

COMPANY NO: 01825391

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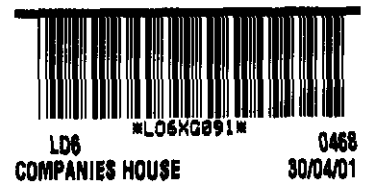
# HACKNEY BUSINESS VENTURE LIMITED

A Company Limited By Guarantee  
REPORT AND FINANCIAL STATEMENTS

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*Year ended 30<sup>th</sup> June, 2000*

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**HACKNEY BUSINESS VENTURE LIMITED  
(A COMPANY LIMITED BY GUARANTEE)**

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**HACKNEY BUSINESS VENTURE LIMITED**  
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**COMPANY INFORMATION**

Directors	M G M Haines (Chair) G Harwood (Vice Chair) S M Agass I S Anderson OBE C Cox M P Deutz S J Evans B N Marsh D Pyatt M S Siddiqui A K Stewart-Roberts J Tholstrup [resigned 14/6/00]
Secretary	S M Pilling
Registered office	3 <sup>rd</sup> Floor, Netil House, 1-7 Westgate Street London E8 3RW From 21 <sup>st</sup> February, 2001 34 + 36 Dalston Lane London E8 3AZ
Registered number	01825391
Auditors	RSM Robson Rhodes Chartered Accountants 186 City Road London EC1V 2NU
Bankers	Barclays Bank plc Holloway & Kingsland Group P O Box 3628 London E8 2JX

**HACKNEY BUSINESS VENTURE LIMITED  
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**REPORT OF THE DIRECTORS**

The Board of Directors present their report and the audited financial statements for the year ended 30<sup>th</sup> June, 2000.

**Principal activities**

The main aim of the group continues to be to encourage the development of small businesses and employment opportunities mainly in the London Borough of Hackney.

**Business review and future developments**

HBV has continued to develop its core business of delivering start-up and micro business support within the Borough of Hackney and surrounding Boroughs and has been successful in securing work to supplement the carry-over contracts. Contract value has increased by 28%, which is in line with the projections of the three-year business plan.

HBV has continued to develop partnership relationships, which is seen as critical to maintaining its client base.

The major focus this year has been on fund raising to achieve the relocation of the business, which was successfully achieved in March, 2001.

**Results and dividends**

The surplus for the year was £1,118 (1999: £2, 065).

Each member of the Company has guaranteed to contribute a sum not exceeding £1 to the assets of the company in the event of it being wound up and unable to pay its debts.

At 30<sup>th</sup> June, 2000 the Company had 12 members (1999 - 12).

**Directors**

The directors and secretary at the date of this report are set out on page 2.

Each director is also a member of the Company.

**Statement of directors' responsibilities for the financial statements**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable accounting standards; and
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

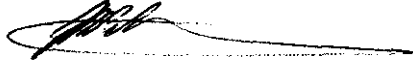
**HACKNEY BUSINESS VENTURE LIMITED  
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**Auditors**

The auditors, RSM Robson Rhodes being willing to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

The report of the directors was approved by the Board on 27/4/2001 and signed on its behalf by:



S M Pilling - Secretary

**HACKNEY BUSINESS VENTURE LIMITED  
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**AUDITORS' REPORT TO THE MEMBERS OF  
HACKNEY BUSINESS VENTURE LIMITED**

We have audited the financial statements on pages 6 to 12 which have been prepared on the basis of the accounting policies set out on page 8.

**Respective responsibilities of directors and auditors**

As described on page 3 the Company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 30<sup>th</sup> June, 2000 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



RSM Robson Rhodes  
Chartered Accountants and Registered Auditor  
186 City Road  
London EC1V 2NU

**HACKNEY BUSINESS VENTURE LIMITED**  
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**INCOME AND EXPENDITURE ACCOUNT**  
for the year ended 30th June, 2000

