

The Centre for Entrepreneurs Ltd.

Annual Report and Financial Statements

Financial Year 2019/20



**Centre
for
preneurs**

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

→ centreforentrepreneurs.org



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Message from our Chairman



As I write this introduction in December 2020, the world looks like a very different place to the one at the start of the year when we were eagerly looking forward to a series of events to mark our 10th anniversary. The COVID-19 pandemic has had an enormous and devastating impact on the world, but recent events give cause for optimism and a far more positive outlook.

Like so many other charities, this year has had a significant impact on the Centre for Entrepreneurs. We saw a sharp impact on our income as COVID-19 led to the first lockdown. A number of our donors were themselves impacted by a significant drop in income, or in other cases, they wished to divert their philanthropic activities to charities supporting those directly affected by the pandemic.

We acted swiftly to respond to this drop in income and adjusted our teams and activities to ensure continuity. We are a smaller team now but laser-focused on our core activities around the NEF+ programme and community activities. I would like to extend our special gratitude to all those donors who have resolutely stayed with us, and especially to LetterOne and CVC Capital Partners who made additional donations during these difficult months.

Despite these difficulties, we have continued to run our key programmes and activities that help to ensure CFE continues to play its unique role in the UK's entrepreneurship ecosystem:

- Our entrepreneur development programme - NEF+ (previously NEF Fast Track) continues to support the progression of new entrepreneurial leaders and business creation.
- Our think tank work continues to explore and highlight those under-served parts of society where entrepreneurship is having a transformative impact.

- We were delighted to be invited by the Home Office and The National Lottery Community Fund to oversee and manage a pilot programme to provide business support for refugees.

As we look to the future and consider what a post-COVID world might look like, we are conscious that the needs of entrepreneurs will change and that we need to remain agile to meet those evolving needs. We will look at funding scenarios and evaluate the options for significant partnerships that could form a new platform for the sustainability of the Centre for Entrepreneurs. We will need to continue to source new funding and adapt to new opportunities.

This has been a challenging year for everybody but I would like to say a special thank you to our CEO Neeta Patel, deputy CEO Richard Cull Thomas, research and policy director Matt Smith, and the team for navigating these difficult months and keeping our excellent work running despite prevailing headwinds. I would also like to thank my fellow trustees who have so actively supported the team through the last few months in particular. We were all delighted to hear the excellent news that Neeta had been awarded a CBE in the Queen's birthday honours which were announced in October 2020 – well-deserved recognition for all the work she does both at CFE and in the wider entrepreneurship ecosystem. Our advisory board, led by Lord Mervyn Davies CBE, has also been a vital source of support and encouragement through this challenging period – I thank all of them for their continued commitment to CFE.

The New Entrepreneurs Foundation (predecessor of CFE) was founded in 2010 in response to another crisis situation – the impact of the 2008 financial crash – with the aim of enabling ambitious young entrepreneurs to create and grow new businesses that would in turn increase employment and make a positive contribution to the UK economy. Reflecting on our progress in the intervening ten years, I'm pleased and proud of our collective impact. Our country now finds itself at another critical juncture and I believe that developing the challenges of the coming years will be to empower people to react positively to a difficult and dynamically changing economic environment. Developing life-long skills training to enable new careers and opportunities will be a crucial element of the path to recovery; this approach, and our mission will need to evolve to embrace the skills challenges that the UK faces. Entrepreneurship will continue to be a key element of addressing those challenges, but our work will be across a broader front than we have addressed hitherto.

It has been difficult to find reasons for optimism in recent months, but looking forward I firmly believe that CFE can play a crucial role in supporting the recovery and transformation of the UK economy as it adapts to the 'new normal' post-COVID world.

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

Oliver Pawle
Chairman

Message from our CEO



Writing this message amidst a major pandemic and the subsequent impact on business and the economy, it is a welcome distraction for me to reflect on our achievements in the last year. The year ended on a somewhat low note as lockdown forced the closure of all of our in-person activities. The team responded swiftly moving the final round of workshops and events for the NEF Class of 2020 online.

Although we had to reduce the size of the team, we were able to continue with our recruitment plans and select candidates for the 2021 cohort in March/April. This cohort faced many challenges but started successfully on the NEF programme in October 2020. All of their current learning, mentoring and coaching is being delivered online but they have adjusted remarkably well to this new 'norm'.

Turning my mind back to the 2019/20 year, I am reminded of the impact that we have made both on the participants of the NEF programme but also in other communities across the UK through our policy and research work. Highlighting a few of these achievements:

- 317 programme alumni, with the ninth cohort graduating in June 2020.
- Over 170 live businesses founded by alumni, covering a wide variety of sectors and ranging from MVP (minimum viable product) to revenue-generating status. This year we have seen strong growth in businesses tackling health, mental health and wellbeing.
- Our alumni have continued to complete successful funding rounds in challenging circumstances, to fuel venture growth, increasing the cumulative funds raised

to £140m (2019, £100m). The collective valuation of these businesses is now over £400m.

- These new businesses have created 2,600 new jobs.
- As a measure of the growing maturity of the network of alumni-founded ventures, this year has seen a small number of successful exits via trade sales and acquisitions.
- We have continued to increase the diversity of NEF+ participants – the Class of 2020 cohort had 40% female and 42% BAME background participants.
- The Incubator and Accelerator Network grew to 30 members across England, Wales and Scotland, and hosted its third annual conference in March 2020.
- The Refugee Entrepreneurship Network grew to 70 organisations across 25 countries and convened 140 people for the second annual conference in October 2019.
- The sixth annual business startup index brought new insight to company formation figures by examining sector breakdowns, and our inaugural global refugee entrepreneurship

survey mapped the structure, funding and impact of 39 refugee startup programmes across 19 countries.

- CFE selected and began working with four organisations to deliver year-long refugee entrepreneurship programmes as part of a pilot scheme funded by the Home Office and The National Lottery Community Fund.

Thank you to our community of mentors, coaches and other supporters who give freely of their time to help and support us.

A heartfelt thank you to the team for continuing their focus on delivery during the challenging few months - I salute their dedication and resilience throughout a difficult year.

Thank you also to Oliver, Dee and the trustees for their constant and continuing commitment and support.

We hope that you will be able to join us, once restrictions are lifted, to celebrate our 10-year anniversary sometime next year.

Neeta Patel CBE
CEO

1.0

Legal and Administrative Information

Trustees

Oliver Pawle (Chairman)
Deirdre Stirling (Secretary)
Andrew Joy
Joseph Hubback
Masha Feigelman
Sam Smith

Advisory Board

Lord Davies of Abersoch CBE
Oliver Pawle
Dr Carl Schramm
Cyrus Jilla
Charlotte Appleyard
Judy Marsden
Kanya King CBE
Luke Johnson
Oli Barrett MBE
Robert Leita
Stephen Welton
Vin Murria OBE

Company Secretary

Deirdre Stirling

Chief Executive Officer

Neeta Patel CBE

Registered Office

Kemp House
152-160 City Road
London
EC1V 2NX

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

Auditor

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Solicitors

Harbottle & Lewis
N7 Savoy Court
London
WC2R 0EX

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 (below) for supporting us wholeheartedly in our endeavours.

CORNERSTONE DONOR

LETTERONE

PREMIUM CORPORATE DONORS



CORPORATE DONORS



PATRONS

Lord Agnew of Oulton, minister of state, Cabinet Office; 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 and CFE trustee; Lord Lupton, ex-chairman, Greenhill Europe; Sir Keith Mills, ex-deputy chairman, LOCOG; Monica Monajem, managing director, 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 & CFE Chairman; David Pearl, David Pearlman Foundation; Andy Phillipps, entrepreneur and former CFE trustee; 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, Adviser, Business Growth Fund; Sadell Fellowship; Elisabeth Scott, former trustee, New Entrepreneurs Foundation; David Tibble, former partner, Warburg Pincus; Jean-Baptiste Wautier, managing partner, BC Partners; The Wigoder Family Foundation.

GIFTS IN KIND

Harbottle & Lewis



SULLIVAN
&
CROMWELL

wework

NEF ALUMNI DONORS

Corbyn Munnik (class of 2013)

Alex Somervell (class of 2016)

Guy Riese (class of 2016)

Quinton Murray (class of 2015)

JJ Tan (class of 2016)

SUPPORTERS

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



Harbottle & Lewis



philippa **SEAL**

instant impact

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 2020.

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 45 to 48 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).

Our mission statement is:

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

2.1 Principal Aims and Objectives

The charity's objectives continue to be to:

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

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 high-level contacts and specific skills to complement, support and advise the CEO, the team 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	14th December 2010	
Deirdre Stirling	22nd July 2011	
Andrew Joy	21st June 2013	
Joseph Hubback	27th November 2014	
Andy Phillipps	27th November 2017	4th July 2019
Sam Smith	25th July 2018	
Masha Feigelman	24th November 2018	

CFE continues to operate a trading subsidiary that undertakes commercial activities and operations in support of our charitable objects and is wholly-owned by CFE. Two CFE trustees are directors of the subsidiary.

DIRECTOR	APPOINTED	RESIGNED
Andrew Joy	16th July 2018	
Deirdre Stirling	16th July 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 the financial period 2019/20, Trustees met six times for formal Board meetings to oversee progress and guide the 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 2019/20, 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, Laura Campbell, Head of Marketing and Partnerships and Veronique Rapetti, Programme Director Learning and Partnerships (who left in May 2020). 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 professionals on contract to deliver projects and help us in specific areas such as fundraising, 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 and Head of Marketing and 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 2019/20 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.

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 2019/20, the charity received no complaints about its fundraising activities.

EACH OF THE TRUSTEES CONFIRMS THAT:

- So far as the Trustees are 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.

170+
live ventures
launched by alumni

2,600
jobs created by
these companies

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

2.3 Introduction

2019/20 saw a continuation of CFE's agenda of supporting entrepreneurship across a broad spectrum of activities: NEF Fast Track, ongoing research, community development and a large-scale pilot programme to train and support refugee entrepreneurs in the UK.

Our progress in all these areas has been positive during 2019/20, despite the challenges brought by the COVID-19 pandemic towards the end of the reporting period, and our delivery outcomes represent a significant step forward for the Centre for Entrepreneurs, building on the momentum made in the prior year.

2.4 Objectives

The charity's objectives continue to be 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 - NEF Fast Track - saw the ninth cohort graduate, bringing total alumni to 317.

NEF Fast Track continues to select a small group of up to 50 young aspiring entrepreneurs and develops their entrepreneurial skills through a one- year programme, comprising a 12-month 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 2018/19 that alumni had launched 140 ventures, had raised £100m in early-stage funding and had created over 2,200 new jobs (full and part-time). In the intervening period, despite challenging economic circumstances, the enlarged alumni group's achievements have continued to increase:

- Alumni have launched over 170 ventures that are currently live;
- These companies have created over 2,600 new jobs (full and part-time);
- Collectively they have raised over £140m in early-stage seed funding for their ventures; and
- The collective valuation for these ventures stands at over £415m.

RESEARCH

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

In January 2020, we published the sixth annual business startup index. Our annual analysis of Companies House data provides a detailed snapshot of business formations across the UK.

In February 2020, we published the Global refugee entrepreneurship survey, in partnership with the Fund for Action and Innovation by Refugee Entrepreneurs (FAIRE, a Paris-based grant-making foundation). This report captured the state of refugee entrepreneurship by examining the structure, funding, programme content, and impact of 52 refugee entrepreneurship programmes run by 39 organisations across 19 countries.

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 2019/20 we focused on two key areas:

- The Incubator and Accelerator Network (IAN) celebrated its second anniversary in February 2020, seeing membership grow to 30 institutions, covering many of the UK's leading university incubators and several non-academic business accelerators.
- The Refugee Entrepreneurship Network (REN) continued to grow and develop. The second annual summit in October 2019 hosted 140 members representing 95 organisations. REN membership now stands at 70 organisations - including 50 non-profit delivery organisations and 20 stakeholders including corporates, foundations, academics and governments

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.

