

The Centre for Entrepreneurs Ltd.

Annual Report and Financial Statements

Financial Year 2018/19



**Centre
for
preneurs**

Company No: 07469562 (England and Wales)
Registered Charity No: 1140102

→ centreforentrepreneurs.org



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Message from our Chairman



At times of uncertainty, it's sometimes easy to lose sight of the real priorities. The past three years in the UK have seen protracted uncertainty over Brexit. This has caused volatility in the markets, across whole industries and at an individual company and organisation level. This uncertainty must not, however, deflect the country from its long-term priorities and in particular, from the requirement to build a genuinely entrepreneurial economy.

Entrepreneurial businesses are, and will remain, the lifeblood of the UK economy. Entrepreneur-led start-ups become the scale-up companies that contribute more than any other to job-creation, innovation and economic growth. No matter how uncertain the environment, we cannot as a country take our eyes off this ball. Entrepreneurship plays many other crucial roles: it helps under-served and neglected groups to achieve economic independence, integrate into communities, and contribute to wider society.

I am proud to be chairman of an organisation – the Centre for Entrepreneurs (CFE) – that plays a key role in developing and supporting entrepreneurs. CFE works alongside many excellent incubators and support organisations, but our dual role makes CFE unique in the UK's entrepreneurship ecosystem:

- First, we run entrepreneurial development programmes that enhance the capabilities of the entrepreneurial leader – these, in turn, enable those leaders to build the growth companies of the future.
- And second, as a think tank, we explore the often-unexamined parts of our society where entrepreneurship is having a transformational effect, for example in the refugee community. We then implement our own recommendations.

Nurturing the next scale-ups

The NEF Fast Track (previously NEF) programme is now in its ninth year, and its contribution to the UK's entrepreneurial economy is now gaining critical mass: alumni from our first eight cohorts have launched 140 new ventures, raised £100m in investment, and created over 2,200 jobs. There are many choices available for would-be entrepreneurs, but these numbers suggest that first-time founders are finding real value in CFE's offer.

Shaping the entrepreneurial agenda

CFE's inaugural annual lecture in 2018 was given by Eric Schmidt, Google's former CEO, the man who many credit with scaling the search giant. The lecture was attended by 440 entrepreneurs and pioneers, including the World Wide Web inventor Sir Tim Berners-Lee. Schmidt spoke of the opportunities and challenges of the AI revolution: "When you look at automation, it is about tasks not jobs," he told the audience at the Royal Institution. "Until the point when the robot shows up and can replace you and me on stage – which is not any time soon – the issue is about essentially replacing routine task."

Putting research into action

CFE's ground-breaking report on refugee entrepreneurship was launched in Parliament, and its recommendations led to the Home Office and The National Lottery Community Fund financing a scheme to pilot refugee entrepreneurship programmes in

four locations in the UK. The first global refugee entrepreneurship network has since been launched with members drawn from 27 countries.

Our work is possible because of our many donors and supporters who are, crucially, also highly engaged with our work. In addition to our cornerstone donor LetterOne and our other valued donors listed on page 7, we were delighted to receive new financial support from The Said Foundation, Amitis Partners and Burberry. I would also like to thank CFE's supporters who give benefits-in-kind through the free use of venue space. We also convened our first advisory board in October 2018, and I must thank Lord Davies of Abersoch, for chairing this board.

Thank you to my Trustees at CFE for their active engagement, guidance and support throughout the year.

Finally, I'd like to pay tribute to Neeta Patel and the team at CFE for their continued commitment to delivering high-impact programmes and excellence across CFE's work. As I said in my opening comments, entrepreneurship is a genuine national priority, and the team at CFE are working tirelessly to make sure it remains right up there.

A handwritten signature in dark blue ink, reading "Oliver".

Oliver Pawle
Chairman

Message from our CEO



We have had an amazing year at CFE. This has been the first full year of combined activity for the Centre of Entrepreneurs (formerly NEF and the Centre for Entrepreneurs), and it's been awesome. The teams have come together to work across projects and programmes; the cycle of work has changed dramatically – we now have programmes and deliverables in all 12 months of the year and our impact in all areas has accelerated. Talk about going to the next level!

A huge amount has been achieved, so here are just a few stories from CFE's year:

- I'd like to start with the NEF Fast Track, our programme to develop entrepreneurial leaders. This year we saw the eighth NEF cohort graduate, pitching their ventures ideas for funding and feedback to investors. It was sensational, and many succeeded in raising that first, crucial seed round. Congratulations to everyone who took part, and thanks to our amazing partners for helping make it happen.
- Moving on to our events where, again, we're stepping up the pace. Our NEF Live event was attended by 400-plus at the Guildhall in January 2019. This event showcased alumni ventures and pitches. Our speaker series has continued to draw really good audiences to hear entrepreneurs and investors share their experiences. This is real peer-to-peer learning in action!
- Our alumni network is one of our great strengths. It is an active and engaged community that keeps in touch with us and with each other. We frequently draw on their time and skills to help us with initiatives. I'd like to say a huge thank you to the new alumni council chaired by Annie Coleridge (Class of 2018). They organised numerous alumni activities, peer-to-peer learning

events as well as social meet-ups and the highlight of our calendar, the alumni dinner which was attended by over 100 alumni.

- At the end of November 2018, the Silicon Valley legend, Eric Schmidt gave the inaugural Centre for Entrepreneurs lecture. This will become a regular annual event. Oliver talks about it in his Chairman's message. For me, one of the many great things was seeing the way former employees and alumni pulled together to make it happen. Some even helped us run the reception and coat check on the night, showcasing teamwork at its best!
- Our policy and research team have been in top gear all year. Many of the initiatives they have worked on came to fruition. In addition to the annual lecture, we launched three research reports (you can read more about them on page 22), launched two networks – the Refugee Entrepreneurship Network and the Incubator and Accelerator Community – and convened a major conference and a global summit for these networks.

Finally, can I make a few heartfelt thank-yous.

I am always aware of how fortunate we are in having such goodwill from our extensive network of supporters, volunteers and advisers and would

like to say thank-you publicly to all of you. Picking out a couple: Philippa Seal for chairing the NEF Fast Track mentors' panel; Sarah Perrott for chairing the coaches' panel and Richard Pollack at Sullivan & Cromwell for the workshop venues, which they have given to us so generously without a break for eight years!

I'd like to thank Oliver, Dee and our Trustees for all their support, advice and guidance. In many different ways, you bring huge value to CFE and our mission to build an entrepreneurial economy.

As I said at the start, it's been a big year of integration, but the CFE team has come together seamlessly. I am so proud of them all. This really is a people business, and they have risen to every challenge and met every target with enthusiasm, positivity and good humour. You are the heartbeat of CFE, and we're on course for an incredibly exciting future!

Neeta Patel
CEO

1.0 Legal and Administrative Information

Trustees	Oliver Pawle (Chairman) Deirdre Stirling (Secretary) Andrew Joy Masha Feigelman Joseph Hubback Sam Smith
Registered Office	WeWork 1 Mark Square London EC2A 4EG
Company Secretary	Deirdre Stirling
Chief Executive Officer	Neeta Patel
Company registration number	07469562
Charity registration number	11040102
Trading subsidiary	CFE Trading Ltd
Company registration number	11047500
Bankers	Barclays Bank Regent Street London W1B 5RA
Solicitors	Harbottle & Lewis N7 Savoy Court London WC2R 0EX
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL

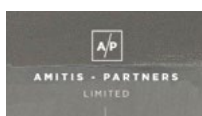
Donors and supporters

Our achievements have been possible thanks to the generous and continued support of our donors. We are very grateful to all our corporate and individual donors for supporting us wholeheartedly in our endeavours.

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CORPORATE DONORS



PATRONS

Lord Agnew of Oulton, parliamentary under-secretary of state, Department for Education; Ian Armitage, co-founder, Isfield Investments; Lord Davies of Abersoch, chairman, Corsair Capital; Sir Lloyd Dorfman, founder, Travelex; The Golden Bottle Trust; David Gregson, co-founder, Phoenix; Andrew Joy, senior advisor, Stonehage Fleming; Lord Lupton, ex-chairman, Greenhill Europe; Sir Keith Mills, ex-deputy chairman, LOCOG; Monica Monajem, CEO, Amitis Partners; Jon Moulton, founder, Better Capital; Vin Murria, entrepreneur, investor, philanthropist and HG Capital board member; Rajal Patni & Rohit Patni, Lavanya Plus; Oliver Pawle, chair, board practice, Korn Ferry; David Pearl, David Pearlman Foundation; Andy Phillipps, entrepreneur and early stage technology investor; Mark Pritchard, founder, Allied Minds; The Rayne Foundation; Mike Rees, former deputy group CEO, Standard Chartered; Sir John Ritblat, honorary president, The British Land Company PLC; Gerald Ronson, Gerald Ronson Foundation; Sir Nigel Rudd, chairman, Business Growth Fund; Sadell Fellowship; Elisabeth Scott, former Trustee, New Entrepreneurs Foundation; David Tibble, partner, Warburg Pincus; Jean-Baptiste Wautier, managing partner, BC Partners; The Hon. Charles Wigoder, executive chairman, Utility Warehouse.

GIFTS IN KIND



SULLIVAN & CROMWELL LLP



NEF FAST TRACK ALUMNI DONORS

Corbyn Munik (NEF Class of 2013)

Alex Somervell (NEF Class of 2016)

Guy Riese (NEF Class of 2016)

Quin Murray (NEF Class of 2015)

SUPPORTERS

We are also very grateful to the many partner organisations and individuals who support us in our work each year.



Harbottle & Lewis



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2.0 Trustees Report

The Trustees present their statutory report together with the financial statements of the Centre for Entrepreneurs (formerly known as the New Entrepreneurs Foundation) for the year ended 31st March 2019.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purpose of company legislation. In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 50 to 53 therein and comply with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

2.1 Principal Aims and Objectives

The year 2018/19 is the first full year in which the charity has worked to deliver its broader objects, which are to:

- Develop the entrepreneurial leaders of the future;
- Research into entrepreneurship in under-served communities;
- Developing communities of interest by bringing together companies, public bodies, philanthropists and delivery agencies to implement research recommendations.

The Trustees approved a new mission statement that informs and underpins all of the charity's activities:

"We support the entrepreneurial doers and makers who change lives and grow Britain."

2.2 Structure, Governance and Management

STRUCTURE

The governance of the Charity is overseen by a Board of Trustees (named in the table below). Oliver Pawle is Chairman of the Board of Trustees and Deirdre Stirling is Secretary to the Board.

New Trustees are invited onto the Board by the Chairman and Trustees, on recommendation from business contacts, and are generally individuals who bring specific high-level contacts and skills to complement, support and advise the CEO and Trustees. New Trustees who may be first-time Trustees are offered a place on Trustee training courses run by independent organisations.

TRUSTEE	APPOINTED	RESIGNED
Oliver Pawle	14 th December 2010	
Deirdre Stirling	22 nd July 2011	
Andrew Joy	21 st June 2013	
Joseph Hubback	27 th November 2014	
Chris Wigley	24 th March 2016	16 th October 2018
Sam Smith	25 th July 2018	
Masha Feigelman	24 th November 2018	
Andy Phillipps	24 th November 2018	31 st July 2019

In 2018/19 the charity created a trading subsidiary, CFE Trading Ltd, to undertake commercial activities and operations, wholly in support of our charitable objectives. CFE Trading Ltd is wholly-owned by the charity, and two Trustees have been appointed directors.

TRUSTEE	APPOINTED	RESIGNED
Andrew Joy	16 th July 2018	
Deirdre Stirling	16 th July 2018	
Matthew Smith	3 rd November 2017	30 th May 2018

GOVERNANCE

The charitable company, which is governed by a Memorandum and Articles of Association, was incorporated as a company limited by guarantee on 14 December 2010 and registered as a charity on 28 January 2011.

In March 2019 the charity's name was changed from the New Entrepreneurs Foundation to the Centre for Entrepreneurs.

In the financial period 2018/19, Trustees met six times in formal Board meetings to oversee progress and guide future direction of the Charity. The CEO reports to the Chairman and the Board of Trustees.

KEY MANAGEMENT

At the end of the financial period 2018/19, the Charity had a total of nine full-time employees (however one person left at the end of the year). The key management team comprises Neeta Patel, CEO, who is responsible (jointly with the Trustees), for the longer-term strategic direction and for overall leadership of the charity, supported by Richard Cull Thomas, Deputy CEO and COO, Matt Smith, Director of Policy and Research, Alastair Lechler, Programme Director, Talent, Marketing and Communities (who left at end-March 2019) and Veronique Rapetti, Programme Director Learning and Partnerships. The remaining four members of staff support operations, research activities and community development work. Over the course of the year, we worked with a number of external people on contract to deliver projects and help us in specific areas such as fund-raising, PR, community management and candidate recruitment and placements.

The Trustees consider that they, together with the CEO, Deputy CEO/COO, Director of Policy and Research, Programme Director Talent, Marketing & Communities and Programme Director Learning & Partnerships comprise the key management of the charity in charge of directing, controlling, running and operating the charity on a day-to-day basis.

