

Annual Report and Financial Statements

For the year ended 31 March 2024

Registered charity in England and Wales (1161801)

Company registration number 08648338 (England and Wales)

Legal and administrative information

Trustees

Edmund Papworth
Thomas Schreiber
Anne-Helene Sinha
Tania Rahman

Charity number

1161801

Company number

08648338

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Trustees' Report

The Board of Trustees (the Trustees), who act as directors for the purposes of the company law, present their report and financial statements for the year ended 31 March 2024. Hatch Enterprise is a charity registered with the Charity Commission under registration number 1161801.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, the 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) and the Charities Act 2011. The legal and administrative details forms part of this report.

Public benefit statement

The Board confirm that they have complied with the duty in the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Further information regarding the Charity's activities, public benefit and impact are presented in its Annual Impact Review, which is available on its website: **www.hatchenterprise.org**

CEO statement

This was our tenth year of growing what has now evolved into one of the largest enterprise support charities in the UK. Having started as a small, local organisation serving south Londoners, we're now supporting founders from across the UK through our broad range of programmes, events and initiatives.

A lot has happened in a decade. To mark reaching this milestone, we brought together more than 200 of our founders, partners and investors on the 2nd of November 2023 at Natwest's event space in central London. Fittingly, the event was a celebration of partnership, collaboration and dedication to our mission of levelling the playing field for underrepresented founders in the UK. Founders shared their stories and showcased their businesses, whilst we also recognised the staff team at Hatch Enterprise, without whom the extraordinary progress we made in a relatively short period of time would be unthinkable.

The occasion was also a chance to reflect on what we still needed to do before we'd get to that fairer society we're striving towards, where equal access to entrepreneurship means the chance to create new, impactful products and services. This really is a team sport and we're proud to be building an expanded team comprising the charity, our partners, funders and stakeholders.

We've continued to fulfil our mission of supporting underrepresented entrepreneurs to launch and grow impactful businesses, and by year end we had raised a record £2.4m whilst supporting more people than ever before with 1,245 UK founders having accessed Hatch's business support programmes and events. 76 graduates from Hatch's business support programmes received nearly £248,000 in vital grant funding in a year (up from the previous year of £106,997).

However, talk about business growth was just as frequently discussed as surviving hard times. The cost of living continued to sky rocket, with the UK flitting nervously between periods of recession and minor growth. Founders were not immune to this, nor were several of Hatch's peers working in the social enterprise support sector, who we said farewell to in this important ecosystem we work in.

“

...by year end we had raised a record £2.4m whilst supporting more people than ever before with 1,245 UK founders having accessed Hatch's business support programmes and events.

”

With financial stability and resilience undoubtedly at the top of our list, growth for Hatch over 2023-24 also meant becoming more vocal in the media and across our social channels. Speaking out on behalf of our founders about societal injustice and inequalities affecting their everyday lives, from working mothers and the challenges they face to disabled people and entrepreneurship, our voice will only become more prominent in the coming years, but we've made a solid start. Plus, we've been making inroads and commitments on making Hatch a more accessible place for both founders and staff.

Thankfully, our partnerships remained steadfast and continued to shape our increasing capabilities and capacity. More than ever, partners were asking us how else they could be involved in supporting underrepresented founders, resulting in more mentoring, coaching, pitch days and in-person events that brought founders and partners closer. Looking ahead to 2024-25, we know our partners will continue to play a big role in our work and success. We are immensely grateful for the ongoing support especially from our mission partners: Natwest, Southwark Council, UBS, BlackRock, Bloomberg, eBay, Pizza Hut, and the Postcode Innovation Trust, to name but a few.

We're excited about what the next year brings, making the most of the opportunities that arise but equally with a firm eye on the future and what the next ten years will mean to Hatch and the founders we continue to support. Here's to 2024-25 being another one to celebrate.



Dirk Bischof
CEO of Hatch Enterprise



“
**More than ever,
partners were asking us
how else they could be
involved in supporting
underrepresented
founders...**”

Our Activities 2023-24

Over the course of 2023–24, Hatch Enterprise supported 1,245 underrepresented UK founders across our support programmes, events and initiatives, an 11% increase year on year in the total number of founders supported. Of this number, 269 founders took part in 19 cohort and in-depth business support programmes. The remaining 976 founders took part in our public events, webinars, talks and workshops that form our community programme, marking a 17% increase over the previous year. This is a reflection of Hatch's challenging year due to the restructure, whilst continuing to deliver critical programmes and initiatives to more founders than ever.

Similar to 2022-23, just under one in three founders (28%) came to the charity from outside of London, but noticeably from a wider range of locations, including Manchester and Leeds in the north, all the way to Plymouth and Milton Keynes further south. With the larger presence of hyperlocal events and partners in 2023-24, we'd expect this number to grow in the next financial year. Our geographical reach may have grown, but as ever, this current figure highlights the ongoing need for Hatch to continue seeking out and supporting founders facing the biggest barriers, and consequently are the furthest away from realising their entrepreneurial ambitions.

Although we saw a slight drop of 3% year on year, the vast majority of founders on our longer term cohort-based programmes - eight in 10 (81%) - continued to be women or non-binary. Similarly, we also saw a 3% reduction in founders we supported who were from a minority ethnic background at six in 10 (61%). We believe some of this is down to a harsh economic environment hitting marginalised people in society the hardest when it comes to starting and running a business. Typically a thin or non-existent financial safety net coupled with continued inflationary increases in goods, services, transport, energy and rent, disproportionately affects them, reducing their disposable income and reduces their appetite for risk, including starting a business.

Knowing that we wanted to attract and support more founders who are neurodivergent and/or Disabled, we made a concerted effort to find, speak to and showcase founders through our social media channels and website to improve visibility. Building a passionate community of Disabled Hatch champions paid off, with one in five founders (19%, up from 18% in 2022-23) on longer-term support programmes telling us they were either Disabled and/or neurodivergent, marking another small but positive step forward over 2022–23 levels.