	<b>Note</b>	<b>2000</b> <b>£</b>	<b>1999</b> <b>£</b>
<b>Income</b>	1	403,408	314,427
Less - Administrative expenses		(402,688)	(352,200)
		<hr/>	<hr/>
<b>Operating surplus/(deficit) - continuing operations</b>	2	720	(37,773)
Interest receivable and lease premium	5	589	40,153
Interest payable		(191)	(201)
		<hr/>	<hr/>
<b>Surplus on ordinary activities before taxation</b>		1,118	2,179
Tax on ordinary activities	6	-	(114)
		<hr/>	<hr/>
<b>Surplus on ordinary activities after taxation transferred to reserves</b>	12	1,118	2,065
		<hr/> <hr/>	<hr/> <hr/>

There were no material recognised gains nor losses during the year ended 30th June, 2000 other than as stated above.

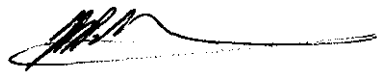
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**BALANCE SHEET**  
at 30th June, 2000

	Note	2000 £	1999 £
<b>Fixed assets</b>			
Tangible assets	7	2,152	2,828
Investments	8	3	3
		<u>2,155</u>	<u>2,831</u>
<b>Current assets</b>			
Debtors	9	120,212	57,899
Cash at bank and in hand		7,555	321
		<u>127,767</u>	<u>58,220</u>
<b>Creditors: Amounts falling due within one year</b>	10	(115,617)	(47,864)
		<u>12,150</u>	<u>10,356</u>
<b>Net current assets</b>		<u>14,305</u>	<u>13,187</u>
<b>Total assets less current liabilities</b>		<u>14,305</u>	<u>13,187</u>
<b>Net assets</b>		<u>14,305</u>	<u>13,187</u>
<b>General funds</b>	11	12,575	11,457
<b>Restricted funds</b>	11	1,730	1,730
	12	<u>14,305</u>	<u>13,187</u>

The financial statements were approved by the Board on 27.9.00 and signed on its behalf by:

S. M. Agas.

  
Secretary



**HACKNEY BUSINESS VENTURE LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS**

**30<sup>th</sup> June, 2000**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards under the historic cost convention. The company is not required to prepare group accounts because the group qualifies as medium-sized under section 249 of the Companies Act 1985.

**Income**

Income comprises the invoiced value of goods and services supplied, net of value added tax and trade discounts together with donations received with respect to the general activities of the venture.

**Fixed assets**

Certain fixed asset donations-in-kind have been included in the accounts, at an estimate of market value.

**Depreciation**

Depreciation is provided on the straight line basis on cost, or valuation, so as to write off the cost of assets over their estimated useful lives as follows:

Office equipment	25% per annum
Computer equipment	33.3% per annum

**Taxation**

The company is a registered enterprise agency and is not subject to corporation tax on normal activities. The company does pay corporation tax on interest received at the current rate of tax.

**Funds**

The funds of the company are classified as follows:

General funds: where the funds may be used for operational purposes.

Restricted funds: where the funds are allocated for specific activities of the group.

**Leased assets**

Where assets are financed by leasing agreements ("finance leases") the assets are included in the balance sheet at cost less depreciation in accordance with the group's normal accounting policies. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

**Pensions**

The company operates a defined contribution pension scheme for all full-time staff, including the CEO, but excluding non-executive directors. The assets of the scheme are invested and managed independently of the finances of the company. The pension cost charge represents contributions payable in the year.

**HACKNEY BUSINESS VENTURE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
30th June, 2000

**2. OPERATING SURPLUS**

Operating surplus for the year is arrived at after charging:

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Depreciation	718	1,804
Auditors' Remuneration	5,000	5,000
	<u>          </u>	<u>          </u>

**3. EMPLOYEES**

The Company employed on average 8 (1999 -7) people during the year at a cost of:

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Wages and salaries	196,362	154,126
Social security costs	19,346	15,028
Other pension costs	6,257	7,476
Secondments	-	22,896
	<u>          </u>	<u>          </u>
	221,965	199,526
	<u>          </u>	<u>          </u>

**4. DIRECTORS**

The aggregate amount of emoluments paid to, or received by the directors during the year was £61,584 (1999 - £60,660). No remuneration was paid by related companies to directors of the company during the year (1999 - £nil).

