

# **Bootstrap Company Limited**

Report and Financial Statements

Year Ended

31 March 2018

Company Number 01355222

Charity Registration Number 275489

# **Bootstrap Company Limited**

## **Report and financial statements for the year ended 31 March 2018**

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### **Reference and administrative details**

#### **Trustees**

Tomi Petteri Nummela (Chair until 19/07/2017, Trustee to 16/10/2018)  
Sarah Cary (Chair from 19/07/2017)  
Ross Mitchell  
Clarisse Simonek  
Luke Ainger (to 15/11/2017)  
Denis King  
Alex Tamburov (from 20/09/2017 to 20/03/2018)  
Jordan Bookman (from 15/11/2017)  
Tamsin Chislett (from 20/03/2018)

#### **Company secretary**

Sara Turnbull (to 21/04/2017)  
Sufiya Patel (from 22/04/2017)

#### **Registered office**

The Print House, 18 Ashwin Street, Dalston, London, E8 3DL

#### **Charity number**

275489

#### **Company number**

01355222

#### **Auditor**

BD&M Limited, Skies, 20 St Martinsfield, Winterborne St Martin, Dorchester, Dorset, DT2 9JU

#### **Bankers**

Unity Trust Bank plc, Nine Brindley Place, Birmingham, B1 2HB

# Bootstrap Company Limited

## Report of the trustees for the year ended 31 March 2018

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The trustees who are also directors of the charity for the purposes of the Companies Act present their report together with the consolidated financial statements of Bootstrap Company Limited, 'the charity', 'Bootstrap' for the year ended 31<sup>st</sup> March 2018 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's governing document, applicable law and the requirements of Accounting and the Charities SORP (FRS 102) effective 1 January 2015.

### Objectives and Activities for the Public Benefit

Bootstrap is a charity based in Hackney and is committed to alleviating poverty in our community. Bootstrap provides workspace and support for local start-ups, social enterprises, charities and businesses. By combining this work with a strong programme of cultural events open to the local community and tenants, Bootstrap creates a better place to live and work by empowering communities.

Bootstrap was established in 1977 to support people to set-up their own businesses and improve employability skills. The charity's activities developed through working with unemployed residents on estates in Hackney, Lambeth and Camden.

Bootstrap has worked in Dalston, Hackney - one of most deprived council areas in England – since 1980. Over time the activities grew to include the provision of managed workspace at the Print House on Ashwin Street. Here Bootstrap manages 60,000 sq. ft. of workspace serving over 120 social, creative and commercial entrepreneurs and businesses.

Bootstrap Company is based in the heart of Dalston's cultural quarter and we run a gallery and a range of meeting and event spaces.

The Bootstrap charitable objects are: **"To advance education and to relieve poverty."** Bootstrap's vision is to be **"where community works"**. Our mission is to deliver this with these aims:

**Aim 1:** To develop and manage affordable spaces for enterprise and culture.

**Aim 2:** To provide support for socially and environmentally enterprising tenants so that they can grow into sustainable businesses that contribute to the community.

**Aim 3:** To use Bootstrap's network to deliver training that increases people's skills and access to fulfilling employment.

**Aim 4:** To deliver events that build connections and trust.

Bootstrap has three core areas of operation which are described in more detail below:

1. Lettings
2. Enterprise
3. Community and Culture

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing Bootstrap's aims and objectives and in planning future activities. Highlights of our work for the public benefit in each of these business areas is described below.

# Bootstrap Company Limited

## Report of the trustees for the year ended 31 March 2018 (*continued*)

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### Review of 2018 in brief

In 2018, the charity was in a period of transition with a change of leadership both at the staffing and board level. The CEO, who had been in post since 2012, left with the incumbent Operations Manager stepping up as Interim CEO for an initial 6-month period, which was further extended for another 6 months to 31<sup>st</sup> March 2018. In February 2018, the board appointed a new permanent CEO who started in mid-March 2018.

During 2017/18, Bootstrap Company continued with its main areas of operations- lettings, enterprise support and running the Dalston Roof Park via the Bootstrap Trading Company.

### Lettings

Bootstrap owns the leasehold on the Print House and we rent our other two buildings - Colourworks and Fitzroy House, from Hackney Council and a private landlord, respectively. In May 2017, a rent review for Fitzroy House from our private landlord took place and our rent was increased by circa 400%.

### Bootstrap Fund 2017/18

The Bootstrap Fund supported tenants with rental subsidies. From 1 April 2017, just under £68,000 of funding was given through the Bootstrap Fund for Affordable Workspace enabling 31 tenants to continue to afford workspace.

The Bootstrap Fund was also extended to support tenants with the payment of Business Rates. Bootstrap provided relief to these tenants by extending the Bootstrap Fund. Bootstrap provided £93,188 of assistance to 10 tenants.

