

Launch It Trust
Annual Report and Financial Statements
for the year ended 31 December 2021

Charity Registration Number: 1086850
Company Number: 4133046



Contents

Chief Executive's Report	3-4
Trustees Report including Directors Report:	
Reference and Administrative Details	5
Objectives and Activities	6-7
Performance and Achievements	7-8
Governance and Management	8-9
Financial Review	9-11
Independent Auditors Report	12-15
Statement of Financial Activities	16
Balance Sheet	17
Statement of Cash Flows	18
Notes to the Financial Statements	19-31

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 businesses to grow and combined 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.

2021 has been a much more stable year than 2020. We came through the Covid 19 crisis in good shape with the support of our long-term funders proving instrumental. We also received support through a variety of Covid 19 grants which helped offset our loss of income at our sites. We would like to place on record our thanks to all the people and organisations who supported us through this extremely difficult period.

2021 has been 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 very strategic fashion to ensure we can retain our focus; ensure we have support mechanisms in place and do not overstretch the organisation. At present we are in advanced discussions in two areas and looking to bring these to a conclusion before targeting our next area.

Our finances are much healthier than in recent years and we are working towards retaining reserves of £150k. Whilst we have achieved this level in 2021 the unrestricted reserves are negative. The Charities Aid Foundation bank restricted reserves include over £40k for our internal staff costs for the project.

The Opportunity Fund project continues to thrive. 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 sessions in the areas in which they are located. We are delivering the programme across the UK with young people based in London, the Midlands and Scotland. Through the programme we trialed the first Launch It bootcamp which consisted of 9 training sessions being delivered across 2 weeks for the young people who are part of the programme. I would like to express my thanks to all the trainers who not only equipped the young people with some great skills and provided excellent advice, but also delivered the training free of charge.

In November 2021 we held our first Launch It conference at our centre in Dundee. The conference focused on future developments across Launch It and was attended by staff and trustees from London, Paisley, and Dundee. The conference was a great success and will become a bi-annual event. We will be holding the 2023 conference in London.

2021 saw us consolidate our mentoring programme. This has included increasing our mentor bank, refining the training programme for anyone who expresses an interest in mentoring and training our mentees. Unfortunately, our volunteer mentor coordinator, Mike Turner, decided to move on and we would like to take this opportunity to thank him for all his hard work. Our Dundee Enterprise Manager, Lianne Carr-Wylie has taken on the role and is continuing to build on Mike's good work.

We applied for and were awarded £899,069 funding from the Community Renewal Fund at the beginning of 2022 to deliver the Next Generation Project. This project was delivered in partnership with Enterprise Nation with the aim of engaging 3000 young people on a virtual hub with Launch It providing 100 young entrepreneurs with intensive support on the start of their business journey. The project culminated in the Next Generation Festival, attended by over 250 young people with a variety of workshops and guest speakers. There was also the opportunity for 6 selected young people to pitch their business idea to a panel at a live pitching event with a £10,000 cash investment. This was won by Roxy Travers with her sustainable fashion brand FFF. The plan is to

replicate this project on a smaller scale running from the end of 2022 into 2023 focusing on the Birmingham area. This has been a very successful project enabling Launch It to work with a much larger number of young people and develop a very productive partnership with Enterprise Nation. I would like to thank all the staff for their hard work and commitment in making this project such a great success.

In June 2021 we were successful in being selected by Enfield Council to deliver the Angel Yard project. This will be a £1million capital project funded by the Greater London Authority through the Good Growth Fund. Enfield Council will be refurbishing a set of disused garages in Edmonton and converting them into 31 affordable workspaces. The new site is due to be open in February 2022.

In terms of staffing, we 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. The team are hardworking, supportive, and really believe in what the organisation does.

We now operate three centres in London located in Peckham and two in Tottenham. All centres are working at close to full capacity. Unfortunately, our Peckham Centre will be closing in September 2022, and we are busy looking for alternative options, so we do not lose our presence in South London. We are always looking for potential new sites across London as the demand for our support is as strong as ever.

Our two sister charities in Paisley and Dundee are thriving operations, both working at full capacity, and have both become an integral part of the local communities in which they work. We have hard working and committed staff working alongside inspirational trustee boards which have ensured these centres have become successful during a very difficult period.

We welcomed a new trustee on to our board, Leone McKinley. She will bring great experience and vision to the board, and we look forward to working with her in the coming months.

