

Launch It Trust
Annual Report and Financial Statements
for the year ended 31 December 2020

Charity Registration Number: 1086850
Company Number: 4133046



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CHIEF EXECUTIVE'S REPORT

Launch It Trust is a charity that enables young entrepreneurs from challenged backgrounds to achieve their potential. Helping young people to become self-employed supports financial independence, social mobility and builds confidence but in the most deprived areas, people are less likely to be self-employed. Affordable workspace helps the business to grow and allied with intensive support enables us to address the lack of confidence, skills, and funding which many young people find are their greatest barriers to success.

As I write this report, we seem to have come through the worst of the COVID-19 crisis, something which has affected us all in a variety of ways. The onset of the Coronavirus Pandemic left vast swathes of the economy in serious financial trouble and charities were no exception: The National Council for Voluntary Organisations estimated that a minimum of £4.3 billion in income has been lost because of COVID-19, and some suggest that this figure could be the tip of the iceberg when it comes to lost funding for the sector over the next 12 months. As with all charities we are still managing the fallout from the pandemic but are confident that we have come through the worst and are in a good state to meet our next set of challenges.

We have been very fortunate to receive financial assistance and personal support from both our long-term funders, new organisations and people who have recognised the importance of the work we do in the present climate. We also recognise the young people we work with need our support now more than ever, with supporting them with their mental health needs being one of our top priorities.

In March 2020 Launch It took the decision to furlough all but one member of staff, which enabled us to save money but also ensure the young people we work with had some level of support. As the year progressed, we decided to furlough some members of staff for a second time, again to save money, but also to support some staff who were having issues with home schooling and ongoing support. We were lucky enough to receive government funding through the furlough scheme to support these decisions. These set of circumstances also highlighted the importance of supporting staff through difficult times, giving them space and time, and finding ways in which they can access external support.

We also made the decision to give all our young entrepreneurs a rent-free period at all our centres during the worst of the pandemic. This enabled nearly all the businesses we work with to survive this difficult period. Although this had a major impact on Launch It's income this was a decision all felt was not only extremely important in relation to our support for these businesses but also a moral obligation on our behalf.

2020 has been a year of growth, change and forward planning, whilst still aiming to develop the Launch It Trust as an advocate, supporter, and trainer of young entrepreneurs. We have consolidated our plans by ensuring we focus on our business plan and have underpinned all developments with a robust operational plan and planning process. We have also used the time to re-visit our policies and procedures and provide staff with both team and individual personal development opportunities.

2020 has been very successful in terms of fundraising. Our fundraising team have exceeded expectations and worked extremely hard to consolidate our relationships with existing funders and develop relationships with several new supporters. We are still working hard on developing partnerships with local authorities across the country with the aim of replicating the Launch It model in areas of the country where we feel we can make the biggest impact. We are planning this in a strategic fashion to ensure we can retain our focus; ensure we have support mechanisms in place and do not overstretch the organisation.

Our finances are in a stable position considering the current situation and we are working towards retaining reserves of £150k.

In 2020 we opened our second Launch It franchise, when Launch It Paisley became operational. Unfortunately Launch It Paisley was opened just as the pandemic took grip and it therefore took some time for the charity to start delivering. From this inauspicious start Launch It Paisley has gone from strength to strength, with a group of committed trustees in place, a new centre manager and a building which is now full. We are looking forward to supporting the on-going development of this new addition to the Launch It family. We are also in the process of pursuing leads for further sites in various parts of the country. Once again, COVID-19 has put the brakes on these developments with council priorities being moved into other areas, but we will be looking to pick these relationships up as soon as we can.

We continue to support our first Launch It franchise, Launch It Dundee with the charity establishing itself as key player in the Dundee area and local community. Launch It Dundee has been successful in a number of ways including working with a range of young people both in person and virtually; offering a range of training workshops and developing a range of local partnerships.

One project we are very proud of and we continue to deliver is the Opportunity Fund. This is a partnership programme with the Blagrove Trust and the Paul Hamlyn Foundation. Through this programme we are supporting 9 socially conscious entrepreneurs to build their business and deliver community support programmes. Along with our support the entrepreneurs receive £651 per month regular funding and a £1000 business grant. This is our second cohort of young people who are accessing this programme and they are proving a very confident and hardworking set of young entrepreneurs.

During the past twelve months we have been delivering our Money Talks programme, a financial skills training programme which is funded over 3 years by The Swire Charitable Trust. The programme provides group training, individual mentoring, and advice on a range of financial topics including business structure, tax liability, accounting records and budgeting and cashflow. Sessions are delivered virtually by qualified accountants. We have worked with 48 young people and over 95% agree that the sessions have increased their confidence and ability to run a business which is a clear indication of the programme's success so far. We would like to thank Alison and Gary Robinson from AIMS Accountants for all their hard work in delivering this programme.

2020 and 2021 has seen us develop our mentoring programme to a much fuller extent. This has included increasing our mentor bank to 25 mentors and introducing training programmes for both the mentors and mentees. We have used technology to recruit mentors from as far afield as San Francisco and Mumbai. We would like to express our thanks to Mike Turner, a Launch It volunteer who has worked hard to make this all possible.

During 2020 Launch It embarked on a research project with small business support agency, Enterprise Nation, in order to gain new insights into youth entrepreneurship in the UK. In September 2020 the Level Up report was launched with a virtual round table conference being held. This was chaired by James Daly MP, chair of the All-Party Parliamentary Group on Youth Employment. This report highlighted some extremely interesting and important points and was shared among several influential organisations. It also showed the high regard in which the young people we work with hold Launch It.