### Enterprise and Training

The Bootstrap enterprise services utilise Bootstrap's internal network of creative and social entrepreneurs, along with our wider network in London and the social enterprise sector. We:

- Support Bootstrap tenants to succeed commercially.
- Support tenants to collaborate and support each other.
- Give training to support young people to set up their own business.
- Take a lead on fostering social impact through the collective power of our organisations.

For our tenants we currently provide the following enterprise support:

- One-to-one business support, in particular for those experiencing financial issues or in the pre-startup phase.
- A range of free talks & workshops on topics such as fundraising, finance and innovation.
- A range of networking events and social spaces that promotes collaboration between tenants.

### Enterprise Bootcamp and Bootcamp Live

The Bootstrap Campus project provides support for local unemployed 18-25 year olds to transition into work or startup businesses, by giving them opportunities to develop their skills, experience and professional networks. We run two programmes- Enterprise Bootcamp and Bootcamp Live.

Enterprise Bootcamp provides young people with a **10-week accredited enterprise programme**. It is designed to be approachable that focuses on developing confidence and the technical suite of skills required to start up a business. Participants on the course are given the opportunity to gain an OCN Level 2 business qualification.

We utilise the assets available at Bootstrap to help breakdown the barriers to entry by enabling access to finance, connections and networking with highly skilled and experienced entrepreneur mentors all under one roof. In 2017/18, we ran two programmes with 31 participated, and over the two courses 26 businesses were started/ further developed.

Bootcamp Live is an eight-week events management course that encompasses event production, enterprise, promotion, marketing, social media, and finance that culminates in the participants producing their own show at



Bootstrap's rooftop venue - Dalston Roof Park. In summer 2017, 13 people took part in the programme, which culminated in a live music event on the roof.

# Bootstrap Company Limited

## Report of the trustees for the year ended 31 March 2018 (*continued*)

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### Community and Cultural

Bootstrap continued to use its community spaces to support tenant collaboration and community links through gallery shows, events in the Bootyard, and extended use of the Dalston Roof Park.

In 2017/18, the Bootstrap Trading Company continued to manage the Dalston Roof Park. The Dalston Roof Park has continued to raise the profile of the Bootstrap Charity through social impact events enabled by the Bootstrap Community Organiser. We continued to dedicate time in the programming for events that support the wider charitable aims of Bootstrap Company.

### Bootstrap Trading Company Limited

All non-charitable trading is carried out through the wholly owned subsidiary Bootstrap Trading Company Limited. It donated 100% of its profits to the charity. Its current directors are Ross Mitchell and Jordan Bookman who were appointed in November 2017. Tomi Nummela, John Shute resigned in October 2018 and Luke Ainger stepped down in November 2017.

The trading subsidiary hired out the roof park over the summer months for various functions. It also ran a bar most evenings. Management fees of £39,773 (2017: £47,787) were paid to the charity for the use of its facilities as well as staff time and other costs. The company's net profit of £113,567 (2017: £1,557) was distributed to the charity under gift aid.

### Financial Review

#### Transactions and Financial Position

The Statement of Financial Activities shows net expenditure for the year of £136,641 (2017: £72,375 net income).

This year saw a change in the business model with a move to charging all tenants market rents. Almost all tenants had a new lease offered at market rate with an opportunity to apply to the Bootstrap Fund to make the rent affordable. As the number of tenants continuing to remain at Bootstrap remained relatively stable during this change, rental income increased to £1,467,111 (2017: £1,323,281). This was alongside the increase in leasehold costs for the Colour Works building.

Net assets at the year-end stand at £1,959,004 (2017: £2,095,645), including £3,471,509 tangible fixed assets (2017: £3,526,473). A majority of the expenditure is spent on property leasehold costs and managing and refurbishing the rental properties alongside servicing the company's borrowing.

#### Summary of funds at 31<sup>st</sup> March 2018

	2018 £
Restricted funds	18,610
<i>Invested in fixed assets (net of borrowings):</i>	
Capital funds	617,611
Revaluation reserve	1,639,796
Other	37,767
	<hr/>
	2,295,174
Balance of reserves	(354,780)
	<hr/>
Total reserves	1,959,004
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# **Bootstrap Company Limited**

## **Report of the trustees for the year ended 31 March 2018 (continued)**

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### **Reserves Policy**

As at 31<sup>st</sup> March 2018, the Charity held no free reserves. There was no change to reserves policy stated in the previous year, which was that the board decided to take a measured approach to building reserves balancing the commitment of investment to maximising social impact. The board agreed that they would dedicate 40% of surplus at the end of 2016/17 financial year and from 2017/18 onwards commit 60% of surplus in order to build free reserves. Because there was a deficit in the year, the negative reserves have not improved but projections indicate that the charity will be making a surplus in the medium term. The Reserves Policy will be reviewed in the coming months.

### **Principal Funding Sources**

The principal funding sources for Bootstrap are:

- Rental and Service Charge income
- Events & trading income
- Grants

In 2018, we raised income from lettings activities and we also received a restricted grant. Income from lettings was used mostly on the operational activities of the charity.