The Trustees receive no remuneration for their services as Trustees. The pay of the key management personnel is reviewed annually by the Board of Trustees and in 2018/19 was based on external benchmarks with other, similar organisations.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of the Centre for Entrepreneurs for the purposes of company law) are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on an ongoing-concern basis unless it is inappropriate to assume that the charitable company 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- So far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is aware; and
- Each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

FUNDRAISING STATEMENT

The charity does not fundraise directly with the general public and therefore is not registered with the Fundraising Regulator. When donations from individuals are received, the charity aims to protect personal data and never sells data or swaps data with other organisations. The charity manages its own fundraising activities. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2018/19, the charity received no complaints about its fundraising activities.

2.3 Introduction

2018/19 saw the first full year of the combined and enlarged Centre for Entrepreneurs and New Entrepreneurs Foundation organisation, which culminated in the re-naming and brand refresh of the charity - to become the Centre for Entrepreneurs (CFE). Our new mission is to “support the entrepreneurial doers and makers who change lives and grow Britain”. We selected the CFE name to best reflect our wider ambitions and scope across a broad range of activities and programmes, all closely linked to supporting entrepreneurship. The Trustees chose to keep the ‘NEF Fast Track’ brand to ensure that the distinctive identity of our flagship development programme for young, aspiring entrepreneurs, along with our strong links to the NEF alumni community, are maintained.

To support the updated company name, we undertook and delivered a brand update and accompanying website refresh, to create a distinctive new identity, which was formally launched at the end of the financial year. Our new visual presentation and online presence have been warmly received by our key stakeholders, and we are grateful to David Tibble and Proxy Studios for their support in delivering this project.

The Trustees made the decision to appoint an advisory board to assist with the promotion of the charity’s activity and to support fundraising efforts. The advisory board is made up of leading business figures and influential individuals. The board was launched in October 2018, and meets biannually. Our advisory board members are:

Lord Mervyn Davies CBE (Chair)

Kanya King CBE

Oliver Pawle

Luke Johnson

Dr Carl Schramm

Oli Barrett MBE

Cyrus Jilla

Stephen Welton

Charlotte Appleyard

Vin Murria OBE

Judy Marsden

We have built on the platform that was established in 2017/18, broadening both the scope of our delivery activities and extending the depth of our key communities.

We have established a trading subsidiary, CFE Trading Ltd., to help us to undertake commercially-focused activities in support of our objectives.

2.4 Objectives

Following the updates to the charity's objects in 2017/18, the Trustees approved the definition of four key pillars, which specify the areas in which the charity works. They are to:

- Develop and support new generations of **entrepreneurial leaders** in the UK - NEF Fast Track;
- Deliver **original research** to identify gaps in the provision of support for entrepreneurs;
- Bring together organisations through **networks and communities** to enable progress in key areas; and
- Help to shape the UK **policy** agenda on entrepreneurship.

2.5 Main Activities and Achievements

NEF FAST TRACK

Our flagship entrepreneur development programme continues to be at the heart of our delivery activities. 2018/19 saw the eighth cohort complete the programme, and the alumni group now totals 276 members.

The Fast Track programme takes a small (up to 50 people) group of aspiring young entrepreneurs and develops their entrepreneurial skills over a 12-month programme, comprising a paid placement in a fast-growth business, a workshop-based learning programme, business mentoring support, executive coaching and access to our network of supporters.

We reported in 2017/18 that alumni had launched 110 ventures, had raised £56m in seed funding and created over 1,500 jobs (full- and part-time). In the intervening period, the enlarged alumni group's achievements have increased significantly:

- Alumni have launched over **140 ventures** that are currently live.
- These companies have created over **2,200 new jobs** (full- and part-time).
- Collectively they have **raised over £100m** in early stage seed funding for their ventures.
- The collective valuation of these businesses stands at **over £350m**¹.

RESEARCH

We publish a small number of original and impact-making reports each year, with a specific focus on those areas of the entrepreneurial economy and ecosystem that are under-served and/or overlooked.

- The publication of 'Starting afresh: How entrepreneurship is transforming the lives of resettled refugees' in March 2018 was followed, in June 2018, by a parliamentary launch event. The report received support from across the political spectrum, support organisations and government policy advisors, led to the creation of the Refugee Entrepreneurship Network (see below for details) and significant follow-on activity.
- 'The military entrepreneurship manifesto' in July 2018.
- 'The fifth annual business startup index' in January 2019.

140+
ventures launched
by alumni that are
currently live

2,200
These companies
have created over
2,200 new jobs

¹ Data as reported by founders of businesses that have completed at least one external funding round.

NETWORKS AND COMMUNITIES

We bring together and manage communities of interest that connect interest groups to share best-practice and act as advocates for their specific interests, on a national and international basis. In 2018/19 we focused on two key areas:

The Incubator and Accelerator Network (IAN) celebrated its first anniversary in February 2019, seeing membership grow to 37 institutions, covering many of the UK's leading university incubators and several non-academic business accelerators.

Global interest in the recommendations of our 'Starting Afresh' report encouraged us to launch a network to bring together refugee entrepreneurship support organisations. In November 2018 CFE convened the inaugural Refugee Entrepreneurship Network (REN). REN formally launched with a global summit, held in London, attended by 80 members representing 35 organisations from 20 countries.

POLICY DEVELOPMENT

Through engagement with policy-makers and influencers via ministerial advisory board meetings, high-level events and responses to consultations, we aim to positively impact the UK economy by promoting the role of entrepreneurs.

November 2018 saw CFE hold the first annual lecture on entrepreneurship, delivered by Eric Schmidt at the Royal Institution. In the lecture, Eric explored how Britain, Europe and the world can create the next generation of entrepreneurs. He delivered his message to an audience of business leaders, leading politicians, entrepreneurs – past, present and future and key opinion formers.

PUBLIC BENEFIT

The Trustees continue to carefully consider the Charity Commission's general guidance on public benefit, to ensure that the charity's charitable objects are adhered to and that our activities are all undertaken in support of our objects.

3.1 NEF Fast Track

NEF FAST TRACK VENTURES: JOBS CREATED AND INVESTMENT RAISED

We reported in 2017/18 that NEF alumni launched 110 live ventures, raised £56.2M in early stage funding and created over 1,500 jobs. The increased alumni group has made further significant progress in the intervening 12-month period - as of July 2019:

- Alumni have launched **140 ventures** that are currently live.
- These companies have created over **2,200 new jobs** (full- and part-time).
- Collectively they have **raised over £100m** in early stage seed funding for their ventures.
- The collective valuation of those ventures that have raised external seed funding is **£355m**.

The growth in early-stage funding continues to be a significant achievement, especially given the challenging funding and business environment for startup businesses. We are pleased to note that a small, but significant group of ventures are moving into and beyond Series A.

VENTURES LAUNCHED, JOBS CREATED AND SURVIVAL RATES

We continue to see high levels of ambition in newer cohorts to put learning into practice and launch business - **over 40% of the newest cohort have launched a venture**.

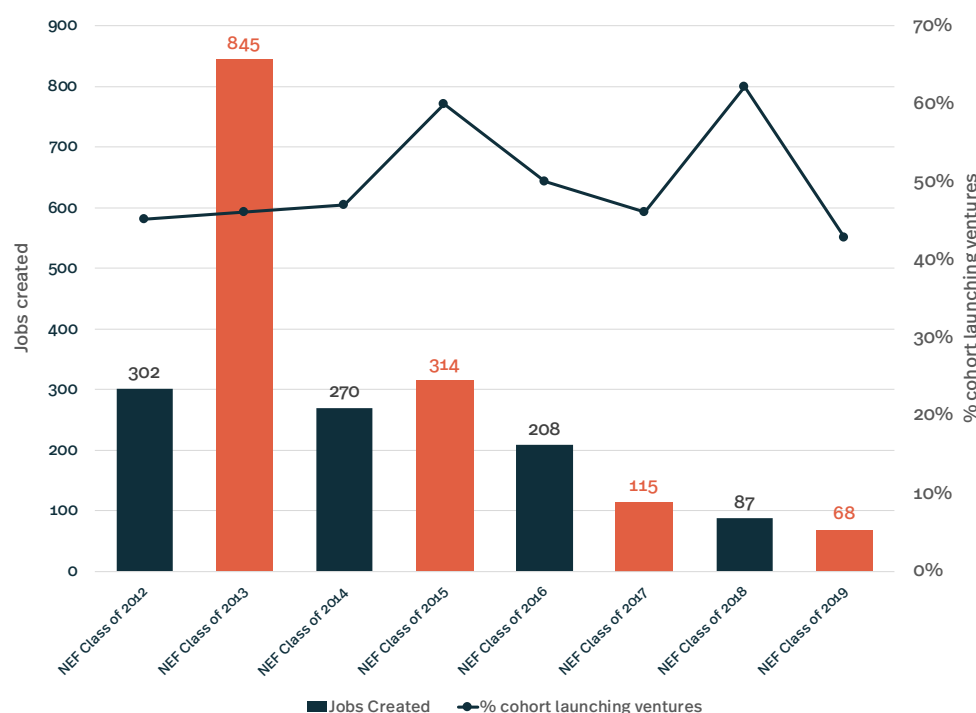


Fig. 1 – Jobs created & percentage of each cohort launching ventures

Venture tenure - startup failure rates are generally extremely high, with a variety of sources quoting a first-year failure rate of 97% for startups. Despite our small sample size, we're pleased to see significantly higher survival rates for NEF alumni-founded businesses than that figure - an average business 'life' of three years and a healthy distribution across ranges reflecting both the influx of new businesses from the latest cohort plus alumni starting new businesses post-NEF programme.

EARLY STAGE FUNDRAISING

In 2018 we reported an aggregate early stage fundraising total of £56.2m raised by NEF alumni ventures. In the intervening 12 months, this total has increased to £100m - an impressive result given the increasingly challenging fundraising environment that start - and scaleup - businesses face.

This year, we have increased the granularity of our tracking to measure venture stage and, where applicable, valuation. In terms of the first measure, we can report a healthy distribution of businesses across the funding lifecycle, with nearly three quarters of ventures at revenue-generating or later, and 16% having raised Series A funding or beyond. It is also notable that several businesses have achieved significant growth and/or scale without recourse to external funding.

We asked alumni founders to provide valuation details for their businesses, where they have completed at least one round of external fundraising. This is a new datapoint, and provides further confidence in the maturity and business impact of those ventures that fit into this category.

At the time of writing, the aggregate valuation of NEF alumni-founded ventures is £355m - we consider this to be an impressive achievement, which further serves to underline the growing impact of these ventures.