In July 2019, the Home Office and The National Lottery Community Fund awarded CFE £360,000 to run refugee entrepreneurship pilot programmes across the UK. Through a competitive application process, we selected four delivery bodies, and the year-long delivery phase began in October 2019.

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.

3.0 Impact Report

3.1 NEF Fast Track

3.1.1 NEF VENTURES: JOBS CREATED AND INVESTMENT RAISED.

The primary measure of the effectiveness of the NEF entrepreneur development programme is the creation and growth of new businesses, the employment opportunities that those businesses generate and the ability of those entrepreneurs to attract early-stage funding to support their growth.

We reported in 2018/19 that NEF alumni launched 140 live ventures, raised £101M in early-stage funding and created over 2,200 new jobs. The extended alumni group has continued to make further significant progress, despite challenging economic circumstances, in the intervening 12-month period; as of September 2020:

Alumni have launched 170 ventures that are currently live;

These companies have created over 2,600 new jobs (full and part-time);

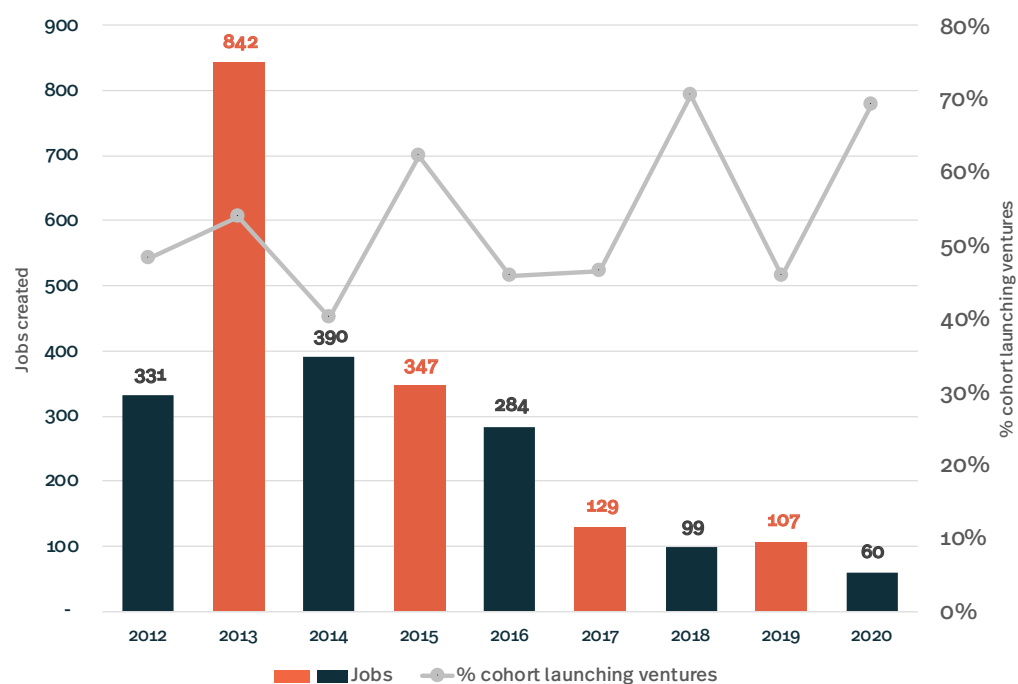
Collectively they have raised over £140M in early stage seed funding for their ventures;

The collective valuation of those ventures that have raised external seed funding has increased to £415M (2019 - £355M).

VENTURES LAUNCHED, JOBS CREATED

Alumni continue to show high levels of ambition to put programme learning into practice by launching ventures - almost 70% of the newest cohort have launched a business during or immediately post-programme completion. In the wider alumni community, alumni continue to launch new and/or second businesses alongside the established network of founders and ventures.

Venture tenure - we continue to see the tenure of ventures extend as longer-established business scale and grow, alongside an increase in early-stage ventures launched in the last 12 months.



£140m⁺

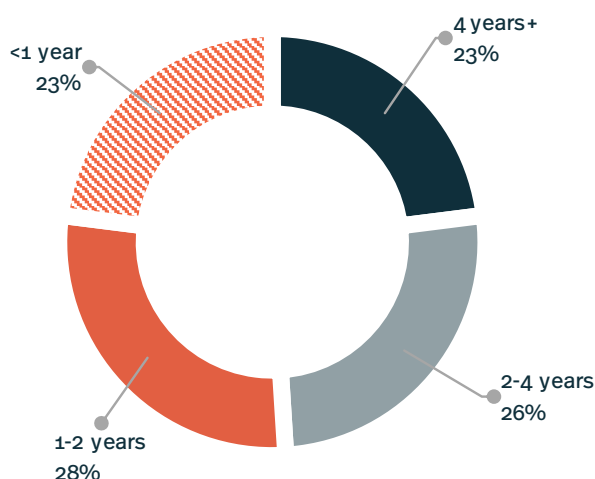
early stage seed
funding raised

£415m⁺

collective
valuation

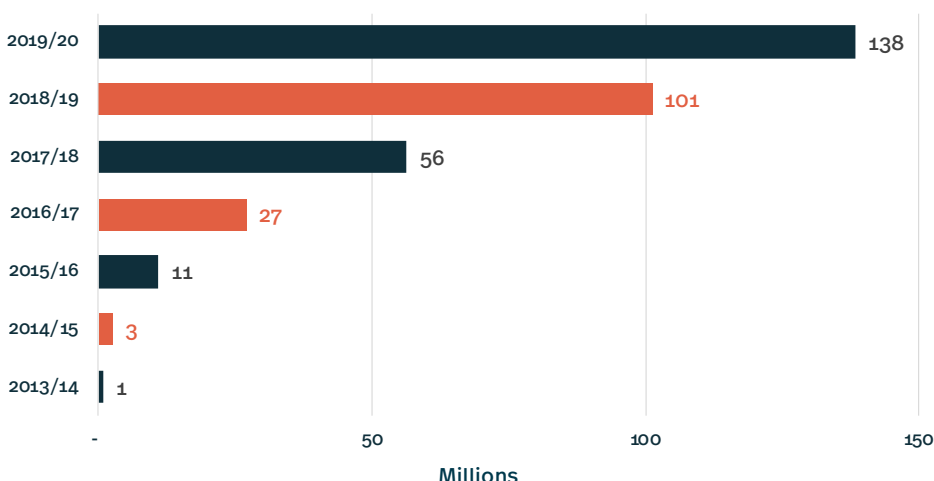
Fig. 1
Jobs created &
percentage of each
cohort launching
ventures

Fig. 2
NEF venture
tenure since
launch



EARLY STAGE FUNDRAISING

The aggregate fundraising total of £138m raised by NEF alumni ventures represents a significant increase on the £101m reported in 2018/19, which is driven by the small but influential proportion of businesses that are at or beyond their first Series A funding round and have completed larger fundraising rounds as they scale.



As in prior years, ventures launched by the earliest NEF cohorts have contributed the greatest proportion of aggregate funds raised, but as businesses launched by later-stage cohorts scale, we see an increase in the proportion of fundraising from those later cohort members.

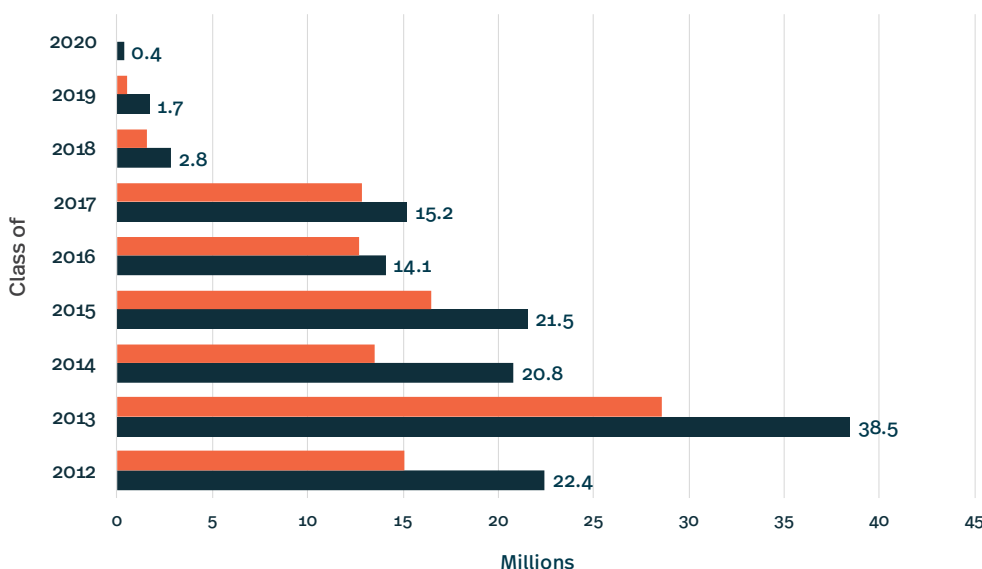
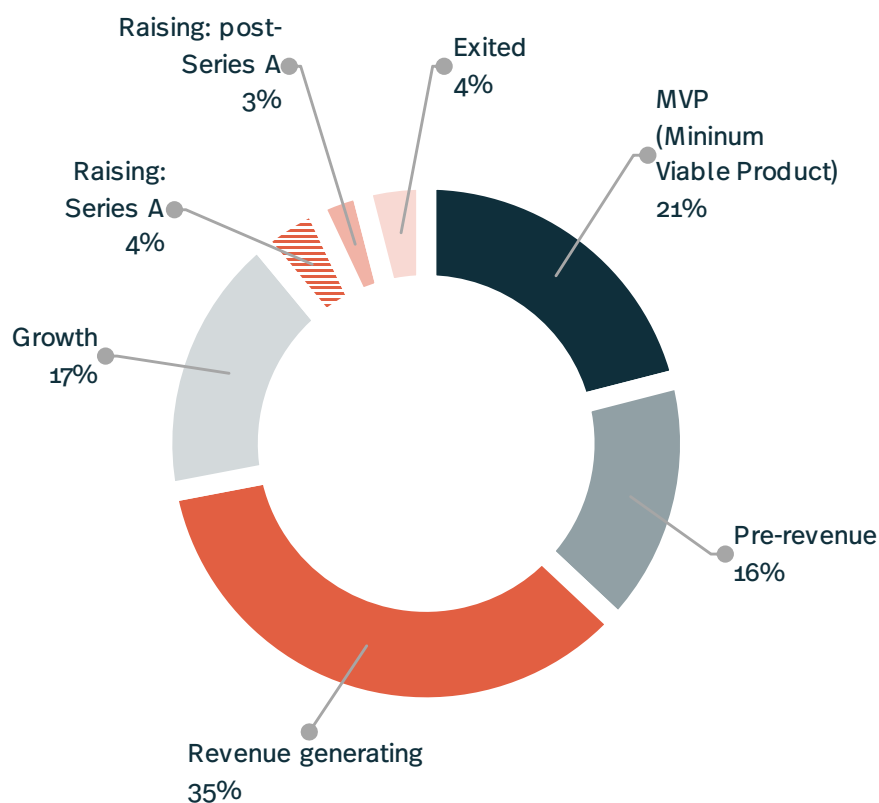


Fig. 4
Funding raised
per NEF Fast
Track cohort

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



GROWTH STAGE

The overall balance of growth stages across all ventures remains static year-on-year, reflecting the continuing addition of new ventures into the dataset - from both recent cohort graduates (as noted above) and new alumni businesses. Additionally, this year's data shows a small but important section of ventures that have achieved successful exits - through acquisition, merger or trade sale.

3.1.2 RESULTS OF THE FIFTH 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 also 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.

We also survey the more general experiences of the graduating cohort - their feedback is a vital tool in the continual development of the NEF programme.

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

SUMMARY

This year's study reprised the use of the two new measures introduced last year - entrepreneurial self-efficacy and entrepreneurial self-sufficiency.

We are pleased to report that the survey results show positive improvements across all measured areas, and in many cases, significantly greater improvements than observed in the prior year.

