core operating costs – preferably at the higher end of the scale. ELBA maintains a designated Dilapidations Reserve, currently £30,000 and a reorganisation reserve, currently £11,000. A spend of £9k went through the reorganisation reserve which related to a VAT compliance review.

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FOR THE YEAR ENDED 31 MARCH 2021**

The Charity's unrestricted reserves at year end amounted to £423k (2019/20 £376k), together with designated reserves for reorganisation and dilapidations amounting to £41k (2019/20 £50k) making a total of £464k (2019/20 £426k). This equates to 4.1 months of running costs.

The Group unrestricted reserves at year end now matches that for the charity only - £423k (2019/20 £370k) - and the previous years' accumulated losses from London Works are now cleared.

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 continue to respond strongly to the need to address inequality and injustice suffered by the Black and Asian and minority ethnic communities of east London and beyond, as highlighted by the protests arising from the murder of George Floyd.

We will also be responding to the increasing attention given by our business supporters to carbon reduction and environmental impact. Likewise, local stakeholders are adopting demanding targets for carbon net zero and biodiversity gain. We will be developing a range of practical programmes to engage our business partners in hyper-local activity in the community.

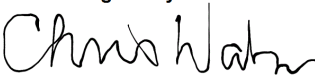
Fundraising Regulator statement

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 22 September 2021 and signed on its behalf by

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C I Watson
Chairman and Trustee

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2021**

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 2021 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 Cashflows, the Charity Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2021, 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 group and parent 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the trustees' report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we 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.

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

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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' annual 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. ; 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of 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 group and parent charitable company 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 group and parent charitable company financial statements, the trustees are responsible for assessing the group and parent 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 group or the parent 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 and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent charitable company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial

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

statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector.

- We determined the principal laws and regulations relevant to the group and parent charitable company in this regard to be those arising from Companies Act 2006, Charities Act 2011, Charities (Accounts and Reports) Regulations 2008 etc.), tax and employee legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management and review of minutes.
- We also identified the risks of material misstatement of the financial statements due to fraud. We did not consider there to be any other risks, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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 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.

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

15 Westferry Circus
Canary Wharf
London E14 4HD

5 November

2021

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

Company Number 04138032

	Notes	Unrestricted Funds			Total 2021 £	Total 2020 £
		General funds £	Designated funds £	Restricted funds £		
Income from:						
Donations	2	745,695	-	-	745,695	738,142
Charitable activities	3	-	-	2,177,946	2,177,946	1,508,846
Other trading activities	4	690,968	-	-	690,968	1,031,436
Investments	5	439	-	-	439	1,854
Other income	6	6,284	-	-	6,284	10,957
Total income		1,443,386	-	2,177,946	3,621,332	3,291,235
Expenditure on:						
Raising funds		20,561	-	-	20,561	20,415
Raising funds - trading activities		601,049	-	-	601,049	894,987
Charitable activities	7	758,986	9,000	1,831,051	2,599,037	2,268,362
Total expenditure		1,380,596	9,000	1,831,051	3,220,647	3,183,764
Net income		62,790	(9,000)	346,895	400,685	107,471
Transfers between funds	16c	(9,173)	-	9,173	-	-
Net movement in funds		53,617	(9,000)	356,068	400,685	107,471
Reconciliation of funds:						
Total funds brought forward		369,540	50,000	523,431	942,971	835,500
Total funds carried forward		423,157	41,000	879,499	1,343,656	942,971

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 2021**

Company Number 04138032

	Notes	Unrestricted Funds			Total 2021 £	Total 2020 £
		General funds £	Designated funds £	Restricted funds £		
Income from:						
Donations	2	798,699	-	-	798,699	738,142
Charitable activities	3	-	-	2,177,946	2,177,946	1,508,846
Investments	5	439	-	-	439	1,848
Other income	6	36,284	-	-	36,284	51,557
Total income		835,422	-	2,177,946	3,013,368	2,300,393
Expenditure on:						
Raising funds		20,561	-	-	20,561	20,415
Charitable activities	7	758,986	9,000	1,831,051	2,599,037	2,268,362
Total expenditure		779,547	9,000	1,831,051	2,619,598	2,288,777
Net income		55,875	(9,000)	346,895	393,770	11,616
Transfers between funds	16c	(9,173)	-	9,173	-	-
Net movement in funds		46,702	(9,000)	356,068	393,770	11,616
Reconciliation of funds:						
Total funds brought forward		376,455	50,000	523,431	949,886	938,270
Total funds carried forward		423,157	41,000	879,499	1,343,656	949,886

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.