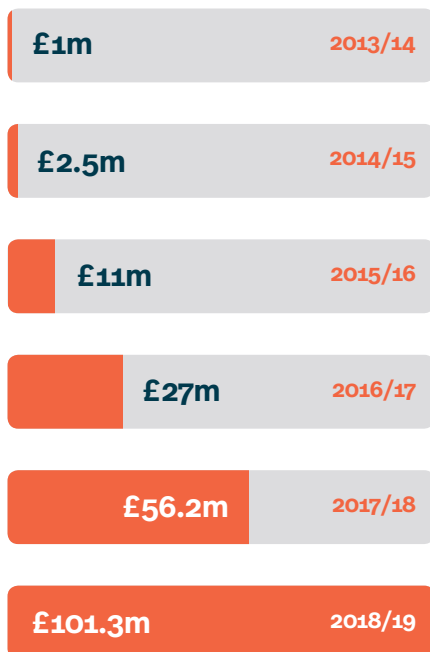


Fig. 3 - Cumulative funding raised, by year

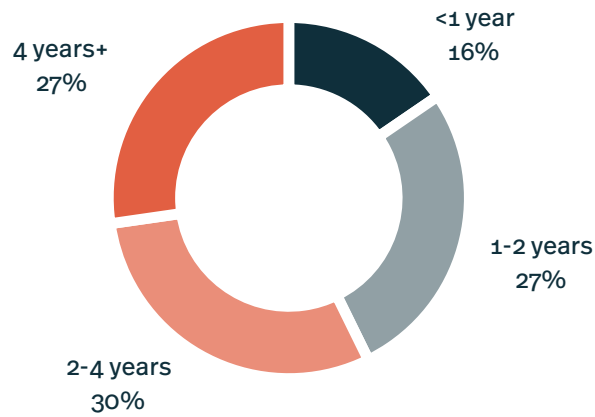


Fig. 2 NEF venture tenure since launch

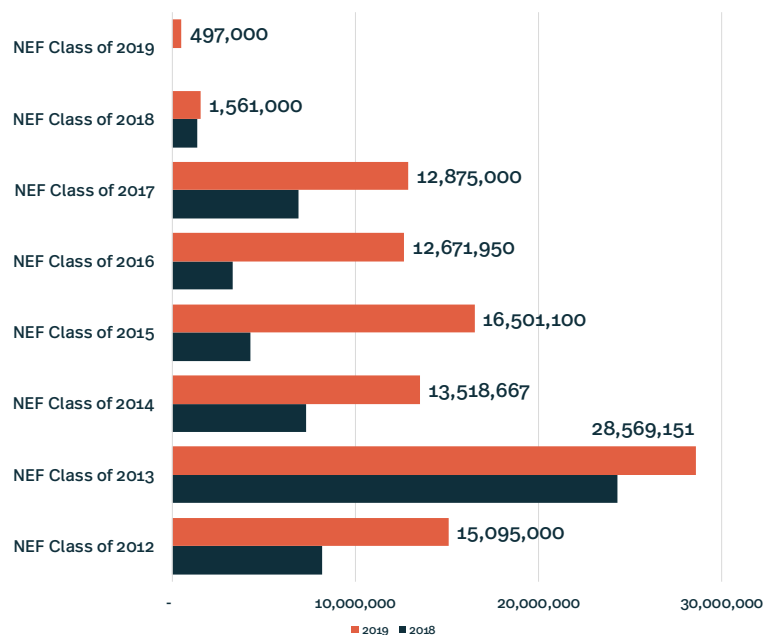


Fig. 4 - Funding raised per NEF Fast Track cohort

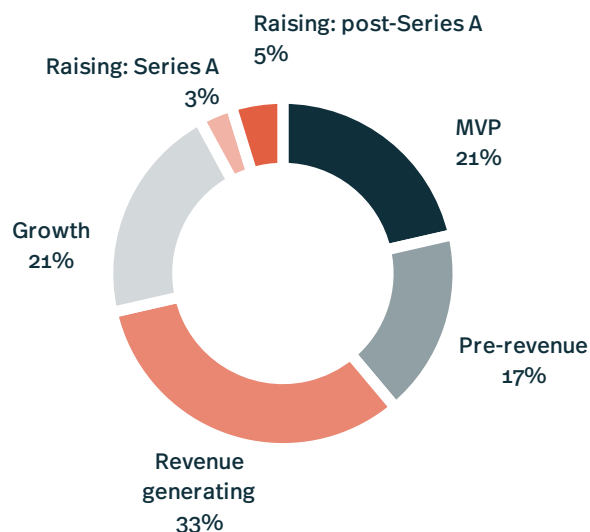


Fig. 5 - NEF Fast Track alumni founded ventures, by growth stage

3.2 Results of the fourth independent impact study

Each year, in addition to measuring and tracking the 'hard' data of the numbers of businesses created, investment raised and new jobs created by the alumni group, we commission an independent study to review the impact of the programme on the graduating cohort in terms of the changes in their entrepreneurial self-efficacy and entrepreneurial intent.

In addition, we surveyed the experiences of those who had undertaken a placement during their NEF Fast Track year.

The study was conducted by Kate Beresford of Kate Beresford Associates, a specialist in the measurement of impact of entrepreneurship programmes, with support from academic Dr Jane Garnett. The methodology used is shown in the annex to this report.

SUMMARY

We are pleased to report that the two new measures used this year (entrepreneurial self-efficacy and entrepreneurial intent), demonstrated positive changes in both measures.

Entrepreneurial self-efficacy is an individual's own belief in his/her skills and attributes linked to entrepreneurial activity. Seven aspects were measured at the start and end of the programme. The most notable positive changes were in market research and planning, finance, and starting up and running a business. Positive but less marked change was seen in creativity and there was little evidence of significant reported change in leadership, team-working or networking, although many participants commented on the valuable networks they were exposed to. The management team noted these three areas as ones to focus on in the design and delivery of next year's programme.

Entrepreneurial intent is a self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so at some point in the future. Evidence shows that by the end of the programme more participants intend to start a business in the next three years than did at the outset. Ambitions to run a large business remain high and there is a significant growth in the number of participants intending to become serial entrepreneurs. The third measure of entrepreneurial intent, that of ambition and confidence has also risen significantly. The number of participants actually running a business rose from 33% at the outset to 45% by the end of the programme which is a moderate increase and needs to be seen in the context of the changes in entrepreneurial intent that suggest many more participants will start and grow businesses in the short to medium term.

Of those who had undertaken a placement with a host company, around two thirds reported a very positive experience with high levels of impact. The overall satisfaction with the NEF Fast Track programme amongst the participants was high, with all but one participant saying they would recommend the programme to others.

Trustees are satisfied that the programme in its current format remains a high impact programme which provides significant entrepreneurial skills and confidence to its participants to launch and build ambitious scale businesses.



“A great learning programme to develop great entrepreneurs. Giving people the support and expertise and a community to support becoming entrepreneurs.”

Results

SKILLS DEVELOPMENT

In the pre- and post-programme surveys, members of the 2019 cohort were asked to rate their skills in seven key areas: Creativity & Innovation, Market Research & Planning, Leadership, Teamwork, Finance, Starting Up & Running a Business and Networking.

For each topic, participants were asked:

“How would you rate yourself on a scale of 0-5, with 0 being ‘low’ and 5 being ‘high’”

Average responses for each category were as follows:

ENTREPRENEURIAL AMBITIONS

Cohort members were also asked about their entrepreneurial intent, covering three key areas - when they planned to start a business, their future entrepreneurial aspirations and their ambition and confidence - pre-and post-programme.

TIMEFRAME FOR STARTING A BUSINESS

Cohort members show a strong increase in starting their own business in the next three years.

“Great learning programme to develop great entrepreneurs. Giving people the support and expertise and a community to support becoming entrepreneurs.”

FUTURE ENTREPRENEURIAL ASPIRATIONS

Where do participants see themselves in 10 years' time? The biggest movement comes in participants' ambitions to become serial entrepreneurs, with no change in their desire to lead their own large businesses.

“”

“It’s a programme looking to shape entrepreneurs of the future and create businesses that can scale. I would recommend it to everyone.”

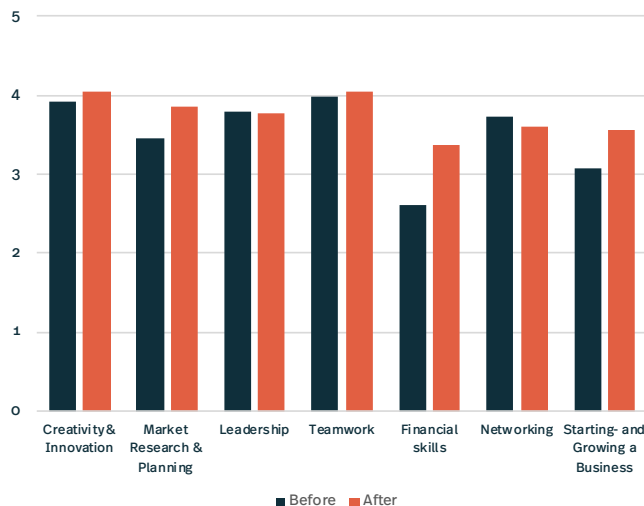


Fig. 6 - Pre- and post-programme cohort skills, self-assessment

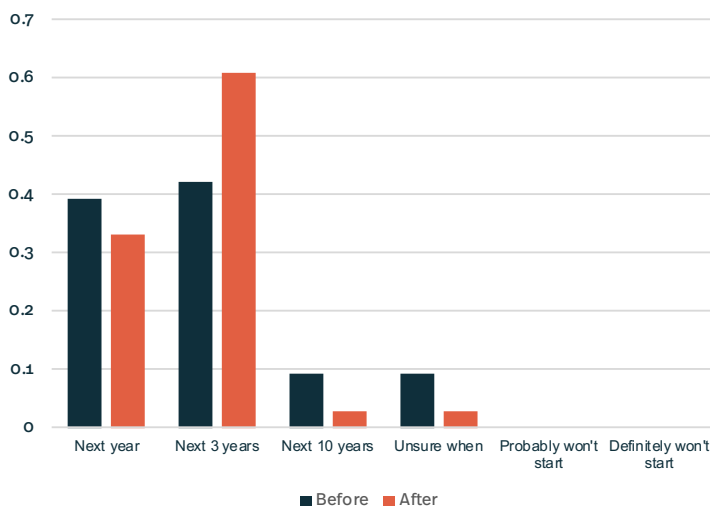


Fig. 7 - Timeframe for starting a business

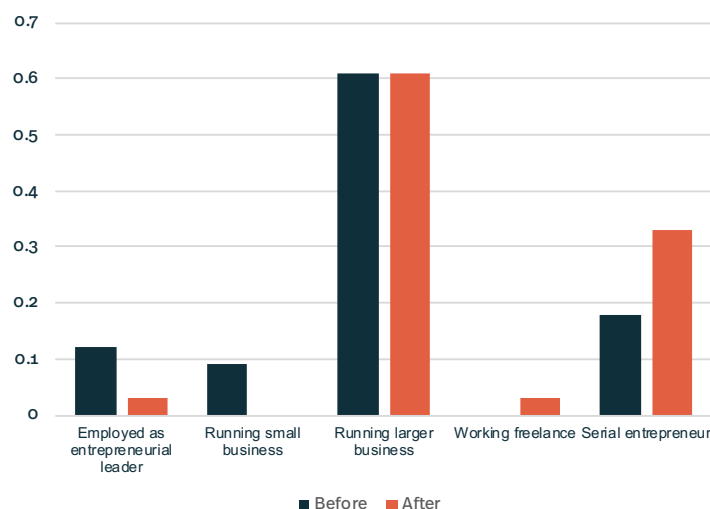


Fig.8 – Entrepreneurial aspirations

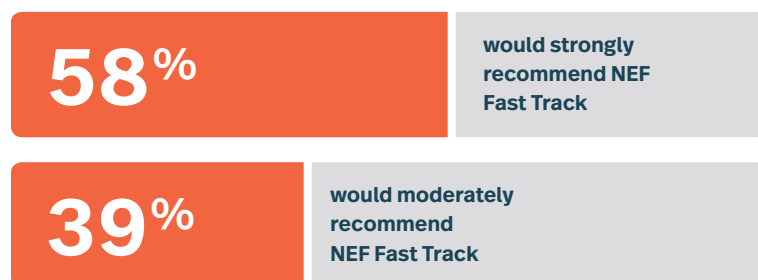
ENTREPRENEURIAL AMBITION AND CONFIDENCE

Participants were asked to what extent they agree with the statements in the table below.

	To start a new business would be easy for me	I would like to lead the development of an entrepreneurial project as an employee	Starting one or more businesses is an important life ambition for me	If I tried to start a new business, I would have a high probability of succeeding	I am comfortable with assessing and managing risks when developing a new business idea	Average
Before	2.94	3.15	4.45	3.30	3.61	3.63
After	3.18	3.48	4.45	3.55	4.06	3.89
Change (%)	8.25	10.58	0.00	7.34	12.61	7.10

ADVOCACY

97% of participants recommend NEF Fast Track, of which:



“““

“It’s the most life-changing programme you can do. Gives you the biggest head-start at that point in your entrepreneurial journey. I couldn’t recommend it enough. At least put me 10 years ahead of where I would have been.”

Fig. 9 – NEF Fast Track Class of 2019 participant advocacy

METHODOLOGY

Method for measuring impact and benefit

In 2019, 35 participants completed the NEF Fast Track programme. The impact and benefit of the programme has been measured mainly through the quantitative method of a pre and post programme online survey. In addition, impact and benefit were explored using a more qualitative approach during telephone interviews.

All 35 participants (100%) were interviewed and 33 (94%) responded to both the pre and post programme surveys.

In 2018 we undertook research into methods of measuring the effectiveness of entrepreneurship programmes. Detailed findings are available within the 2018 report. The pre and post programme survey design was informed by this research with the purpose being to measure changes in entrepreneurial self-efficacy and entrepreneurial intent.

Entrepreneurial self-efficacy is an individual's own belief in his/her skills and attributes linked to entrepreneurial activity and is a proxy measure of the development of entrepreneurial skills and attributes.

It is possible to measure specific skills and attributes using formal assessment exercises, but these are not appropriate for a programme of this nature. Instead it is more usual for participants to be asked how well they believe they can complete a task which is a self-efficacy assessment, rather than a skills test.

Entrepreneurial intent is a self-acknowledged conviction by a person that they intend to set up a new business venture and consciously plan to do so at some point in the future.

Entrepreneurial self-efficacy

Seven sets of questions were asked within the pre and post online surveys to measure changes in entrepreneurial self-efficacy related to:

- Creativity and innovation
- Market research and planning
- Leadership
- Teamworking
- Finance
- Starting up and running a business
- Networking

For each category, four questions were asked, and responses were sought on a scale of one to five where one was the lower end of the scale and five the higher end.

Kate Beresford (Kate Beresford Associates)

Dr Jane Garnett

August 2019

3.3 Research

REFUGEE ENTREPRENEURSHIP

In March 2018, CFE published 'Starting afresh: How entrepreneurship is transforming the lives of resettled refugees'.

This report, published with the support of the Said Foundation, made a compelling case for why refugees possess many entrepreneurial traits and how providing tailored business support can increase business survival rates, reduce public spending and strengthen social integration.