RBS awarded a restricted grant to deliver the 'Enterprise Bootcamp' programme to 60 beneficiaries for an 18-month period from 18 December 2017. In year 2017/18, the conditions attached to the grant of £10,000 were fulfilled and RBS released this amount to the Charity. A balance of £10,000 is still to be claimed in 2018/19 when the conditions for the remaining balance of £10,000 will be fulfilled.

The rental income increased from £1,323,281 to £1,467,111. The Enterprise programmes were able to attract £25,959 of grants.

### **Future Plans**

The Board has agreed to review the business structure and charitable objects as it plans for the future.

Plans for the coming year:

Increase lettings occupancy to support charitable aims  
Establish support systems for our tenant social enterprises, charities, and cultural partners  
Develop physical assets to offer better local amenity  
Develop enterprise and employment programmes  
Increase Bootstrap's relevance to Dalston and Hackney  
Support local partners through joint projects and developments  
Develop Dalston Roof Park as an asset that can support talent development and employment

### **Structure, Governance and Management**

The charity is a company limited by guarantee and was formed on 2<sup>nd</sup> March 1978. It is governed by its Memorandum and Articles of Association. Non-charitable activities are undertaken by a wholly owned subsidiary Bootstrap Trading Company Limited, which was incorporated on 16<sup>th</sup> February 2012.

# **Bootstrap Company Limited**

## **Report of the trustees for the year ended 31 March 2018 (*continued*)**

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### **Trustees**

The trustees who served throughout the year are listed on page 1. Board meetings were held six times a year. There are currently three working groups of the board; the Finance and Audit Working Group and Estates Working Group and the Social Impact Working Group. The Governance structure of the working groups and terms of reference are currently being updated.

The existing trustee board takes responsibility to recruit and appoint new trustees. Prospective trustees are invited to observe several board meetings before joining the board and an induction pack exists for new trustees. External training is encouraged and programmes are offered for board members as required.

### **Board Development**

During 2017/18, Sarah Cary replaced Tomi Nummela as Chair. The Board undertook a recruitment exercise in May 2017 and three new Trustees were appointed (two of which are still currently serving. The board has conducted a further self-appraisal in autumn 2018 with a view to bringing on additional skills required by the organisation.

### **Organisational Structure**

Bootstrap's services are delivered by a combination of paid staff supported by specialist contractors and volunteers. Sara Turnbull led the organisation from July 2012 until the end of April 2017. A permanent replacement was not found and in April 2017 the incumbent Operations Manager, Sufiya Patel, was seconded to the post of Interim Chief Executive until 31<sup>st</sup> March 2018. Incoming CEO, David Williams started in mid-March 2018, who has recruited a Finance Director and currently reviewing organisational structure. The staff team at the end of 2017/18 numbered 12 FTE.

### **Pay Policy for Senior Staff**

The directors consider the board of directors, who are the Trust's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year.

The pay of the senior staff is reviewed periodically (normally every three years) and normally increased in accordance with average earnings based on the financial position of the charity. In view of the nature of the charity, the directors benchmark against pay levels in other charities of a similar size. The remuneration benchmark is the mid-point of the range paid for similar roles. Salaries were last reviewed in May 2018.

### **Risk Management**

The largest risk for the charity was the market rent review on the Colourworks and Fitzroy House buildings. The charity trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.

The charity has a live risk register, which has identified the following key risks:

- Increase lettings to ensure sustainability of the business and charitable activities
- Develop programmes with greater social impact and local relevance
- Ensure activities of Dalston Roof Park reflect and support the charity

# Bootstrap Company Limited

## Report of the trustees for the year ended 31 March 2018 (continued)

### Going concern

As a result of increased ongoing costs, principally relating to significant rent increases following the rent review on Fitzroy House, the accounts show that expenditure exceeded income for the year. At 31st March 2018, there were increased amounts falling due to creditors within one year. Since the year-end, the new management team have secured short-term funding to clear short-term debts and obtained long-term secured borrowings, which will allow the charity sufficient liquidity to invest and implement a new business plan. Results are forecast to improve in the medium-term and income is expected to exceed expenditure. Based on this, the Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

### Fundraising

The charitable company did not partake in charitable fundraising activities.

### Statement of Trustees' Responsibilities

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 financial activities of the charity for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principals in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material 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 company 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 ensuring that the company maintains an adequate system of internal control designed to provide reasonable assurance that assets are safeguarded against loss or unauthorised use and to prevent and detect fraud and other irregularities.

### Statement as to Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

The auditors, BD&M Limited have expressed their willingness to continue in office and a proposal for their re-appointment will be made at the Annual General Meeting in accordance with Section 487 of the Companies Act 2006.

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.