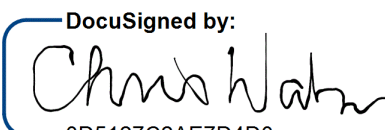
The accounting policies and notes on pages 18 to 27 form part of these financial statements.

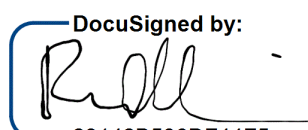
**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021**

Company Number 04138032

	Notes	2021		2020	
		£	£	£	£
Fixed Assets					
Tangible assets	12		41,099		52,516
Current assets					
Debtors	13	616,130		749,534	
Cash at bank and in hand		1,458,050		779,118	
		<u>2,074,180</u>		<u>1,528,652</u>	
Creditors: amounts falling due within one year	14a	<u>(751,623)</u>		<u>(598,197)</u>	
Net current assets			1,322,557		930,455
Creditors: amounts falling due after more than one year	14b		<u>(20,000)</u>		<u>(40,000)</u>
Net assets			<u>1,343,656</u>		<u>942,971</u>
Charity Funds					
Restricted funds	16a		879,499		523,431
Unrestricted funds	17		423,157		369,540
Designated Funds	16b		41,000		50,000
Total charity funds			<u>1,343,656</u>		<u>942,971</u>

The financial statements were approved by the Board and authorised for issue on 22 September 2021 and signed on its behalf

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 C I Watson
 Chairman & Trustee

DocuSigned by:

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 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 2021**

Company Number 04138032

	Notes	2021		2020	
		£	£	£	£
Fixed Assets					
Tangible assets	12		41,099		52,516
Current assets					
Debtors	13	450,937		552,117	
Cash at bank and in hand		1,082,469		491,078	
		<u>1,533,406</u>		<u>1,043,195</u>	
Creditors: amounts falling due within one year					
Net current assets	14a	<u>(230,849)</u>		<u>(145,825)</u>	
Net assets			<u>1,302,557</u>		<u>897,370</u>
			<u>1,343,656</u>		<u>949,886</u>
Charity Funds					
Restricted funds	16a		879,499		523,431
Unrestricted funds	17		423,157		376,455
Designated Funds	16b		41,000		50,000
Total charity funds			<u>1,343,656</u>		<u>949,886</u>

The financial statements were approved by the Board and authorised for issue on 22 September 2021 and signed on its behalf

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 C I Watson
Chairman & Trustee

DocuSigned by:

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 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 2021**

Company Number 04138032

	Notes	2021 £	2020 £
Cash flow from operating activities	18	692,914	60,799
Net cash flow (used in) / provided by operating activities		692,914	60,799
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12	(14,421)	(60,757)
Interest received from investment		439	1,854
Net cash flow provided by investing activities		(13,982)	(58,903)
Change in cash and cash equivalents in the year		678,932	1,896
Cash and cash equivalents at 1 April		779,118	777,222
Cash and cash equivalents at 31 March		1,458,050	779,118

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 2021**

Company Number 04138032

	Notes	2021 £	2020 £
Cash flow from operating activities	18	605,373	57,700
Net cash flow used in operating activities		605,373	57,700
Cash flow from investing activities			
Payments to acquire tangible fixed assets	12	(14,421)	(60,757)
Interest received from investment		439	1,848
Net cash flow provided by investing activities		(13,982)	(58,909)
Change in cash and cash equivalents in the year		591,391	(1,209)
Cash and cash equivalents at 1 April		491,078	492,287
Cash and cash equivalents at 31 March		1,082,469	491,078

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 2021**

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), 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 financials 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 2021.