We have held two major training sessions for staff from across the Launch It family in 2020. The first focused on strategy and visioning and the second on the asset-based approach to working with young people. We would like to thank Mike Turner a Launch It volunteer for delivering the visioning session and Colin Falconer from Inspire Chilli for introducing some of the staff and re-engaging others with advantaged thinking.

In terms of staffing, we continue to have a small core team and we bring in additional resources as and when required. This has not negatively impacted on our ability to help young people achieve

their potential with the team working hard to support each other. I would like to acknowledge the contribution made by the whole staff team who have turned their hand to several 'jobs' which sit outside of their job description. They have also worked hard to ensure young people received as much support as possible during a very trying time alongside embracing a new way of working by providing a support through various virtual platforms. The team are hardworking, supportive, and really believe in what the organisation does.

We now operate three centres in London; located in Southwark and two in Tottenham. All our centres are working at full capacity and the demand for studio space has increased since the global pandemic. Unfortunately, we had to close our site in Merton in July 2021. We would like to thank MOAT Housing Association for their support during the time the centre was operational and look forward to working with them in the future. We are always looking for potential new sites across London as the demand for our services is as strong as ever and are hoping to open one new centre in London in 2021/2022.

We continue to seek the opinions of the young people we work with to both develop and improve our services. We have held four CEO forums which were well attended as well as holding a focus group for our clients enabling us to dig deeper into some of the issues in relation to monitoring and evaluation which all organisations find challenging.

One piece of bad news was our legal trustee Tony Marks decided it was time to move on. Tony had been a trustee for several years and was an invaluable source of information and support in relation to any legal matters concerning the charity. I would like to take this opportunity on behalf of all to thank Tony for all his help and support and wish him all the best for the future.

On the plus side we welcomed Leone McKinley to board of trustees in December 2020. We look forward to working with Leone in the future.

The young people we meet at Launch It have challenges and have suffered setbacks, but they also have huge assets. Our job is to inspire them, support them and release their potential, so that they can thrive in their local communities, work hard, and enable the society in which they live to prosper. We owe it to the young people we work with to do the best we can for them at all times.

I would like to take this opportunity to thank all the individuals and organisations who make our work possible. The ongoing support and the commitment of our trustees, partners, supporters, and volunteers over the last 21 years has enabled us to work with in excess of 11,000 young people as well as transforming the lives of more than 2000 young entrepreneurs by supporting them to start on their self-employment journey giving them the skills, space and support they need to take control of both their lives and their futures.



Pat Shelley
Chief Executive Officer
September 2021

Trustees Annual Report including Directors Report

Reference and Administrative Details

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

Directors and Trustees

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report they are collectively known as the trustees.

Chairman of trustees	Philip Howard
Trustees	Rebecca Byrne Michael Higgin Anthony Marks – resigned 14/12/2020 Leone McKinley – appointed 14/12/2020 Jan Pethick Michael St Aldwyn Joanna Rowelle
Chief Executive	Pat Shelley
Charity Number	1086850
Company Number	4133046
Registered Office	Tottenham Green Enterprise Centre Town Hall Approach Road Tottenham N15 4RX
Auditors	Kevin J Rhind Corner Cottage Hempstead Norwich NR12 0SH
Bankers	CAF Bank Kings Hill West Malling Kent ME19 4TA

Objectives and Activities

Launch It Trust is dedicated to helping young entrepreneurs start and grow successful businesses. We do this by providing affordable business space for two years, as well as advice, support and mentoring.

Over the course of their time with us, they graduate to paying market rent, later moving on and vacating their unit for another start-up. Launch It Trust started in 2000 and in 2020 has 105 units in four business centres in London in Tottenham, Southwark and Merton. We also support two separate charities operating under the Launch It name in Scotland. These sites are located in Dundee and Paisley.

Our beneficiaries have a business idea, but don't have the financial means to rent commercial premises, or the social and business networks to help them get started or generate the levels of sales needed to make the business sustainable.

We believe self-employment supports social mobility and that for young people it is one route out of unemployment, and as a result, improves their situation and enables them to achieve financial independence. We want to make self-employment accessible to young people with a good idea and the enthusiasm and commitment to turn it into reality – regardless of whether they have the money, family background or social networks to help them.

Our mission

Our mission is to empower enterprising young people, who face challenges, to build bright futures by providing the space, tools and support they need to start and grow a sustainable business, develop their skills and attain financial independence doing something that they are passionate about.

Who we help?

Our beneficiaries are aged 18-30 and usually unemployed or underemployed. Many come from deprived inner-city areas where our centres are located.

How we work

Through our enterprise centres, we offer low cost premises from which young entrepreneurs can develop their businesses, alongside on-site advice, support and mentoring. We build relationships in the communities from which we draw our clients, so that we understand and respond to local needs.

In London, the high levels of commercial rent, coupled with the demand for large deposits, exclude most young people from becoming business-owners. Our low-rent, high-support model is highly effective. Each of our centres has a community culture that is cultivated by our committed centre managers, who encourage businesses to network and trade with each other, and to take up the opportunities that we offer them.

As part of our provision we run a pre-start programme called Step Invest in You which enables young people to explore whether self-employment is an option for them. Typically, they have a business idea or possess a skill which they feel could be put to good use. This has included creative design, fashion, and arts and crafts. Their ideas need developing and so with our support they can create a viable business model that can move them off benefits and into business. The programme ran from our Southwark centres where clients explored enterprise, developed skills, tested their business idea in a supportive environment and were supported into positive outcomes in a bespoke approach.