**Sarah Cary**

Chair of the Board of Trustees

Date

30<sup>th</sup> Jan 2019

# Bootstrap Company Limited

## Report of the Independent Auditors to the Trustees of Bootstrap Company Limited

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### Opinion

We have audited the financial statements of Bootstrap Company Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31<sup>st</sup> March 2018 set out on pages 10 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 group's and parent charitable company's affairs as at 31<sup>st</sup> March 2018 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The trustees are responsible for the 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. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

# Bootstrap Company Limited

## Report of the Independent Auditors to the Trustees of Bootstrap Company Limited (*continued*)

### Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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 group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 charity'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 charity'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 charity and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**BD&M Limited**

BD&M Limited  
Statutory Auditors

Date: 30/01/2019

Skies, 20 St Martinsfield  
Winterborne St Martin  
Dorchester  
Dorset  
DT2 9JU



# Bootstrap Company Limited

## Consolidated statement of financial activities (including an income and expenditure account) for the year ended 31 March 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income from:</b>					
Donations	4	-	-	-	42,866
Charitable activities:	5				
Rental income		1,467,111	-	1,467,111	1,323,281
Grants for projects and other charitable income	6	5,959	20,000	25,959	76,556
Investments (Bank interest)	6	30	-	30	62
Other trading activities	7	516,710	-	516,710	365,136
<b>Total</b>		<b>1,989,810</b>	<b>20,000</b>	<b>2,009,810</b>	<b>1,807,901</b>
<b>Expenditure on:</b>					
Raising funds	8	363,370	-	363,370	313,342
Charitable activities	9	1,781,691	1,390	1,783,081	1,422,184
<b>Total</b>		<b>2,145,061</b>	<b>1,390</b>	<b>2,146,451</b>	<b>1,735,526</b>
<b>Net (expenditure)/income</b>	10	<b>(155,251)</b>	<b>18,610</b>	<b>(136,641)</b>	<b>72,375</b>
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(155,251)</b>	<b>18,610</b>	<b>(136,641)</b>	<b>72,375</b>
<b>Reconciliation of funds</b>					
<b>Total funds brought forward</b>	21	<b>2,095,645</b>	<b>-</b>	<b>2,095,645</b>	<b>2,023,270</b>
<b>Total funds carried forward</b>	21	<b>1,940,394</b>	<b>18,610</b>	<b>1,959,004</b>	<b>2,095,645</b>

All activities derive from continuing operations.

The notes on pages 14 to 27 form part of these financial statements.



# Bootstrap Company Limited

## Group and charity balance sheets at 31 March 2018

<i>Company number 01355222</i>			Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
	Note					
<b>Fixed assets</b>						
Tangible fixed assets	12		3,471,509	3,526,473	3,471,509	3,526,473
Investments	13		-	-	10	10
<b>Total fixed assets</b>			3,471,509	3,526,473	3,471,519	3,526,483
<b>Current assets</b>						
Debtors	14		309,503	108,568	384,304	126,370
Cash at bank and in hand			167,404	126,304	75,465	99,546
<b>Total current assets</b>			476,907	234,872	459,769	225,916
<b>Creditors: amounts falling due within one year</b>	15		(887,558)	(481,243)	(870,430)	(472,297)
<b>Net current liabilities</b>			(410,651)	(246,371)	(410,661)	(246,381)
<b>Total assets less current liabilities</b>			3,060,858	3,280,102	3,060,858	3,280,102
<b>Creditors: amounts falling due after more than one year</b>	16		(1,101,854)	(1,184,457)	(1,101,854)	(1,184,457)
<b>Net assets</b>			1,959,004	2,095,645	1,959,004	2,095,645

# Bootstrap Company Limited

## Group and charity balance sheets (continued) at 31 March 2018

<i>Company number 01355222</i>	Note	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
<i>The funds of the charity:</i>					
Restricted income funds	21	18,610	-	18,610	-
Unrestricted income funds					
General funds	21	(317,013)	(195,026)	(317,013)	(195,026)
Unrestricted capital funds					
Capital funds	21	617,611	625,566	617,611	625,566
Revaluation reserve	21	1,639,796	1,665,105	1,639,796	1,665,105
<b>Total unrestricted funds</b>		<b>1,940,394</b>	<b>2,095,645</b>	<b>1,940,394</b>	<b>2,095,645</b>
<b>Total charity funds</b>		<b>1,959,004</b>	<b>2,095,645</b>	<b>1,959,004</b>	<b>2,095,645</b>


For the year ending 31 March 2018, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as the company is a charity, it is subject to audit under the Charities Act 2011.

- (a) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006;
- (b) The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006

In accordance with section 408 of the Companies Act 2006, a separate Statement of Financial Activities for the parent charity has not been presented. The loss after tax of the parent charity for the year was £136,641 (2017 – £72,375 profit).