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	33% 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 2022 and 2023. Taking into account the financial position at 22 September 2021 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 2021**

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.

2 Income from donations

Group	2021 £	2020 £
Recurring Contributions from Business Supporters	687,712	710,914
Ad Hoc Donations	57,983	27,228
	745,695	738,142

Income from donations was £745,695 (2020 - £738,142) all of which was attributable to unrestricted funds for both years.

Charity	2021 £	2020 £
Recurring Contributions from Business Supporters	687,712	710,914
Donations	57,983	27,228
Gift Aid receivable	53,004	-
	798,699	738,142

Income from donations was £798,699 (2020 - £738,142) all of which was attributable to unrestricted funds for both years.

3 Income from charitable activities (Group and Charity)

	2021 £	2020 £
Community Works	259,849	333,098
Education Works	310,284	238,720
Employment Works	668,101	394,909
Other	939,712	542,119
	2,177,946	1,508,846

Income from charitable activities was £2,177,946 (2020 - £1,508,846) all of which was attributable to restricted funds for both years.

4 Income from other trading activities

	2021 £	2020 £
Bureau agency fees receivable - London Works	655,188	969,976
Consultancy fees - ELBA Works	35,780	61,460
	690,968	1,031,436

Income from other trading activities was £690,968 (2020 - £1,031,436) 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 2021**

5 Income from investments

Group	2021 £	2020 £
Interest receivable	439	1,854

Income from other investments was £439 (2020 - £1,854) all of which was attributable to unrestricted funds for both years.

Charity	2021 £	2020 £
Interest receivable	439	1,848

Income from other investments was £439 (2020 - £1,848) all of which was attributable to unrestricted funds for both years.

6 Other income

Group	2021 £	2020 £
Services provided and other income	6,284	10,957

Other income was £6,284 (2020 - £10,957) all of which was attributable to unrestricted funds for both years.

Charity	2021 £	2020 £
Services provided and other	36,284	51,557

Other income was £36,284 (2020 - £51,557) 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	2021 £	2020 £
Community Works Projects	167,468	86,544	254,012	326,444
Education Works Projects	289,553	99,740	389,293	277,956
Employment Works Projects	221,611	184,782	406,393	435,165
Other Projects	723,474	57,879	781,353	471,733
CORE	767,986	-	767,986	757,064
	2,170,092	428,945	2,599,037	2,268,362

Expenditure on charitable activities was £2,599,037 (2020 - £2,268,362) of which £758,986 was attributable to unrestricted funds (2020 - £757,064), £9,000 was attributable to designated funds (2020 - £nil) and £1,831,051 was attributable to restricted funds (2020 - £1,511,298).

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

8 Allocation of support costs

	Community Works Projects £	Education Works Projects £	Employment Works Projects £	Other Projects £	2021 Total £	2020 £
Governance (see note 9)	1,361	1,013	2,191	660	5,225	6,293
HR & Admin	12,811	12,586	20,266	5,913	51,576	61,847
Finance & Management	29,795	29,207	47,286	13,978	120,266	90,509
Other Staffing	19,419	40,161	57,689	21,229	138,498	146,057
Office and Other Costs	23,158	16,773	57,350	16,099	113,380	129,071
Total	86,544	99,740	184,782	57,879	428,945	433,777

9 Governance costs

	Core	Projects	2021 £	2020 £
Accountancy	1,253	1,004	2,257	5,486
Audit	4,071	4,221	8,292	8,100
	5,324	5,225	10,549	13,586

10 Trustees

None of the Trustees (or any person connected with them) received any remuneration or benefits from the charity during the year (2020 - £Nil).