We asked founders about the areas of knowledge and expertise that they felt had seen the biggest improvements before and after completing a Hatch business support programme.

The top four biggest changes through their selfreported scores were:



**Accessing the funding
founders needed saw
an average increase of**

▲123%



**Founders felt far more
confident managing their
finances, which was up**

▲64%



**Measuring and
communicating the impact
of a founder's business or
organisation saw increases
of 92% and 73% respectively.**

▲92%

▲73%



**Being a part of the Hatch
founder and graduates
community meant founders
felt far better able to access
a network that'll help
them access expertise and
opportunities, an increase of**

▲63%

In a challenging year for businesses where very little did not go up in price, the charity entered its second full year of awarding much needed grants to founders on our cohort programmes through the Hatch Fund. Among a myriad of different things, founders used the funds to cover the cost of training and development for both themselves and their staff, equipment and on tangible products, such as Google Ads to help build their brand. A total of 76 founders were awarded £247,893 in grants, a substantial increase from the previous year (£106,997), the longer term impact and value of which being something we're keen to capture in 2024-25 and beyond.

Despite a year that was at points extremely challenging for the charity and team, our income at year end was £2.4m, up from £1.73m in 2022-23, representing a nearly 39% increase year on year. Unsurprisingly, financial resilience and stability continued to be a major focus for the whole charity throughout the whole year. We built our insight into various stakeholders' motivations for engaging and supporting Hatch, laying the foundations for fundraising ambitions in 2024-25.

Increasing our reach to support more founders

1. Cohort programmes

The 2023-24 year was a chance to evaluate and find efficiencies in the ways that we work and deliver Hatch Enterprise's longer term cohort programmes. We brought some aspects of business support to founders in-house, making the programme more cost efficient to run without having to compromise on the quality of support. Similarly, the take up of Monday.com across the whole charity was driven largely by the cohort team, and has helped make insight of the team's work to other teams at Hatch more transparent.

We also radically reworked and rolled out our existing Hackathons in response to what founders were asking for at the time, with the You've Got This programme launching in the spring of 2023. We ran two highly attended masterclasses taking founders through the early stages of starting a business in the UK.

In general, we've seen an increase in interest in Launchpad programmes over the year, something that has continued into 2024-25. Appetite for early stage business support programmes led to a record number of four Launchpads running concurrently in the spring of 2023, testament to the team and the charity's ability to recruit for and scale up the numbers of cohorts we ran without losing the personal touch by keeping the small groups our founders value so much.

Our partnerships continued to allow us to spread our reach and impact on founders across the UK. With NatWest's support for example, we ran a programme in January 2024 that focused more on founders living and working outside of London and the South East. Our work with local councils continued into a second year through the Southwark Pioneers Fund, a partnership with Southwark Council in London where we ran an Incubator for founders that showed the strength of interest in the area for business support beyond the previous Accelerator programme.

One of the key things that happened over the year was the concerted efforts to work closer with the community team to implement our online Hatch graduate platform, Circle, into our day to day interactions with founders. The result was that when founders were brought onto the online platform after graduating from a support programme, there was no loss of their experience or journey as they were already familiar with what they needed to do, and this has been working incredibly well.

1 in 3

**founders we supported
this year were based
outside of London**

1 in 5

**founders on our cohort
programmes told us
they were disabled
and/or neurodivergent**

2023-24 also saw the charity developing a more bespoke model of support offering for a small select group of Hatch's corporate partners, based on a specific area of interest that they held. In April 2023, we launched our first eBay Sneaker Academy, a 14-week programme helping young entrepreneurs turn selling sneakers on eBay into an income-generating business. Similarly, our Opening Up The Outdoors programme returned for a second year which proved hugely successful both for founder engagement and the ability to develop content that suited the needs of the founder.

Looking ahead

We'll be reviewing and trialling new ways of recruiting and interviewing founders that will reduce administrative time for the cohort team, whilst better allowing founders applying to our programmes to prepare their answers in their own time. Having interviewed every founder previously, we'll trial using a platform called VideoAsk where founders record themselves answering our interview questions and upload them for the team at Hatch to review. We're hopeful this will make the selection of founders easier as we try and understand where people are in their development journey. We'll look to grow the cohort team again to increase capacity to deliver more programmes, and will be continuing our development of bespoke programmes with our flagship Ares programme, which will focus on supporting founders living with a disability. We look forward to its launch in September 2024.



2. Community programmes and events

Connection, collaboration and reach were key themes throughout the year for the community team and their efforts to support founders, with in-person events increasingly prominent for Hatch's graduates compared to recent years following the pandemic.

We launched Hatch's new online community for graduates on the Circle platform in summer 2023. Migrating Hatch's existing community to Circle means a single location where Hatch events and some aspects of support programmes can be hosted online, a hub where we can share opportunities and perks with founders, and increasingly, a place where founders collaborate and share with one another.

Nearly a quarter of a million pounds (£247,893) were awarded as grants to 76 founders in this year. The funds were distributed through three different methods;

- a) Pizza Hut funder sent the allocated amounts directly to our Grant Fund Managing partner, Groundwork, for distribution
- b) Other funders, such as UBS and Ebay, transferred the funds to Hatch first, and we then sent the appropriate amounts to Groundwork for distribution
- c) Lastly, some funders, like Southwark, paid the Grant Fund amounts directly to the recipients.

Pitching your idea or business took centre stage through several events, including Hatch's new Pitch Perfect clinic in August which founders had been asking for, with volunteers from BlackRock and The Company of Entrepreneurs. For Black History Month in October 2023, BlackRock were again involved in a pitch competition, which saw four Black female founders and Hatch graduates take part, with three other founders showcasing their business at BlackRock's offices.

July 2023 saw a pilot mentoring programme in partnership with NatWest come to a close, bringing with it some excellent feedback and some key learnings from supporting 11 Hatch founders. Two more mentoring programmes started a few months later in September 2023 with Funding Circle and again NatWest, where 30 founders were supported. Encouragingly, testament to the experience they had in the pilot mentoring programme, more than half of the NatWest mentors returned for this second programme.