The report was launched with a 1,000-word feature in The Times and secured widespread additional press and online coverage.

On June 20th - World Refugee Day - the Centre officially launched the report at a House of Commons reception hosted by Tom Brake MP. The event brought together refugee entrepreneurs, refugee business incubators and 15+ parliamentarians to hear about the Centre's research and engage in thought-provoking discussion. Politicians from the Labour, Conservative and Liberal Democrat parties were present.

Right:

Parliamentary launch event (l-r) – Tom Brake MP, Matt Smith, James Hurley, Charlie Fraser, Prof. Monder Ram OBE, Razan Alsous



The report was launched with a 1,000-word feature in The Times and secured widespread additional press and online coverage.

The reception's panel discussion was chaired by The Times' enterprise editor James Hurley, and saw contributions from Razan Alsous - celebrated founder of Yorkshire Dama Cheese, migration expert Professor Monder Ram OBE and Charlie Fraser, co-founder of the UK's first business incubator for refugees - The Entrepreneurial Refugee Network (TERN). CFE briefed a further 20 MPs on the research through one-to-one meetings.

CFE commissioned a promotional video featuring Zimbabwean refugee Faith Gakanje and Syrian refugee Razan Alsous, who share their experiences of resettling in the UK and their path towards entrepreneurship. The video was launched on World Refugee Day in parliament and has subsequently become an important resource to help us to communicate the importance of refugee entrepreneurship programmes to policy makers and potential donors.



MILITARY ENTREPRENEURSHIP MANIFESTO

'The Military entrepreneurship manifesto' was launched in July 2018 with coverage in The Times and the BBC.

This report suggests that the UK can do far more to capitalise on the unique skills and experience that our ex-forces personnel possess. Taking inspiration from the United States, Israel and other UK government agencies, the report calls on the Armed Forces to unleash the entrepreneurial potential of its service leavers to create high-growth businesses.

In 'The Military Entrepreneurship Manifesto', the Centre for Entrepreneurs makes five recommendations that would boost ex-forces entrepreneurship, creating a new generation of defence companies that could boost British exports and help revolutionise military innovation.

We secured an endorsement and report foreword from celebrated commando-turned-MP Johnny Mercer, and fed the recommendations into the government review undertaken by Philip Dunne MP on the role of the Armed Forces in the UK's prosperity.

The Centre distributed the report to a range of MPs, senior military leaders and MOD officials. Unlike other recent research publications, we did not see a need for a major, ongoing campaign or event series off the back of this report. Instead, we have focused on supporting key stakeholders to continue to make the case for our recommendations.



BUSINESS STARTUP INDEX

In January 2019, the Centre published its 5th annual business startup index. This uses Companies House data to analyse company formations over the previous year.

We found that formations recovered from a drop in 2017 to reach a record 663,272 in 2018. The findings were launched in a Sunday Times exclusive and went on to secure coverage in various regional papers including CityAM and Birmingham Post. The key figure is now cited regularly in media and research papers.

The record year follows a 4.6% drop in business rates in 2017. The Centre attributed this decrease to the clampdown on 'disguised employment' among public sector workers, with notable impact in Bedfordshire, Wiltshire and Cheshire East, where contractor accounting firms previously had a distortionary effect on genuine local business formation figures. 2018 saw a continuation of the clampdown by the government. For instance, Wiltshire recorded a decrease from 10,164 formations in 2016 to 2,778 in 2018 – a figure more in line with similar rural areas.

Despite the drop in contractor accounting firms from a peak of 50,000 formations in 2016 to 16,000 last year, 2018 still saw record formations across the UK and suggests a rise in more legitimate business creations.

London continues to dominate entrepreneurial activity; business formations increased by 5.2% to 216,204. Meanwhile, Birmingham rose from fifth to third in the index, with 18,590 business formations recorded in 2018 – up from 13,165 enterprises created in 2017. In Scotland, Glasgow and Edinburgh both saw a drop of business formations over the course of the year; nevertheless, Glasgow cemented its three-year lead over Edinburgh as the business hub of Scotland, with 6,396 businesses started compared to 5,439 in the Scottish capital.

3.4 Networks

REFUGEE ENTREPRENEURSHIP SUMMIT

Following the World Refugee Day parliamentary reception, CFE brought together five of the world's leading refugee entrepreneurship programmes: The Entrepreneurial Refugee Network, TERN (UK), Five One Labs (Iraq), SINGA Business Lab (Germany), FAIRE (France), and Refugee Entrepreneurs Denmark. Representatives from the Home Office, the UNHCR and the Ben & Jerry's Foundation joined as observers. The roundtable was hosted by the Said Foundation.

Participating organisations were given a platform to compare models, discuss challenges and set next steps for collaboration.

Building on the success of the international roundtable, the Centre held the inaugural Global Refugee Entrepreneurship Summit on 2nd November 2018.

The event was hosted at the Department for Business, Energy and Industrial Strategy (BEIS) and convened refugee entrepreneurship programmes from 20 countries and four continents, alongside leading investors, philanthropists, academics and policy-makers. Delegates flew in from as far as Australia, Japan, Rwanda, Turkey and the US.

The global summit was the catalyst that led to the launch of the Refugee Entrepreneurship Network - a global best-practice and advocacy community connecting practitioners, researchers, policy makers and funders, with the aim of increasing the quality and scale of entrepreneurship support for refugees around the world.

The network has grown in size and scale post-summit - by August 2019 there are 47 member organisations from 21 countries, who share knowledge, experience and ideas through regular knowledge-sharing calls and other online channels plus newsletter updates, published by CFE.



Above – Participants in the international roundtable event, hosted by the Said Foundation



Above – Delegates at the inaugural global refugee entrepreneurship summit, hosted by BEIS



WHAT THE COMMUNITY SAYS ABOUT OUR WORK

“The Centre for Entrepreneurs has done an immense job of not only showcasing the importance of refugee entrepreneurship worldwide, but also creating a constructive dialogue around it. I have had the pleasure of participating in several CFE Refugee Entrepreneurship Network forums, and these gatherings, along with the digital community, have enabled regular cross-pollination of ideas among organisations working in this field globally. Many of these relationships would not have been possible without the network.”

PATRICIA LETAYF, CO-FOUNDER, FIVE ONE LABS, ERBIL, IRAQ



Above – Actively participating in the IAN 2019 conference

INCUBATOR AND ACCELERATOR NETWORK

The CFE Incubator and Accelerator Network (IAN) aims to increase the scale and impact of business incubators and accelerators across the UK. Following its launch in February 2018 it has grown, both in terms of membership numbers and member events. The second annual conference in February 2019 heard from Ella Goldner (Zinc VC), Henry Whorwood (Beauhurst), Daniel Harrison (BEIS) and Matthias Pastor (The Family) and others, via panel discussions, presentations and workshops.

Throughout 2018/19, the network hosted a range of member-led best practice workshops, including:

- 'Goals, good inductions and Greggs: How to increase incubatee engagement' at Innospace (Manchester Metropolitan University);
- 'Winning support for your incubator: The LCF experience,' at the Centre for Fashion Enterprise (London College of Fashion);
- 'Dominating your niche: the pros and cons of being a sector-specific incubator' at Farm491 (Royal Agricultural University);
- 'A journey through space: A design tour of Cambridge incubators', visiting ideaSpace, the Bradfield Centre, the Maxwell Centre and the British Antarctic Survey incubator, Aurora.

CFE also represented IAN members and undertook a recruitment drive at the International Enterprise Educators Conference in Leeds in September 2018.

In October 2018, CFE hosted an inaugural best-practice workshop for social / non-profit incubators from across England and Wales.

The network's members are open, trusting and supportive of each other. We have built a community of incubator managers who are proud to help build the network and share their experiences. The second annual IAN conference, held in February 2019, was an opportunity for attending members to share ideas, speak openly about their challenges, concerns and more. To help more members engage more frequently, we moved from physical workshops to monthly, one-hour video conference calls, with the CFE team hosting the call from a different incubator each month. We conduct a video tour of the space and invite the incubator manager to discuss their work, then take questions from the conference call attendees. We also invite experts onto the call to conduct briefings, presentations and/or discussions. For example, Nesta has used a call to present initial findings from its research on the impact of acceleration, and the UK Business Angels Association discussed how incubators can build 'Angel Hubs' to nurture the local investment community.

3.5 Events



Above – Eric Schmidt delivering the 2018 CFE annual lecture on entrepreneurship



Above – The 2018 CFE Annual Lecture



“I think virtually all of the problems that Britain has, and Europe has, and the world has, can be solved by more entrepreneurship”.

ERIC SCHMIDT



“The fundamental strengths that Great Britain has, have not gone away. It’s not like you lost the formula. The formula is still there. You just haven’t emphasised it enough. One of the keys of that formula, and perhaps the starting key, is entrepreneurship”.

ERIC SCHMIDT

Each year we hold a small, but hugely impactful series of high-profile events that connect the key influencers from startups, business and government who share our passion for entrepreneurship and our mission to raise awareness of entrepreneurship in the UK, and beyond.

The primary aims of holding impactful events are to ensure that the positive impact of entrepreneurship is maintained as a key message; to strengthen the links across the UK’s key influencers in this community and to ensure positive media coverage of the topic. Large scale events represent a significant investment in internal resources to plan and deliver, therefore we focus on low frequency, high-impact occasions that can deliver maximum effect. Our two key, annual events are:

CFE ANNUAL LECTURE ON ENTREPRENEURSHIP

On 27th November 2018, Eric Schmidt delivered the inaugural CFE Annual Lecture to an audience of 440 entrepreneurs, business leaders, journalists and politicians at the Royal Institution of Great Britain. This flagship new initiative for CFE provides a prestigious annual platform for world-class entrepreneurs and leaders to speak about the positive impact that entrepreneurs have on society.

Many professions and industries have flagship annual speeches that allow for reflection and thought-leadership from leading experts. In the UK, journalism has the James Cameron Memorial Lecture, media has the MacTaggart Lecture, and engineering has the Mountbatten Memorial Lecture. These are prized speaking opportunities that attract eminent industry leaders.

Too often, highly experienced entrepreneurs are restricted to using speaking opportunities to share their inspirational story or address topical issues. The quality of debate on the wider value of entrepreneurship suffers greatly because of this. The Centre for Entrepreneurs has plugged this gap in the UK’s public debate by launching the CFE Annual Lecture.

In the lecture, Eric explored how Britain, Europe and the world can create the next generation of entrepreneurs. The event was powered by LetterOne, sponsored by Accenture, and supported by Korn Ferry and QuantumBlack.

NEF LIVE

We held our third annual showcase event for NEF alumni founders in January 2019, under the new title, 'NEF Live 2019'. The event was again hosted at The Guildhall, with support from the City of London Corporation. Nearly 60 alumni-founded ventures exhibited their businesses to an audience of nearly 400 attendees, including angel investors, VCs, donors and Trustees, media and other members of the NEF community. We also welcomed a number of applicants to the Class of 2020, who took the opportunity to network and find out more about the programme.

In parallel with the main exhibition, 16 NEF alumni founders pitched for investment, across a range of funding asks, from early stage (£100k or less) to Series A (£1m+).

NEF Live is a vital part of our events schedule which highlights the achievements of alumni founders, enables community members to connect and facilitates funding opportunities for early stage ventures.

Below – NEF Live 2019 – exhibitors and attendees

For 2020, we will be changing NEF Live to 'CFE Live', with a bigger and more extensive exhibition covering the full range of CFE activities, and moving the event to be held in the summer.



4.0 NEF Fast Track Programme

4.1 Programme Update

2018/19 was the eighth full year of NEF Fast Track's operation. A total of 8 cohorts (276 candidates) have now completed the programme.

METHODOLOGY

NEF Fast Track is an experiential development programme - fast-paced and practical - that equips ambitious, young entrepreneurs with the skills, connections, experience and support to start and scale their own business ventures.

For 2018/19 we refreshed the programme with an increased focus on practitioner-led workshop delivery, greater emphasis on early-stage idea testing and validation and invested in a digital collaboration platform to support cohort members and their business mentors.

LEARNING PROGRAMME OVERVIEW

Our learning programme consists of 25 workshops that are delivered by a combination of subject-matter experts - academics, domain leaders and practitioners - covering the key skills and knowledge required to launch a venture. By the end of the programme, cohort members have acquired the skills, knowledge and connections to enable them to confidently launch their own business ventures.

"It was amazing from an acceleration perspective. The highlights have been the people and my work placement. I've learnt so much and I'm working on projects with everyone being 10 years older than me, except we work as equals. NEF has totally changed my life."

"NEF Fast Track is a wonderful way to try and realise your entrepreneurial ambitions. You are surrounded by an ambitious and intelligent set of colleagues, whilst learning invaluable skills that will set you up for success in the future."

"The amount of ground you cover during the NEF programme is incredible - I learned more in a few short months than I did at university. To be coached by experts, and surrounded by passionate people on the same path as you - what more could you ask for?"