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 has helped transform the lives of more than 2,500 young people over the last 20 years giving them the skills, space and support they need to take control of their futures.

Pat Shelley
Chief Executive Officer
October 2022

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 2021. 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 2020.

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 Leone McKinley 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. We are also developing a virtual support programme enabling more young people to access our services.

Over the course of their time with us in one of our centres, 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 2021 has 65 units in three business centres in London in Tottenham and, Southwark. 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 over 20 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.

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 and no complaints were received in this financial year. In addition, it receives rents from clients and commercial tenants from its operational sites.

Our fundraising does not include direct marketing or telephone campaigns and we remain mindful at all times to protect vulnerable people

Performance and Achievements

Summary of achievements

- In 2021 we worked with 235 young people across our enterprise centres. Our business support managers undertook 152 pre-start advice sessions through workshops and training programmes.
- 117 young people were supported at entry level; 83 young people were supported at mid-level; 33 young people were supported at incubation level.
- We welcomed 33 new clients running 27 businesses to our centres and supported an additional 14 to get started through our outreach programme. We are currently supporting 38 businesses through our intensive 2-year business support programme.
- 15 businesses moved on from Launch It Trust of which 13 were still trading at the point of departure, 1 took up employment and only 1 ceased trading. This represents a positive outcome for 94 % of our departing tenants with 87 % 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 £1000 invested into their business.
- We had 15 separate training sessions for young people focusing on areas such as finance: contracts and social media.
- As part of the Opportunity Fund, we ran the first Launch It bootcamp. This entailed 9 business training sessions being delivered over a two-week period for the Opportunity Fund cohort.
- We launched the Money Talks programme which will upskill 72 young people over 3 years with the financial skills needed to run their business.
- We delivered the first Launch It conference which took place in Dundee in November
- We produced and distributed the first Launch It newsletter.
- We employed a Kickstarter at our site in Tottenham Green Enterprise Centre as part of the national Kickstarter Scheme.

- Our CEO was asked to chair the Self Employment Group as part of the national Youth Employment Group initiative.
- Launch It Trust were chosen by Enfield council as the preferred provider to deliver the Angel Yard project in Edmonton.
- We held 4 CEO forums for the young people we work with to give feedback on the organisation and advise on changes and improvements.
- In 2022 Launch It delivered the Next Generation programme in partnership with Enterprise Nation working with 3000 young people in London through its business portal.
- During Global Entrepreneurship Week we ran 4 events over 5 days with 106 people in attendance.

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 at least 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.

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 2021 was seven (2020: 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 2020.

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 some of our centres during the first quarter of the year and the Trustees took the decision to give our clients and some tenants rent-free periods, during these periods. However, because these closures were for a shorter period than in 2020, even with the closure of our Merton Centre in June 2021 our rental income increased from £128,842 to £163,275, which is higher than the £157,677 we achieved in 2019.

Once again, due to the hard work by our two-fundraising staff, we have achieved an increase in income from grants and donations to £552,567, although £111,400 of this funding is for our new Next Generation 2 project, which will commence in 2022.

Although, our expenditure has increased to £654,495, this includes awards made under a project funded by the Blagrove Trust of £76,176, compared to £39,088 for similar projects in 2020 and the project costs incurred on our new enterprise Nation project of £53,489. Staff costs have decreased this year but that is mainly due to an accrual for unused holiday pay in 2020 because 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 deficit of £24,405 compared to a surplus of £18,768 for 2020. This is obviously an area of concern and is mainly due to the fact that in 2020 we were able to obtain substantial amounts of additional emergency Covid-19 grant funding and although we have received further funding for this in the current year the amounts involved are considerably lower. We also had to close some of our centres in the first quarter of 2021 due to the Coronavirus and in June our Merton Centre closed as its lease had come to an end.

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 2021 our total reserves amounted to £157,309, of which £173,100 are in restricted and can only be used to fund the projects that the monies were received for. As shown in note 17, the majority of the restricted reserves relates to the Next Generation 2 project, which will be carried out in 4th quarter 2022 and 1st quarter 2023. This project will require a considerable amount of input from the Trust's staff as well as the recruitment of additional staff for the duration of the project.

Our unrestricted reserves have decreased by £24,405 to a deficit of £15,791. 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 2020 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 over a number of years to 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, and our success in raising outside funds for designated projects.