The financial statements were approved by the board of trustees and authorised for issue on

  
Sarah Cary  
Trustee

# Bootstrap Company Limited

## Consolidated statement of cash flows for the year ended 31 March 2018

	Note	2018 £	2018 £	2017 £	2017 £
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	18		<b>188,416</b>		218,939
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets	12	<b>(30,588)</b>		(97,401)	
<b>Net cash provided by investing activities</b>			<b>(30,588)</b>		(97,401)
<b>Cash flows from financing activities</b>					
Repayment of borrowing		<b>(116,728)</b>		(93,325)	
<b>Net cash provided by financing activities</b>			<b>(116,728)</b>		(93,325)
<b>Increase in cash and cash equivalents in the year</b>			<b>41,100</b>		28,213
Cash and cash equivalents at the beginning of the year	19		<b>126,304</b>		98,091
<b>Total cash and cash equivalents at the end of the year</b>	19		<b>167,404</b>		126,304

The notes on pages 14 to 27 form part of these financial statements.

# Bootstrap Company Limited

## Notes forming part of the financial statements for the year ended 31 March 2018

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### 1 General information

Bootstrap Company Limited is a company, limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and Charities Act 2011. The address of the registered office is provided in Reference and administrative details. Details of the charity's operations are provided in the Report of the Trustees.

### 2 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

#### *Basis of preparation of the accounts*

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Bootstrap Company Limited meets the definition of a public benefit entity under FRS 102.

#### *Basis of consolidation*

The financial statements consolidate the results of Bootstrap Trading Company Limited, which is a wholly owned subsidiary undertaking of the Charity, on a line by line basis. The accounting year ends are coterminous.

#### *Parent company disclosure exemptions*

In preparing the separate financial statements of the parent charitable company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the parent charitable company;
- Disclosures in respect of the parent charitable company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent charitable company as their remuneration is included in the totals for the Group as a whole.

#### *Going Concern*

The financial statements have been prepared on a going concern basis in accordance with the information provided in the trustee report.

The following principal accounting policies have been applied:

#### *Accounting convention*

The financial statements are prepared on a going concern basis, under the historical cost convention as modified by the revaluation of leasehold land and buildings.

# Bootstrap Company Limited

## Notes forming part of the financial statements for the year ended 31 March 2018

### 2 Accounting policies (*continued*)

#### *Income*

Income comprises of grants and contracts attributable to the principal activities of the charity, rental and room hire income from its properties, interest and sundry donations.

Income is recognised when the charity has entitlement to the funds, when control over rights to the benefit has passed to the charity, any performance conditions attached to item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. All income arose in the UK.

Income from investments represents interest from bank deposits. Interest on funds held on deposit is recognised when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. Gift aid distributions are recognised in the period the trading subsidiary has made an irrevocable commitment to pay its taxable profits.

#### *Expenditure*

Liabilities are recognised on the accruals basis. Expenditure is recognised in the period in which it is incurred and includes any attributable VAT which cannot be recovered.

Expenditure on raising funds represents the cost of sales at public events and expenditure on charitable activities comprise those costs incurred in the delivery of the charity's activities and services.

#### *Investments*

Investments are stated at cost less any provision for impairment.

#### *Fixed assets and depreciation*

All tangible fixed assets are stated at cost, or deemed cost, less depreciation. Items costing less than £750 are not capitalised.

Depreciation has been provided at the following rates in order to write off the assets (less their estimated residual value) over their estimated useful economic lives.

Leasehold land and buildings	-	Over the period of the leases
Plant and machinery and equipment	-	Straight line basis over 15 years

# Bootstrap Company Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (continued)

### 2 Accounting policies (continued)

#### *Capital grants*

Grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity are credited to the relevant fixed asset fund after the sums have been properly expended on the restricted purpose. The related asset is shown in the balance sheet at the full cost of acquisition or subsequent revaluation.

If the related assets are not subject to restrictions by the grant making organisation on their use and disposal, then the fixed asset fund created is treated as a designated fixed asset fund. As the related assets are depreciated, then a transfer is made from designated fixed asset funds to unrestricted revenue reserves to reflect the diminution in the asset.

#### *Taxation*

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Irrecoverable VAT is shown as a separate cost within Note 9.

#### *Finance and operating leases*

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

Assets held under finance leases and hire purchase contracts, where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated as a liability.

#### *Financial instruments*

##### *- Debtors and creditors*

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 the income statement in expenditure.

##### *- Loans*

The charity has a bank loan that is classified as a basic financial instrument in accordance with FRS 102. The instrument is initially recorded at the transaction price less any transaction costs.

#### *Funds structure policy*

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

Designated funds are allocated out of unrestricted funds by the trustees for specific purposes. The use of such funds is at the trustees' discretion.

# Bootstrap Company Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (continued)

### 2 Accounting policies (continued)

#### *Pension costs*

The charity operates a defined contribution pension scheme. The amount charged to the Statement of Financial Activities represents contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown either as accruals or prepayments in the balance sheet.

#### *Judgements in applying accounting policies and key sources of estimation uncertainty*

In preparing these financial statements, the trustees have made the following judgements:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually.
- Bad debt recovery; the trustees have considered the recoverability of debts outstanding at the year end. Recoverability of debts is monitored and appropriate provision is made where there is doubt over the recovery.