Of those participants who had undertaken a placement in a partner company (69%), an extremely high proportion (85%) reported a very positive or positive impact of the placement on their development as an entrepreneur or entrepreneurial leader. This is a significant improvement on the NEF Class of



“You are on the programme with a great group of people and you are taken step by step through the startup process. At the same time, you see a real-life functioning business to learn from. You leave with the skills and knowledge to start your own business.”

2019 experience, where around 66% responded in this way. Our greater level of care and attention in selecting partners and matching candidates to roles has helped to deliver this improvement.

One area of concern that emerged from the exit survey was qualitative feedback related to the quality and usefulness of the formal learning workshops, where a significant proportion (36%) of interviewees considered that the learning experience was variable and not useful.

Whilst the overall results for the study are positive, and an improvement on 2018/19's results, the trustees have taken the wider implications of the impact study's findings seriously and consider that they provide further and definitive justification for the strategic rebuild of the learning programme that has been implemented for the NEF class of 2021. These changes are covered in more detail in Section 4.0 - Future Plans. The trustees consider that combination of the progress made in 2019/20 coupled with the complete rebuilding of a new learning programme will once again put NEF Fast Track at the leading edge of the entrepreneurship development programmes in the UK.

“You are on the programme with a great group of people and you are taken step by step through the startup process. At the same time, you see a real-life functioning business to learn from. You leave with the skills and knowledge to start your own business.”

RESULTS

Skills development

In the pre-and post-programme surveys, members of the 2020 cohort were asked to rate the skills across seven key areas: creativity & innovation, market research & planning, leadership, teamwork, financial skills, starting & growing a business and networking.

For each topic, participants were asked a series of detailed questions, the results of which were averaged in the topic categories listed above, using the following scoring system:

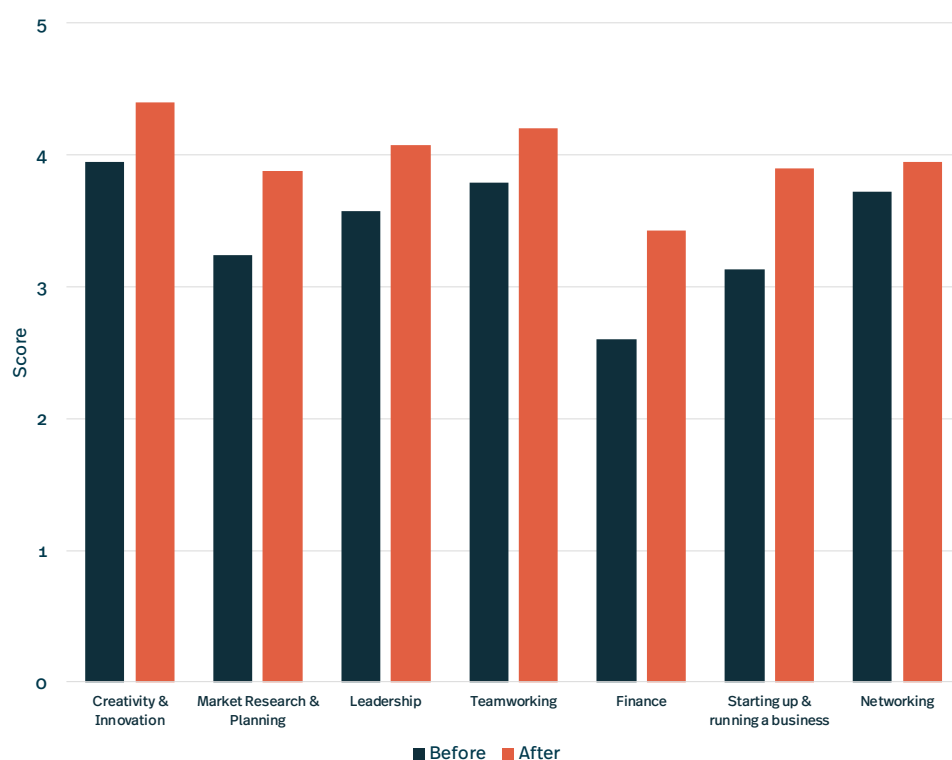
“How would you rate yourself on a scale of 0-5 with 0 being “low” and 5 “high.”

These key skills comprise the entrepreneurial self-efficacy basket of skills.

Headline results are shown in Figure 6 below.

Fig. 6

Pre- and post-programme cohort skills, self-assessment



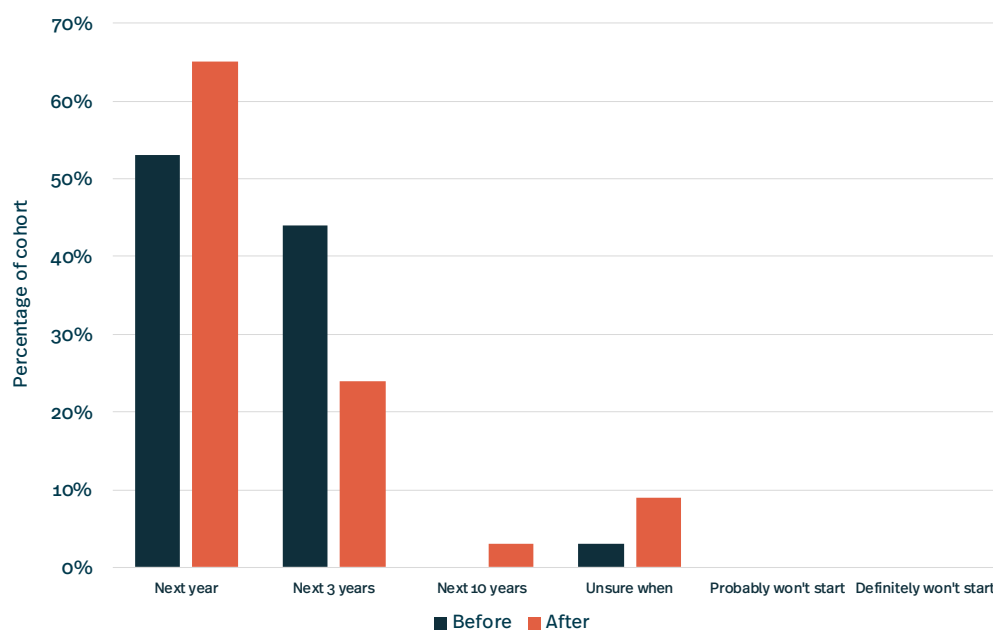
Each measure showed a positive, and significant, increase from pre- to post-programme, indicating the positive impact of the NEF programme on participants' entrepreneurial skills.

Entrepreneurial intent

Participants were also asked about their entrepreneurial intent, their future entrepreneurial aspirations and their entrepreneurial ambition and confidence, pre- and post-programme. The combination of these measures makes up the entrepreneurial 'intent' basket.

The results show a positive change in intent, with a significant proportion (12%) planning to start their own business in the next year pre- vs. post-programme. However, a 6% increase in cohort members who were less certain post-programme of the timeframes for starting their own business can be considered to be the result of the COVID-19-related impacts on the economy that materialised in the latter phase of the programme.

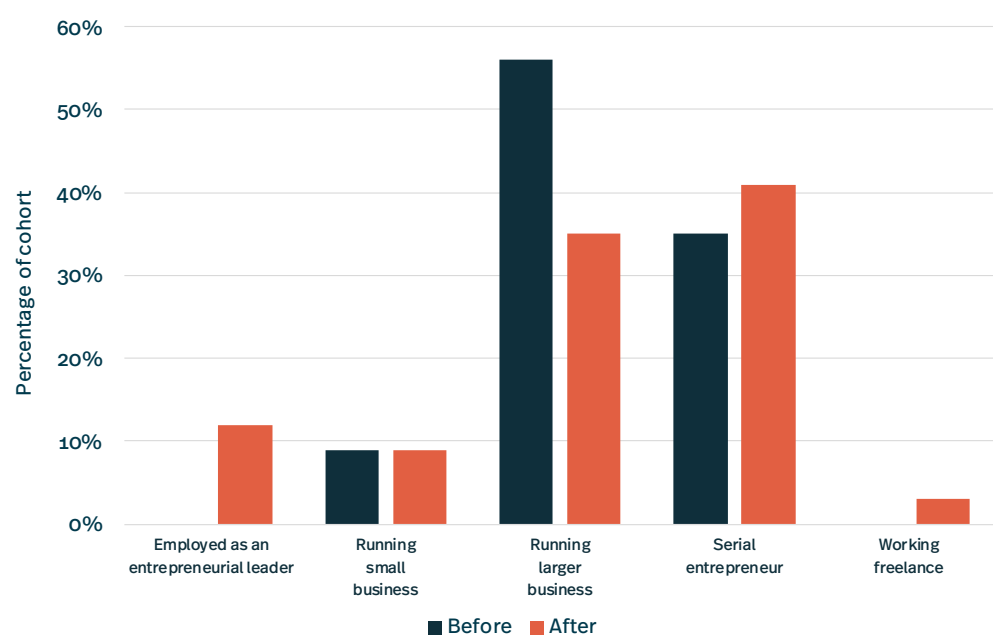
Fig. 7
Timeframe for
starting a business



Future entrepreneurial aspirations

Participants demonstrated a range of ambitions pre-and post-programme relating to their entrepreneurial aspirations. The standout changes post-programme were the increases in aspirations to a) be an entrepreneurial leader (consistent with the aims of the NEF programme) and b) an increase in the proportion of participants with the intent to be serial entrepreneurs.

Fig. 8
Entrepreneurial
aspirations



“If you want to develop an idea and a business, do this - NEF.”

Fig. 9
Ease of starting a new business

“““

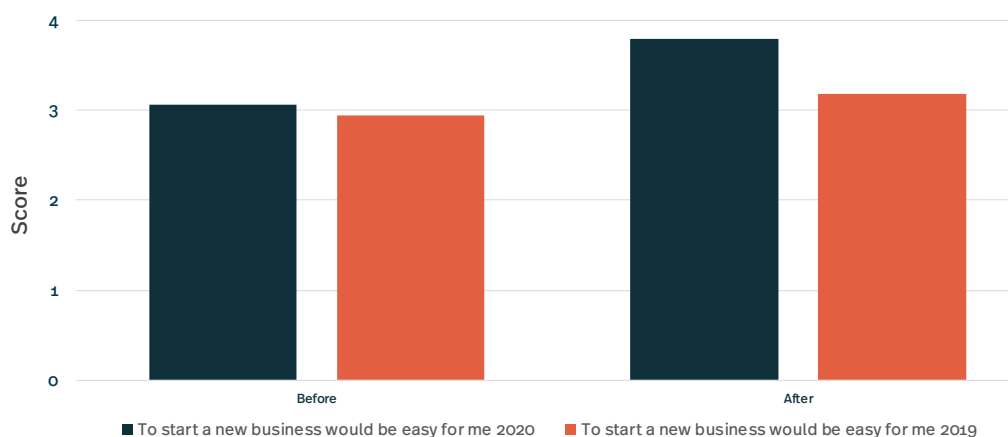
“Your network will grow exponentially - the most valuable aspect of NEF.”

“““

“It’s a kick in the butt - it pushes you to (do) something you want to do anyway. It just pushes you to work on yourself, to think about yourself and define who you are. It accelerates what you’re doing.”

Entrepreneurial ambition

Participants were asked whether they thought that ‘starting a new business would be easy for me’ pre- and post-programme. The NEF Class of 2020 showed a major improvement in this measure post-programme compared to the Class of 2019. This gives us a high degree of confidence in the effectiveness of the overall NEF experience on participants’ confidence levels, and is borne out by fact that circa 70% of the Class of 2020 have launched ventures during or after the programme.



Other positive impacts

In addition to the quantitative results collected through the impact study, NEF participants are also asked to provide qualitative inputs on other positive aspects of the programme not covered in the questions outlined above. Out of the many items of feedback collected, a number of standout highlights are particularly noteworthy.

Strength of the CFE/NEF network

Many participants referenced the value of the network and connections that the NEF programme is able to offer, relating to the peer i.e. cohort, the alumni community and the wider startup ecosystem.