£247,893

The amount of grant funding we awarded to 76 founders this year.



It has been incredibly positive. My mentor has adapted to my neurodivergence and I am able to be myself. I feel I have made more progress in the last eight weeks than in the past year, with my confidence in my abilities and how to access support having grown.'



Kate Hobby, founder of FrogleyFibre and mentee of the Natwest mentoring programme

Launching and running any organisation needs legal support, so an in-person event for Hatch's founders in partnership with legal provider Weil was key to connecting them with support from lawyers and business professionals from several other corporate companies. The afternoon, comprising a legal clinic, round-table discussions on different legal issues and a speed-networking where founders got to practise their elevator pitch was a success, doubly so given that several Hatch founders received pro-bono support following the event.

Excitingly, we also kicked off one of our newest partnerships with L'Oreal/IT Cosmetics in November 2023 with a panel and networking event, attended by more than 40 founders and staff from L'Oreal.

“ It was a great start to the day given the focus was on confidence. It was especially helpful hearing the experiences of the panellists and their challenges along with top tips. I found the timing was perfect for a breakfast meet, and the session was packed with quality insights. ”

Nazia Anwar, founder of My PTA and attendee of the IT Cosmetics/L'Oreal panel discussion event

Alongside in-person networking events in 2023-24, the Hatch team also took time to review and test new ways that could further drive attendance and engagement with Hatch's graduates. New types of networking events included a live networking event on the community platform Circle, our first ever coworking social event for graduates in February 2024 and a second year of the Southwark Business Showcase at London's Peckham Levels, where Southwark-based founders got the chance to find out more about the range of business support available to them through our partners Southwark Council and their Southwark Pioneers Fund programme in collaboration with Hatch.

The year also saw a complete overhaul of Hatch's one-on-one consultation programme, thanks to support from an intern from the University of North Carolina who joined the community team from January to April 2024. Off the back of a year where 94 founders had received one-on-one consultations and expert advice, a new process for matching expert volunteers with founders was created. The programme's system was moved to Monday.com to make it a faster, more efficient process for both the founder and Hatch staff.

Looking ahead

The team will roll out all elements of the updated one-on-one consultation programme in time for Hatch's May 2024 cohort programmes. Once completed, it'll allow us to respond and match founders and volunteers faster, something further made possible by the decision to make this offering exclusive to Hatch graduates. We'll be looking to increase the team's capacity to further develop new support events to founders, bring in new mentors through newer partners like IT Cosmetics (L'Oreal) and further develop the use of Circle to support founders and how we track and measure their engagement on the online community platform. We'll also be streamlining and improving the grants process to make it easier for founders to apply, and broadening how we better support and engage with them pre- and post application. Thanks to NatWest's support, we'll be aiming to further our reach and support more founders based outside of London and the South-East.



3. Our wider work in the ecosystem to support businesses

Hyperlocal events, which launched at the end of the previous financial year in March 2023, took another step forward.

The ten events supported a total of 267 founders to increase their skills, knowledge and confidence across locations that included Manchester, Nottingham and the Midlands. These events see Hatch partner with a range of smaller organisations across England who also support underrepresented founders, providing them with marketing support and funding of up to £1,500 to run workshops and initiatives, whilst further helping Hatch broaden its impact and reach outside of London.

June 2023 saw one event run in conjunction with BlackOwned MCR tackle brand, and how founders could use the power of personal brand and marketing for small businesses, whilst more than 50 attendees took part in two hyperlocal events run by The Creative Mum's Club in February and March 2024 looking at best practice when it comes to motherhood and business, as well as offering a chance to network with like-minded founders.

“Partnering with Hatch for our Black in Business event allowed us to invest in the experience for our attendees so that they could gain more skills and confidence to apply in their own businesses. It was great to be able to partner with a company that aligned so much with our own core values and supported us throughout the event process, allowing us to execute one of our most popular events to date!”

Efia Mainoo, Founder and CEO, BlackOwned MCR

However, Hatch's efforts were not limited to UK geography alone, with the charity taking further steps onto the international stage over the year, largely due to our work as a member of Youth Business International (YBI).

Alongside fellow members in South Africa, Spain, France and Germany, we contributed to the development of a sustainability toolkit, a JPMorgan Chase funded initiative that gives young and underrepresented entrepreneurs a set of practical, easy-to-use tools and guidelines that help them develop sustainable businesses, both environmentally and socially, from the outset. We also took the opportunity to contribute to a further YBI toolkit, this time about inclusivity for Black Entrepreneurs, as well as the chance to be on a membership exchange, where we shared our knowledge with a similar organisation called Sky's the Limit in Texas. The visit was useful from a partnership perspective as we continue partnering with many US-based corporates.



10

The number of hyperlocal events Hatch ran alongside partner organisations across the UK

In April 2023 we launched our first ever eBay Sneaker Academy, a free 14-week programme helping young entrepreneurs learn vital skills to help turn their passion of selling sneakers on eBay into an income-generating business. The successful programme supported 15 young entrepreneurs starting and growing their sneaker businesses, finishing in an in-person event hosted at designer and artist Slawn's cafe in Shoreditch, London as well as £16,000 awarded to founders at the end of the programme. The team at Hatch are hopeful this will lead to a second programme in 2024-25, and eBay staff have continued to offer their expertise through volunteering, including appearing as friendly dragons on Hatch's demo days for founders.