"NEF changed my life; I began the programme as a teacher, and left as a cofounder of my own business. I never dreamed before NEF that I could be steering my own ship, rather than being an employee on someone else's, and I'm very glad that I had the opportunity to realise I could reach for more!"

COACHING

Each NEF Fast Track participant is matched with an executive coach to support their personal development. We are proud to have a dedicated panel of qualified coaches who support our NEFers on a pro-bono basis (typically 1 hour's support per cohort member per month). We are fortunate that a number of our coaches have supported the programme for over 8 years. Our amazing pool of coaches is headed by our new chair of the coaching panel, Sarah Perrott.

MENTORING

Getting expert advice and guidance for their business venture is an invaluable element of the programme. Cohort members are matched with principal mentors who act as the go-to-person during the programme to provide them with an external perspective and advice on their business ideas. We also provide access to on-demand mentors, who are able to share their knowledge of a specific sector or business skills, as required.

For 2018/19 we invested in a new digital platform, Kandu, to help us better manage the mentoring programme and assess its impact. In its first year of operation, we used Kandu to help formalise and track mentor/mentee interactions and to record progress - NEF Fast Track was an early adopter of the platform and worked with the Kandu team to improve the platform over the course of the year.

All of our mentors offer their time on a pro-bono basis - we are extremely grateful for their support. Philippa Seal is our new Chair of the Mentoring programme.

SPEAKER EVENTS

Creating and nurturing connections is a vital part of entrepreneurial development. We take great pride in delivering a diverse range of community events that enable NEFers to connect with alumni, entrepreneurial leaders and supporters as well as our coaches and mentors.

This year we ran a variety of speaker events alongside alumni-organised events that brought together NEFers, entrepreneurs and other community members.

We held a full programme of events this year, supported by a wide range of entrepreneurs and angel investors, and are hugely grateful to each of them for sharing their knowledge and experience with our community.



🔥 Starting your first business

Featuring Freddie Talberg, Founder of EMSOL and NEF Business Mentor, alongside James Beddows, Founder and CEO of RideTo (NEF Class of 2017) and host Peter Nixon (NEF Class of 2017).



🔥 Scaling your business

Featuring Neta Meidav, Founder of Vault Platform, Monique Baars, Founder and CEO of Fineazy, Will Read, Founder and CEO of Sideways6 (NEF Class of 2014), and host, Rebecca Ellul (NEF Class of 2014).



We also held a recruitment event for applicants for the NEF Fast Track Class of 2020, kindly supported by:

- Paul Foulkes-Arellono, Precipice Design and NEF Business Mentor
- Carrie Birmingham, Founder Carrie Birmingham Consult and NEF Executive Coach
- Eliot Brookes, Co-founder Thriva, (NEF Class of 2014)
- Annie Coleridge, Head of Strategy & Operations, Thriva Health, (NEF Class of 2018)
- Shana Gujral, (NEF Class of 2019)
- Eleanor Hudson, (NEF Class of 2019)
- Maud Miller, (NEF Class of 2019)

ALUMNI COUNCIL

Maintaining strong links with our geographically diverse group of alumni can be challenging. We are fortunate to have a group of enthusiastic and supportive alumni who represent and engage with the entire network. In early 2019 they decided to refresh the makeup of the council to better represent the needs of all alumni.

We thank the previous alumni council representatives for their efforts and support: Mike Bandar, Nick Morris, Rebecca Ellul, Charlotte Pearce, Quin Murray, Peter Nixon and Annie Coleridge.

We welcome the new alumni council representatives: Annie Coleridge (chair), Nikita Thakrar, Viraj Ratnalikar, Dawid Kotur, Diana Almazovar and Charlie Vickery.

Alumni-organised activities

We have seen a significant number of extracurricular activities and events delivered by and exclusively for NEF Fast Track alumni in the last 12 months, including community building and managing mental health in teams, plus an annual reunion dinner, attended by over 100 alumni and CFE team members, past and present.

➦ **Above** – Eleanor Hudson and Shana Gujral (both NEF Class of 2019) share their NEF Fast Track experiences



➦ **In conversation with**

Peter Cowley (above), serial tech entrepreneur, angel investor and President of the European Business Angel Network.

PITCH DAYS - JUNE 2018

The culmination of each NEF Fast Track cohort are our annual pitch days, where cohort members are given the opportunity to put their learning experience into practice, pitching their business ideas to a panel of judges - VCs, investors, entrepreneurs and business leaders.

The Class of 2018 was no exception, with 30 pitches made over two days to 25 judges

Pitch days provide invaluable experience for NEFers, enabling them to live-test their ideas, get informed feedback and make vital connections with prospective investors and/or advisors.

Our pitch days are kindly supported by David Pearl, Chairman of Pearl & Coutts and the David Pearlman Charitable Foundation, who donates a £10k prize fund that is awarded to the year's best pitches.

In June 2018 the prizes were awarded to:

- **First prize** - Kike Oniwinde (NEF Class of 2018), founder of BYP Network (a network for black, young professionals);
- **Second prize** - Toby Fox (NEF Class of 2018), founder of Moorspace (an online platform to book marina berths for yachts);
- **Third prize** - Buki Sule (NEF Class of 2018), founder of Milaje Haircare (online hair care advice and products).



Left – David Pearl Pitch Prize Winners 2018 – (L-R) Buke Sule, Toby Fox, Kike Oniwinde (all NEF Fast Track Class of 2018)

CVC YOUNG INNOVATOR AWARDS 2018

For the 4th year, CVC Capital Partners exclusively partnered with CFE to run an awards event with a £30k grant fund available to be awarded to NEF alumni businesses to support their growth and development. This year the CVC team selected one winner - Marco Rovagnati (NEF Class of 2017), founder of PoaPoa. His business produces and markets a range of soaps, shampoos, scrubs and oils for conscious consumers and knowledge seekers who want to change the world but don't want to be excluded for wanting to do so, www.poa-poa.com). In addition to the grant, Marco has received ongoing advice and support from CVC Capital Partners in the subsequent twelve months.

Three other NEF founders have also received ongoing support and advice from the CVC team: Kike Oniwinde founder of BYP Network; Gian Power founder of TLC Lions (captivating the corporate world by bringing ordinary people with extraordinary stories together) and Buki Sule Founder of Milaje Haircare (the online haircare destination for women of color).



Right – CVC Young Innovator Awards 2018 Winners: L-R Marco Rovagnati, Buki Sule, Kiki Oniwinde, Gian Power (all NEF Fast Track Class of 2018)

4.2 NEF Fast Track Class of 2019 profiles

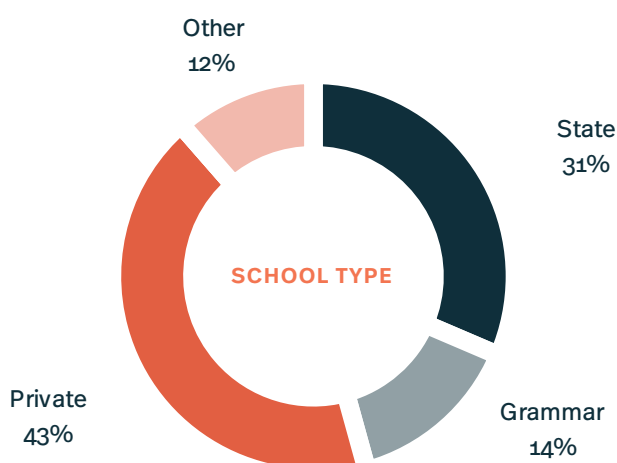
RECRUITMENT OF THE CLASS OF 2019

We received 518 applications for the NEF Class of 2019 - 35 candidates were selected, and began the programme in September 2018, graduating in June 2019.



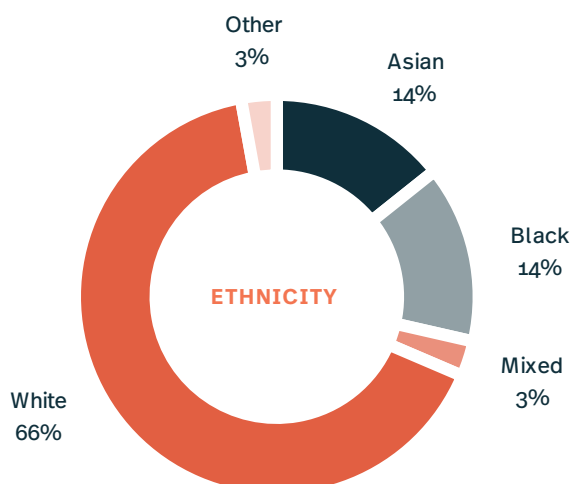
Candidate profiles

Of the 35 candidates who started the programme, 13 were female and 22 male. They came from a diverse range of backgrounds and educational experience and spanned a 10 year age range (ages 21-31).



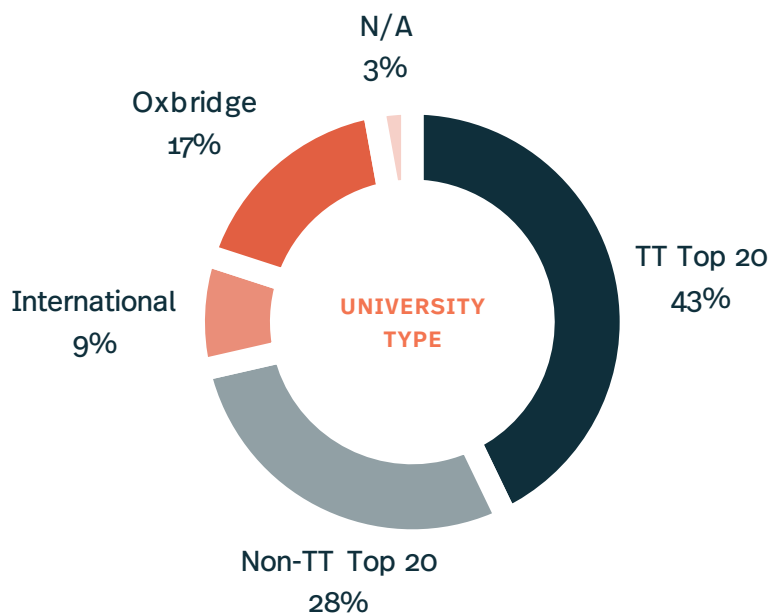
School type

35% of the cohort attended a state school (including grammars and academies), 43% attended a private school. Note that 'other' at 12% is where school was not stated by applicants.



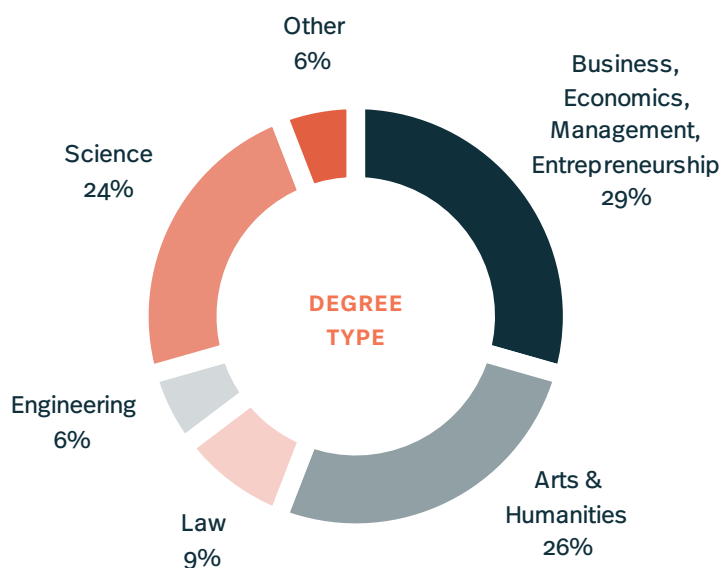
Ethnicity

Ethnic minorities and NEFers of mixed backgrounds made up 31% of the Class of 2019.



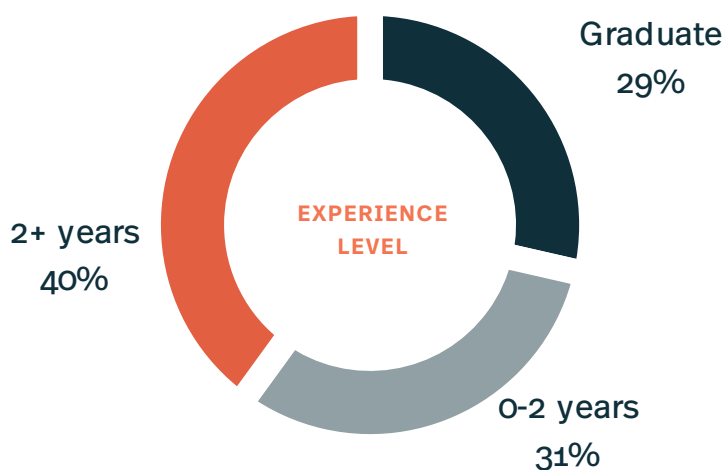
University type

Close to half of the cohort were drawn from Times Top 20 universities and a further 28% from other UK universities.