Coaching experience

The executive coaching element of the programme is consistently well-received and valued by participants. Feedback from the class of 2020 was particularly positive, with 87% of respondents stating that they were very satisfied or satisfied with the quality and usefulness of the coaching support that they received, and many respondents stating that the experience was ‘transformative’. The challenging environment experienced by participants during the later phase of the programme is likely to have increased the need for coaching support, whether for role-related uncertainty, changes in the business environment, personal challenges or a combination of all three. It is pleasing to see that so many participants value this element highly, and coaching remains a core part of the NEF programme.

Advocacy

85% of participants would strongly recommend / recommend NEF. The result for 2019 was 97% however, in this year’s survey, a new ‘neutral’ category was introduced, which meant that we could not easily make year-on-year comparisons.

3.1.3 NEF CLASS OF 2020

The NEF Class of 2020, the ninth NEF cohort, had 39 participants. A total of 317 candidates have now completed the programme.

METHODOLOGY

The NEF programme continues to be an experience-based development programme that equips ambitious, young entrepreneurs with the skills, connections, experience and support to start and scale their own business ventures.

The 2019/20 programme content was refreshed to continue the focus on practitioner-led learning workshops, increased exposure to NEF alumni founders - as practitioners, mentors and through collaboration activities. In the latter stages of the programme, the restrictions resulting from COVID protection measures necessitated a rapid switch from face-to-face into online learning delivery and coaching and mentoring support.

Learning programme overview

The formal learning programme content consists of 23 formal workshops, delivered by a combination of practitioners with specific domain expertise, leading academics and NEF alumni members with a direct and relevant skillset. In addition to the formal learning workshops, participants join facilitated collaboration sessions where ideas and results are shared and tested amongst their peers, along with alumni-led panel discussions on specific topics.

COACHING

Every participant has the opportunity to receive one-to-one support from a member of our panel of executive coaches - the majority of participants take up this facility and typically benefit from one hour's coaching support per month over the duration of the programme. As noted in the impact study results, coaching is recognised as a high-value component of the programme and we are pleased to note that many coaching relationships continue beyond the formal period of the relationship, helping alumni to continue their development journeys.

Our pool of coaches provide their services on a pro-bono basis and are managed - for the second year - by Sarah Perrott, chair of the NEF coaching panel.

MENTORING

The mentoring support given to participants takes two forms - a principal business mentor who is matched on a bespoke basis with a NEFer, to best align their skills and expertise with the needs of each participant's business venture and, access to on-demand mentors who have specific skills and expertise that participants can tap into on an 'as required' basis. This combination of programme-wide support and on-demand expertise gives participants the widest-possible access to mentors to assist the development of businesses.

As with our coaching panel, all of our mentors provide their support pro-bono; they are coordinated by our chair of mentors Philippa Seal.

EVENTS

The restrictions imposed following the COVID outbreak brought our 2019/20 speaker series to an abrupt and premature end. However, prior to this, we were delighted to host a number of speaker events that brought a variety of notable entrepreneurs to the NEF community including Erik Fairbairn, founder and CEO PodPoint, George Bevis, founder and ex-CEO Tide Bank amongst many others. On the back of several of these events, we produced a series of podcasts ('Startup Stories') which contained edited highlights from the conversations with entrepreneurs which serve to broadcast the NEF message more widely. We plan to continue in the same vein this coming year.

ALUMNI NETWORK

The new alumni council, announced in last year's report, continued to strengthen links across the alumni community and ran a series of well-attended peer-to-peer learning events delivered by subject-matter experts and informal social events to promote connections across different cohorts. Leadership and coordination of the NEF alumni network is led by our alumni council, who are: Diana Almazova, chair (Class of 2018), Nikita Thakrar (Class of 2013), Viraj Ratnalikar (Class of 2013), Dawid Kotur (Class of 2014), Annie Coleridge (Class of 2018), Charlie Vickery (Class of 2018) and Maxx Turing (Class of 2020).

PITCH DAYS JUNE 2019

Every graduating NEF cohort has the opportunity to participate in the annual pitch day events, where cohort members pitch their business ventures to panels of CFE trustees, supporters, donors and early-stage investors. Pitch days are an invaluable opportunity to gain feedback and advice from CFE's network and enable entrepreneurs to refine their pitching skills in a positive and supportive environment.

The Class of 2019 and alumni made a total of 28 pitches over two days, with the incentive for the most promising ventures of a share of the David Pearl pitch prize - a £10k prize fund donated by the David Pearlman Charitable Foundation. The winners of the 2019 prizes were:

- Finn Simms, founder of ReLi, which makes mobile device chargers from recycled materials;
- Katie Lewendon, founder of Wedminute, an AI-powered wedding planning service;
- Shana Gujral, founder of Bourbon Street, New Orleans-inspired cooking flavours;
- James Darby, founder of Fireside Foods, a healthy in-home meal delivery service for senior citizens.

Below

2019 David Pearl
pitch prize winners

L-R James Darby,
Shana Gujral, Katie
Lewendon, Finn Sims



CVC YOUNG INNOVATORS 2019

For the fifth year, CVC Capital Partners ran their exclusive partnership with CFE to offer NEF cohort members and alumni the opportunity to win grants totalling £35k for the most promising early-stage businesses, to help accelerate their growth. The theme for the 2019 awards was education and social mobility. Two businesses were chosen by CVC to receive grants:

- Adapt App, a revision programme for GCSE and A-level students co-founded by Maud Millar; and
- Art-K, extra-curricular art classes for 6-16-year-old children and adults, co-founded by Emily Harper.

Right

CVC Young
Innovators 2019
award winners -
Maud Millar and
Emily Harper



3.1.4 NEF CLASS OF 2020 PROFILES

RECRUITMENT OF THE NEF CLASS OF 2020

A total of 358 applicants applied for the NEF Class of 2020, via our new recruitment partners Instant Impact. Along with our new partners, we implemented an updated recruitment process, to better identify entrepreneurial ambition and intent during the screening phase, introducing a new online capabilities test and doubling the number of final stage interviews - drawing upon alumni, trustees and partner company leads to gain a better and deeper understanding of candidates prior to offering places on the programme. The programme started in September 2019 and cohort members graduated in June 2020.

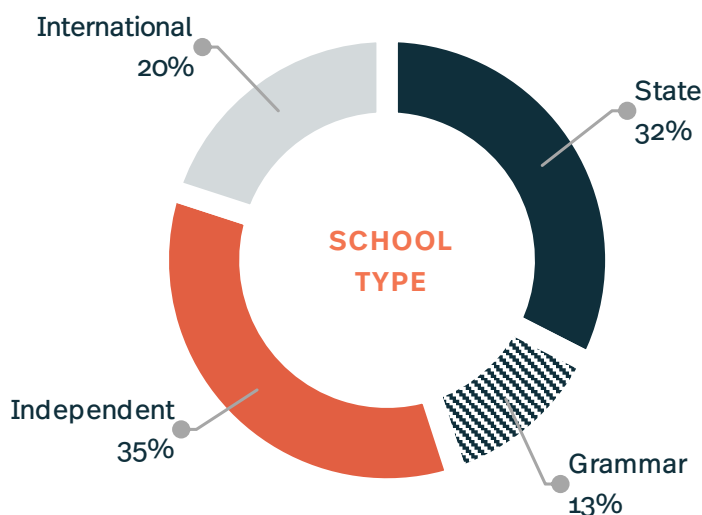
A total of 40 candidates started the programme - 24 were male and 16 were female.

40 CANDIDATES



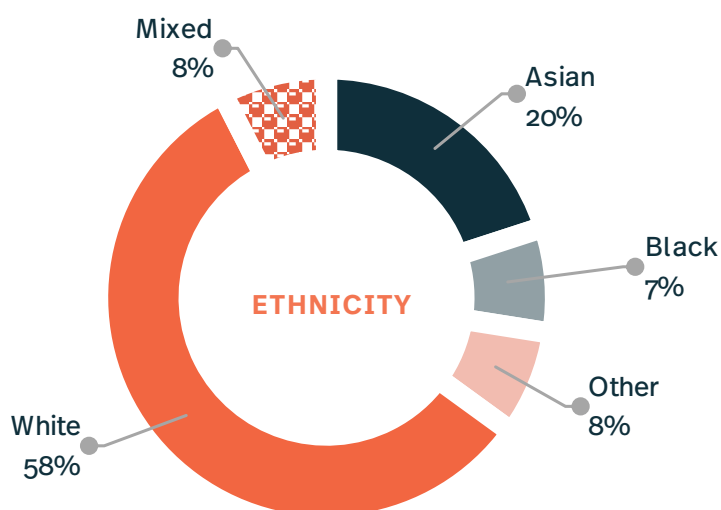
SCHOOL TYPE

45% of the cohort attended a state school (including grammars and academies); 35% attended a private school - the lowest proportion of any NEF cohort to date and the NEF Class of 2020 included a significant (20%) - proportion of internationally-educated students.



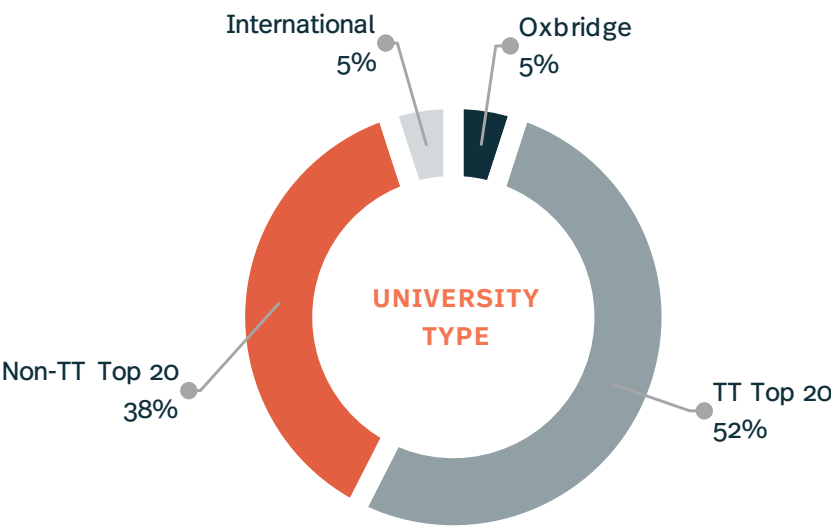
ETHNICITY

Ethnic minorities and NEFers of mixed backgrounds made up 42% of the Class of 2020, the highest proportion since we started tracking this measure in 2015.



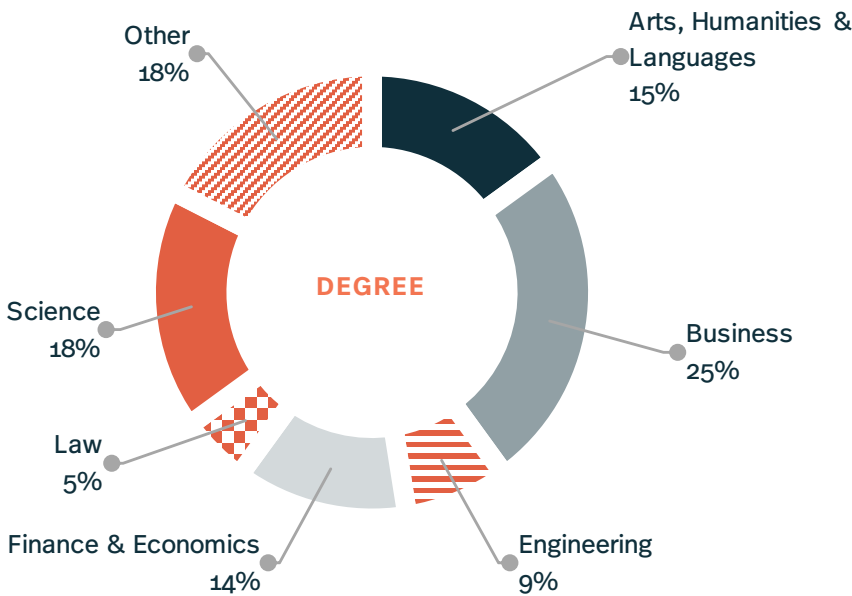
UNIVERSITY TYPE

Over half the cohort attended a Times Top 20 university.