“ My career was kick-started thanks to having my own business on eBay, so being able to offer expert guidance and support to budding entrepreneurs, like I was, is a full circle way of giving back. Our mission when it comes to sneakers is to make them accessible to everyone, and this programme aims to do the same for sellers, levelling the playing field for those passionate about the product but who face barriers to starting their own business. ”

Wahaaj Shabbir, eBay's Head of Sneakers UK speaking in April 2023

“ It helped me finally get new branding which definitely adds authenticity for my business which can help me gain trust of the new customers more easily (which is one of the most important parts in my kind of business). Also I was able to acquire way more stock and get more selling opportunities, increase my cash flow and have more room to grow my business more easily. ”

Marian Papousek, graduate from the eBay Sneaker Academy

Looking ahead

Hyperlocal events will continue to play a role in furthering our reach and impact across the UK. We'll focus on establishing partnerships in these local areas and work with the same organisations on multiple events so that we can create deeper connections in the ecosystem and help build the capacity of these organisations.

With new funding in place for a Collective Leadership Group lead, we're aiming to further bolster membership and engagement with the collective of impact and capacity building organisations across the UK. We'll be looking to produce and share Hatch's own reports with the wider social entrepreneurship ecosystem, not least of all around best practices for recruiting for founders with disabilities in summer 2024.

4. Strategic partnerships that keep Hatch founders at the heart

Our partnerships with companies including Funding Circle, Bloomberg, Ares Management and BlackRock continued to deepen, with their staff whose skills, knowledge and expertise across a wide range of business areas once again proved to be an invaluable asset to founders through one to one mentoring and coaching but also in finance and grant clinics. Founders had the opportunity to be involved in pitching competitions, share their products and services at in-person events as detailed previously in section 3, and have their businesses shared in dedicated founder and festive gift guides.

An example of evolving relationships with partners is eBay. After being supported by the eBay Foundation through their Global Give grant in previous years, having this relationship helped when the charity first started talking to the sneaker team at eBay UK who approached Hatch on the possibility of running what would end up being the Sneaker Academy.

After running a bespoke Incubator support programme for founders working in the UK outdoors sector in 2022, the Changemaker Programme, in partnership with Opening Up The Outdoors (OUTO), returned for a second run as a Launchpad in October 2023. Taking the learnings from our first cohort of what founders in this space needed, this round of support was aimed at similar founders at the start of their journey.

“ I have learned so much! It’s a great programme and an excellent introduction into the many things you need to think about when starting or developing a venture. I have learned in general how to better understand the problem, the users, the audience, and the offer. I have gained some tools to use when mapping out stakeholders and knowing who I’m targeting in my ask and offer. By doing the homework and having to present it, I also learned how my ideas and communication were being perceived, which is a helpful takeaway. ”

Opening Up The Outdoors participant, speaking in October 2023

Similarly, our partnership with Southwark Council through the programme Southwark Pioneers Fund: Grow Your Enterprise, made a welcome return, once again supporting founders based in the London borough Southwark, and offering them the chance to join an incubator that started in January 2024.

Seven founders from previous Southwark Pioneers Fund cohorts also received £69,850 in grant funding through the programme, including Albert Larter, founder of Wakuda, an online marketplace for African and Caribbean crafts, and Emeke Otagburuagu, founder of Black Cowboy Coffee.

“In the challenging economic environment, it’s more important than ever that the council is on the side of our diverse local businesses. Our ambition is to build a greener, more resilient and fairer economy with good work opportunities for all. Our Southwark Pioneers Fund is another example of making that ambition real.”

Councillor Martin Seaton, Cabinet Member for Jobs, Business & Town Centres, and councillor for North Walworth

Hatch relies on the generous support of grant-makers, corporate and individual donors. Without them, we would not be able to continue to pursue our mission. Hatch is not registered with the Fundraising Regulator but our fundraising policies and procedures are robust and transparent, including a focus on those in vulnerable circumstances. Our promise to our supporters includes making the best use of their donations, being transparent in how donations are spent, informing donors about the difference their support makes, respecting privacy, and making it easy for donors to choose how we communicate with them. We keep abreast of, and adapt to, all and any changes in the regulatory framework and adhere to current regulations, including the General Data Protection Regulation, Data Protection Act 2018 and relevant guidance from the Information Commissioner’s Office (ICO). Our fundraising activities are fulfilled by in-house fundraisers employed directly by Hatch and we do not contract with any third parties for fundraising services that interact directly or indirectly with potential donors. We communicate directly with the majority of our donors via face-to-face meetings, email and telephone, and do not employ door-to-door or street fundraising methods.

Looking ahead

Hatch will deepen engagement with key partners and cultivate new high-level, multi-year partnerships with companies, foundations and individuals who are aligned with Hatch's mission. Driving financial resilience is paramount, so we will further grow and develop these vital partnerships in terms of strategic engagement. We will also launch a public sector fundraising initiative and increase engagement with high-net-worth individual donors, with the aim of this multi-pronged approach to income diversification to add stability and enable Hatch to evolve our case for support to attract new partners. Prioritising the diversification of our funding streams positions us to meet ambitious fundraising goals for 2024-25 and beyond as we collectively strive to level the playing field for underrepresented founders.



5. Prove and Improve

As projects at Hatch became more complex and collaborative across different teams, working smarter, streamlining and finding efficiencies where possible was a priority, especially given all teams at Hatch started the year with fewer team members and capacity. This ambition was aided by the full adoption and rollout of Monday.com as a work and project management tool, and has revolutionised how we work as individuals and as teams. Staff now have improved interdepartmental visibility and collaboration, better communication around recruitment for founders and staff, as well as streamlining how we track partner-founder journeys and outcomes.

Adoption of other digital tools included the embedding of HR platform Factorial across the charity, professionalising our current HR systems and streamlining processes for staff such as booking annual leave and claiming expenses. All of Hatch's HR records and documents are now securely stored on the platform and it is used in all recruitment rounds with the applicant tracking system making a huge difference to our staff recruitment processes.

Despite some solid progress on the adoption of a CRM thanks to a dedicated working group, the decision was made to pause CRM developments whilst the wider charity continued to work towards bringing stability and strengthening stewardship with existing partners, with a view to picking this up as a priority in the 2024-25 financial year. Similarly, a new task force was set up to cover some of the responsibilities we had put into place in the previous year around measuring impact, evaluation and learning (IEL), spreading these responsibilities across a team of staff from every department.