Degree type

As with previous years, the cohort has a diverse range of degree types. Noting an increase in some form of entrepreneurship background in several candidates' degrees.



Experience level

29% of the cohort were recent graduates, 71% had at least one year's experience and 40% more than two years' experience. This cohort has a higher proportion of experienced participants than recent cohorts.

HOST COMPANIES FOR THE CLASS OF 2019

The Class of 2019 were placed in a cross-section of fast-growing, entrepreneurial host companies, covering a range of business sectors and sizes. Our 2018/19 host companies were:



MOTIVE PARTNERS



HOST COMPANY INFORMATION

Host company size

60% of the group was placed in smaller companies with fewer than 50 employees - this is consistent with previous years.

Host company sectors

The host companies supporting the Class of 2019 again support a wide range of business sectors, including education, renewable energy, technology and travel.

Types of role performed by NEFers in their host company

Sales and Business Development roles comprised a significant proportion of placements undertaken by participants. However, a wide range of other role types were also provided by host companies.

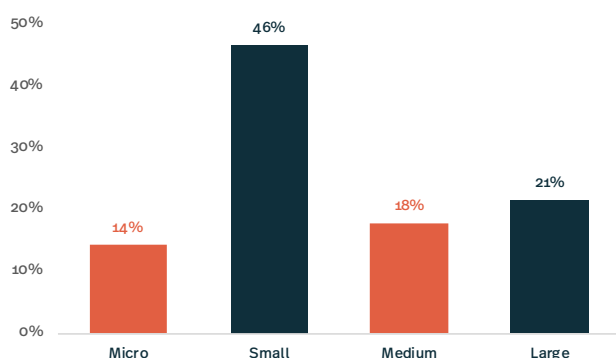


Fig. 16 - Host company size (number of employees)

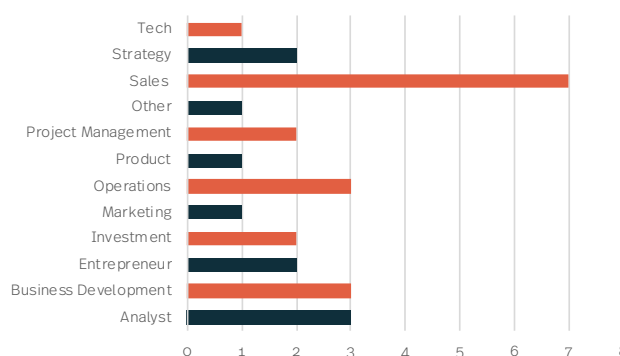


Fig. 17 - Placement role types undertaken by the Class of 2019

NEF FAST TRACK ALUMNI: WHERE ARE THEY NOW?

Our community of NEF Fast Track alumni has grown to nearly 280 members, most of whom remain engaged and active participants - our alumni council members play a vital role in ensuring connections remain strong, through communications, events and social activities.

We continue to track the progress of all alumni, and the data below underlines the extent to which a large proportion of alumni continue to work in, or support the startup ecosystem - in addition to the 46% of founders, many more alumni work in startups (often in leadership positions), or are involved in startup financing in VC firms.

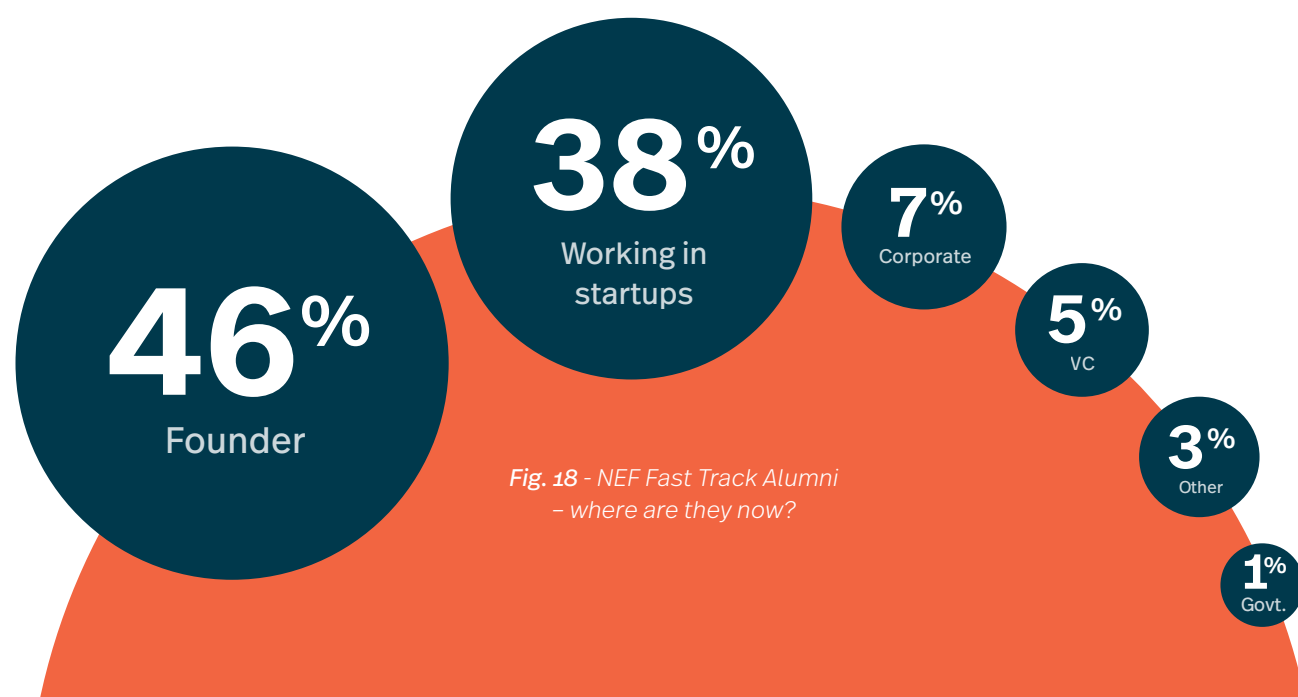


Fig. 18 - NEF Fast Track Alumni
- where are they now?

5.0 Future Plans

Looking forward

2018/19 has been a year of consolidation and re-positioning of our new and rebranded charity. We look forward to the future with confidence and optimism, and are excited about a number of initiatives that are either in progress or close to execution, all of which build upon the robust foundations that we have put in place over the last 12 months.

ENTREPRENEURSHIP DEVELOPMENT

We are evaluating the potential to launch a second NEF programme, in a new UK location. This will accelerate the impact of the NEF Fast track alumni community.

RESEARCH

We will publish our next major research report, into the potential for using vacant commercial property to support entrepreneurial business hubs, in early-2020.

NETWORKS AND COMMUNITIES

Refugee entrepreneurship - we are delighted that our focus on this vital area has resulted in significant follow-on activity, with two key achievements since the end of FY 2018/19:

- We were awarded a £300K grant, jointly-funded by the Home Office and The National Lottery Community Fund, in July 2019 to pilot entrepreneurship training and support for refugees in the UK. This is a 22-month duration programme, and we will be reporting progress in next year's annual report.
- Refugee entrepreneurship network - we are delighted to have concluded a follow-on funding agreement with the Said Foundation to continue to develop and grow the REN, raising global awareness, championing the cause of refugee entrepreneurs and helping members to share best practice and co-ordinate impact measurement.
- Our relationship with long-term supporters, the Blackstone Foundation, enabled the growth of the IAN in 2018/19. As a result of the progress made in this area, the Blackstone Foundation has agreed to continue to support this initiative in 2019/20, enabling us to increase both our membership engagement activities and to undertake detailed research into the opportunities to increase university business support.



Marco Ravognati

Class of 2018,
founder of PoaPoa

When Marco Ravognati came to NEF FastTrack, he came equipped with a passion in anthropology and an ambition to make the world a better place to live. During his time in Kenya researching farming communities for his bachelor's degree, Marco spotted an opportunity to set up a small-scale coconut oil processing facility to help farmers add value to their crops. Marco evolved the project into PoaPoa with the goal of exporting Kenyan coconut oil and using it in natural cosmetics. However, his undergraduate and masters degree had not equipped him with the business know-how needed to grow PoaPoa.

For a year, Marco built PoaPoa and began learning the intricacies of product development, export, sales, marketing, distribution and more. When a friend mentioned NEF FastTrack and a chance meeting with VitaCoco (a supporter of NEF), Marco decided to apply for the programme.

As a result of being part of NEF FastTrack, Marco was chosen for the 2018 CVC Innovation Award. The £30,000 grant, aimed at helping startups accelerate, has helped Marco to hire team members and look further into understanding the market. The last year has also seen PoaPoa launch a new range of hand-blended soaps and shower products and move to a direct-to-consumer model. Running parallel to this, Marco has also set up PoaPoa Ventures to support entrepreneurs in Africa and made his first investment in another Kenyan coconut-oil business.

“

“NEF FastTrack opened my eyes to my own capabilities. My host company placement showed me that innovation and entrepreneurship lends itself closely to understanding my skills of researching and understanding how people operate. It was able to offer me more than any MBA could have because you are immersed in an environment where you must apply your knowledge and put into practice the things you have learnt.”



Georgie Nightingall

Class of 2019, founder of Trigger Conversations

The power of conversation and being inspired by others has always resonated with Georgie Nightingall. It is what has powered Georgie's entrepreneurial journey so far - from running university programmes to creating Trigger Conversations and joining NEF FastTrack.

Georgie joined the corporate world from university, but was left unfulfilled by the personal interactions she made in the workplace. With the corporate world too focused on transactional, fast-paced conversations, she was inspired to set up Trigger Conversations. Within seven weeks, the business was running its first meet-up for deep and meaningful conversations. Trigger Conversation's popularity grew rapidly, a team was employed and Georgie began experimenting with diversifying the offering. In parallel to Georgie's scaling of her business, her brother, Harry, was participating in NEF FastTrack and shared the new ideas and information he was gaining with Georgie. They saw his learnings were applicable to Georgie's own venture and she was encouraged to apply for the next cohort.

The NEF FastTrack's mentoring and coaching offered Georgie alternative insights into the sustainability of her business model and support when she felt overwhelmed with the tasks ahead. "NEF FastTrack is focused on the entrepreneur but also the resources available make you realise that you don't need to do it all yourself and that you have people there who understand and support you."

After completing NEF FastTrack this summer, Georgie is now looking at the bigger picture. She is looking at how Trigger Conversations can make a wider impact while being a successful and sustainable business.

“”

"We, as entrepreneurs, need to network and connect, in order to grow. NEF FastTrack meant I was surrounding myself with people my own age who have different ideas and are trying to make a dent in the world. NEF FastTrack's value also comes from its learning programme, which forces you to focus on your business. I came up with some great ideas during workshops that I then took away to implement".



Jack Young / Anne Hathaway

Coaching for success

Jack Young (Class of 2019) was a self-sponsored NEFer, running his venture, Subtle Sounds while participating in the programme, and also developing a new project. Jack was matched with executive coach, Anne Hathaway, as he was building an app to support the mental health of students - a subject close to Anne's heart.

Jack was very clear on what he wanted to gain from NEF Fast Track's coaching sessions: an opportunity to step back from the whirlwind of everything he was doing and take time to make sense of it all while also allowing new ideas to emerge.

Anne and Jack met monthly in person. During those meetings Anne created a 'Thinking Environment' - a calm, reflective, uninterrupted space - for Jack to do his own best thinking (and, occasionally, to remind him of the importance of self-care for founders).

Anne said that "As a coach, working with NEFers is so inspiring: they have such energy, drive, optimism and sense of purpose. This year with Jack has been no different, in fact even more so. The more senior you are as a coach, the less likely you are to be working with young people, and so to be able to do so is a real gift."

Jack was impressed by the various benefits that came from working with a coach. For example, discussing scenarios with Anne let Jack look at these circumstances from a different angle and helped him realise that his experiences were all part of typical entrepreneurial journey. It also helped him open his eyes to the varied features of leadership skills, team building and self-care.

“““

“It was an invaluable time, which has helped me both as a growing individual and entrepreneur.”



Finn Sims / Freddie Talberg

Mentor & Mentee

EcoTech entrepreneur, Finn Sims (Class of 2019), was looking for a mentor to help him develop his vision and idea of delivering clean energy and reducing plastic waste. NEF Fast Track paired him with Freddie Talberg, Co-founder & CEO of EMSOL- an innovator and serial scale up entrepreneur with a wealth of knowledge around clean energy.

The two met for intensive weekly or fortnightly sessions where they brainstormed ideas and worked towards Finn's final pitch day preparation. Freddie recognised the ambition and passion driving Finn's business and loved seeing the positive changes in Finn himself that resulted from their conversations. Freddie helped direct Finn in how to re-focus on the important things that could move his business along and his thinking on how he can start to build the business.