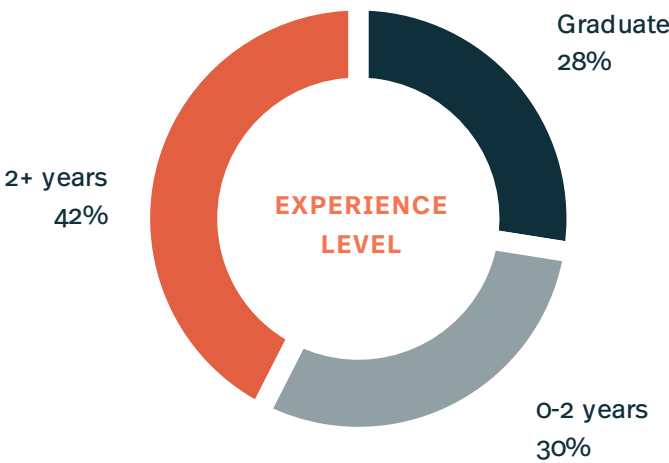
DEGREE

Consistent with previous NEF cohorts, a wider range of degree types were studied. The Class of 2020 covered a very broad range of subjects - the 'other' total of 18% includes Medicine, Psychology, Digital Technology, Design & Innovation and International Relations. 28% of the Class of 2020 holds a postgraduate qualification.



EXPERIENCE LEVEL

The Class of 2020 continues the move towards more experienced candidates - 28% of candidates were graduates (29% in 2019), 30% had up to 2 years' experience (31% in 2019) and 43% had more than 2 years' experience (40% in 2019).



PARTNER COMPANIES

The Class of 2020 were placed in a variety of fast-growing, entrepreneur-led partner companies covering a wide range of business sectors and sizes. Our 2019/20 partner companies were:



PARTNER COMPANY SIZE

58% of the cohort were placed in companies with fewer than 50 employees (60% in 2019). We continue to work to identify and partner with small, fast-growing companies as we believe that they provide the optimum blend of opportunity and exposure for candidates.

PARTNER COMPANY SECTORS

As with previous years, the business sectors covered by our partner companies were extremely wide, with pure tech and health-focused businesses featuring prominently. We are pleased to note that four NEF alumni-founded ventures provide placements to members of the Class of 2020.

TYPES OF ROLES PERFORMED

NEFers continue to cover a wide range of disciplines; this year saw an increase in analyst, tech and operations functions and a reduction in the number of business development and sales-based roles undertaken by cohort members.

3.1.5 NEF ALUMNI - WHERE ARE THEY NOW?

The NEF alumni group has now reached over 317 members, the majority of whom remain connected and engaged with our community.

We continue to track the progress of all NEF alumni, and this year have noted a number of significant developments, where NEF alumni have achieved notable leadership positions in businesses. This is a further proof point of the effectiveness of the NEF programme in developing entrepreneurial leaders - not only founders but also equipping participants with the skills and connections to support accelerated career progression in some of the UK's fastest-growing businesses.

We are unable to share individual details in this report but can report that our alumni group includes a number of CEOs, COOs, CMOs and VPs. Whilst the largest single group within the alumni community continues to be founders, a significant proportion of alumni are still working in startup and scaleup businesses and the rapid progress of alumni in these growth businesses is a positive testament to the impact of the NEF programme.

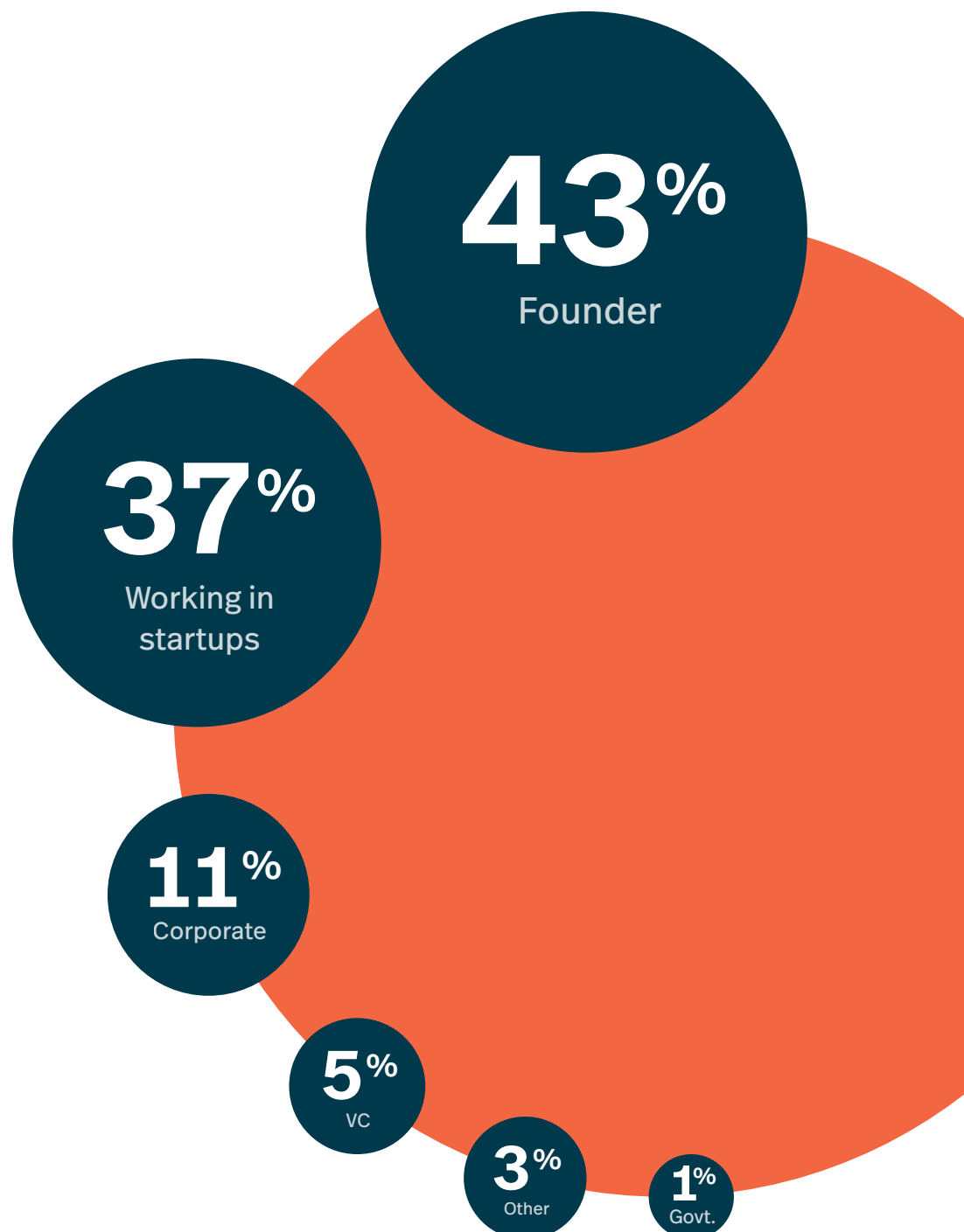


Fig. 11
NEF Fast Track
alumni – where
are they now?

3.2 Research

THE SIXTH ANNUAL BUSINESS STARTUP INDEX

In January 2020, we published our sixth annual analysis of Companies House data, providing a detailed snapshot of business formations across the UK. By mapping business formations to local authorities and sectors, we allow policy-makers, journalists and others to gauge the state of entrepreneurial activity across the UK.

We found that business formations reached a new record of 681,704 in 2019, a 2.8% increase from 2018.

The index was launched with an article in the Sunday Times in which we called for tightening of rules around identification of directors - a policy that Companies House went on to announce the planned implementation of in September 2020. The research also secured a feature on BBC News, and coverage in CityAM, Sifted and many regional media outlets.

For the first time, we were able to analyse industry classification codes that describe the nature of each business. Companies were launched in over 700 different industries, as varied as raising of llamas and alpacas (10 new businesses), credit bureaus (23), driving schools (429), and repair of watches and jewellery (141). Over 45,000 tech startups were launched across the country, representing 6.6% of all new businesses.

As evidence of the impact that food delivery startups and street food are having, 14,363 new take-away food shops and mobile food stands registered in 2019, greatly outnumbering licensed restaurants (9,405) and unlicensed restaurants and cafes (7,182). Ten new wine producers, 314 brewing companies, and 347 distillery businesses also launched in the year.

London continued to dominate; business formations increased by 2.4% to 221,373. While Birmingham continued to outperform Manchester in absolute terms (14,509 vs 9,054), the latter is more entrepreneurial per capita. This is not the case in Scotland, where Glasgow retains an absolute and per capita lead against Edinburgh.

Strong figures in Cheshire East, Salford, Trafford and Stockport also set the North West ahead of its Northern Powerhouse counterparts, leaving the North East alongside Northern Ireland, Wales, Scotland and the South West as the five least entrepreneurial areas of the country.

GLOBAL REFUGEE ENTREPRENEURSHIP SURVEY

In February 2020, we published 'The global refugee entrepreneurship survey', funded by the Paris-based Fund for Action and Innovation by Refugee Entrepreneurs (FAIRE). This built upon our 2018 'Starting afresh' report by examining the structure, funding, programme content, challenges and impact of 52 refugee entrepreneurship programmes run by 39 organisations across 19 countries. We found that since 1994, 18,923 refugees have taken part in entrepreneurship programmes, resulting in the creation of 18,127 paid jobs and 12,960 new businesses. Since the Syrian war began, more than 32 new refugee entrepreneurship programmes have launched globally, with a peak of nine in 2016.

Surveying refugee entrepreneurs, 79% agreed that participation in refugee entrepreneurship programmes had provided them with the skills, knowledge and experience to start a business. Common challenges faced by refugees include language barriers, access to finance, and understanding legal and tax systems in their new host country.

The report was presented to our global Refugee Entrepreneurship Network and has been used extensively by our members to guide their strategy, programme design, and funding models.



“It’s a fantastic opportunity to connect with so many faces we know and love, and also to meet many new faces interested in the topic of refugee entrepreneurship”

Charlie Fraser, The Entrepreneurial Refugee Network (UK)



“It’s one of the best events to go to every year because people from across the spectrum join”

Patricia Letayf, Five One Labs (Iraq)

Beyond the summit, we maintain an active online community and host regular virtual workshops.

Fig. 12
Spread of Refugee Entrepreneurship Network member organisations across the world.



3.3 Networks

REFUGEE ENTREPRENEURSHIP NETWORK

The Refugee Entrepreneurship Network is a global community working to improve the support available to refugee entrepreneurs. It is funded by a generous donation from the Said Foundation. Full membership is open to non-profit organisations delivering business support to refugees, while associate membership is open to key stakeholders including academics, corporates, foundations and governments.