At the start of the financial year we did a lot of work around audience mapping and gaining deeper insights into motivations around supporting Hatch Enterprise and engaging with the charity in the future, providing a basis among other things for plans to introduce an individual giving programme at the right time to the right audience.

Future Plans

Bringing in a CRM, implementing this Hatch wide and training for the charity's staff will be a major priority moving forwards into the coming year. Similarly, building the charity's impact, evaluation and learning function will also be an important one to establish in 2024-25.

6. Prioritising people

A difficult start to the financial year presented by the charity's restructure and financial challenges facing all staff at the end of 2022–23 and the start of this year was also a potent reminder of the role and importance of the people and operations team. Navigating staff through this period of pivotal change and the immediate period thereafter was also a chance to increase employee engagement. More than ever, listening and feedback from staff were crucial, so one-to-one meetings between line managers and their team members, a suggestion box for ideas, staff engagement surveys and performance reviews all provided a myriad of channels staff could feel heard through.

We doubled the number of wellbeing days to four per year for full time employees, and introduced a raft of new internal communications channels between the leadership and the wider team. This included introducing our communication charter, our first internal newsletter and centralising communications by providing an organisation-wide view of team activity, new policies, procedures and other important notices.

We also invested in our GDPR compliance and data security processes and policies, appointing a dedicated data protection officer (DPO) for the first time, raising awareness of compliance, as well as introducing GDPR training on processes and practices around data handling and storage.

Looking ahead

Over the year we'll look to expand our range of policies for the organisation, including adult safeguarding and an expenses policy, plus work to increase employee engagement, its measurement and response. We'll aim to further embed a culture of learning and development across the organisation, build on what our workplace culture is, including our approach to diversity, equity and inclusion, and focus on training Hatch's managers and leaders to better support the wider Hatch team.

7. Better Governance

Over the course of 2023-24, the focus was to strengthen our governance, our finances and leadership. At the start of the year we appointed a Finance Director to provide executive leadership in finance and risk management. We also appointed a Director of Development role to lead and grow our income generation, which was crucial in building a more financially resilient charity. We also appointed a Head of People and Operations to lead a people first approach to our HR practice, policies and how we operate at Hatch. This included streamlining our performance and progression framework, staff engagement practice, recruitment of staff and new Trustees. Late in the year there was investment into our IEL process, testing and investigating a number of options and tools that would help the charity better capture and analyse both its short and longer term impact.

Finally, a new role of Managing Director was created, which helped clarify the organisational structure at Hatch, line managing and overseeing the work of heads of department and director posts at the charity, some of whom were previously managed by the chief executive. The Chief Executive's role also took a small shift, directing efforts externally into further building the network and range of partnerships for the charity.

Looking ahead

After a period of recruitment early in 2024, we'll be bringing on board several new trustees. In part, this is an active decision for our board to better reflect the diversity of both the founders we support but also the Hatch team itself. Two of the new board members are from an ethnic minority background, with three out of the four being women. All have lived experience of being a founder or working directly with founders, as well as helping to plug some of the knowledge and skills gap we currently have on the board.

Financial review

The Trustees consider the results as disclosed on the following pages to show the organisation ending the year in a positive financial position. The charity's work is reliant on grants, donations and earned income. Total income in 2024 was £2,407,396 (2023: £1,733,321). Total expenditure was £2,245,009 (2023: £2,080,854). The cash flow of the organisation is monitored on a monthly basis.

At 31 March 2024, the Charity had total funds of £897,746 (2023: £735,359). This is an increase from the prior year. Restricted funds were £570,383 at 31 March 2024 (2023: £534,761) and unrestricted funds were £327,363 (2023: £200,598). The Trustees intention is to continue to grow unrestricted funds and achieve our reserves policy target of 3 months' full operating costs to support the long-term sustainability of the charity.

At the time of approving the financial statements, the trustees believe the charity has adequate resources to continue operating for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Reserves Policy

This year the Trustees agreed to a free reserves policy to hold 3 months operating costs in reserve equivalent to £547,140. At year end, the position was £327,363 equivalent to 1.7 months operating costs at that time.

The Reserve serves two main purposes;

- to cover short term shortfalls in income, for example if funding for a particular programme ends
- to cover unbudgeted expenditure considered to be in the strategic interests of Hatch

The reserves fund is intended to ensure that Hatch can manage either of these eventualities without immediately having to cut back services. In the event of loss of expected income or increased expenditure, it gives Hatch a period in which to seek to remedy the situation by securing additional funds or to plan a reduction of expenditure commitments.

The Finance Committee assesses the required level of reserves on an annual basis. This assessment considers the risks associated with each stream of income and expenditure, its planned activity level, and the need to keep sufficient bank balances to be able to manage the day-to-day fluctuations of receipts and payments.

Risk management

The trustees are responsible for ensuring effective risk management.

During the 2021-22 year the executive team reviewed our approach to risk management, the format of our risk register and the way controls are identified, implemented and monitored in line with the Charity Commission guidance. The full revised risk register is now shared with the Board annually in February and a summary is shared at each quarterly board meeting, highlighting those risks that are assessed by the executive team to be particularly high, newly arising or significantly changed during that quarter. Significant work has taken place this year to mitigate against key risks, particularly within the finance function. The Trustees are satisfied that systems are in place to mitigate exposure and consequences of key risks.

Key risks identified and being addressed are connected to reaching and attracting eligible founders to our increasing number of programmes and implementing internal systems, processes and support the team. We are also closely monitoring the external economic climate and the potential risk to both our income if key funders are negatively affected and our expenses as prices rise.

Structure, governance and management

The charity is a company limited by guarantee and a registered charity. It is governed by its Memorandum and Articles of Association (as amended). The minimum number of Trustees as set out in the Memorandum and Articles of Association is three and the quorum is set at two Trustees.