In the first quarter of 2022 we received unrestricted funding of £95k which puts us in a much stronger position to start the year. It is always difficult to raise funds in the last quarter of the year and therefore we are often in the position of low unrestricted reserves at year end. A further £178k was received from April to August and on the basis of this we should end the year with positive unrestricted reserves.

Risk Management

Considering the corporate governance guidance contained within the Charities' Statement of Recommended Practice Issued in October 2020 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: generate where possible 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. Economic Uncertainty and High Inflation

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:

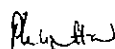
- so far as we are aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- as the trustees of the Charity we have taken all the steps that we ought to have in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors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

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:



Phillip Howard
Chairman

Date: 28/10/2022

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 2021 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 [date], and of its 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.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

Independent Auditors' Report to the Members of Launch It Trust

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the [strategic report and the]³ directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; 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 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 responsibilities for the audit of the financial statements

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.

Independent Auditors' Report to the Members of Launch It Trust

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 legal and regulatory frameworks that are applicable to the company and determined that the most significant are those relating to the reporting framework (FRS 102, The Charities SORP FRS102, the Companies Act 2006, the Charities Act 2011, and the relevant direct and indirect compliance tax regulations in the United Kingdom.
- We understood how the company is complying with those frameworks by making enquiries of management and the trustees to understand how the company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing documentation. We have also reviewed correspondence with relevant authorities.
- Reviewing minutes of meetings of trustees.
- Reviewing financial statement disclosures and testing supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of the controls, including testing of journal entries and other adjustments for appropriateness, evaluation of the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

On occasion where we may also have determined that certain matters relating to non-compliance with laws and regulations are key audit matters, we must still include the required explanation, in our report, as to what extent the audit was capable of detecting irregularities, including fraud.

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.

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.

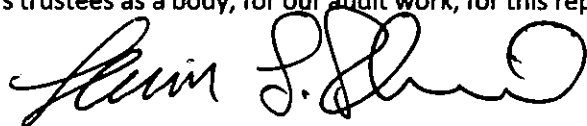
Independent Auditors' Report to the Members of Launch It Trust

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

28 October 2022

Launch It Trust
Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For the year ended 31st December 2021

		<u>Restricted</u> <u>Funds</u> £	<u>Unrestricted</u> <u>Funds</u> £	<u>2021</u> £	<u>2020</u> £
	Notes				
Incoming Resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income					
Grants and donations	4	342,920	212,004	554,924	467,532
<i>Incoming resources from charitable activities</i>					
Rents receivable	5	-	163,275	163,275	128,842
Other	6	-	30,489	30,489	26,324
Total Incoming Resources		342,920	405,768	748,688	622,698
Resources Expended					
<i>Cost of generating funds</i>					
Cost of generating voluntary income		30,000	34,294	64,294	71,750
<i>Charitable activities</i>					
Rent and service charges	7	10,000	176,776	186,776	174,299
Support to young entrepreneurs and businesses	7	183,789	221,993	405,782	335,842
	7	193,789	398,769	592,558	510,141
<i>Other</i>					
Transfer of Reserve to Launch It Trust Paisley	9	-	-	-	13,850
Total Resources Expended		223,789	433,063	656,852	595,741
Net Income/(Expenditure) for the Year	10	119,131	(27,295)	91,836	26,957
Transfers between Funds	18	(2,890)	2,890	-	-
Net Movement in Funds		116,241	(24,405)	91,836	26,957
Fund Balances Brought Forward	18	56,859	8,614	65,473	38,516
Fund Balances Carried Forward	18	£173,100	£(15,791)	£157,309	£65,473

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 31 form part of these financial statements.

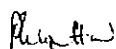
Launch It Trust
Balance Sheet as at 31st December 2021

		<u>2021</u>	<u>2020</u>
	Notes	£	£
Fixed Assets			
Tangible Assets	13	349	3,062
Current Assets			
Debtors	14	141,700	47,995
Cash at Bank and in Hand		248,437	202,683
		<u>390,137</u>	<u>250,678</u>
Creditors: Amounts falling due within one year	15	198,351	155,368
		<u> </u>	<u> </u>
Net Current Assets		191,786	95,310
Total Assets less Current Liabilities		<u>192,135</u>	<u>98,372</u>
Creditors: amounts falling due after more than one year	16	34,826	32,899
		<u>£157,309</u>	<u>£65,473</u>
Reserves			
Restricted Funds	18	173,100	56,859
Unrestricted Funds	18	(15,791)	8,614
Total Funds	20	<u>£157,309</u>	<u>£65,473</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: 10/28/2022