**5. INTEREST RECEIVABLE**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Bank Interest	589	153
Lease premium	-	40,000
	<u>          </u>	<u>          </u>
	589	40,153
	<u>          </u>	<u>          </u>

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NOTES TO THE FINANCIAL STATEMENTS  
 30th June, 2000

**6. TAX ON ORDINARY ACTIVITIES**

Corporation tax of £Nil (1999: £114 at 21%) is charged for the year.

**7. FIXED ASSETS**

	Computer equipment £	Office equipment £	Total £
<b>Cost</b>			
At 1st July, 1999	40,165	14,814	54,979
Additions	42	-	42
	<hr/>	<hr/>	<hr/>
At 30th June, 2000	40,207	14,814	55,021
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1st July, 1999	37,788	14,363	52,151
Charged in year	605	113	718
	<hr/>	<hr/>	<hr/>
At 30th June, 2000	38,393	14,476	52,869
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 30th June, 2000	1,814	338	2,152
	<hr/>	<hr/>	<hr/>
At 30th June, 1999	2,377	451	2,828
	<hr/>	<hr/>	<hr/>

**8. INVESTMENTS**

As the Company has developed, it has set up or acquired separate companies to carry out distinct activities; in respect of these the Company has guaranteed to contribute a sum not exceeding the amount specified below to the assets of related companies in the event of being wound up and unable to pay their debts.

	£
Hackney Business Centre Limited (a property management company)	1
UBS Warburg Enterprise Fund Limited (an investment company)	2
	<hr/>

**HACKNEY BUSINESS VENTURE LIMITED**  
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NOTES TO THE FINANCIAL STATEMENTS  
30th June, 2000

**8. INVESTMENTS (continued)**

In addition, the company owns the whole of the issued share capital of Hackney Enterprise Fund Limited (an investment company), and the whole of the issued share capital of Business Solutions (London) Limited.

The results for each of these companies for the year ended 30th June, 2000 are as follows:

	Surplus/ (deficit)	Capital and Reserves
Hackney Business Centre Limited	(1,668)	(1,206)
UBS Warburg Enterprise Fund Limited	(37,866)	146,347
Hackney Enterprise Fund Limited	(20,487)	(291,216)
Business Solutions (London) Limited	(6)	43
	<u>          </u>	<u>          </u>

The deficit on capital and reserves of Hackney Enterprise Fund Limited is arrived at after deducting an interest free loan of £350,000 (1999: £350,000) which is subordinated and is only repayable in the event of the company being wound up.

**9. DEBTORS**

	2000 £	1999 £
Trade debtors	90,318	44,178
Amounts owed by related company	1,448	1,125
Other debtors	17,796	528
Prepayments and accrued income	10,650	11,771
VAT liability	-	297
	<u>          </u>	<u>          </u>
	120,212	57,899
	<u>          </u>	<u>          </u>

**HACKNEY BUSINESS VENTURE LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**30th June, 2000**

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Bank overdraft	-	8,263
Trade creditors	41,921	17,329
Amounts owed to related companies	671	1,989
Corporation tax	166	323
Other creditors including taxation and social security	61,725	9,516
Accruals and deferred income	11,134	10,444
	<u>115,617</u>	<u>47,864</u>

**11. RESERVES**

	<b>General fund- Accumulated surplus</b>	<b>Restricted funds</b>
At 30th June, 1999	11,457	1,730
Surplus/(deficit) on general activities for the year	1,118	-
	<u>12,575</u>	<u>1,730</u>

**12. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS**

	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Retained surplus/(deficit) for the year	1,118	2,065
(Repayments)/advances of restricted funds	-	(160,000)
	<u>1,118</u>	<u>(157,935)</u>
Opening Members' funds	13,187	171,122
	<u>14,305</u>	<u>13,187</u>

**13. RELATED PARTY TRANSACTIONS**

The Company has taken advantage of the permitted exemptions under FRS 8, whereby transactions between companies, 90% or more of whose voting rights are controlled within the group, are not required to be disclosed as related party transactions.