For Finn, having a mentor was an invaluable part of his NEF Fast Track experience. It took him out of his comfort zone by encouraging him to ask the difficult questions about his ideas. Finn felt boosted by his 1:1 sessions with Freddie, coming away with a clearer vision and greater confidence in what he needed to focus on to really start a business.

“

“Having regular meet-ups with Freddie meant I was constantly keeping an eye on progress and on top of everything I wanted to get out of my year at NEF, which ultimately led to winning the business pitch at the end of the programme.

With Freddie, I was able to exercise practically what I was learning through the learning and development sessions and pair it with his wealth of knowledge, covering testing and prototyping to pitching and fundraising. I was able to dig deep and discover what business I really wanted to build, find its mission and learn first-hand what it will take to develop and scale it to success.”

FINN SIMS



Diederich van der Wijk

Forward Incubator

Diederick von der Wijk is co-founder at Forward Incubator, a Dutch organisation that offers incubator programmes for entrepreneurs with a refugee background.

Launched with two fellow university friends, David Hwan and Laura Di Santolo, in 2018, the incubator combines entrepreneurship with social impact and helps newcomers become economically independent. The goal of the 4-month incubator programme is to support newcomers with a refugee background from business idea to launch. Diederick and his team are ambitious, by 2020 the team wants to support 200 refugee entrepreneurs in Western Europe in starting a business. In the past two years, they've already supported 45 refugees and have seen the launch of 26 businesses.

While Diederick and his team set up Forward Incubator, the Centre for Entrepreneurs published its report 'Starting afresh: How entrepreneurship is transforming the lives of resettled refugees', a powerful case for refugee entrepreneurship and how it can lead to economic empowerment and social integration. Diederich attended the inaugural Global Refugee Entrepreneurship Summit in November 2018, and Forward Incubator joined the Refugee Entrepreneurship Network as founding members.

For Diederick it was important to find a central place to connect with likeminded social entrepreneurs and to discuss and find solutions to remaining financially sustainable as an organisation, how to improve entrepreneurship programmes and tailor them to participant's specific needs, and how to further collaboration with government agencies and private companies.

In April 2019, Diederick joined the CFE team, as part of a panel at the Entrepreneurship Congress 2019 in Bahrain. The panel session explored the challenges and opportunities in nurturing entrepreneurship among resettled refugees. Together with Matt Smith (CFE Director of Policy & Research), Dr Michelle Richey (Loughborough University) and Julianne Oyler (African Entrepreneur Collective), Diederick was able to discuss and explore in great detail what exactly defines successful incubator programmes and to how to further advocate for the implementation of refugee entrepreneurship programmes worldwide.

“

I see the conference of REN as the cornerstone of collaboration between organisations focused on refugee entrepreneurship and as a gateway for those companies or organisations that want to get involved. Hence, it is a great network that I expect to grow more relevant in the next few years.



Megan Powell Vreeswijk

The Hive
(Nottingham Trent University)

Megan Powell Vreeswijk is the head of the Enterprise Innovation Centre and The Hive at Nottingham Trent University (NTU), an ideation and startup space that offers business support for NTU students and graduates.

Prior to joining NTU, Megan was an entrepreneur herself with experience ranging from industry design, product development, fashion & textiles and manufacturing, to intellectual property rights. She has been an early member of CFE's Incubator and Accelerator Network since its launch in 2018, initially at Loughborough University and now at NTU.

Since 2001, The Hive has helped more than 400 start-up companies. Almost 70% of businesses supported in the past eight years are still trading today. The university's new Enterprise Innovation Centre due to be completed soon will expand services to high-growth and innovation SMEs.

While working as graduate enterprise manager at Loughborough University, Megan contributed to the Centre's 2017 report 'Putting the uni in unicorn: the role of universities in supporting high-growth graduate startups'. In the report, the Centre puts forward the strong case that by incubating graduate entrepreneurs, universities can drive economic growth and innovation, boost graduate retention, bolster student recruitment and, most importantly, help more young people fulfil their aspirations.

On the back of the report and implementing one of the report's key recommendations, the Centre launched the Incubator and Accelerator Network (IAN), a new representative body to enable collaboration between UK incubators. Since its formal launch in 2018, the network has connected 30 leading business growth programmes, including the likes of Cambridge University, University of Bath, Exeter University, Aston University, London Southbank University, and Imperial College London.

Megan has been a keen advocate for IAN, particularly the way in which it enables members to share ideas, best-practice and generate solutions to challenges faced by many incubators, via the annual conference and monthly video calls with other IAN members.

“

The opportunity to discuss ideas, share experience and support each other has been so valuable. Just a pair of ears that understands where you are coming from but also that excitement when you have been to conference and heard from other hubs and entrepreneurs, it really does give you the energy to do it bigger and better.

7.0 Finance and Risk

7.1 Financial Review

Total income for the year was £1,159,262 (2018 – £1,106,919). This consisted of charitable income comprising contributions from sponsor companies and donations of £800,366 (2018 – £836,919) and income from other trading activities of £264,000 (2018 – £270,000) of which £114,000 related to host company participation fees (2018 – £170,000) and £150,000 to the funding of projects and activities of the Centre for Entrepreneurs Think Tank programme (2018 – £100,000).

Expenditure for the year totalled £1,177,041 (2018 – £899,958).

Expenditure on charitable activities for the year amounted to £1,093,568 (2018 – £851,426). This comprised £639,992 (2018 – £734,082) in respect of the New Entrepreneurs programme and £453,576 (2018 – £117,344) in respect of the Think Tank programme. Costs of raising funds was £83,473 (2018 – £48,532).

This resulted in a net deficit for the year of £17,779 (2018 – surplus of £206,961) and total funds at 31 March 2019 of £298,181 (2018 – £315,960).

At the year-end £115,000 has been set aside by the Trustees for designated purposes (2018 – £194,257). This includes the remaining anticipated costs of the 2018/19 programme (see below financial position) and £100,000 to cover the future committed activities until the end of 2019/20 (2018 – £180,000). The remaining balance of £183,181 (2018 – £121,703) is unrestricted. Of this balance, £168,901 (2018 – £116,561) constitutes the charity's free reserves carried forward as discussed below.

7.2 Reserves Policy and Financial Position

Reserves policy: The Trustees have examined the requirements for free reserves i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the Charity's work, the level of free reserves should cover 3-5 months' annual overhead expenditure on unrestricted funds at any one time. As at 31 March 2019 this figure equates to approximately £95,000 - £150,000. The Trustees are of the opinion that this provides sufficient flexibility to cover any temporary shortfalls in income due to timing differences in income flows, adequate working capital to cover core costs, and will allow the Charity to cope with and respond to unforeseen emergencies whilst specific actions are implemented.

Financial position: The balance sheet shows total funds of £298,181 (2018 – £315,960). £115,000 (2018 – £194,257) relates to designated funds representing monies set aside to complete the training programme for 2018/19 candidates still ongoing at the year-end and costs of the Think Tank programme for the remainder of its year of operation. £14,280 (2018 – £5,142) represents fixed assets held for use in the charity's operations and therefore not liquid resources available for general expenditure. Therefore £168,901 (2018 – £116,561) equates to free reserves. This falls within the target free reserves set in the policy above.

7.3 Risk Management

The Trustees are mindful of their responsibility as charity Trustees to identify the risks the charity faces, and to establish and implement systems and procedures to mitigate those risks identified. A risk assessment has been carried out during 2018/19 and has been implemented in the current year.

The Trustees see the main risks for the organisation as being funding and potential financial fraud. In this current year, we have addressed each of these risks in the following way:

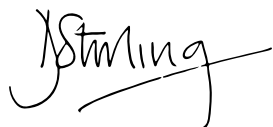
Funding: The key risk to CFE's ability to continue operations is raising sufficient donations each year. In previous years, Trustees were mindful of an over reliance on certain funding sources. The Trustees have sought to increase and diversify the number of corporate and individual donors and to raise awareness of the charity's work with donors through regular communications and engagement events.

Fraud: We seek to mitigate against financial fraud by separating budget, commissioning and authorisation sign-off duties. The basic rule we follow is that an individual who has commissioned any expenditure cannot authorise the expenditure, nor pay the invoice relating to that item. Only the CEO and COO are authorised to commission paid activities and we have introduced a 3-step process for processing all payments as well as monthly bank and cash reconciliations.

7.4 Volunteers and Other Supporters

The Trustees are very grateful to the many volunteers and other supporters who have given their time and energy to the charity over the past year and who have provided invaluable assistance to the management team, candidates and other beneficiaries.

Approved by the Trustees and signed on their behalf by:



Deirdre Stirling

Approved by the Trustees on 7th October 2019

8.0 Auditor's Report

Independent Auditor's Report to the Members of the Centre for Entrepreneurs

OPINION

We have audited the financial statements of the Centre for Entrepreneurs Limited (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 March 2019 which comprise the group statement of financial activities, the group and parent charity balance sheets, and group 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 group's and charitable parent company's affairs as at 31 March 2019 and of the group's 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 group 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 charitable parent 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 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

- The information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial period 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 group and charitable parent 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 by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption 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 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 the charitable parent 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 charitable parent 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.

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. 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.



Edward Finch, Senior Statutory Auditor

For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

9th October 2019

9.0 Consolidated statement of financial activities

	Notes	2019 Total funds £	2018 Total funds £
Income and expenditure			
Income:			
Donations	1	800,366	836,919
Charitable activities	2	94,883	–
Other trading activities	3	264,000	270,000
Bank interest		13	–
Total income		1,159,262	1,106,919
Expenditure:			
Costs of raising funds	6	83,473	48,532
Expenditure on charitable activities:			
. New Entrepreneurs Programme		639,992	734,082
. Think Tank Programme		453,576	117,344
	5	1,093,568	851,426
Total expenditure	4	1,177,041	899,958
Net (expenditure) income and net movement in funds		(17,779)	206,961
Reconciliation of funds:			
Fund balances brought forward at 1 April 2018		315,960	108,999
Fund balances carried forward at 31 March 2019		298,181	315,960

All of the groups activities derived from continuing operations during the above financial period.

All funds are unrestricted.

All recognised gains and losses are included in the above statement of financial activities.

The notes to the accounts on pages 54 to 64 form part of these financial statements.

Balance sheets

	Notes	Group 2019 £	Charity 2019 £	Group and Charity 2018 £
Fixed assets				
Tangible fixed assets	11	14,280	14,280	5,142
Current assets				
Debtors	13	138,869	236,932	168,383
Cash at bank and in hand		214,670	113,428	249,014
		353,539	350,360	417,397
Liabilities:				
Creditors: amounts falling due within one year	14	(69,638)	(66,459)	(106,579)
Net current assets		283,901	283,901	310,818
Total net assets		298,181	298,181	315,960
The funds of the charity:				
Unrestricted funds				
. General funds		183,181	183,181	121,703
. Designated funds	15	115,000	115,000	194,257
		298,181	298,181	315,960

Approved by the board of Trustees and signed on behalf of the Trustees by:



Deirdre Sterling

The Centre for Entrepreneurs Limited, Company Limited by Guarantee

Registration Number 07469562 (England and Wales)

Approved by the Trustees on 7th October 2019

Consolidated statement of cash flows

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(24,083)	87,830
Cash flows from investing activities:			
Purchase of tangible fixed assets		(10,261)	(3,185)
Net cash used in investing activities		(10,261)	(3,185)
Change in cash and cash equivalents in the year		(34,344)	84,645
Cash and cash equivalents at 1 April 2018	B	249,014	164,369
Cash and cash equivalents at 31 March 2019	B	214,670	249,014

Notes to the statement of cash flows for the year to 31 March 2019.

A Reconciliation of net movement in funds to net cash provided by operating activities

	2019 £	2018 £
Net movement in funds (as per the statement of financial activities)	(17,779)	206,961
Adjustments for:		
Depreciation charge	1,123	1,215
Decrease (increase) in debtors	29,514	(106,147)
Decrease in creditors	(36,941)	(14,199)
Net cash (used in) provided by operating activities	(24,083)	87,830

B Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	214,670	249,014
Total cash and cash equivalents	214,670	249,014

Principal Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

BASIS OF PREPARATION

These financial statements have been prepared for the year to 31 March 2019 which the comparative information prepared for the period from 6 April 2017 to 31 March 2018.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

BASIS OF CONSOLIDATION

The statement of financial activities and the balance sheet consolidate the assets, liabilities, income and expenditure of the charity and its wholly owned subsidiary undertaking, CFE Trading Limited. The results of the subsidiary undertaking are consolidated on a line-by-line basis.

No separate statement of financial activities has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees and management to make significant judgements and estimates.

The key items in the financial statements where these judgements and estimates have been made are with respect to estimating the allocation of support costs between programmes and the designation of outstanding expenditure required for the 2018/19 candidates to complete their training programme.

ASSESSMENT OF GOING CONCERN

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment with regard to a period of one year from the date of approval of these accounts.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

INCOME RECOGNITION

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations and contributions are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. 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.

Participation fees are recognised in the financial period in which the service is provided.