The Trustees are the administrative and governing body and meet four times a year, ensuring and monitoring that the Charity is performing well, solvent and complies with all its obligations. The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Guraman (Aman) Johal	(Resigned 31 May 2024)
Edmund Papworth	
Thomas Schreiber	
Anne-Helene Sinha	
Tania Rahman	

The charity is required to have a minimum of three directors and seeks to have at least five with a range of backgrounds, skills and expertise to steward and support the charity and the executive team. New Trustees are recruited actively through public advertising and through the networks of existing Trustees and team members. Potential Trustees are interviewed by existing Trustees and the CEO and are invited to join the Board as Board Observers, typically for a period of 6 months, or two Board meetings, with the appointment made at the third board meeting. During this year we had one Trustee, Guraman (Aman) Johal, who resigned from the Board in November 2023.

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Organisational structure and decision making

The Trustees are responsible for the policy and strategy of the Charity and for ensuring its long term sustainability and delivery of its purpose and objectives. The Trustees have paid due regard to guidance issued by the Charity Commission in their decisions regarding the activities that the Charity should undertake.

The Founder CEO Dirk Bischof and the Hatch team are responsible for implementing policies and strategies approved by the Trustees and for progressing the organisational objectives.

Key management personnel

The Trustees consider that the key management personnel of the Charity comprise themselves and the Executive Leadership Team, supported by the Senior Leadership Group.

The Executive Leadership Group comprises

Dirk Bischof	(CEO)
Rebekah Capon	(Managing Director),
Shelagh Paterson	(Director of Development)
Matthew Brookes	(Finance Director)
Philippa Frankl	(Operations Director) (Resigned May 2023)
Nasrat Sayyad	(Head of Finance)
Tse Kin Bevis Man	(Head of Marketing & Communications)
Deryl Thatcher	(Head of Corporate Partnerships)
Rosie Pannell	(Head of Philanthropy)(On Maternity Leave)
Meredith Greey	(Head of Impact & Innovation)
Mellissa Morgan	(Head of Cohort Programmes)
Cecilia Verissimo	(Head of Community Programmes)
Anna Moran	(Head of People & Operations)
Suzi Lawrence	(Head of People & Operations - maternity cover)

The CEO salary is set annually by Trustees. The other members of the Hatch team are remunerated in line with Hatch's Pay and Progression policy. The policy is reviewed annually by the Trustees.

Finance Committee Members

The Finance Committee is made up of Trustees and 2 members of Senior staff, as below;

Anne-Helene Sinha
Edmund Papworth
Matthew Brookes
Nasrat Sayyad

who met several times during the year to;

- 1) Review Hatch's financial and accounting policies.
- 2) Assess the financial performance of Hatch
- 3) Ensure appropriate reserve levels
- 4) Monitor the impact of significant income and expenditure items
- 5) Review financial scenario planning and make recommendations about the long term investment framework.

The Board received reports from the Finance Committee at each quarterly Board meeting, covering the organisation's financial position and noting significant developments and key risks for Hatch in the environment in which we operate.

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 0.76 day's purchases, based on the average daily amount invoiced by suppliers during the year.

Auditor

In accordance with the company's articles, a resolution proposing that Buzzacott LLP be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Edmund Papworth

Trustee and Acting Chair of the Board

Date: 18th September 2024

Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Hatch Enterprise for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006 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 United Kingdom and Republic of Ireland (FRS 102).

They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor’s Report

Opinion

We have audited the financial statements of Hatch Enterprise (the ‘charitable company’) for the year ended 31 March 2024 which comprise the statement of financial activities, the statement of financial position and the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 March 2024 and of 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’s responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 annual report and financial statements, other than

the financial statements and our auditor’s report thereon. The Trustees are responsible for the other information

contained within the annual report and financial statements.

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees’ report, which is also the directors’ report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees’ report, which is also the directors’ report for the purposes of company law, 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 Trustees’ 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 trustees’ remuneration specified by law are not made; or”
- we have not received all the information and explanations we require for our audit.
- 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 Trustees report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the Trustees’ responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in
- the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

We assessed the susceptibility of the charitable company’s financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council’s website at **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor’s report.

Use of our report

This report is made solely to the charitable company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s members as a body, for our audit work, for this report, or for the opinions we have formed.



Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 10 October 2024

Statement of financial activities

		Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	Notes	£	£	£	£	£	£
Income from:							
Donations	3	968,401	549,500	1,517,901	296,494	64,137	360,631
Charitable activities	4	347,214	531,166	878,380	237,072	1,134,593	1,371,665
Investments	5	11,115	-	11,115	1,025	-	1,025
Total income		1,326,730	1,080,666	2,407,396	534,591	1,198,730	1,733,321
Expenditure on							
Raising funds	6	258,038	23,087	281,125	247,083	-	247,083
Charitable activities	7	941,927	1,021,957	1,963,884	794,614	1,039,157	1,833,771
Total expenditure		1,199,965	1,045,044	2,245,009	1,041,697	1,039,157	2,080,854
Net income/(expenditure) for the year/ Net movement in funds		126,765	35,622	162,387	(507,106)	159,573	(347,533)
Fund balances at 1 April 2023		200,598	534,761	735,359	707,704	375,188	1,082,892
Fund balances at 31 March 2024		327,363	570,383	897,746	200,598	534,761	735,359

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Statement of financial position

		2024	2023
	Notes	£	£
Fixed assets:			
Property, plant and equipment	12	18,173	23,891
Current assets			
Trade and other receivables	13	25,018	141,762
Cash at bank and in hand		968,403	887,453
		993,421	1,029,215
Current liabilities	14	(113,848)	(317,747)
Net current assets		879,573	711,468
Total expenditure		897,746	735,359
Income funds			
Restricted funds	17	570,383	534,761
Unrestricted funds		327,363	200,598
		897,746	735,359

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 18th September 2024.