The notes on pages 19 to 31 form part of these financial statements

Launch It Trust
Statement of Cash Flows
For the year 31st December 2021

	Notes	<u>2021</u> £	<u>2020</u> £
Cash Flow from Operating Activities	21	46,103	52,488
Interest Paid		-	-
Net Cash Flow from Operating Activities		46,103	52,488
Cash flows from Investing Activities			
Investment Income		-	-
Purchase of Tangible Fixed Assets	13	349	-
Net Cash Flow from Investing Activities		349	-
Increase in Cash and Cash Equivalents in the year		45,754	52,488
Cash and Cash Equivalents at the beginning of the year		202,683	150,195
Total Cash and Cash Equivalents at the end of the year		£248,437	£202,683

The notes on pages 19 to 31 form part of these financial statements

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

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 Companies Act 2006, 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. 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 £(15,791), our fundraisers have been successful in raising funds this year and to date in 2022, we have received grants and donations of just under £855,000, which is just under our original budget for the year. Our budgets and forecasts show that we expect to make a surplus 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 2022 means we are now in a strong position for 2022 and the immediate future 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. Therefore these financial statements have been prepared on that basis.

c. 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.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

d. 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.

e. 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.

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.

f. 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.

g. Investment Income

Investment income is included when receivable by the Charity.

h. 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.

i. 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.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

j. 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.

k. 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.

l. 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

m. 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.

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

o. Concessionary Loans

Concessionary loans include those receivables 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.

p. 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.

q. 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.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

r. 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.

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. Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

The estimates and assumptions with a significant risk of causing material adjustments to the carrying amount of assets and liabilities within the next financial year are:

Costs of completing the work funded by restricted grant funding, where judgement is made to estimate the amount of grant funded earned on the particular projects based on the milestones reached and the estimated costs of completing the project. This in turn allows the trustees to estimate what amounts if any may be transferred from unrestricted reserves to/from restricted reserves.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

4. Donations and Grants

	Restricted	Unrestricted	2021	2020
	£	£	£	£
Arm Ltd	-	5,000	5,000	-
Basil Postan	-	20,000	20,000	20,000
The Blgrave Trust	70,530	-	70,530	81,695
The Bridge House Estates	-	-	-	21,900
Byrne Charitable Trust	-	25,000	25,000	24,989
CAF Bank	-	-	-	5,000
Catherine and John Armitage	-	50,000	50,000	40,000
Coronavirus Job Retention Scheme	4,600	-	4,600	35,716
D'Angelin	-	10,000	10,000	7,500
Drapers' Company	-	-	-	20,000
Charities Aid Foundation	111,400	-	111,400	-
The Findlay Charitable Trust	-	-	-	15,000
Garfield Weston Foundation	-	25,000	25,000	-
The Generations Foundation	7,500	-	7,500	-
The Greater London Authority	63,890	-	63,890	-
Haringey Council	-	-	-	10,000
Paul Harrison	-	-	-	10,000
C. Hoare & Co	-	5,000	5,000	-
Philip Howard	-	2,500	2,500	12,500
KFC Foundation	-	10,000	10,000	5,000
Liberum Foundation	-	-	-	6,000
Moat Homes Ltd	10,000	-	10,000	-
Paul Hamlyn Foundation	45,000	-	45,000	50,000
Jan and Belinda Pethick Charitable Fund	-	10,000	10,000	10,000
The Progress Foundation	15,000	-	15,000	-
The Rank Foundation	-	25,000	25,000	30,000
Southwark Council	-	-	-	25,000
Swire Charitable Trust	10,000	-	10,000	10,000
The Tallow Chandlers' Company	5,000	-	5,000	5,000
Troy Asset Management	-	21,500	21,500	11,500
29 th May Charitable Trust	-	-	-	7,500
Gift Aid Received	-	688	688	3,125
Other Donations	-	2,316	2,316	107
	<hr/>	<hr/>	<hr/>	<hr/>
	£342,920	£212,004	£554,924	£467,532
	<hr/>	<hr/>	<hr/>	<hr/>

5. 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 £163,275 (2020: £128,842).