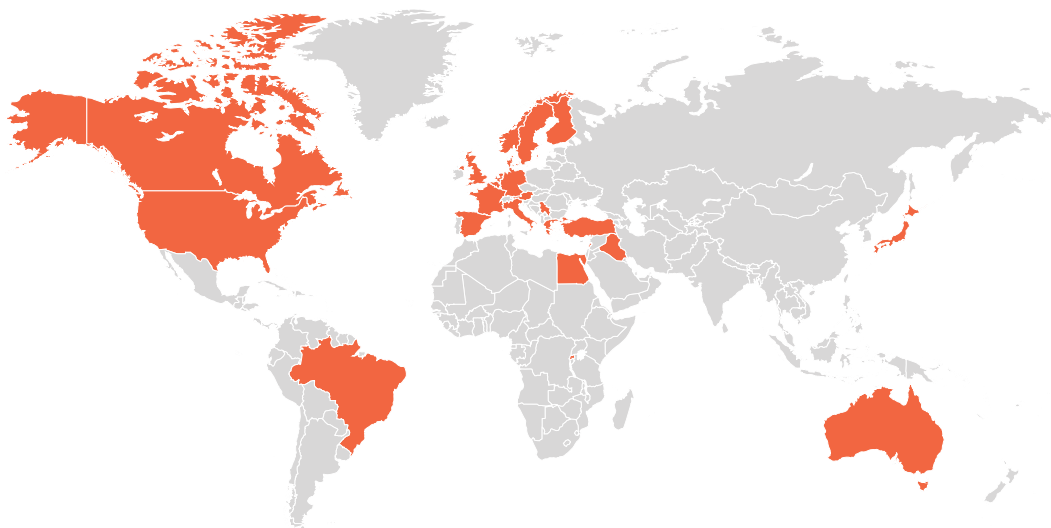
The network was launched in October 2018 at our inaugural Global Refugee Entrepreneurship Summit, hosted by the Department for Business, Energy and Industrial Strategy, which attracted 80 participants from 20 countries.

Over 2019/20, network members convened several times to advocate for refugee entrepreneurship. In April 2019, the CFE team, joined by Forward Incubator (Netherlands), Loughborough University, and the African Entrepreneur Collective (Rwanda) ran a workshop at the Global Entrepreneurship Congress in Bahrain, promoting the topic to the world’s leading entrepreneurship policymakers.

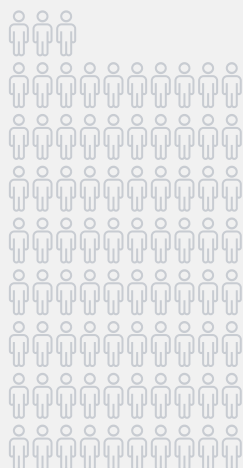
In June 2019, several members – from France (SINGA, FAIRE, PLACE Network), the US (Jusoor, Refugee Investment Network, Village Capital), the UK (CFE, The Entrepreneurial Refugee Network) and the Netherlands (SPARK) – contributed to a World Bank and European Investment Bank event on ‘The role of the private sector in the economic integration of refugees’.

In September 2019, the CFE team contributed to PROSPECTS, a conference about refugee entrepreneurship in the MENA region, hosted by SPARK in Istanbul. We also had the opportunity to visit one of our local members, the LIFE (Livelihoods through Innovation in Food Entrepreneurship) project, run locally by Idema and funded by the US-based Center for International Private Enterprise (CIPE).

In October 2019, we organised the second annual summit, hosted by NatWest, which attracted 140 participants from 22 countries.



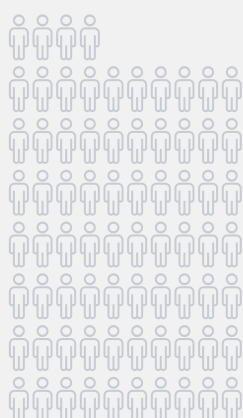
Right
Attendees at
the 3rd annual
Incubator and
Accelerator
Network
conference in
March 2020



+83

ATTENDING THE CONFERENCE

NET PROMOTOR SCORE



+74

JOINING THE NETWORK

NET PROMOTOR SCORE



INCUBATOR AND ACCELERATOR NETWORK

The Incubator and Accelerator Network connects and represents Britain's leading business startup programmes. Our membership consists of over 30 university, corporate, commercial and non-profit incubators across the UK.

Over 2019/20, we continued to host regular member workshops via video conference calls. These involved the CFE team travelling across the UK to host the calls from different incubators, conducting face to face interviews with incubator managers during the call, and recording virtual tours of the spaces to share with members. External experts were also regularly invited to join the calls to deliver briefings or join discussions. Finally, each call offered members the opportunity to seek peer support for any challenges they were facing. Over the year, we hosted calls from the Royal Agricultural University, London South Bank University, Oxford University and the University of Buckingham.

In October 2019, we co-hosted a physical event with Enterprise Educators UK at the University of Salford on 'University incubators: Building a sustainable model'. This attracted over 60 attendees from more than 30 universities.

On 11-12th March 2020, we hosted the 3rd annual conference, attracting 57 attendees from across Britain. The feedback from attendees was stronger than ever.

As one of the last events before the COVID crisis, we faced some difficulties. Network member London South Bank University generously stepped in to host the conference with one week's notice after our venue closed. The emerging crisis also saw one of our two keynotes and four of 15 panellists switch to video conferencing due to travel restrictions. We have used video conferencing to connect our members since 2018, so adapting the conference to a hybrid digital/in-person format was not an issue.

It is a testament to the strength of the network and the value members attach to the conference that only two attendees cancelled, both due to travel restrictions imposed by their organisations.

ATTENDEE SUMMARIES

"The only place that brings value, opportunity, insight and support together"

"An enlightening, stimulating, varied and well-paced space to explore"

"A very valuable way to share ideas, resources and practical insights with some awesome people"

"Extremely beneficial and friendly environment to sound out issues and challenges and how you can solve them"



“It is vital that these refugees are given the best chance to flourish. This project will help them to build businesses and make a real success of their new lives in the UK.”

*Priti Patel
Home Secretary
announcing the pilot
programme*

3.4 Programmes

In some cases, CFE's research reports advocate entirely new initiatives or the major expansion of small-scale programmes. In these situations, CFE undertakes limited pilot programmes to build the evidence base and prove the model.

REFUGEE ENTREPRENEURSHIP PILOT

Following our 2018 report 'Starting afresh: How entrepreneurship is transforming the lives of resettled refugees', the Home Office asked CFE to design and run a multi-city pilot scheme with academic evaluation, to expand the evidence base and test models of delivery for refugee entrepreneurship programmes. The Home Office and The National Lottery Community Fund each provided £150,000 to fund run three, year-long pilot programmes.

CFE announced the scheme in July 2019 at a one-day refugee entrepreneurship summit in Westminster. A competitive application process ran over the summer, with 24 business support and refugee integration organisations expressing interest from all four UK nations. Nine were shortlisted to submit full bids.

Such was the quality of the bids, the Home Office provided an additional £60,000 and we were able to fund four pilots:

◆ Activate My Business

Delivery body: ACH
Location: Bristol

◆ Changing Faces - Changing Places

Delivery body: MENTA
Location: Ipswich,
Norwich and Peterborough

◆ New Beginnings

Delivery body: East Belfast
Enterprise
Location: Belfast

◆ Positive Pathways

Delivery body: Staffordshire
Chambers of Commerce
Location: Stoke-on-Trent

The delivery phase began in October 2019 and is scheduled to end in October 2020. The pilots are subject to a thorough academic evaluation led by Dr Michelle Richey at Loughborough University.

The academic team has created a common evaluative framework that is being implemented by all four delivery bodies. This includes pre and post-programme surveys for programme leaders, and post-programme interviews with programme leaders, coaches/mentors and participants. The final report will be published in early 2021.

PRISON ENTREPRENEURSHIP PROGRAMME

Following our 2016 report 'From inmates to entrepreneurs: How prison entrepreneurship can break the cycle of reoffending', the National Offender Management Service (NOMS, now HMPPS) funded CFE to conduct a pilot programme in HMP Ranby. This impacted over 65 prisoners and provided a detailed toolkit that other organisations continue to use to design and run prison entrepreneurship programmes across the UK. We have continued to provide ad-hoc support to organisations working in this field.

In summer 2019, ITV asked us to help design and run a prison entrepreneurship programme in HMP Belmarsh, to be featured in a documentary fronted by Ross Kemp. We introduced ITV and the prison to Enterprise Exchange (EE), a social enterprise with extensive experience delivering business support programmes in prisons. EE delivered a multi-week training programme to a cohort of prisoners, culminating in a pitching session with Ross Kemp, the prison governor, and CFE advisor Oli Barratt as judges. CFE and EE jointly awarded £1,000 to the winning pitch (to be provided alongside ongoing support from EE upon the winner's release).

The documentary aired in early 2020 and provided a valuable endorsement of prison entrepreneurship programmes. It generated significant interest for EE from other prisons and potential partners, and has led to an ongoing partnership between EE and HMP Belmarsh.

Below:

*Extract from
the prison
entrepreneurship
programme
featured on ITV's
'Welcome to
Belmarsh'*



4.0 Future Plans

Our focus now is very much on sustainability and thinking about strategic options. Towards the end of 2019, we commissioned an independent review of the entire NEF programme. The review made a number of recommendations to improve the programme, the first of which we have implemented for the incoming Class of 2021 – we have redesigned and launched a brand-new learning programme which incorporates new learning methodologies and is perfectly suited for both face-to-face and online delivery. We will look at implementing the second and third phases of the recommendations in the next 18 months which will see a change in the way work placements work and a potential change to the focus of the programme on helping to deliver entrepreneurial skills for the jobs of tomorrow.

Our primary focus will remain on securing the funding to continue CFE activity through major and cornerstone donor(s) or through significant joint ventures and partnerships with analogue organisations that share our mission and values.

COVID led to our plans for launching NEF in Newcastle being put on temporary hold and when conditions improve, we will restart our discussions with partners in the North East of England.

We hope to secure support to also restart our research activity next year with a major piece of work on entrepreneurial education and/or future skills development.

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.



“NEF provided me with the right framework to help me make progress with my ambitions to start my own business. I went into NEF as a wantrepreneur and came out an entrepreneur.”

Case Study



Maxx Turing

Class of 2020, The Tribe

Maxx is founder & chieftain at The Tribe – a tech platform that empowers entrepreneurship programmes and innovative communities. Before transitioning into working fulltime on his business in October, Maxx worked at his NEF placement at Kantan - a tech platform that helps tradespeople manage and fulfill their work. He worked closely with the founder and took on a variety of roles during his time at the business including operations, software engineering, quality assurance and business development.

Maxx originally pursued a career in research science, studying Cell & Systems Biology at the University of Oxford (2011-2015). It was during his time at university that he founded multiple student societies, which gave him his first taste of entrepreneurship - managing memberships, organising events and learning new skills such as web development to creatively solve problems. Following university, he knew he wanted to start a business, but he didn't have the right idea, so he started working in the operations teams of entrepreneurship programmes such as EF, HackTrain and The Family. When Maxx found out about the NEF programme via an innocuous AngelList advert – the combination of a paid role, joining a like-minded cohort of founders, access to a supportive network and all without associated equity costs, it seemed too good to be true.

Maxx drew from his experience of managing entrepreneurial communities, running events, web development and partnerships when he founded The Tribe, which started life as an events business that gave founders discounted access to various products and services. He continued to iterate on the idea until he found a viable business model and customer profile. He designed and built an app to help track attendance of founders on the NEF programme before the coronavirus pandemic forced him to pivot again. He turned his attention to helping entrepreneurship programmes with virtual pitch days, offering online event delivery services and creating a digital

pitch book app to showcase founders and startups on a demo day. He was able to secure significant traction with multiple programmes and completed the NEF programme in summer 2020 winning the programme's CEO's Award and later winning a CVC Young Innovators Award (£20,000 grant).

The outlook for The Tribe is positive – the CVC grant has enabled investment in platform capabilities and has enabled Maxx to leave his full-time job and commit fully to The Tribe. As well as helping to deliver the newest NEF cohort, he has a number of customers including CyLon, LSE Generate, Imperial Enterprise Lab, Conception X and more. Maxx's plans are to continue improving The Tribe's product and delivering to his clients before looking at growth options in the new year.

Reflecting on his NEF experience, Maxx gained significant value from his partner company experience at Kantan – learning new skills through changing roles, as well as being supported in developing his own business ideas. He also found the NEF programme vital for helping him move forward and stay accountable to his goals. The biggest challenge of Maxx's NEF experience was balancing the conflicting demands of the programme, his role, developing his business idea and maintaining a personal life.

We are extremely proud of Maxx - for everything that he achieved while completing the NEF programme and for making an outstanding contribution to the new NEF programme



“The NEF network is incredible – it helps you find a solution to a problem in minutes, not weeks.”