Donated services and facilities provided to the charity are recognised in the period when it is probable that the economic benefits will flow to the charity, provided they can be measured reliably. This is normally when the service is provided/the facilities are used by the charity. An equivalent amount is included as expenditure.

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Interest on funds held on deposit is included 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.

EXPENDITURE RECOGNITION

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment 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.

All expenditure is accounted for on an accruals basis, candidate recruitment costs in relation to the New Entrepreneurs programme are recognised in the financial year of enrolment. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes staff costs associated with fundraising, and an allocation of support costs.

EXPENDITURE RECOGNITION (CONTINUED)

- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include the running of training programmes, candidate recruitment, entrepreneurship research, and support costs including governance costs.

Grants are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel, financial procedures, provision of office services and equipment and a suitable working environment. Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned based on an estimation of the time spent by each member of staff on each activity or on an estimate of the proportion of costs relating to that activity.

TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets with a cost greater than £500 and a life expectancy exceeding one year are capitalised.

Tangible fixed assets are included at cost. Depreciation is provided at the following annual rates in order to write off each asset on a straight line basis over its estimated useful life:

- Computer and equipment 20% p.a. of cost

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the depreciable amount of the assets to their residual values and their estimated useful lives are as follows:

- Website – intangible asset (other fixed asset) three years

DEBTORS

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

CASH AT BANK AND IN HAND

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

CREDITORS AND PROVISIONS

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payments where such discounting is material.

FUNDS

Unrestricted funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds

Designated funds are funds set aside out of unrestricted funds by the Trustees for a specific purpose.

LEASED ASSETS

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the term of the lease.

PENSION CONTRIBUTIONS

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to those disclosed in note 7. Outstanding contributions at the year-end are included in creditors. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

FINANCIAL INSTRUMENTS

The charity holds basic financial instruments as defined by FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at fair value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost. Deferred income is not a financial instrument.

1. Donations

	2019 Total funds £	2018 Total funds £
Contributions from donors	412,000	441,000
Cornerstone donations	200,000	200,000
Gift aid receivable	8,101	11,313
Other donations	31,865	14,006
Gifts in kind	148,400	170,600
	800,366	836,919

Gifts in kind include coaching, consultancy and venues provided free of charge, the related costs are included within Training programmes (note 5).

2. Income from charitable activities

	2019 Total funds £	2018 Total funds £
CFE report income - Refugee	40,000	–
CFE report income - Incubator and Accelerator Network (IAN)	54,883	–
	94,883	–

3. Other trading activities

	2019 Total funds £	2018 Total funds £
Host company participation fees	114,000	170,000
Centre for Entrepreneurs sponsorship	100,000	100,000
CFF Annual lecture sponsorship	50,000	–
	264,000	270,000

4. Analysis of total expenditure

	Direct costs £	Support costs (note 6) £	2019 Total funds £	Direct costs £	Support costs (note 6) £	2018 Total funds £
Costs of raising funds	–	83,473	83,473	–	48,758	48,758
Charitable expenditure						
. Charitable activities (note 5)	546,222	547,346	1,093,568	400,793	450,407	851,200
	546,222	630,819	1,177,041	400,793	499,165	899,958

5. Charitable activities

	2019 Total funds £	2018 Total funds £
New Entrepreneurs programme		
Candidate recruitment	163,323	71,821
Training programmes	138,800	273,508
Support costs (note 6)	337,869	388,313
	639,992	733,642
Think Tank programme		
Research and reporting	125,267	8,032
Staff costs	118,832	47,432
Support costs (note 6)	209,477	62,094
	453,576	117,558
	1,093,568	851,200

Candidate recruitment and training programmes for the New Entrepreneurs programme includes agency costs of £28,919 (2018 - £12,228).

6. Support costs

The support costs (including governance costs) incurred during the year to 31 March 2019 and the bases of their allocation were as follows:

	Raising funds £	Charitable activities £	2019 Total funds £	Raising funds £	Charitable activities £	2018 Total funds £
Staff costs	37,816	273,733	311,549	15,620	296,782	312,402
Staff recruitment and training	783	5,664	6,447	212	4,034	4,246
Travelling costs	470	3,398	3,869	195	3,702	3,897
Advertising	6,849	49,573	56,421	1,301	24,717	26,018
Office costs	13,475	97,538	111,013	3,083	58,575	61,658
Events, entertaining and gifts	4,181	30,266	34,447	163	3,094	3,257
Depreciation	136	987	1,123	61	1,155	1,216
Consultancy fees	9,196	9,696	18,892	25,596	10,340	35,936
Legal and professional fees	4	25	29	980	18,612	19,592
Audit and accounting fees	5,976	43,259	49,235	1,321	25,112	26,433
Irrecoverable VAT	3,471	25,123	28,594	226	4,284	4,510
Governance	1,116	8,084	9,200	–	–	–
	83,473	547,346	630,819	48,758	450,407	499,165
Allocated to						
New Entrepreneurs programme	60,557	337,869	398,426	42,011	388,313	430,324
Think Tank programme	22,916	209,477	232,393	6,747	62,094	68,841
	83,473	547,346	630,819	48,758	450,407	499,165

6. Support costs

Indirect support costs are allocated between raising funds and charitable activities based on estimated staff time. The allocation between the New Entrepreneurs programme and the Think Tank programme is based on estimated staff time for the twelve month period following the transfer of the activities of the Centre for Entrepreneurs.

7. Governance costs

	2019 Total funds £	2018 Total funds £
Audit and accounting fees		
Auditor's remuneration		
. Audit fees	7,350	7,020
. Non-audit fees – current year	9,052	1,620
. Non-audit fees – prior year under accrual	12,100	–
Accounting fees	20,733	17,793
Legal and professional fees		
. Transfer of Centre for Entrepreneurs	–	18,372
. Impact study	7,000	–
. Other fees	2,229	1,220
	58,464	46,025

In September 2017 the activities, staff and projects of the Centre for Entrepreneurs were transferred to NEF. This process required the charity to incur one-off legal and professional fees.

8. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	377,734	316,825
Social security costs	40,199	33,496
Pension costs	12,448	9,513
	430,381	359,834
Relating to		
Think Tank programme (note 5)	118,832	47,432
Support costs (note 6)	311,549	312,402
	430,381	359,834

One employee received remuneration of between £100,000 and £110,000 during the year (2018 – one between £90,000 and £100,000). Pension contributions of £7,500 (2018 - £7,500) were made in respect of this employee. No other employees received remuneration greater than £60,000 (2018 – none).

During the year the average number of staff was 8 (2018 – 7).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees, the Chief Executive Officer, the Chief Operations Officer, Programme Director Talent, Marketing and Communities, Programme Director Learning and Partnerships and Director Centre for Entrepreneurs. The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £317,567 (2018 – £280,488).

During the year no Trustees received any remuneration or were reimbursed for expenses (2018 – £nil).

9. Net (expenditure) income and net movement in funds

This is stated after charging:

	2019 Total funds £	2018 Total funds £
Staff costs (note 8)	430,381	359,834
Auditor's remuneration (including VAT)		
. Audit fees	7,350	7,020
. Non-audit fees - current year	9,052	1,620
. Non-audit fees - prior year under accrual	12,100	–
Depreciation (note 11)	1,123	1,215

10. Taxation

The Centre for Entrepreneurs Limited 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.

11. Tangible fixed assets

Group and Charity	Other assets £	Computers and office equipment £	Total £
Cost			
At 31 March 2018	–	14,733	14,733
Additions	9,736	525	10,261
At 31 March 2019	9,736	15,258	24,994
Depreciation			
At 31 March 2018	–	9,591	9,591
Charge for the year	–	1,123	1,123
At 31 March 2019	–	10,714	10,714
Net book value			
As at 31 March 2019	9,736	4,544	14,280
As at 31 March 2018	–	5,142	5,142

12. Investment in subsidiary undertaking

The Centre for Entrepreneurs Limited owns 100% of the issued share capital of CFE Trading Limited, a company registered in England and Wales (Company Number 11047500).

A summary of the results of the subsidiary for the period 3 November 2017 to 31 March 2019 is shown below:

	Year to 31 March 2019 £	Period from 3 November to 31 March 2018 £
Turnover	150,000	–
Cost of sales	(60,863)	–
Gross profit	89,137	–
Administration expenses	(54,056)	–
Operating profit	35,081	–
Distribution under Gift Aid to Centre for Entrepreneurs Limited	(35,081)	–
	–	–

The company's assets and liabilities at 31 March 2019 were as follows:

	2019 £	2018 £
Assets	101,242	1
Liabilities	(101,241)	–
Net assets	1	1

13. Debtors

	Group 2019 £	Charity 2019 £	Group and Charity 2018 £
Prepayments			
. Candidate recruitment	40,000	40,000	104,104
. Other	9,088	9,088	9,191
Accrued income	37,817	37,817	10,000
Gift aid receivable	10,500	10,500	24,188
VAT recoverable	17,859	37,775	–
Other debtors	23,605	23,605	20,900
Amounts owed by subsidiary undertaking	–	78,147	–
	138,869	236,932	168,383

Candidate recruitment costs are recognised as expenditure in the year of enrolment. Costs incurred prior to the year of enrolment are recognised as a prepayment in line with the timing of the benefit received by the charity.

14. Creditors: amounts falling due within one year

	Group 2019 £	Charity 2019 £	Group and Charity 2018 £
Trade creditors	37,489	36,310	56,882
Taxation and social security	11,399	11,399	12,356
Accruals and deferred income	20,750	18,750	37,341
	69,638	66,459	106,579

Included with accruals and deferred income is deferred income as set out below.

	2019 £	2018 £
Deferred income brought forward at 31 March 2018	9,259	70,000
Additional income deferred in the year	–	9,259
Deferred income released in the year	(9,259)	(70,000)
Deferred income carried forward at 31 March 2019	–	9,259

15. Designated funds

The following designated funds have been set aside out of unrestricted funds by the trustees for activities that will be undertaken during 2019/20.

Group and Charity	Balance at 1 April 2018 £	New Designations £	Utilised £	Balance at 31 March 2019 £
Designated fund – 2017/18 NEF Fast Track completion	14,257	–	(14,257)	–
Designated fund – 2018/19 NEF Fast Track Completion	–	15,000	–	15,000
Designated fund – Centre for Entrepreneurs	180,000	75,000	(180,000)	75,000
Strategic Project	–	25,000	–	25,000
Total	194,257	115,000	(194,257)	115,000

Group and Charity	Balance at 6 April 2017 £	New Designations £	Utilised £	Balance at 31 March 2018 £
Designated fund – 2016/17 training programme	19,255	–	(19,255)	–
Designated fund – 2017/18 training programme	–	14,257	–	14,257
Designated fund – Centre for Entrepreneurs	–	297,344	(117,344)	180,000
Total	19,255	311,601	(136,599)	194,257

The NEF Fast Track Completion 2018/19 relates to the costs involved in concluding the last phase of the latest cohort to complete the NEF Fast Track Programme, covering the period April to June 2019.

The Centre for Entrepreneurs fund relates to monies set aside for the delivery of the second annual lecture on entrepreneurship in similar scale and format to the 2018 lecture. The lecture will be held in early 2020. This fund also includes monies set aside for the research, publication and distribution of a new research topic into another under-served area of the UK's entrepreneurial ecosystem. Publication is scheduled for late 2019.

15. Designated funds (continued)

The Strategic project relates to the evaluation of the opportunity to launch a second location for the NEF Fast Track Programme in a UK city outside London. Budget has been set aside to investigate and validate the feasibility of such a project, up to and including the preparation of a business case for Trustee approval. Work began on the project at the start of 2018/19, and the business case is scheduled for presentation to the Trustees in November 2019.

16. Analysis of net assets between funds

Fund balances at 31 March 2019 are represented by:

Group	General fund £	Designated fund £	2019 Total funds £	General fund £	Designated fund £	2018 Total funds £
Tangible fixed assets	14,280	–	14,280	5,142	–	5,142
Current assets	238,539	115,000	353,539	223,140	194,257	417,397
Creditors amounts falling due within one year	(69,638)	–	(69,638)	(106,579)	–	(106,579)
Total net assets	183,181	115,000	298,181	121,703	194,257	315,960

Charity	General fund £	Designated fund £	2019 Total funds £	General fund £	Designated fund £	2018 Total funds £
Tangible fixed assets	14,280	–	14,280	5,142	–	5,142
Current assets	235,360	115,000	350,360	223,140	194,257	417,397
Creditors amounts falling due within one year	(66,459)	–	(66,459)	(106,579)	–	(106,579)
Total net assets	183,181	115,000	298,181	121,703	194,257	315,960

17. Leasing commitments

At 31 March 2019, the charity had the following future minimum commitments in respect of non-cancellable operating leases:

	Group and Charity	
	Land and buildings	
	2019	2018
	£	£
Operating leases: payment due within one year	17,853	17,400

18. Related party transactions

During the year the charity received donations of £10,000 (2018 – £10,000) from trustees.

There were no other related party transactions which required disclosure (2018 - none).





Annual Report and Financial Statements

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2018/19

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