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

6. Other Income

	2021	2020
	£	£
Fundraising events	-	1,825
Other	30,489	24,499
	£30,489	£26,324

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

7. Analysis of Expenditure on Charitable Activities

	Undertaken Directly	Support Costs	Total	2020
	£	£	£	£
Rent and service charges	186,776	-	186,776	174,299
Salaries, NI and pensions	184,072	-	184,072	199,365
Consultancy fees	9,750	-	9,750	4,000
Awards	76,176	-	76,176	39,088
Project costs	55,846	-	55,846	-
Information technology	11,674	4,629	16,303	16,255
Office costs, including insurance	11,496	20,298	31,794	33,806
Other staff costs	9,370	-	9,370	5,746
Bad debts written off	3,833	-	3,833	10,020
Concessionary loan recovered	(12,500)	-	(12,500)	-
Capital items and depreciation	3,062	-	3,062	3,066
Other Support costs	-	18,068	18,068	18,326
Governance costs	-	10,008	10,008	6,170
	£539,555	£53,003	£592,558	£510,141

£193,789 (2020: £90,243) of the above costs were attributable to restricted funds and £398,769 (2020: £419,898) were attributable to unrestricted funds.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

8. 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.

	2021	2020
	£	£
Other Support costs:		
Accountancy costs	18,000	18,000
Bank charges and interest	523	326
	<hr/> £18,523	<hr/> £18,326
Governance costs:		
Auditors' remuneration	6,000	6,000
Conference fees	2,253	-
Travel costs	1,755	-
Legal fees	-	170
	<hr/> £10,008	<hr/> £6,170

9. Other Launch It Trusts – Paisley and Dundee

The Charity received funds totalling £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 2020 £13,850 of the monies received for the Paisley centre had not been spent and therefore were carried forward as restricted reserves.

In March 2021 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 in the 2020 comparatives.

10. Net Outgoing Resources

	<u>2021</u>	<u>2020</u>
	£	£
Net Outgoing Resources is stated after charging:		
Depreciation	3,062	3,066
Auditors' remuneration:		
For audit services	6,000	6,000
Operating lease rentals	95,000	105,000
	<hr/>	<hr/>

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

11. Employee Information

The average monthly head count was 6 staff (2020: 6 staff) and the average monthly number of full-time equivalent employees (including part time staff) during the year were as follows:

	<u>2021</u>	<u>2020</u>
	Number	Number
Direct Charitable Expenditure	2	2
Fundraising	1.6	2
Support	1.9	1.5
	—	—
	5.5	5.5
	—	—
 Staff Costs:	 £	 £
Wages and Salaries	210,993	232,979
Social Security Costs	19,289	19,888
Pension Costs	14,981	14,015
	—	—
	£245,263	£266,882
	—	—

£184,071 (2020: £199,365) of the above costs are attributable to direct charitable activities and £61,191 (2020: £70,517) to fundraising.

The total amount of employee benefits (salaries and employer pension contributions) received by the key management personnel is £53,003 (2020: £58,773). The Charity considers its key management personnel comprise the Chief Executive.

During the year, retirement benefits were accruing to 6 employees (2020: 6) in respect of money purchase schemes.

No employee was paid more than £60,000 (2020 – 0).

During the year, four Trustees received expenses from the Charity of £1,775 (2020 – none).

12. 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.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

13. Tangible Fixed Assets

	Furniture & Fittings	Office & Computer Equipment	Total
	£	£	£
Cost			
At 1st January 2021	3,950	11,311	£15,261
Additions	-	349	349
	<hr/>	<hr/>	<hr/>
At 31st December 2021	3,950	11,660	£15,610
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1st January 2021	3,950	8,249	12,199
Charge for the year	-	3,062	3,062
	<hr/>	<hr/>	<hr/>
At 31st December 2021	3,950	11,311	£15,261
	<hr/>	<hr/>	<hr/>
Net Book Values			
At 31st December 2021	-	349	£349
	<hr/>	<hr/>	<hr/>
At 31st December 2020	-	3,062	£3,062
	<hr/>	<hr/>	<hr/>

14. Debtors

	2021	2020
	£	£
Rent Debtors	57,078	29,410
Gift Aid Receivable	625	9,375
Grants receivable	63,890	-
Concessionary Loan to The Trampery	12,500	-
Prepayments	6,350	6,435
Other including Staff Travel Loans	1,257	2,775
	<hr/>	<hr/>
	£141,700	£47,995
	<hr/>	<hr/>

The concessionary loans include £nil (2020: £nil) falling due after one year.