We help entrepreneurs:

- Develop their business idea, create a viable business plan and help them access and apply for start-up funding.
- By providing a subsidised (sub-market rent) space on a sliding scale, reaching commercial levels over 2 years.
- By supporting them within our centre for 2 years, giving on-site support from the Centre Manager and a mentor.

We are very proud of our track record. Launch It Trust started 19 years ago and has helped more than 1,700 young people. Over 80% of our young people have achieved a positive outcome of either continuing to trade or using the experience they've gained to find employment.

Performance and Achievements

Summary of achievements

- In 2020 we worked with 212 young people across our enterprise centres and through our enterprise programmes. Our business support managers undertook 167 pre-start advice sessions through workshops and training programmes.
- 110 young people were supported at entry level; 65 young people were supported at mid-level; 38 young people were supported at intensive level; 37 young people were welcomed at incubation level. (see Note 1)
- 37 new clients, running 25 businesses moved into our studio spaces and we supported an additional 12 to get started through our outreach programme. We are currently supporting 42 businesses through our intensive 2-year business support programme.
- 16 businesses moved on from Launch It Trust of which 12 were still trading at the point of departure, 2 took up employment and only 2 ceased trading. This represents a positive outcome for 87.5% of our departing tenants with 75% continuing to trade.
- Through the Opportunity Fund 9 young people have been supported to start a business and have been paid a monthly stipend of £651 alongside having £1,000 invested into their business.
- We undertook a business bootcamp for the new Opportunity Fund participants, the first time we had tried this approach.
- Launch It trust Paisley became fully operational through our social franchisee model in 2020 and is now a separate independent charity.
- In September 2020, we launched the Level Up report which was shared across partners and we held a virtual round table conference which was chaired by James Daly MP
- We held a strategy and visioning workshop for all Launch It staff.
- We held a workshop focusing on advantaged thinking for all Launch It staff.
- Our CEO Pat Shelley was asked to chair the Self-Employment Group, a nationwide monthly networking session for all organisations interested in young people and self-employment. This group is supported by the Youth Employment Group.
- Our Money Talks programme worked with 49 young people with 95% of participants saying that the sessions have increased their confidence and ability to run a business
- We have continued to expand our mentoring programme with funding from The Tallow Chandlers Company. 25 new mentors have been recruited and have taken part in our new training programme and we have used technology to expand our mentoring programme outside the UK.

- We held 4 CEO forums for the young people we work with to give feedback on the organisation and advise on changes and improvements.
- Sharmika Dockery-Thomas, one of our young entrepreneurs, attended parliament to talk about how her business supports young single mothers.
- Awis Parvaiz, another of our young entrepreneurs, attended a monthly policy session with Enterprise Nation where 15 founders meet the Prime Ministers business adviser.
- In March 2021 Micaela Hall-Ramsey, a Launch It alumnus, was unveiled as the first black female and youngest chair of the London Youth Games since the game started in 1977.
- During Global Entrepreneurship Week one of our Enterprise Advisers, Cliff Dobbs, gave a talk in conjunction with the Business Library to young people aged 16-18 years on the importance of business planning during the pandemic.
- During Black History month, Launch It wanted to recognise and celebrate some of our current businesses and particular our black female founders by arranging a series of case studies interviews with some of our black businesses. These were then released nationally through our social media outlets.

Note 1: Entry level: Up to 1 hour's support; Mid-Level: 2-3 hours support; Intensive level: Minimum of 6 hours support; Incubation level: Signed up to 2 years support programme.

Strategic Objectives

The trustees have set the following strategic objectives:

- to increase the number of centres we operate by one per year over the next 2 years
- to operate a model that ensures each centre is financially sustainable and contributes to the central running costs of the Charity
- to reach a position whereby any fundraising undertaken is used to fund growth and any shortfall in covering the central costs of the Charity

Governance and Management

Public Benefit

We have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. All our charitable activities focus on advancement opportunities to allow young people to develop their capabilities, enable them to improve their economic wellbeing, and to reduce or eliminate their reliance on state support.

Objectives

The trustees are responsible for the overall policies and direction of Launch It Trust. The day-to-day management of the Charity is delegated to our staff team; Chief Executive and Centre Managers.

The trustees meet four times a year to review strategy, planning, development, financial and administrative matters. In addition, the Chair meets the Chief Executive on a regular basis to discuss and deal with issues that emerge between the meetings of trustees.

Fund-raising Standard Information

The Trust employs two members of staff to obtain grants and donations from a variety of charitable organisations, corporate funders, the public sector and private individuals. In addition, it receives rents from clients and commercial tenants from its operational sites.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. It looks at the success of each key activity and the benefits these activities have brought to the people we are set up to help. The review also helps us to ensure that our aims, objectives and activities remain focused on our stated purposes.

Trustee Induction and Training

The Board has established procedures for recruiting and supporting trustees. New trustees attend an induction meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision-making process, the business plan and recent financial performance of the Charity. They also meet key employees and members of the wider staff team.

Members of the Charity

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of guarantees at 31st December 2020 was seven (2019: seven).

Governing Document

Launch It Trust is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association dated 7 December 2000 as amended by special resolution dated 17 May 2001. It was registered as a charity with the Charity Commission on 31 May 2001. The name of the company was changed from London Youth Support Trust to Launch It Trust on 26 February 2019.