Case Study



Annie Coleridge

Co-founder and CEO, Alva

Annie Coleridge (NEF Class of 2018) is the CEO and co-founder of Alva, a Health Tech business that supports women on their journey through the menopause. Annie has a passion for health – she comes from a family of medics and had an early career in healthcare consultancy. She joined the NEF programme and found a placement at Thriva, the health-tech scaleup co-founded by NEF alumni Hamish Grierson (Class of 2012) and Eliot Brooks (Class of 2014), along with Tom Livesey. During her two years at Thriva she led their product strategy and new product launches. The idea for Alva was born during her time at Thriva, but their intense focus on their core market for personal health meant that the idea was not a priority so, after a short spell at Daye Health, Annie made the decision to start her own business and Alva was created at the start of 2020.

Alva is going to be a seismic shift for women's health, supporting women through the menopause and changing the conversation – positively – about the subject. Alva's customers take a software-based medical assessment which delivers personalised results and recommendations including, where appropriate, a subscription-based, tailored treatment.

Despite the challenges thrown up by the pandemic, the health- and fem-tech sectors continue to see customer growth and strong investor interest. Annie led a successful seed fundraising round, resulting in a £1m VC-backed investment in Alva in April 2020. The investment has supported their first hires – the team is now six-strong - software development, regulatory certification, and the conclusion of an agreement with their prescribing partner. The service is currently in beta trial with a closed community of users, as Annie and team work to simplify and optimise customer experience and incorporate feedback. They are on track for a full public launch in quarter one 2021.

Annie is confident that the next 6 months while challenging, are going to be a successful time:

“Alva will be a life-changing and affordable solution to a huge problem. Our investors' interest in at-home healthcare reflects

the opportunity for innovation in a market that is ripe for growth. A successful launch will, we expect, lead to strong demand and rapid growth in the second half of 2021.”

Reflecting on how her NEF experience has helped her entrepreneurial journey, Annie has two standout highlights – firstly her placement at Thriva, where she learnt, first-hand, how to scale a business and got invaluable support from the founders; secondly the NEF alumni network has been a key source of expertise and support, notably Accelerate Law, founded by Simon Davies (Class of 2018), who provided crucial legal support for the fundraising round.

Her fellow NEF alumni at Thriva have been incredibly supportive – both during and after her time there - supporting Annie's ambition to launch her own business.

Reflecting on her journey to becoming a founder, Annie feels that now is a great time to be a female founder – gender-balanced founding teams are proven to be more effective and successful, and she's working hard to ensure that Alva builds and maintains a company culture that is diverse. More female role models for entrepreneurs are essential to encourage future female founders, and she's passionate about playing her part in developing female business talent.



“Being part of a NEF cohort is an amazing experience and helped me reach some incredible achievements, and make friends for life. None of that would have been possible without NEF.”

Case Study



Joel Gujral

CEO and founder MYNDUP

Joel, the CEO and founder of MYNDUP, comes from a family of entrepreneurs – his parents built and grew an international tea importing business and his sister Shana is a NEF alumna – Class of 2019. In fact, Shana is the reason that Joel joined the NEF programme – based on her experience, she pushed him to leave his corporate role at RSM’s risk advisory division and commit to becoming an entrepreneur.

Joel’s entrepreneurial journey began while at university. He launched two businesses, Spinical – a tech/SAAS platform and then Fruutee – a personalised fruit tea product which received support from O2. Post-university, his focus switched to developing his career, and he put his entrepreneurship ambitions on hold until applying to NEF.

A key part of the NEF programme is the placement in a fast-growth business. Joel joined Firedrop AI, an artificial intelligence and machine learning solution provider, as their first non-founder hire in July 2019. The business went through rapid growth, completing a seed funding round and Joel led their sales and marketing activity, however the COVID pandemic had a material impact and he was made redundant in February this year. At the same time, Joel experienced a mental health crisis, and having previously found a solution through life coaching rather than conventional treatment, with its one size fits all approach, determined that his problem could be turned into an opportunity.

He quickly conceived and launched MYNDUP, providing 1:1 live video sessions with qualified practitioners covering therapy, counselling, life and career coaching, mindfulness and meditation. His personal experience, and the knowledge and insight that a great many people were faced with similar challenges, provided the stimulus and incentive to launch a scalable solution to a major, but poorly-served problem.

The knowledge gained through NEF was crucial to the early development of MYNDUP – the ideation and lean business canvas elements from the bootcamp phase of the learning programme helped to refine the MYNDUP MVP. Reflecting

on his NEF experience, the two standout elements of the programme are the support he got from fellow cohort members and the advice and direction he got from his business mentor – James Lock of Blackstone.

“James has been fantastic – his input and advice helped me to change and adapt the business, and he was instrumental in helping make connections to key early customers including The Office Group and Savills.”

He also reached out to the alumni community for advice and guidance, most notably to Mike Bandar (Class of 2012), who helped with ideation and provided feedback that led to the re-shaping of MYNDUP’s giving back programme, which now provides pro bono support to NHS staff.

Immediately following the end of his NEF year in June 2020, Joel applied to the CVC Young Innovators awards and, after completing an online pitch event was selected as one of two winners by the CVC team, receiving of a £20k grant and ongoing mentoring support. Joel built on this momentum, winning a place on the LSEG ELITE programme in November 2020. CVC and LSEG’s support for MYNDUP is recognition of the potential for the business to address a large and growing market.

Joel’s ambition for MYNDUP is to be the world’s go-to platform for mental health solutions – to help as many people as possible to overcome their challenges with personalised support. Looking forwards, he plans to build on their current customer base, grow the team and invest in a new technology – bringing the platform in-house and continuing to optimise customer experience. Joel is starting work on plans for the company’s first fundraising round, aiming to raise in quarter 1 2021.



“I think that being female gives me an edge, but I don’t define myself by my gender. We need to help and encourage more women to be comfortable taking risks and launching their own businesses.”

Case Study



Maud Millar

Co-founder and CEO Adapt

Maud (NEF Class of 2019) is the CEO and co-founder of Adapt App, a revision planning and timetabling tool for GCSE and A-level students. After completing the NEF programme in June 2019, Maud won the CVC Young Innovators award in July 2019 and led a successful seed fundraising round in December 2019.

Adapt provides students with a personalised learning schedule which allows students to track their revision goals and progress. The business was gaining traction in the second half of 2019 – the number one app on the Education App Store on launch weekend (and number 57 app in the UP overall) and impressive customer numbers – 130,000 downloads in six weeks. The December 2019 seed funding round enabled the next round of technical developments to be completed. The COVID-19 pandemic resulted in some major setbacks – the cancellation of 2020’s GCSE and A-level exams removed students’ demand for revision support, and the app’s raison d’être. Maud and the rest of the team have been in recovery mode since then – re-prioritising product deliveries, engaging with schools and students to maintain awareness and gathering and prioritising user feedback to continue to develop the product roadmap. She’s now focused on securing a small, bridging fundraising round to ensure sufficient runway to continue development into 2021 and maintaining market awareness of the product to support students’ progress – whether towards exams or assessments. Adapt is about to be featured on the Apple app store in November 2020, which will help add to the current base of 170K active users.

Maud’s outlook for Adapt is positive going into 2021 – with additional funding, the company can continue to develop their product and expand the team to create new products and distribution channels – including an enterprise edition of the software that will help teachers support their students’ progress, development and wellbeing. She is also continuing

her personal development journey – recently starting an eMBA to hone her financial and strategic planning skills.

Reflecting on her NEF experience, Maud is clear that the connections and networks that she made through NEF have been hugely valuable – providing access to pre-seed funding through the CVC Young Innovators award and then to early stage investors for Adapt’s first seed round, and connections to potential customers via multi-academy trusts. She also got great support from her executive coach and continues to work with them post-NEF, using their advice to help lead Adapt through its next round of challenges.

Despite the problems caused by the pandemic, Maud continues to be optimistic and passionate about the opportunity for Adapt to grow and thrive – helping both students and teachers. Adapt’s wealth of user-supplied feedback is a rich source of material that feeds the product roadmap and helps ensure that Adapt remains relevant and tailored to its customers’ needs.

As a female founder and leader, Maud recognises the need for more female entrepreneur role models.

“I think that being female gives me an edge, but I don’t define myself by my gender. We need to help and encourage more women to be comfortable taking risks and launching their own businesses.”

As leader of an Ed Tech business with an active and engaged customer base of students, Maud is perfectly placed to identify the needs of future, aspiring entrepreneurs.

6.0 Finance and Risk

6.1 Financial Review

Total income for the year was £1,600,850 (2019 – £1,159,262). This consisted of charitable income comprising contributions from sponsor companies and donations of £1,044,255 (2019 – £800,366) and income from other trading activities of £220,817 (2019 – £264,000) of which £100,000 related to host company participation fees (2019 – £114,000) and £120,817 to the funding of projects and activities of the Centre for Entrepreneurs Think Tank programme (2019 – £150,000).

Expenditure for the year totalled £1,459,836 (2019 – £1,177,041).

Expenditure on charitable activities for the year amounted to £1,372,665 (2019 – £1,093,568). This comprised £730,760 (2019 – £639,992) in respect of the New Entrepreneurs programme and £641,905 (2019 – £453,576) in respect of the Think Tank programme. Costs of raising funds were £87,172 (2019 – £83,473).

This resulted in a net surplus for the year of £141,013 (2019 – deficit of £17,779) and total funds at 31 March 2020 of £439,194 (2019 – £298,181).

The general unrestricted funds at 31 March 2020 were £439,194 (2019 – £183,181). Of this balance, £416,319 (2019 – £168,901) constitutes the charity's free reserves carried forward as discussed below. At 31 March 2020, Trustees had set aside for designated purposes £10,174 (2019 – £115,000).

6.2 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 Foundation'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 2020 this figure equates to approximately £365,000. The trustees are of the opinion that this provides sufficient flexibility to cover any temporary shortfalls in incoming resources due to timing differences in income flows, adequate working capital to cover core costs, and will allow the Foundation to cope with and respond to unforeseen emergencies whilst specific actions are implemented.

FINANCIAL POSITION

The balance sheet shows total funds of £439,194 (2019 – £298,151).

£12,701 (2019 – £14,280) represents fixed assets held for use in the foundation's operations and therefore not liquid resources available for general expenditure. A balance of £10,174 is included in designated funds, representing monies set aside to complete the training programme for candidates which was still ongoing at the year-end (2019 – £115,000, which also including costs of the Think Tank programme for the remainder of its year of operation).

£416,319 (2019 – £168,901) equates to free reserves. This falls above the target free reserves set in the policy above however given the additional uncertainty as a consequence of COVID-19, the trustees deem that in the short term, holding reserves in excess of the normal reserves policy is prudent.

6.3 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 2020/21, including addressing the additional risk arising from the COVID-19 pandemic, and has been implemented in the current year.

The trustees see the main risks for the organisation as being funding potential financial fraud and the ongoing impacts of the COVID-19 pandemic. 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.

COVID-19: the impacts of COVID-19 on the charity were felt at the very outset of the pandemic, in March 2020, and mitigating actions were implemented in short order, as follows:

- A tighter focus on core activities and the reduction / elimination of non-core expenditure; this focus has been maintained for the new financial year;
- An increased focus on cash management and forecasting by the charity's leadership team and trustees, to anticipate and pro-actively react to financial challenges in good time;
- Increasing the frequency of trustee meetings – initially held at an interval of two weeks, then at six-week intervals, to ensure that risks were visible and mitigation actions were developed and promptly implemented.
- Increased donor engagement and communications, to ensure income forecasts are refreshed and incorporated into the charity's medium-term financial outlook.

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.

6.4 Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. As previously mentioned, the financial outlook has been reviewed to take in to account the impact of COVID on the charity. Budgets and forecasts have been stress tested to determine the impact on the charity of a range of potential future scenarios. Having reviewed these forecasts, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on 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.

6.5 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 and candidates.

Approved by the trustees and signed on their behalf by:



Trustee

Approved by the Trustees on 9th December, 2020

7.0 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 2020 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 2020 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

DATE 15 December 2020

8.0 Consolidated statement of financial activities

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

All funds are unrestricted.