11 Employees

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

Group	2021 Number	2020 Number
Chief Executive	1	1
Administration	4	4
Project delivery	33	34
Interns	-	3
East London Business Place	6	5
Eagles	16	17
London Works (Temporary Staff)	-	8
London Works (Establishment Staff)	-	-
	60	72

Charity

	2021 Number	2020 Number
Chief Executive	1	1
Administration	4	4
Project delivery	33	34
Interns	-	3
East London Business Place	6	5
	44	47

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Group	2021	2020
	£	£
Wages and salaries	1,958,609	2,117,757
Social security costs	189,685	203,680
Other pension costs	70,682	67,845
	2,218,976	2,389,282

The total amount of employee benefits received by key management personnel during the year was £270,576 (2020 - £274,865). The contribution payable by the company for these employees for the year was £8,491. The Charity considers its key management personnel to comprise the Chief Executive, Managing Director and Group Finance Director.

Charity	2021	2020
	£	£
Wages and salaries	1,628,288	1,570,313
Social security costs	166,210	159,880
Other pension costs	63,512	58,716
	1,858,010	1,788,909

The total amount of employee benefits received by key management personnel during the year was £270,576 (2020 - £274,865). The contribution payable by the company for these employees for the year was £8,491. 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):

	2021	2020
	Number	Number
£60,000 to £69,999	1	1
£70,000 to £79,999	2	2
£80,000 to £89,999	1	-
£90,000 to £99,999	-	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 £11,558 (2020 - £11,706).

12 Tangible Fixed Assets (Group and Charity)

	Computer Equipment £	Total £
Cost		
At 1 April 2020	72,496	72,496
Additions	14,421	14,421
Disposals	-	-
At 31 March 2021	86,917	86,917
Depreciation		
At 1 April 2020	19,980	19,980
Charge for the year	25,838	25,838
On disposals	-	-
At 31 March 2021	45,818	45,818
Net book value		
At 31 March 2021	41,099	41,099
At 31 March 2020	52,516	52,516

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

13 Debtors

Group	2021	2020
	£	£
Grants and donations receivable	556,064	678,862
Other debtors	15,336	15,776
Prepayments and accrued income	44,730	54,896
	616,130	749,534
Charity	2021	2020
	£	£
Grants and donations receivable	371,879	460,590
Amounts owed by group undertakings	23,155	22,500
Other debtors	15,336	15,777
Prepayments and accrued income	40,567	53,250
	450,937	552,117

Included within Other debtors of both Group and Company is an amount of £15,000 which is receivable after more than one year (2020 - £15,000) being the office rent deposit. There were no staff loans receivable after more than one year (2020 - £NIL).

14a Creditors: amounts falling due within one year

Group	2021	2020
	£	£
Purchase ledger balances	44,722	15,074
Other creditors	55,449	62,897
Accruals	84,475	24,294
VAT	69,917	46,894
Grants received in advance	477,060	429,038
Loan repayable to Greater London Authority	20,000	20,000
	751,623	598,197
Charity	2021	2020
	£	£
Purchase ledger balances	42,033	11,926
Amounts owed to group undertaking	4,800	-
Other creditors	54,347	60,705
Accruals	68,669	15,194
Grants received in advance	61,000	58,000
	230,849	145,825

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

Group	2021	2020
	£	£
Loan repayable to Greater London Authority	20,000	40,000
	20,000	40,000

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 2021**

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 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2021 £
Community Works	83,367	259,849	254,012	4,994	94,198
Education Works	201,576	310,284	389,293	29,101	151,668
Employment Works	97,334	668,101	406,393	13,000	372,042
Other	141,154	939,712	781,353	(37,922)	261,591
	<u>523,431</u>	<u>2,177,946</u>	<u>1,831,051</u>	<u>9,173</u>	<u>879,499</u>

	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>

16b Unrestricted designated funds (Group and Charity)

	Balance at 1 April 2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	Balance at 31 March 2021 £
Reorganisation Reserve	20,000	-	9,000	-	11,000
Dilapidations reserve	30,000	-	-	-	30,000
	<u>50,000</u>	<u>-</u>	<u>9,000</u>	<u>-</u>	<u>41,000</u>