Appointment of Trustees

As set out in the Articles of Association the trustees are also the members. The members have the power to appoint new trustees.

Financial Review

The Charity's principal funding sources are (a) rents from commercial tenants and Launch It Trust clients and (b) grants for specific projects and donations. These funds enable the Charity to run its various centres and to provide support and mentoring to its clients.

Because of the Coronavirus pandemic, we had to close our centres during the year and the Trustees took the decision to give our clients and some tenants rent-free periods, during these periods, which has resulted in a fall in our rental income from £157,677 to £128,842. We are forecasting that as businesses return to a more normal pattern of working that our rents will return to a normal level during 2021.

Due to some extremely hard work by our two-fundraising staff, we have achieved a substantial amount of income from grants and donations, resulting in an increase from 2019 of over £144,000 to £467,532. A lot of this additional funding was to help the Trust survive the Coronavirus pandemic and the loss of our rental income due to the centre closures. Some of the staff were furloughed during the first wave of the virus and the Trust received Coronavirus Job Retention scheme grants totalling £35,716.

As the Country starts to adjust to the Coronavirus grant funding remains difficult to achieve, however we are continuing to obtain new sources of funding and have already obtained over £309,000 of grants and donations in the current year, and we are well on the way to meeting our budget for the year.

Although, our expenditure has increased to £510,141, this includes awards made under a project funded by the Blagrave trust of £39,088, compared to £14,500 for similar projects in 2019. Staff costs have increased this year but that is mainly due to an accrual for unused holiday pay as a result of staff being unable to take time off during the year due to being on furlough and the amount of work needed to support our clients through the pandemic once the centres were able to reopen.

We recognise that we are operating in an uncertain funding environment. This means we cannot predict the future, but we must plan for it. We have taken steps to strengthen our financial reporting; our monthly management information now includes a detailed cash flow over a 12-month period showing a realistic funding pipeline which is based on our fundraising experience. This information, which includes a rolling income and expenditure statement, means that we can take an informed view of our financial situation going forward and enables us, if and when necessary, to take steps on a timely basis to address any financial issues that may arise.

Our net income for the year on unrestricted funds was a surplus of £18,768 compared to a deficit of £12,154 for 2019. The deficit in 2019 was after a provision against a loan made to The Trampery of £12,500.

Reserves Policy

In formulating our reserves policy, we have taken account of the regular commitments of the Charity. Our aim is to achieve a position where we hold sufficient unrestricted reserves to fund our core costs for several months, including rent subsidy as this is an integral part of our activity. This would create a buffer against any unexpected events affecting the Charity's financial position including a fall in funds raised from outside the Charity.

At 31 December 2020 our total reserves amounted to £65,473, of which £56,859 are in restricted and can only be used to fund the projects that the monies were received for.

This means our unrestricted reserves have increased by £18,768 to £8,614. The trustees believe that this level of reserves remains considerably below that needed by the Charity. However, the trustees are confident the steps taken to reduce costs during 2018 and 2019 and to improve our cost effectiveness, while ensuring enough fundraising capacity, will put Launch It Trust in a position where we can aim to build the level of reserves towards a targeted level of £150,000. This target will continue to be reviewed by the trustees on an annual basis considering the scale and pace of change in the Charity's operating model, the financial impact of the proposed arrangements with The Trampery referred to above, and our success in raising outside funds for designated projects.

Risk Management

Considering the corporate governance guidance contained within the Charities' Statement of Recommended Practice issued in October 2019 the trustees have reviewed the major strategic, business and operational risks to which the Charity is exposed. Systems have been established and implemented to mitigate those risks and procedures have been implemented to minimise any potential impact on the Charity should any of those risks materialise.

The principal risks and uncertainties that the Charity faces and the strategies the trustees have taken to mitigate these are:

1. Over reliance on grant income.

Strategy: increase the surplus generated by property. Ensure grant income sources are well diversified. Maintain good relationships with funders. Increase public sector support either by securing funding or by obtaining premises at a low cost.

2. Difficulty of maintaining low-cost property model in London

Strategy: increase our support for out of London activities. Develop a strategy to persuade London Boroughs to let us use redundant council buildings. Consider other ways of helping young start-ups in London to allow us to maintain the same level of support through satellite buildings and by developing a virtual support programme.

3. Low level of reserves.

Strategy: maintain a surplus from property as this results in unrestricted reserves while keeping salary costs tightly under control. Look to find a funder or backer who is willing to provide support to the Charity through multi-year unrestricted grants.

4. Over dependence on a few key staff especially centre managers.

Strategy: continue to train team members. Our experience of successfully employing centre managers for the out of London centres indicates we have sufficient expertise to overcome this risk.

5. Covid-19 Pandemic

Strategy: identify any potential savings and understand how the financial support available from the government and other emergency funds applies to us alongside maintaining positive relationships with our long-term supporters.

Trustees' Responsibility in Relation to the Financial Statements

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the Charity and of its financial position at the end of that period.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the Charity's trustees, we certify that:

- so far as we are aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- as the trustees of the Charity we have taken all the steps that we ought to have in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of this information.

The trustees have complied with the duty in section 4 of the 2011 Charities Act to have regard to guidance issued by the Charity Commission.

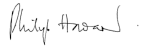
Auditors

A resolution proposing Kevin J. Rhind is re-appointed as auditors of the Charity will be put to the Annual General Meeting.

Small Company Rules

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in January 2016) and in accordance with the provisions of Part 15 of the Companies Act 2006 applicable to small companies and subject to the small companies regime.