Edmund Papworth

Trustee and Acting Chair of the Board

Company registration number 08648338

Statement of cash flows

		2024		2023	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(used) operations	22		71,065		(200,286)
Investing activities					
Purchase of property, plant and equipment		(1,230)		(13,882)	
Investment income received		11,115		1,025	
Net cash generated from/(used) investing activities					
			9,885		(12,857)
Net increase/(decrease) in cash and cash equivalents					
			80,950		(213,143)
Cash and cash equivalents at beginning of year			887,453		1,100,596
Cash and cash equivalents at end of year					
			968,403		887,453

Notes to the financial statements

1 Accounting policies

Charity information

Hatch Enterprise is a private company limited by guarantee incorporated in England and Wales. The registered office is 53-63 East Street, London, SE17 2DJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 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 (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees consider that there are no material uncertainties about the charity's ability to continue in operational existence for at least 12 months. The Trustees have reviewed the current financial position, the confirmed income for the 12 month period and the current pipeline of fundraising opportunities and the cost base. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The economic environment remains challenging for all organisations. We maintain a rolling 18 month cash flow forecast and based on the cash at the bank, contracts held, and fundraising activities underway and planned, the Trustees are confident that Hatch Enterprise continues to adapt well to external factors and transition towards a more sustainable financial model.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Recognition of income takes place in accordance with applicable accounting policies and results are presented in accordance with the SORP. All incoming resources are included in the Statement of financial activities when the charity has entitlement to the income, it is probable that the income will be received and that the amount can be measured reliably.

Grants and donations are recorded in the period in which they are received or the charity is entitled to the income.

Donations receivable for the general purposes of the charity are credited to Unrestricted funds and donations tied to a particular purpose are credited to Restricted funds.

Contractual income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

All other income, such as training fees, is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable probability.

Where income is received in advance of its recognition, it is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued and included in debtors.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset’s use.

Expenditure is included in the statement of financial activities on an accrual basis, inclusive of value added tax and is allocated between expenditure incurred in promoting the activities and objectives of the charity (expenditure on raising funds) and expenditure incurred directly to the fulfilment of the charity’s objectives (charitable activities). Support costs are allocated to charitable activities.

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20-33% per annum on a straight line basis
Computers	20% per annum on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity’s balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits. 1.10 Retirement benefits

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Grants policy

The organisation gives grants out of Restricted Funds that further its charitable objects and meet any restrictions imposed by the source of the funds into the charity. Grants are made from time to time at the discretion of the Trustees when it is considered that this represents an effective way of delivering on the charity's commitments and operational objectives, furthers the charity's purposes for the public benefit, and is in the charity's best interests.

2 Critical accounting estimates and judgements

In the application of the charity'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. In addition there is a need to estimate future income and expenditure flows for the purposes of assessing going concern (see 1.2 above). 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 underlying 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 the revision and future periods where the revision affects both current and future periods.

3 Donations

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations	697,151	549,500	1,246,651	180,994	64,137	245,131
Donated goods and services	271,250	-	271,250	115,500	-	115,500
	968,401	549,500	1,517,901	296,494	64,137	360,631

Included within Donated goods and services is a Gift In Kind equivalent to £70,000 (2023: £46,800) from Peabody for the rent of 3 spaces they have provided during the year for free. There is also a second Gift in Kind equivalent to £201,250 (2023: £68,700) for professional voluntary services.

Included within Donations is £12,319 (2023: £1,128) as donations from individuals and £1,234,332 (2023: £244,003) as corporate donations.

4 Charitable activities

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Workshop income	10,919	-	10,919	15,498	-	15,498
Corporations	181,351	211,663	393,014	163,174	573,986	737,160
Trust and foundations	70,000	177,805	247,805	58,400	521,321	579,721
Councils and local government	84,944	141,698	226,642	-	39,286	39,286
Total	347,214	531,166	878,380	237,072	1,134,593	1,371,665

5 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Interest receivable	11,115	-	11,115	1,025	-	1,025

6 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Fundraising and publicity						
General fundraising staff costs	242,743	-	242,743	247,083	-	247,083
Other fundraising costs	15,295	23,087	38,382	-	-	-
Fundraising and publicity	258,038	23,087	281,125	247,083	-	247,083
	258,038	23,087	281,125	247,083	-	247,083

Previously Other fundraising costs were included within Other support costs.

7 Charitable activities

	2024 £	2023 £
Staff costs	1,163,561	1,234,327
Other staff related costs	20,865	19,710
Depreciation and impairment	6,948	7,138
Training and workshops	123,106	207,281
Premise costs	82,137	60,351
Marketing	55,451	37,832
Accounting and professional services	207,476	84,810
Bank charges	349	367
Other support costs	85,303	121,155
Governance costs	25,362	-
	1,770,558	1,772,971
On-Grants funding of activities (see note 8)	193,326	60,800
	1,963,884	1,833,771
Analysis by fund		
Unrestricted funds	941,927	794,614
Restricted funds	1,021,957	1,039,157
	1,963,884	1,833,771

Governance costs include auditor's fee of £15,643 for 2023 (2023: £8,200 included in other support costs). Charitable activities represent the cost of provision of the core activities of the charity.

Accounting and professional services include a Gift in Kind totalling £201,250 (2023: £68,700).

Premises costs include a Gift in Kind totalling £70,000 (2023: £46,800).

Net income for the year is stated after charging depreciation of £6,948 (2023: £7,138).

8 Grants payable

	Training and workshops	Training and workshops
	2024	2023
	£	£
Grants to institutions:		
Foundervine C.I.C	-	6,000
Groundwork	187,326	54,800
Other Grants	6,000	-
	193,326	60,800

Grants paid to Groundwork UK to manage the grant-making process in-partnership with UBS, OUTO & eBay to support entrepreneurs from diverse backgrounds.

9 Trustees

The Trustees act in a voluntary capacity and received no remuneration or benefits from the charity during this year. 1 trustees received reimbursement of travel expenses totalling £151.43 during the year (2023 - £nil).

There were no other related party transactions in the year (2023 - £nil).