### 3 Financial performance of charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary Bootstrap Trading Company Limited. The summary performance of the charity alone is:

	2018 £	2017 £
Income	1,506,750	1,442,764
Donation under gift-aid from subsidiary company	113,567	1,557
Other charges made to subsidiary company	39,773	47,787
	<u>1,660,090</u>	<u>1,492,108</u>
Expenditure	(1,783,080)	(1,419,733)
	<u>(122,990)</u>	<u>72,375</u>

### 4 Income from donations

	2018 £	2017 £
Gifts	-	42,866
Legacies	-	-
Donated services	-	-
	<u>-</u>	<u>42,866</u>

All income from donations in the current and prior year was unrestricted.

# Bootstrap Company Limited

## Notes forming part of the financial statements for the year ended 31 March 2018 (continued)

### 5 Income from charitable activities

Total income from charitable activities for the group was £1,493,070 (2017: £1,399,837) of which £1,493,070 was unrestricted (2017: £1,329,355) and £Nil was restricted (2017: £70,544).

### 6 Other income

Other income consists of grants for projects and other charitable income of £25,959 (2017: £76,556) and investment income of £30 (2017 - £62).

Total income from grants for projects and other charitable income was £25,959 (2017: £76,556) of which £5,959 was unrestricted (2017: £6,012) and £20,000 was restricted (2017: £70,544).

### 7 Other trading activities

	2018 £	2017 £
Sales at public events	516,710	365,136

All income from other trading activities in the current and prior year was unrestricted.

### 8 Expenditure on raising funds

	2018 £	2017 £
Cost of sales at public events	363,370	313,342

All expenditure on raising funds in the current and prior year was unrestricted.



# Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (continued)

<b>9 Expenditure on charitable activities</b>	<b>2018 £</b>	<b>2017 £</b>
Rental property costs		
Staff costs:		
- Payroll and contractor costs	<b>345,732</b>	289,374
- Training, recruitment and other costs	<b>33,748</b>	24,160
Accountancy fees	<b>35,335</b>	36,211
Professional fees	<b>5,400</b>	12,683
Advertising	<b>2,667</b>	11,108
Bad debts	<b>27,986</b>	6,753
Cleaning costs	<b>88,665</b>	83,008
Depreciation of tangible fixed assets	<b>85,552</b>	91,814
Finance costs:		
- Bank charges	<b>2,702</b>	2,851
- Interest and bank loan charges	<b>45,826</b>	50,919
Insurance premiums	<b>44,858</b>	38,845
Repair and maintenance of buildings and security systems	<b>102,478</b>	117,415
Rent, rates and service charges	<b>668,299</b>	275,758
Light and heat	<b>90,783</b>	81,571
Stationery, printing and postage	<b>6,671</b>	18,742
Other office expenses	<b>23,853</b>	38,853
VAT disallowed under partial exemption	<b>20,746</b>	40,711
	<b>1,631,301</b>	1,220,776
Costs of community activities		
Staff costs	<b>118,763</b>	168,828
Project costs	<b>1,143</b>	8,261
	<b>119,906</b>	177,089
Governance costs		
Auditors' remuneration	<b>6,360</b>	8,800
Other legal and professional costs	<b>24,931</b>	14,813
Trustee meetings and expenses	<b>583</b>	706
	<b>31,874</b>	24,319
Total charitable activity costs	<b>1,783,081</b>	1,422,184

Total expenditure on charitable activities for the group was £1,783,081 (2017: £1,422,184) of which £1,781,691 was unrestricted (2017: £1,346,208) and £1,390 was restricted (2017: £75,976).

# Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (continued)

## 10 Net income/(expenditure)

	2018 £	2017 £
This is stated after charging:		
Depreciation of owned fixed assets	85,552	91,814
Auditors' remuneration	6,360	8,800
Operating lease expense	598,329	233,520

## 11 Staff costs and emoluments

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Gross salaries	424,010	416,262	424,010	392,510
Employer's National Insurance	32,792	42,016	32,792	40,024
Pension costs	4,692	1,581	4,692	1,581
	461,494	459,859	461,494	434,115
Staff restructuring costs	3,000	-	3,000	-
	464,494	459,859	464,494	434,115

## Numbers of full time employees or full time equivalents

	Group 2018 No	Group 2017 No	Charity 2018 No	Charity 2017 No
Average number of employees during the year	15	14	15	14

There were no employees with emoluments in excess of £60,000 per annum (2017: £60,000).

Neither the trustees nor any persons connected with them have received any remuneration, either in the current year or the prior year. No trustees received any expenses in the year (2017: £Nil).

Key management personnel of the group include trustees, directors of the subsidiary and the senior management team. The total employee benefits to the key management personnel were £100,871 (2017: £110,338).

## Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 *(continued)*

### 12 Tangible fixed assets – Group and charity

	Leasehold land and buildings £	Plant, Machinery and vehicles £	Total £
<i>Asset, cost, valuation or revalued amount</i>			
At 1 April 2017	3,986,999	192,298	4,179,297
Additions	30,588	-	30,588
	<hr/>	<hr/>	<hr/>
At 31 March 2018	4,017,587	192,298	4,209,885
	<hr/>	<hr/>	<hr/>
<i>Accumulated depreciation</i>			
At 1 April 2017	524,649	128,175	652,824
Charge for the year	64,309	21,243	85,552
	<hr/>	<hr/>	<hr/>
At 31 March 2018	588,958	149,418	738,376
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 March 2018	3,428,629	42,880	3,471,509
	<hr/>	<hr/>	<hr/>
At 31 March 2017	3,462,350	64,123	3,526,473
	<hr/>	<hr/>	<hr/>

#### Leasehold properties

The leasehold property valuations prior to adoption of FRS 102 are being written off over the term of the leases.

# Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (continued)

## 13 Fixed asset investment - Charity

	2018 £	2017 £
Bootstrap Trading Company Limited: 10 ordinary Shares of £1 each	10	10

The charity holds 100% of the issued share capital of Bootstrap Trading Company Limited (registered company number 07952747). The registered office address of Bootstrap Trading Company Limited is 18 Ashwin Street, London, E8 3DL.

The summary financial performance of the subsidiary alone is:

	2018 £	2017 £
Turnover and other income	516,710	365,136
Cost of sales and administration costs	(363,370)	(315,792)
Rent and management charges paid to parent undertaking	(39,773)	(47,787)
Net profit	113,567	1,557
Amount distributed via gift-aid to the charity	(113,567)	(1,557)
Retained in the subsidiary	-	-
The assets of the subsidiary were:		
Current assets	111,462	31,546
Current liabilities	(111,452)	(31,536)
Net assets	10	10
Aggregate share capital and reserves	10	10

## 14 Debtors

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Rents and other income receivable	42,070	17,924	31,070	15,597
Amounts owed by group undertakings	-	-	94,323	22,590
Sundry debtors	81,190	39,446	72,802	36,985
Prepayments and accrued income	186,243	51,198	186,109	51,198
	309,503	108,568	384,304	126,370

The amount recognised in the group and charity's Statement of Financial Activities for the period in respect of bad and doubtful trade debtors was £27,986 (2017: £6,753).

# Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (continued)

## 15 Creditors: amounts falling due within year

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Bank loans and overdrafts	74,481	108,606	74,481	108,606
Trade creditors	612,812	87,834	608,457	87,821
Accruals and deferred income	45,035	125,272	32,702	118,071
Social security and other taxes	28,899	46,187	28,899	45,768
Tenants' rent deposits	123,220	113,344	122,780	112,031
	3,111	-	3,111	-
	<u>887,558</u>	<u>481,243</u>	<u>870,430</u>	<u>472,297</u>

## 16 Creditors: amounts falling due after more than one year

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Bank loans	1,101,854	1,184,457	1,101,854	1,184,457

Borrowings are repayable as follows:

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
In more than one year but not more than two years	62,500	73,991	62,500	73,991
In more than two years but not more than five years	147,500	172,500	147,500	172,500
In more than 5 years	891,854	937,966	891,854	937,966
	<u>1,101,854</u>	<u>1,184,457</u>	<u>1,101,854</u>	<u>1,184,457</u>

The loans are secured by a legal mortgage over the leasehold property, The Print House and by fixed and floating charges against all the assets of the company

# Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (continued)

## 17 Operating lease commitments

At 31 March the Group and Charity has future minimum lease commitments as follows:

	2018 £	2017 £
Not later than 1 year	598,329	233,520
Later than 1 year and not later than 5 years	1,931,556	932,756
Later than 5 years	1,700,000	3,150,700
	<u>4,229,885</u>	<u>4,316,976</u>

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

	2018 £	2017 £
Net (expenditure)/income for the year (as per the Statement of financial activities)	(136,641)	72,375
Adjustments for:		
Depreciation and amortisation of tangible fixed assets	85,552	91,814
Increase in trade and other debtors	(200,935)	(39,465)
Increase in trade creditors	440,440	94,215
	<u>188,416</u>	<u>218,939</u>
Net cash provided by operating activities		

## 19 Analysis of cash and cash equivalents

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Cash at bank and in hand	<u>167,404</u>	<u>126,304</u>	<u>75,465</u>	<u>99,546</u>

# Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (continued)