Signed on behalf of the trustees:



Philip Howard
Chairman
Launch It Trust

Date: 16th September 2021

Independent Auditors' Report to the Members of Launch It Trust

Opinion

We have audited the financial statements of Launch It Trust (the 'charitable company') for the year ended 31 December 2020 which comprise Statement of Financial Activities, the Balance sheet, the Statement of Cash Flows 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 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 charitable company's affairs as at 31 December 2020, and of the charitable company's incoming resources and application of resources, including its income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
 - the charitable company's financial statements are not in agreement with the accounting records and returns; or
 - certain disclosures of directors' 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 set out on page 12 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 section 151 of the Charities Act 2011 and report in accordance with this Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Obtaining the Trustees' going concern assessment, confirming that this is up to date and that it covers a period of at least 12 months.

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 is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

Provisions Available for Smaller Entities

In common with many other businesses of the charitable company's size and nature it has taken advantage of the exemptions provided by the Financial Reporting Council's (FRC's) Ethical Standard – Provisions Available for Small Entities and has used us to assist with the preparation of the financial statements.

Use of our report

This report is made solely 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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin J. Rhind (Senior Statutory Auditor)

For and on behalf of

Kevin J. Rhind, Statutory Auditor

Corner Cottages,
Hempstead
Norwich
NR12 0SH

Dated 16th September 2021

Launch It Trust
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For the year ended 31st December 2020

		Restricted	Unrestricted		
		Funds	Funds	2020	2019
	Notes	£	£	£	£
Incoming Resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income					
Grants and donations	3	168,411	299,121	467,532	323,358
<i>Incoming resources from charitable activities</i>					
Rents receivable	4	-	128,842	128,842	157,677
Other	5	-	26,324	26,324	76,223
Total Incoming Resources		168,411	454,287	622,698	557,258
Resources Expended					
<i>Cost of generating funds</i>					
Cost of generating voluntary income		56,129	15,621	71,750	85,469
<i>Charitable activities</i>					
Rent and service charges	6	3,000	171,299	174,299	161,909
Support to young entrepreneurs and businesses	6	87,243	248,599	335,842	314,909
	6	90,243	419,898	510,141	476,818
<i>Other</i>					
Transfer of Reserve to Launch It Trust Paisley (Launch It Trust Dundee)	8	13,850	-	13,850	32,319
Total Resources Expended		160,222	435,519	595,741	594,606
Net Income/(Expenditure) for the Year	9	8,189	18,768	26,957	(37,348)
Transfers between Funds	17	-	-	-	-
Net Movement in Funds		8,189	18,768	26,957	(37,348)
Fund Balances Brought Forward	17	48,670	(10,154)	38,516	75,864
Fund Balances Carried Forward	17	£56,859	£8,614	£65,473	£38,516

All incoming resources and resources expended are derived from continuing activities.
The Statement of Financial Activities includes all gains and losses recognised in the period.

The Notes on pages 19 to 30 form part of these financial statements.

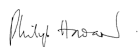
Launch It Trust
Balance Sheet as at 31st December 2020

			<u>2020</u>		<u>2019</u>
	Notes	£	£	£	£
Fixed Assets					
Tangible Assets	12		3,062		6,128
Current Assets					
Debtors	13	47,995		44,397	
Cash at Bank and in Hand		202,683		150,195	
		<u>250,678</u>		<u>194,592</u>	
Creditors: Amounts falling due within one year	14	155,368		131,597	
		<u></u>		<u></u>	
Net Current Assets			95,310		62,995
Total Assets less Current Liabilities			<u>98,372</u>		<u>69,123</u>
Creditors: amounts falling due after more than one year	15		32,899		30,607
			<u>£65,473</u>		<u>£38,516</u>
			<u></u>		<u></u>
Reserves					
Restricted Funds	17		56,859		48,670
Unrestricted Funds	17		8,614		(10,154)
Total Funds	19		<u>£65,473</u>		<u>£38,516</u>
			<u></u>		<u></u>

The trustees have prepared the financial statements in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circularisation to the members of the company.

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



Philip Howard - Trustee

Date: 16th September 2021

The notes on pages 20 to 31 form part of these financial statements

Launch It Trust
Statement of Cash Flows
For the year 31st December 2020

	Notes	<u>2020</u> £	<u>2019</u> £
Cash Flow from Operating Activities	20	52,488	14,225
Interest Paid		-	-
Net Cash Flow from Operating Activities		52,488	14,225
Cash flows from Investing Activities			
Investment Income		-	-
Purchase of Tangible Fixed Assets	12	-	1,266
Net Cash Flow from Investing Activities		-	1,266
Increase in Cash and Cash Equivalents in the year		52,488	12,959
Cash and Cash Equivalents at the beginning of the year		150,195	137,236
Total Cash and Cash Equivalents at the end of the year		£202,683	£150,195

The notes on pages 20 to 31 form part of these financial statements

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

1. Summary of Significant Accounting Policies

a. General Information and Basis of Preparation

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 in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis and under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the Charity rounded to the nearest £.

The significant accounting policies adopted, critical judgements and key sources of estimation uncertainty in the preparation of the financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b. Company Status

The Charity is a company limited by guarantee. The guarantors are the Members. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member of the Charity. The Charity has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Charity's activities. The address of the registered office is given in the charity information on page 5.

c. Fund Accounting

General funds are unrestricted funds 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.