	Notes	2020 Total funds £	2019 Total funds £
Income and expenditure			
Income:			
Donations	1	1,044,255	800,366
Charitable activities	2	335,700	94,883
Other trading activities	3	220,817	264,000
Bank interest		78	13
Total income		1,600,850	1,159,262
Expenditure:			
Costs of raising funds	6	87,172	83,473
Expenditure on charitable activities:			
. New Entrepreneurs Programme		730,760	639,992
. Think Tank Programme		641,905	453,576
	5	1,372,665	1,093,568
Total expenditure	4	1,459,837	1,177,041
Net income (expenditure) income and net movement in funds		141,013	(17,779)
Reconciliation of funds:			
Fund balances brought forward at 1 April 2019		298,181	315,960
Fund balances carried forward at 31 March 2020		439,194	298,181

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

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

9.0 Balance sheets

	Notes	Group 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Fixed assets					
Tangible fixed assets	11	12,701	12,701	14,280	14,280
Current assets					
Debtors	13	157,684	233,633	138,869	236,932
Cash at bank and in hand		311,611	232,662	214,670	113,428
		469,295	466,295	353,539	350,360
Liabilities:					
Creditors: amounts falling due within one year	14	(42,802)	(39,802)	(69,638)	(66,459)
Net current assets		426,493	426,493	283,901	283,901
Total net assets		439,194	439,194	298,181	298,181
The funds of the charity:					
Unrestricted funds					
. General funds		429,020	429,020	183,181	183,181
. Designated funds	15	10,174	10,174	115,000	115,000
		439,194	439,194	298,181	298,181

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 9th December, 2020

10.0 Consolidated statement of Cash Flows

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	100,120	(24,083)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(3,179)	(10,261)
Net cash used in investing activities		(3,179)	(10,261)
Change in cash and cash equivalents in the year		96,941	(34,344)
Cash and cash equivalents at 1 April 2019	B	214,670	249,014
Cash and cash equivalents at 31 March 2020	B	311,611	214,670

Notes to the statement of cash flows for the year to 31 March 2020.

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

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	141,013	(17,779)
Adjustments for:		
Depreciation charge	4,759	1,123
(Increase) decrease in debtors	(18,815)	29,514
Decrease in creditors	(26,837)	(36,941)
Net cash provided by (used in) operating activities	100,120	(24,083)

B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	311,611	214,670
Total cash and cash equivalents	311,611	214,670

11.0 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 2020 which the comparative information prepared for the period to 31 March 2019.

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), 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 2019/20 candidates to complete their training programme and estimating future cash flows for the purpose of determining going concern.

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. As further detailed within the trustees' report, in making this assessment, the trustees have given due consideration to the impact of the COVID-19 pandemic on the operational and financial activities of the charity

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 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.

12.0 Notes to the Financial Statements

1. Donations

	2020 Total funds £	2019 Total funds £
Contributions from donors	570,685	412,000
Cornerstone donations	200,000	200,000
Gift aid receivable	5,000	8,101
Other donations	13,870	31,865
Gifts in kind	207,200	148,400
CVC Innovation Award	35,000	–
LSEG grants	12,500	–
	1,044,255	800,366

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

	2020 Total funds £	2019 Total funds £
CFE report income – Refugee	35,000	40,000
CFE report income - Incubator and Accelerator Network (IAN)	11,950	36,400
CFE reports income – University Network	–	18,883
Home Office project income	288,750	–
	335,700	94,883

3. Other trading activities

	2020 Total funds £	2019 Total funds £
Host company participation fees	100,000	114,000
Centre for Entrepreneurs sponsorship	115,417	100,000
CFE Networks – IAN conference	5,400	–
CFF Annual lecture sponsorship	–	50,000
	220,817	264,000

4. Analysis of total expenditure

	Direct costs £	Support costs (note 6) £	2020 Total funds £	Direct costs £	Support costs (note 6) £	2019 Total funds £
Costs of raising funds	–	87,172	87,172	–	83,473	83,473
Charitable expenditure						
. Charitable activities (note 5)	795,725	541,939	1,337,664	546,222	547,346	1,093,568
	795,725	629,111	1,424,836	546,222	630,819	1,177,041

5. Charitable activities

	2020 Total funds £	2019 Total funds £
New Entrepreneurs programme		
Candidate recruitment	126,600	163,323
Training programmes	196,991	138,800
CVC innovation award	35,000	–
Support costs (note 6)	372,169	337,869
	730,760	639,992
Think Tank programme		
Research and reporting	71,100	125,267
Home Office project	243,191	–
Staff costs	157,844	118,832
Support costs (note 6)	169,770	209,477
	641,905	453,576
	1,372,665	1,093,568

Candidate recruitment and training programmes for the New Entrepreneurs programme includes agency costs of £25,125 (2019 - £28,919).

6. Support costs

The support costs (including governance costs) incurred during the year to 31 March 2020 and the bases of their allocation were as follows:

	Raising funds £	Charitable activities £	2020 Total funds £	Raising funds £	Charitable activities £	2019 Total funds £
Staff costs	40,500	255,504	296,004	37,816	273,733	311,549
Staff recruitment and training	1,088	9,463	10,551	783	5,664	6,447
Strategic project	2,605	22,656	25,261	–	–	–
Travelling costs	568	4,943	5,511	470	3,398	3,869
Advertising	4,560	39,664	44,224	6,849	49,573	56,421
Office costs	11,034	95,970	107,004	13,475	97,538	111,013
Events, entertaining and gifts	1,026	8,926	9,952	4,181	30,266	34,447
Depreciation	491	4,268	4,759	136	987	1,123
Consultancy fees	15,655	16,655	32,310	9,196	9,696	18,892
Legal and professional fees	–	–	–	4	25	29
Audit and accounting fees	4,524	39,349	43,873	5,976	43,259	49,235
Irrecoverable VAT	3,890	33,838	37,728	3,471	25,123	28,594
Governance	1,231	10,703	11,934	1,116	8,084	9,200
	87,172	541,939	629,111	83,473	547,346	630,819
Allocated to						
New Entrepreneurs programme	70,940	372,169	443,109	60,557	337,869	398,426
Think Tank programme	16,232	169,770	186,002	22,916	209,477	232,393
	87,172	541,939	629,111	83,473	547,346	630,819

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

	2020 Total funds £	2019 Total funds £
Audit and accounting fees		
Auditor's remuneration		
. Audit fees	7,500	7,350
. Non-audit fees – current year	14,563	9,052
. Non-audit fees – prior year under accrual	–	12,100
Accounting fees	21,810	20,733
Legal and professional fees		
. Impact study	6,000	7,000
. Other fees	5,934	2,229
	55,807	58,464

8. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	392,767	377,734
Social security costs	43,214	40,199
Pension costs	17,868	12,448
	453,849	430,381
Relating to		
Think Tank programme (note 5)	157,845	118,832
Support costs (note 6)	296,004	311,549
	453,849	430,381

One employee received remuneration of between £100,000 and £110,000 during the year (2019 – one between £90,000 and £100,000). One other employee received remuneration greater than £60,000 (2019 – none). Pension contributions of £11,590 (2019 – £7,500) were made in respect of these employees.

During the year the average number of staff was 8 (2019 – 8).

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 £345,431 (2019 – £317,567).

During the year no Trustees received any remuneration or were reimbursed for expenses (2019 – £nil).

9. Net expenditure and net movement in funds

This is stated after charging:

	2020 Total funds £	2019 Total funds £
Staff costs (note 8)	453,849	430,381
Auditor's remuneration (including VAT)		
. Audit fees	7,500	7,350
. Non-audit fees - current year	14,563	9,052
. Non-audit fees – prior year under accrual	–	12,100
Depreciation (note 11)	1,464	1,123

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 2019	9,736	15,258	24,994
Additions	350	2,829	3,179
At 31 March 2020	10,086	18,087	28,173
Depreciation			
At 31 March 2019	–	10,714	10,714
Charge for the year	3,294	1,464	4,758
At 31 March 2020	3,294	12,178	15,472
Net book value			
As at 31 March 2020	6,792	5,909	12,701
As at 31 March 2019	9,736	4,544	14,280

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 to March 2020 is shown below:

	Year to 31 March 2020 £	Year to 31 March 2019 £
Turnover	115,051	150,000
Cost of sales	(30,557)	(60,863)
Gross profit	84,494	89,137
Administration expenses	(2,879)	(54,056)
Operating profit	81,615	35,081
Distribution under Gift Aid to Centre for Entrepreneurs Limited	(81,615)	(35,081)
	–	–

The company's assets and liabilities at 31 March 2020 were as follows:

	2020	2019
	£	£
Assets	101,301	101,242
Liabilities	(101,300)	(101,241)
Net assets	1	1

13. Debtors

	Group	Charity	Group	Charity
	2020	2020	2019	2019
	£	£	£	£
Prepayments				
. Candidate recruitment	57,500	57,500	40,000	40,000
. Other	2,887	2,887	9,088	9,088
Accrued income	27,417	27,417	37,817	37,817
Gift aid receivable	15,500	15,500	10,500	10,500
VAT recoverable	9,487	10,357	17,859	37,775
Other debtors	44,893	22,542	23,605	23,605
Amounts owed by subsidiary undertaking	–	97,430	–	78,147
	157,684	233,633	138,869	236,932

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 2020 £	Charity 2020 £	Group 2019 £	Charity 2019 £
Trade creditors	8,295	8,295	37,489	36,310
Taxation and social security	13,907	13,907	11,399	11,399
Accruals and deferred income	20,600	17,600	20,750	18,750
	42,802	39,802	69,638	66,459

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

	2020 £	2019 £
Deferred income brought forward at 31 March 2019	–	9,259
Additional income deferred in the year	–	–
Deferred income released in the year	–	(9,259)
Deferred income carried forward at 31 March 2020	–	–

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 2019 £	New Designations £	Utilised £	Balance at 31 March 2020 £
2018/19 NEF Fast Track Completion	15,000	–	(15,000)	–
2019/20 NEF Fast Track Completion	–	10,174	–	10,174
Centre for Entrepreneurs	75,000	–	(75,000)	–
Strategic Project	25,000	–	(25,000)	–
Total	115,000	10,174	(115,000)	10,174

Group and Charity	Balance at 1 April 2018 £	New Designations £	Utilised £	Balance at 31 March 2019 £
2017/18 NEF Fast Track completion	14,257	–	(14,257)	–
2018/19 NEF Fast Track Completion	–	15,000	–	15,000
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

The NEF Fast Track Completion 2019/20 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 2020 (and April to June 2019 for 2018/19).

The Strategic project related 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 was presented to the Trustees in November 2019.

16. Analysis of net assets between funds

Fund balances at 31 March 2020 are represented by:

Group	General fund £	Designated fund £	2020 Total funds £	General fund £	Designated fund £	2019 Total funds £
Tangible fixed assets	12,701	–	12,701	14,280	–	14,280
Current assets	459,121	10,174	469,295	238,539	115,000	353,539
Creditors amounts falling due within one year	(42,802)	–	(42,802)	(69,638)	–	(69,638)
Total net assets	429,020	10,174	439,194	183,181	115,000	298,181

Charity	General fund £	Designated fund £	2020 Total funds £	General fund £	Designated fund £	2019 Total funds £
Tangible fixed assets	12,701	–	12,701	14,280	–	14,280
Current assets	459,121	10,174	466,295	235,360	115,000	350,360
Creditors amounts falling due within one year	(39,802)	–	(39,802)	(66,459)	–	(66,459)
Total net assets	429,020	10,174	439,194	183,181	115,000	298,181

17. Leasing commitments

At 31 March 2020, the charity had the following future minimum commitments in respect of non-cancellable operating leases:

	Group and Charity	
	Land and buildings	
	2020	2019
	£	£
Operating leases: payment due within one year	—	17,853

18. Related party transactions

During the year the charity received donations of £1,000 (2019 – £10,000) from trustees.

There were no other related party transactions which required disclosure (2019 - none).





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