## 20 Analysis of net assets between funds - Group

At 31 March 2018	Unrestricted funds £	Designated funds £	Restricted Funds £	Total funds £
Tangible fixed assets	1,214,102	2,257,407	-	3,471,509
Current assets	458,297	-	18,610	476,907
Current liabilities	(887,558)	-	-	(887,558)
Long term liabilities	(1,101,854)	-	-	(1,101,854)
	<u>(317,013)</u>	<u>2,257,407</u>	<u>18,610</u>	<u>1,959,004</u>
At 31 March 2017	Unrestricted funds £	Designated funds £	Restricted Funds £	Total funds £
Tangible fixed assets	1,202,538	2,323,935	-	3,526,473
Current assets	234,872	-	-	234,872
Current liabilities	(481,243)	-	-	(481,243)
Long term liabilities	(1,184,457)	-	-	(1,184,457)
	<u>(228,290)</u>	<u>2,323,935</u>	<u>-</u>	<u>2,095,645</u>

## Analysis of net assets between funds - Charity

At 31 March 2018	Unrestricted funds £	Designated funds £	Restricted Funds £	Total funds £
Tangible fixed assets	1,214,102	2,257,407	-	3,471,509
Investments	10	-	-	10
Current assets	441,159	-	18,610	459,769
Current liabilities	(870,430)	-	-	(870,430)
Long term liabilities	(1,101,854)	-	-	(1,101,854)
	<u>(317,013)</u>	<u>2,257,407</u>	<u>18,610</u>	<u>1,959,004</u>
At 31 March 2017	Unrestricted funds £	Designated funds £	Restricted Funds £	Total funds £
Tangible fixed assets	1,202,538	2,323,935	-	3,526,473
Investments	10	-	-	10
Current assets	225,916	-	-	225,916
Current liabilities	(472,297)	-	-	(472,297)
Long term liabilities	(1,184,457)	-	-	(1,184,457)
	<u>(228,290)</u>	<u>2,323,935</u>	<u>-</u>	<u>2,095,645</u>

# Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (*continued*)

## 21 Funds

	Balance at 1 April 2017	Income	Expenditure	Transfers (to)/from	Balance at 31 March 2018
	£	£	£	£	£
<i>Restricted income funds</i>					
RBS opportunity and skills grant	-	20,000	(1,390)	-	18,610
<i>Unrestricted capital funds</i>					
Capital funds	625,566	-	-	(7,955)	617,611
Revaluation reserve	1,665,105	-	-	(25,309)	1,639,796
	2,290,671	-	-	(33,264)	2,257,407
<i>Unrestricted income funds</i>					
General funds	(195,026)	1,473,100	(1,781,691)	186,604	(317,013)
Total charity funds	2,095,645	1,493,100	(1,783,081)	153,340	1,959,004
Bootstrap Trading Company Ltd	-	516,710	(363,370)	(153,340)	-
Total funds	2,095,645	2,009,810	(2,146,451)	-	1,959,004

### RBS opportunity and skills grant

RBS awarded a restricted grant to deliver the 'Enterprise Bootcamp' programme to 60 beneficiaries for an 18 month period from 18 December 2017. In year 2017/18, the conditions attached to the grant of £10k were fulfilled and RBS released this amount to the Charity. A balance of £10K is still to be claimed in 2018/19 when the conditions for the remaining balance of £10k will be fulfilled.



# Bootstrap Company Limited

Notes forming part of the financial statements  
for the year ended 31 March 2018 (*continued*)

## 21 Funds (*continued*)

### Capital funds

This fund is the value of grants and donations made towards the cost of the buildings. A proportion of any annual depreciation provision is charged to this fund.

	Balance at 1 April 2016	Income	Expenditure	Transfers (to)/from	Balance at 31 March 2017
	£	£	£	£	£
<i>Restricted income funds</i>					
Locality	-	8,923	(8,923)	-	-
Power to change grants	5,432	47,455	(52,887)	-	-
Peabody	-	4,166	(4,166)	-	-
Peter Cruddas	-	10,000	(10,000)	-	-
	<u>5,432</u>	<u>70,544</u>	<u>(75,976)</u>	<u>-</u>	<u>-</u>
<i>Unrestricted capital funds</i>					
Capital funds	633,521	-	-	(7,955)	<b>625,566</b>
Revaluation reserve	1,690,414	-	-	(25,309)	<b>1,665,105</b>
	<u>2,323,935</u>	<u>-</u>	<u>-</u>	<u>(33,264)</u>	<u><b>2,290,671</b></u>
<i>Unrestricted income funds</i>					
General funds	(306,097)	1,372,221	(1,343,758)	82,608	<b>(195,026)</b>
Total charity funds	<u><b>2,023,270</b></u>	<u><b>1,442,765</b></u>	<u><b>(1,419,734)</b></u>	<u><b>49,344</b></u>	<u><b>2,095,645</b></u>
Bootstrap Trading Company Ltd	-	365,136	(315,792)	(49,344)	-
Total funds	<u><b>2,023,270</b></u>	<u><b>1,807,901</b></u>	<u><b>(1,735,526)</b></u>	<u>-</u>	<u><b>2,095,645</b></u>

## 22 Related party transactions

There have been no related party transactions during the financial year (2017: none).