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

d. Incoming Resources

All incoming resources are included in the SOFA when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income from donations is accounted for on a received basis except where the term of the donation stipulates otherwise.

Grants are accounted for on a receivable basis and are credited to income. Unspent balances are carried forward on the appropriate fund. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

Volunteer time is not included in the financial statements as in the opinion of the Trustees the value of this cannot be readily and accurately quantified.

e. **Restricted Funds**

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure, which meets these criteria, is identified to the fund.

f. **Investment Income**

Investment income is included when receivable by the Charity.

g. **Operating Leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Income and Expenditure Account as incurred.

h. **Resources Expended**

All expenditure is accounted for on an accruals basis and includes any non-recoverable VAT. The cost headings comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

i. **Allocation of Support Costs**

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to the cost of generating funds and to expenditure on charitable activities on a basis consistent with the use of the resources.

j. **Governance Costs**

Governance costs of the Charity are the costs of running the Charity such as the costs of meetings, audit, and statutory compliance. A proportion of salary costs is allocated to governance costs on a basis consistent with time spent by the relevant staff members.

k. **Tangible Fixed Assets**

Individual assets costing £1,000 or more are capitalised at cost. Fixed assets, which are grant funded, are charged to revenue in the year in which the expenditure is incurred.

Depreciation is provided on all tangible fixed assets in order to write off their cost, less estimated residual value, over their expected useful lives, on the following basis:

Office Equipment and Fixtures	-	33%	straight line basis
Computer Equipment	-	33%	straight line basis

l. **Debtors and Creditors Receivable/Payable**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

Deposits held on behalf of tenants are repayable when the tenant ends their tenancy and are recorded at transaction price.

m. Concessionary Loans

Concessionary loans include those receivable from third parties which are interest free and are made to advance charitable purposes. Where the loan is repayable on demand within one year; the loan is measured at cost, less impairment. Where the loan is repayable more than one year, the loan is initially measured at amortised cost using the effective interest rate method, less impairment unless the difference between this and cost is not material in which case it is measured at cost less impairment.

n. Pensions

The Charity operates defined contribution, externally funded pension schemes covering some employees. The pension cost charge represents contributions payable by the Charity to the funds in respect of the year.

o. Employee Benefits

When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

p. Tax

The Charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

q. Going Concern

As commented on in further detail in the financial review section of the annual report, the trustees recognise that there are uncertainties regarding the level of grants and donations that will be obtained in the 12 months from the date these financial statements were approved by the trustees. The trustees nevertheless believe that, in preparing the budgets and cash flow forecasts for this period, a realistic view of the likely income from the unconfirmed pipeline of grants and donations has been taken, which is based on the Charity's past experience of forecast income compared with actual income received.

Although, the unrestricted reserves carried forward at the end of the year are only £8,614, our fundraisers have been extremely successful in raising funds this year and to date in 2021, we have received grants and donations of over £309,000, which represents over 90% of our budget for the year. Our budgets and forecasts show that we expect to at least break even in the current year and that our cash reserves, will be adequate to meet our needs for at least the next twelve months.

Our level of achieved funding in 2020 plus our track record and past performance of our fundraising team means we are now in a strong position to carry us into 2021 and beyond.

Accordingly, although for the reasons explained in this annual report there are some uncertainties regarding the going concern, the trustees do not believe that these are so significant as to mean that preparing the financial statements on a going concern basis is not appropriate and therefore these financial statements have been prepared on that basis.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

2. Provisions Available for Smaller Entities

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

3. Donations and Grants

	Restricted	Unrestricted	2020	2019
	£	£	£	£
Basil Postan	-	20,000	20,000	20,000
The Blagrove Trust	81,695	-	81,695	-
The Bridge House Estates	-	21,900	21,900	-
Byrne Charitable Trust	-	24,989	24,989	25,000
CAF Bank	-	5,000	5,000	-
Catherine and John Armitage	-	40,000	40,000	30,000
Coronavirus Job Retention Scheme	35,716	-	35,716	-
D'Angelin	-	7,500	7,500	7,500
Drapers' Company	-	20,000	20,000	-
The Findlay Charitable Trust	-	15,000	15,000	-
Garfield Weston Foundation	-	-	-	25,000
Haringey Council	-	10,000	10,000	-
Paul Harrison	-	10,000	10,000	-
Philip Howard	-	12,500	12,500	25,000
KFC Foundation	-	5,000	5,000	14,261
Liberum Foundation	6,000	-	6,000	-
Moat Homes Ltd	-	-	-	18,000
Paul Hamlyn Foundation	30,000	20,000	50,000	30,000
Jan and Belinda Pethick Charitable Fund	-	10,000	10,000	25,000
The Rank Foundation	-	30,000	30,000	-
Richard Pollitzer	-	-	-	10,000
Renfrewshire Council	-	-	-	597
Schroder Charitable Trust	-	-	-	2,500
Southwark Council	-	25,000	25,000	-
St James's Place	-	-	-	7,500
Swire Charitable Trust	10,000	-	10,000	10,000
The Tallow Chandlers' Company	5,000	-	5,000	5,000
The Worshipful Company of Weavers	-	-	-	15,000
Troy Asset Management	-	11,500	11,500	30,000
29 th May Charitable Trust	-	7,500	7,500	7,500
Gift Aid Received	-	3,125	3,125	6,250
Other Donations	-	107	108	9,250
	<hr/>	<hr/>	<hr/>	<hr/>
	£168,411	£299,121	£467,532	£323,358
	<hr/>	<hr/>	<hr/>	<hr/>

4. Operating Lease Income

Rental income from operating leases is credited to the statement of financial activities on a straight- line basis over the lease. The aggregate rentals receivable under operating leases were £128,842 (2019: £157,677).