	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>

**EAST LONDON BUSINESS ALLIANCE
(LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
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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 2021
Tangible fixed assets	41,099	-	-	41,099
Net Current assets	402,058	41,000	879,499	1,322,557
Creditors falling due after more than one year	(20,000)	-	-	(20,000)
	<u>423,157</u>	<u>41,000</u>	<u>879,499</u>	<u>1,343,656</u>
	Unrestricted funds	Designated funds	Restricted funds	Total 2020
Tangible fixed assets	52,516	-	-	52,516
Net Current assets	345,326	50,000	535,129	930,455
Creditors falling due after more than one year	(40,000)	-	-	(40,000)
	<u>357,842</u>	<u>50,000</u>	<u>535,129</u>	<u>942,971</u>
	Unrestricted funds	Designated funds	Restricted funds	Total 2021
Tangible fixed assets	41,099	-	-	41,099
Net Current assets	382,058	41,000	879,499	1,302,557
	<u>423,157</u>	<u>41,000</u>	<u>879,499</u>	<u>1,343,656</u>
	Unrestricted funds	Designated funds	Restricted funds	Total 2020
Tangible fixed assets	52,516	-	-	52,516
Net Current assets	312,241	50,000	535,129	897,370
	<u>364,757</u>	<u>50,000</u>	<u>535,129</u>	<u>949,886</u>

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

Group	2021	2020
	£	£
Net income for year	400,685	107,471
Interest from investments	(439)	(1,854)
Depreciation of tangible fixed assets	25,838	16,067
Decrease in debtors	133,404	55,507
Increase / (decrease) in creditors	133,426	(116,392)
	<u>692,914</u>	<u>60,799</u>
Net cash flow from operating activities	692,914	60,799

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Charity	2021	2020
	£	£
Net income for year	393,770	11,616
Interest from investments	(439)	(1,848)
Depreciation of tangible fixed assets	25,838	16,067
Decrease in debtors	101,180	101,759
Increase / (decrease) in creditors	85,024	(69,894)
Net cash flow from operating activities	605,373	57,700

19 Contingent liabilities

There were no contingent liabilities at 31 March 2021 (2020 - None).

20 Group commitments under operating leases

At 31 March 2021 the group had commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2021	2020	2021	2020
Falling due (Expiry date):	£	£	£	£
Not later than one year	60,694	86,008	13,097	17,747
Later than one and not later than five years	182,081	247,763	12,528	23,819
	242,774	333,771	25,625	41,566

21 Capital commitments

There were no capital commitments at 31 March 2021 (2020 - 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 group during the year:

	2021	2020
	£	£
C I Watson, Partner CMS Cameron McKenna Nabarro Olswang	37,000	18,000
A Rakowski, Representative of Macquarie	134,038	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)	139,683	123,495
T Waldron, Representative of CH & Co	-	10,000
R Knight, Representative of Barings (appointed 23 September 2020)	30,000	-
<i>London Works Director:</i> <i>W Carr, Partner CMS Cameron McKenna Nabarro Olswang</i>	37,000	

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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	
	2021	2020	2021	2020
Turnover	35,780	61,460	655,188	969,976
Administrative expenses	<u>(13,356)</u>	<u>(31,617)</u>	<u>(617,693)</u>	<u>(903,971)</u>
Profit on ordinary activities before taxation	22,424	29,843	37,495	66,005
Tax on profit on ordinary activities	-	-	-	-
Interest receivable	-	6	-	-
Profit for the financial year	<u>22,424</u>	<u>29,849</u>	<u>37,495</u>	<u>66,005</u>
Gift Aid donation to ELBA	<u>(52,273)</u>	<u>-</u>	<u>(731)</u>	<u>-</u>
Profit for the financial year after Gift Aid	(29,849)	29,849	36,764	66,005
Balance brought forward	29,849	-	(36,764)	(102,769)
Balance carried forward	<u><u>-</u></u>	<u><u>29,849</u></u>	<u><u>-</u></u>	<u><u>(36,764)</u></u>

24 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 2021.