10 Employees**Number of employees**

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Promotion of entrepreneurship	14	17
Administrative staff	16	17
	30	34

Employment costs

	2024	2023
	£	£
Wages and salaries	1,248,086	1,313,085
Social security costs	124,351	132,516
Other pension costs	33,867	35,809
	1,406,304	1,481,410

The number of employees whose annual remuneration was £60,000 or more were:

	2024	2023
	Number	Number
£60,001 - £70,000	-	2
£70,001 - £80,000	2	-
£80,001 - £90,000	-	1

11 Taxation

Hatch Enterprise is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

12 Property, plant and equipment

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 April 2023	10,830	36,639	47,469
Additions	99	1,131	1,230
At 31 March 2024	10,929	37,770	48,699
Depreciation and impairment			
At 1 April 2023	7,878	15,700	23,578
Depreciation charged in the year	1,064	5,884	6,948
At 31 March 2024	8,942	21,584	30,526
Carrying amount			
At 31 March 2024	1,987	16,186	18,173
At 31 March 2023	2,952	20,939	23,891

13 Trade and other receivables

	2024	2023
	£	£
Amounts falling due within one year:		
Trade receivables	2,075	110,000
Other receivables	-	54
Prepayments and accrued income	22,943	31,708
	25,018	141,762

14 Current liabilities

	2024	2023
	£	£
Other taxation and social security	43,637	82,216
Trade payables	10,334	29,306
Other payables	397	10,775
Accruals and deferred income	59,480	195,450
	113,848	317,747

15 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	33,867	35,809

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

16 Deferred income

	2024	2023
	£	£
Deferred income brought forward	155,714	-
Deferred during the year	172,000	155,714
Released during the year	(311,643)	-
Deferred income carried forward	16,071	155,714

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
Cohort Programmes	335,693	411,084	(686,456)	-	60,321
Collective Leadership Group	-	25,198	(18,261)	-	6,937
On-Grants (Previously Grant Funds)	160,000	579,009	(239,009)	-	500,000
Community Programmes	39,068	65,375	(101,318)	-	3,125
	534,761	1,080,666	(1,045,044)	-	570,383

	At 1 April 2023	Income	Expenditure	Transfers	At 31 March 2024
	£	£	£	£	£
Cohort (Previously Hatch Impact & Future Founders)	212,619	867,311	(844,343)	100,106	335,693
Collective Leadership Group (Previously Hatch Impact)	130,505	10,000	(40,399)	(100,106)	-
Grant Fund (Previously Young Enterprise)	12,500	210,000	(62,500)	-	160,000
Community Programmes	19,564	111,419	(91,915)	-	39,068
	375,188	1,198,730	(1,039,157)	-	534,761

The restricted funds represent monies received from donors for the Hatch activities described in more detail in the Trustees' report.

In FY 23-24, Hatch operated four restricted funds as below;

- Cohort Programmes - to support and empower underrepresented Entrepreneurs to launch and grow their businesses in the UK.
- Community Programmes - for work with founders to provide 121 volunteering and mentoring support, events connecting entrepreneurs in a vibrant supportive community, and building networks and partnerships with other organisations.
- Collective Leadership Group - to build capacity and support social leaders and enterprises.
- On-Grants - to support graduate entrepreneurs with funding in partnership with funders.

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 April 2023	Income	Expenditure	At 31 March 2024
	£	£	£	£
General funds	200,598	1,326,730	(1,199,965)	327,363

	At 1 April 2022	Income	Expenditure	At 31 March 2023
	£	£	£	£
Previous year:				
General funds	707,704	534,591	(1,041,697)	200,598

19 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	2024	2024	2024
	£	£	£
At 31 March 2024:			
Property, plant and equipment	18,173	-	18,173
Current assets	309,190	570,383	879,573
	327,363	570,383	897,746

	Unrestricted funds	Restricted funds	Total
	2023	2023	2023
	£	£	£
At 31 March 2023:			
Property, plant and equipment	23,891	-	23,891
Current assets	176,707	534,761	711,468
	200,598	534,761	735,359

20 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2024 £
Aggregate compensation of the Executive Leadership Team	203,321	-
Aggregate compensation of the Senior Leadership Group	327,047	493,066
	530,368	493,066

The Trustees consider that the key management personnel of the Charity compromise themselves and the Executive Leadership Team, supported by the Senior Leadership Group.

The Executive Leadership Team has been implemented in 2024 and comprises:

Dirk Bischof	(CEO)	
Rebekah Capon	(Managing Director)	
Shelagh Paterson	(Director of Development)	(Joined March 2024)
Matthew Brookes	(Finance Director)	
Philippa Frankl	(Operations Director)	(Resigned May 2023)

The Senior Leadership Group includes:

Nasrat Sayyad	(Head of Finance)	
Tse Kin Bevis	(Head of Marketing & Communications)	
Deryl Thatcher	(Head of Corporate Partnerships)	
Rosie Pannell	(Head of Philanthropy)	(On Maternity Leave)
Meredith Greey	(Head of Impact & Innovation)	(On Maternity Leave)
Melissa Morgan	(Head of Cohort Programmes)	(Joined January 2024)
Cecilia Verissimo	(Head of Community Programmes)	(Joined June 2024)
Anna Moran	(Head of People & Operations)	(On Maternity Leave)
Suzi Lawrence	(Head of People & Operations)	(Maternity cover)

In 2023, the Senior Leadership Group consisted of both of the above SLG and ELT employees.

No donations were received from the trustees during the year (2023: £nil).

There were no other related party transactions in this year.

21 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.

22 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	162,387	(347,533)
<u>Adjustments for:</u>		
Investment income recognised in statement of financial activities	(11,115)	(1,025)
Depreciation and impairment of property, plant and equipment	6,948	7,138
<u>Movements in working capital:</u>		
Decrease/(increase) in trade and other receivables	116,744	(132,342)
(Decrease)/increase in trade and other payables	(203,899)	273,476
Cash generated from/(used by) operations	71,065	(200,286)

23 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	887,453	80,950	968,403
	887,453	80,950	968,403



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