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

5. Other Income

	2020	2019
	£	£
Fundraising events	1,825	51,488
Other	24,499	24,735
	£26,324	£76,223

The other income represents monies received for support to other charities under the Launch It franchise and salary costs for seconded staff.

6. Analysis of Expenditure on Charitable Activities

	Undertaken	Support		
	Directly	Costs	Total	2019
	£	£	£	£
Rent and service charges	170,549	3,750	174,299	161,909
Salaries, NI and pensions	199,365	-	199,365	170,453
Consultancy fees	4,000	-	4,000	8,500
Project costs	-	-	-	5,400
Awards	39,088	-	39,088	14,500
Information technology	4,020	12,235	16,255	18,849
Office costs, including insurance	11,527	22,279	33,806	36,186
Other staff costs	5,746	-	5,746	10,205
Bad debts written off	10,020	-	10,020	8,693
Concessionary loan provision	-	-	-	12,500
Capital items and depreciation	3,066	-	3,066	3,211
Other Support costs	-	18,326	18,326	17,525
Governance costs	-	6,170	6,170	8,887
	£447,381	£62,670	£510,141	£476,818

£90,243 (2019: £54,493) of the above costs were attributable to restricted funds and £419,898 (2019: £422,325) were attributable to unrestricted funds.

7. Analysis of Governance and Other Support Costs

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are allocated to the sole charitable activity undertaken. An analysis of other support and governance costs is shown below.

	2020	2019
	£	£
Other Support costs:		
Accountancy costs	18,000	16,500
Bank charges and interest	326	148
Other	-	877
	<hr/> £18,326	<hr/> £17,525
Governance costs:		
Auditors' remuneration	6,000	6,000
Legal fees	170	2,887
	<hr/> £6,170	<hr/> £8,887

8. Other Launch It Trusts – Paisley and Dundee

The Charity received funds totalling £45,000 towards the cost of establishing a new centre in Dundee, which was to be operated by a new charity – Youth Support Trust Scotland, which subsequently changed its name to launch It Trust Dundee and £15,000 towards the cost of establishing a new centre in Paisley, which was to be operated by a new charity – Launch It Trust Paisley. As at 31 December 2019 £13,850 of the monies received for the Paisley centre had not been spent and therefore were carried forward as restricted reserves.

During 2019 the ownership of these monies for Dundee were formally transferred to this charity as it became responsible for operating the new centre in Dundee and employing its own staff. As such this transfer of ownership of these monies is shown as outgoing resource in the Statement of Financial Activities.

In March 2020 the balance of the monies for the Paisley centre were transferred to launch It Trust Paisley and as such this transfer is shown as outgoing resource in the Statement of Financial Activities.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

9. Net Outgoing Resources

	<u>2020</u>	<u>2019</u>
	£	£
Net Outgoing Resources is stated after charging:		
Depreciation	3,066	3,211
Auditor's remuneration:		
For audit services	6,000	6,000
Operating lease rentals	80,000	83,872
	<u> </u>	<u> </u>

10. Employee Information

The average monthly head count was 6 staff (2019: 6 staff) and the average monthly number of full-time equivalent employees (including part time staff) during the year were as follows:

	<u>2020</u>	<u>2019</u>
	Number	Number
Direct Charitable Expenditure	2	2
Fundraising	1.6	2
Support	1.9	1.5
	—	—
	5.5	5.5
	<u> </u>	<u> </u>
Staff Costs:	£	£
Wages and Salaries	232,979	213,823
Social Security Costs	19,888	19,615
Pension Costs	14,015	12,370
	<u> </u>	<u> </u>
	£266,882	£245,808
	<u> </u>	<u> </u>

£199,365 (2019: £186,049) of the above costs are attributable to direct charitable activities and £71,750 (2019: £85,469) to fundraising.

The total amount of employee benefits (salaries and employer pension contributions) received by the key management personnel is £58,773 (2019: £54,194). The Charity considers its key management personnel comprise the Chief Executive.

During the year, retirement benefits were accruing to 6 employees (2019: 6) in respect of money purchase schemes.

No employee was paid more than £60,000 (2019 – 0).

No trustees received any remuneration or expenses from the Charity during the period.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

11. Taxation

Launch It Trust is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

12. Tangible Fixed Assets

	Furniture & Fittings	Office & Computer Equipment	Total
	£	£	£
Cost			
At 1st January 2020			
And			
At 31st December 2020	3,950	11,311	£15,261
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1st January 2020	3,950	5,183	9,133
Charge for the year	-	3,066	3,066
	<hr/>	<hr/>	<hr/>
At 31st December 2020	3,950	8,249	£12,199
	<hr/>	<hr/>	<hr/>
Net Book Values			
At 31st December 2020	-	3,062	£3,062
	<hr/>	<hr/>	<hr/>
At 31st December 2019	-	6,128	£6,128
	<hr/>	<hr/>	<hr/>

13. Debtors

	2020	2019
	£	£
Rent Debtors	29,410	10,553
Gift Aid Receivable	9,375	6,250
Concessionary Loan to The Trampery	-	-
Prepayments	6,435	20,531
VAT	-	5,676
Other including Staff Travel Loans	2,775	1,387
	<hr/>	<hr/>
	£47,995	£44,397
	<hr/>	<hr/>

The concessionary loans include £nil (2019: £nil) falling due after one year.