The Grants Receivable is the amount due from GLA for expenditure on the Next Generation Project in November and December which is paid in arrears following the end of the quarter. This money was received in the first quarter of 2022

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 2021.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

The financial forecasts available to the Charity showed 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 intended to exercise the rights of the Charity to seek full repayment in due course but in light of the uncertainties caused by the Covid 19 crisis they considered it prudent to provide against this loan in full in 2019. The Tramperry have now stated that they intend to repay this loan in full and so we have written the loan back in 2021.

15. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade Creditors	54,077	52,065
Other Creditors	1,676	5,885
VAT	4,745	607
PAYE and NI	6,740	9,568
Accruals	131,113	87,243
	£198,351	£155,368

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

	2021	2020
	£	£
Tenants' Rental Deposits	£34,826	£32,899

17. Other Commitments

At 31st December 2021 the Charity had the following total minimum commitments under non-cancellable operating leases, as follows:

	Land and Buildings	
	2021	2020
	£	£
Expiry Date		
Within one year	£25,000	£25,000

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

18. Movement in Funds

	At 1 January 2021	Incoming Resources	Outgoing Resources	At 31 December Transfers	2021
	£	£	£	£	£
Restricted Funds					
The Blagrove Trust	36,939	70,530	(83,536)	-	23,933
Charities Aid Foundation	-	111,400	-	-	111,400
Coronavirus JRS	-	4,600	(4,600)	-	-
Moat Homes Ltd	-	10,000	(10,000)	-	-
Money Talks – Financial Skills	19,920	10,000	(9,750)	-	20,170
Next Generation	-	78,890	(73,403)	(2,890)	2,597
Outside London Fundraising	-	30,000	(30,000)	-	-
The Generation Foundation	-	7,500	(7,500)	-	-
The Progress Foundation	-	15,000	-	-	15,000
The Tallow Chandlers	-	5,000	(5,000)	-	-
	56,859	342,920	(223,789)	(2,890)	£173,100
Unrestricted Funds					
General Reserve	8,614	405,768	(433,063)	2,890	£(15,791)
Total Funds	65,473	748,688	(656,852)	-	£157,309

19. 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 1 st phase of the project was delayed due to the Coronavirus pandemic but will be completed towards the end of 2021. A second co-hort commenced during 2021 which will complete towards the end of 2022.
Charities Aid Foundation	This is the first instalment of a grant totalling £155,200, which is to cover the running of our Next Generation 2 project in Birmingham and also to work on the sustainability of the charity with the assistance of external consultants.
Coronavirus JRS	This represents grants from the UK Government to cover the costs of staff put on furlough during the Coronavirus pandemic.

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

Next Generation	This represents grants from The UK Community Renewal Fund via The Greater London Authority and from the Paul Hamlyn Foundation towards a project to provide an intensive support and training package for 100 budding entrepreneurs, have an opportunity to showcase their business at a pop up on Oxford Street and receive grant funding of between £750 and £10,000. We are running this project in partnership with Enterprise Nation, who are committed to providing £100,000 of matching funding. The total funding for this project including matched funding of £115,000 is £1,014,069, with the Greater London Authority providing £899,069. This project is scheduled to be completed in December 2022.
Moat Homes Ltd	This represents funding for the centre in Merton – pollard Studios, which closed in June 2021.
Money Talks -	This is a grant from Swire Charitable Trust 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.
The Generation Foundation	This represents a grant towards the Trust's volunteer mentoring programme.
The Progress Foundation	This represents a grant towards the Trust's volunteer mentoring programme.
The Tallow Chandlers	This represents the third and final instalment of a three-year award towards the costs of running the Trust's volunteer programme.

20. 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	-	173,100	-	173,100
Unrestricted Funds	349	18,686	(34,826)	(15,791)
	<u>£349</u>	<u>£191,786</u>	<u>£(34,826)</u>	<u>£157,309</u>

Launch It Trust
Notes to the Financial Statements
for the year ended 31st December 2021

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

	2021	2020
	£	£
Net Income for the Year	91,836	26,957
Depreciation Charge	3,062	3,066
Increase in Debtors	(93,705)	(3,598)
Increase in Creditors	44,910	26,063
	<hr/>	<hr/>
Cash Flow from Operating Activities	£46,103	£52,488
	<hr/>	<hr/>

21. Related Party Transactions

During the year the Charity received donations of £37,500 (2020: £47,489) from the Trustees and charitable funds controlled by the Trustees and four Trustee received expenses of £1,775 (2020: £nil). There were no other related party transactions (2020: none).