A Concessionary loan of £12,500 was made to The Trampery was made to assist them with their working capital requirements on taking over the lease and the running of the six39 centre. The loan is interest free, unsecured and with no fixed repayment terms, other than the Trustees have agreed that this loan will not be repayable until the after the end of 2020.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

The Tramperry have acknowledged the loan and confirmed their intention to repay in full but have indicated that they will not be able to start repaying until 2023. The financial forecasts available to the Charity show that the income received by the Six39 centre should by that date exceed expenses, thus allowing repayment of the loan to be made. The Trustees fully intend to exercise the rights of the Charity to seek full repayment in due course but in light of the current uncertainties caused by the Covid 19 crisis they consider it prudent at this time to maintain the full provision for the loan made in 2019. This will be reviewed, and the provision released in future years' financial statements depending on developments in the Covid 19 crisis and how this affects the running of the six39 centre

14. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade Creditors	52,065	38,315
Launch It Trust Dundee	-	12,138
Other Creditors	5,885	4,535
VAT	607	-
PAYE and NI	9,568	5,910
Accruals	87,243	70,699
Tenants' Rental Deposits	-	200
	£155,368	£131,797

15. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Tenants' Rental Deposits	£32,899	£30,607

16. Other Commitments

At 31st December 2020 the Charity had the following total minimum commitments under non-cancellable operating leases, as follows:

	Land and Buildings	
	2020	2019
Expiry Date	£	£
Within one year	£-	£3,836

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

17. Movement in Funds

	At 1 January 2020	Incoming Resources	Outgoing Resources	At 31 December Transfers	2020
	£	£	£	£	£
Restricted Funds					
The Blagrove Trust	-	81,695	(44,756)	-	36,939
Coronavirus JRS	-	35,716	(35,716)	-	-
Liberum Foundation	-	6,000	(6,000)	-	-
Moat Homes Ltd	3,000	-	(3,000)	-	-
Money Talks – Financial Skills	11,820	10,000	(1,900)	-	19,920
Outside London Fundraising	20,000	30,000	(50,000)	-	-
The Tallow Chandlers	-	5,000	(5,000)	-	-
The Worshipful Company of Weavers	13,850	-	(13,850)	-	0
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	48,670	168,411	(160,222)	-	£56,859
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted Funds					
General Reserve	(10,154)	454,287	(435,519)	-	£8,614
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	38,516	622,698	(595,741)	-	£65,473
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

18. Purpose of Restricted Funds

The Blagrove Trust	This represents grants for the Opportunity Fund pilot to provide a regular monthly grant based on the London Living Wage to five participants over an eighteen-month period together with a contribution towards the participants project costs. The project was delayed due to the Coronavirus pandemic but will be completed towards the end of 2021.
Coronavirus JRS	This represents grants from the UK Government to cover the costs of staff put on furlough during the Coronavirus pandemic. All of the Trust's staff returned to their normal working hours by August 2020.
Liberum Foundation	This represents a grant towards the cost of mentoring three young people to help them with their businesses. This mentoring was carried out by our staff during the year and the project is now complete.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

Moat Homes Ltd	This represents funding for the new centre in Merton – pollard Studios, which opened in February 2018. The Trust has obtained funding to cover the capital cost of setting up the centre and the rent for the centre for two years.
Money Talks - Financial Skills	This is grants from Swire Charitable Trust, Schroders and St James’s Place for a project to increase the financial skills, and in particular their understanding of how important such skills are for young individuals setting up their own business. This project is continuing during the current year.
Outside London Fundraising	This represents grants from Paul Hamlyn towards the cost of employing a development manager, who is responsible for looking at opportunities to open new centres outside of London and raising funds to support the start-up of such centres. These monies were used to cover the costs of setting up the new centre in Paisley, which is being run by Launch It Paisley.
The Tallow Chandlers	This represents the second instalment of a three-year award towards the costs of running the Trust’s volunteer programme.
The Worshipful Company Of Weavers	This is a grant towards the setting up of a new Centre in Paisley. The Centre is now up and running in George Street Paisley and is being run by Launch It Trust Paisley, a separate charity registered in Scotland. The running costs of it have initially been paid for by Launch It Trust. The remaining monies were transferred to a new bank account for the new charity in March 2020.

19. Analysis of Net Assets between Funds

	<u>Tangible</u> <u>Fixed Assets</u> £	<u>Net Current</u> <u>Assets</u> £	<u>Long Term</u> <u>Liabilities</u> £	<u>Total</u> £
Restricted Funds	-	56,859	-	56,859
Unrestricted Funds	3,062	38,451	(32,899)	8,614
	<u>£3,062</u>	<u>£95,310</u>	<u>£(32,899)</u>	<u>£65,473</u>

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2020

20. Reconciliation of Net Expenditure to Cash Flow from Operating Activities

	2020	2019
	£	£
Net Income/(Expenditure) for the Year	26,957	(37,348)
Depreciation Charge	3,066	3,211
(Increase)/Decrease in Debtors	(3,598)	25,412
Increase/(Decrease) in Creditors	26,063	22,950
	<hr/>	<hr/>
Cash Flow from Operating Activities	£52,488	£14,225
	<hr/>	<hr/>

21. Related Party Transactions

During the year the Charity received donations of £47,489 (2019: £75,000) from the Trustees and charitable funds controlled by the Trustees. There are no other related party transactions during the period (2019: £nil).