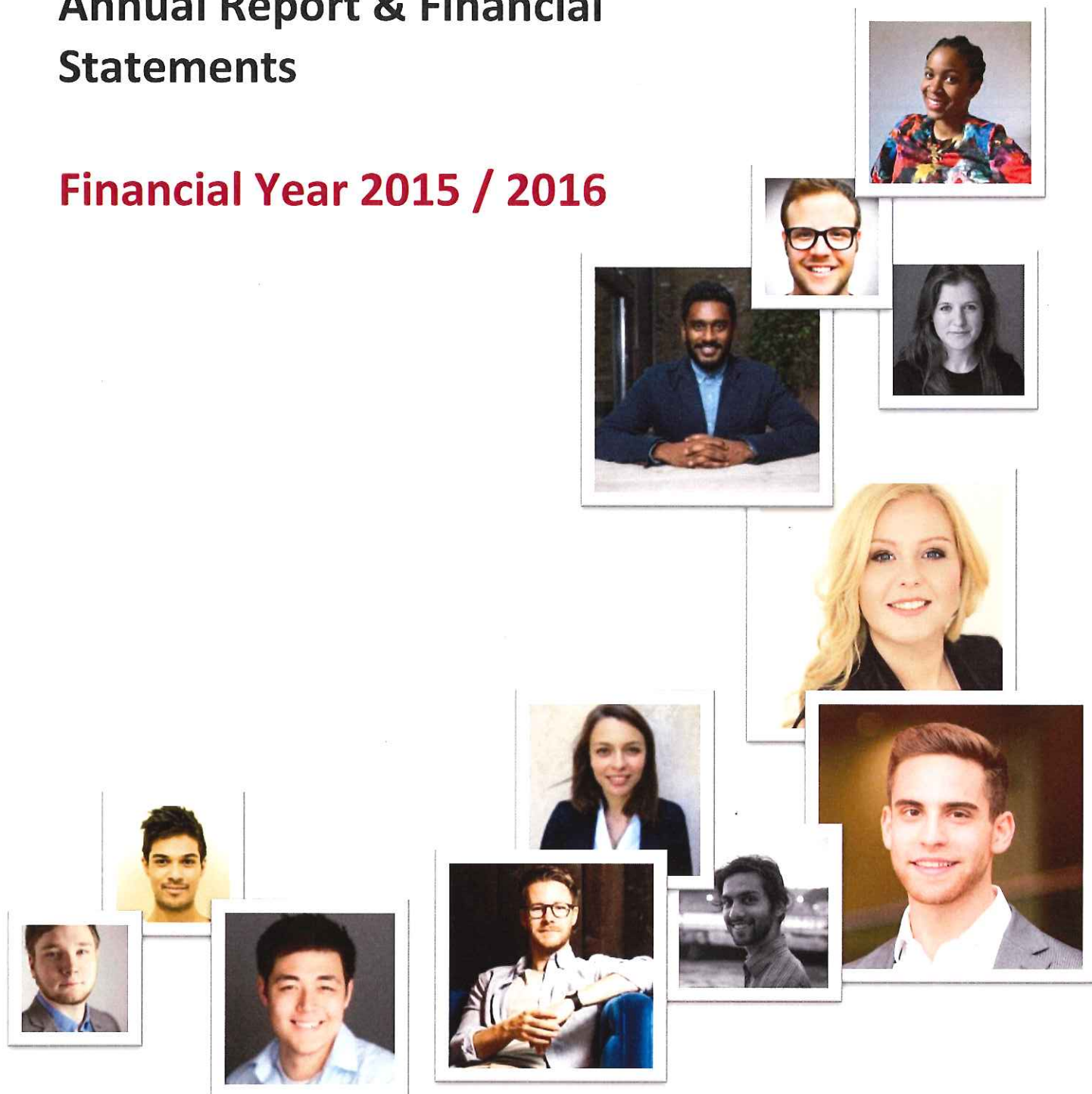


Developing Entrepreneurial Leaders of the Future

Annual Report & Financial Statements

Financial Year 2015 / 2016



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Legal and Administrative Information

Trustees:

Oliver Pawle (Chairman)
Deirdre Stirling (Secretary)
Elisabeth Scott
Andrew Joy
Joseph Hubback
Chris Wigley

Registered Office:

Huckletree
Alphabeta Building
18 Finsbury Square
London
EC2A 1BR

Company Secretary: Deirdre Stirling

Chief Executive Officer: Neeta Patel

Company Registration number: 07469562

Charity Registration number: 1140102

Bankers:

Barclays Bank
27 Regent Street
London
SW1Y 4NQ

Solicitors:

Harbottle & Lewis
Hanover House
14 Hanover Square
London, W1S 1HP

Auditor:

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Trustees' report

The Trustees present their statutory report together with the financial statements of The New Entrepreneurs Foundation for the year ended 5 April 2016.

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 37 to 40 therein and comply with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

— Principal Aims and Objects

The aim of the New Entrepreneurs Foundation is to develop the entrepreneurial leaders of the future who will go on to build high- growth, sustainable businesses, which will contribute positively to the UK economy and creating jobs and employment.

— Structure, Governance and Management

Structure

The Governance of the Foundation 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 people who bring specific high level contacts and skills to complement, support and to advise the CEO. New trustees who may be first time trustees are offered a place on trustee training courses run by independent organisations.

TRUSTEE	APPOINTED
Oliver Pawle	14 th December 2010
Deirdre Stirling	22 nd July 2011
Elisabeth Scott	28 th June 2012
Andrew Joy	21 st June 2013
Joseph Hubback	27 th November 2014
Chris Wigley	24 th March 2016

/ Barry Smith resigned from the Board of Trustees on 23rd March 2016.

/ Ivan Nikkhoo resigned from the Board of Trustees on 23rd March 2016.

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 year 2015/2016, Trustees met six times in formal Board meetings to oversee progress and guide future direction of the Foundation. The CEO reports to the Chairman and the Board of Trustees.

Key management

The Foundation has five full time employees: Neeta Patel is CEO, and is responsible for developing (jointly with the Trustees) the longer term strategic direction of the Foundation and for the day-to-day management of the Foundation. She is supported by a team comprising Veronique Rapetti, Director of Learning and Partnerships, who is responsible for the design and delivery of the learning programme; Felix Schuchter (appointed in January 2016), Head of Talent and Communities is responsible for recruitment and placement of the candidates; James Powell, Operations Manager who manages all office, administration and events management, and Rebecca Pratt (appointed in January 2016), Operations Assistant who supports the team in the day-to-day running of the office, delivering the events schedule and supporting the learning and development programme.

The Trustees consider that they, together with the CEO, the Director of Learning and Partnerships and the Head of Talent and Communities comprise the key management of the charity in charge of directing and 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 based on the Humanus Group's benchmarking comparisons with other similar organisations, increases in average earnings and their performance. The benchmarking survey uses Croner Rewards Annual salary survey and Xpert HR survey for compensation in the Voluntary sector which covers 159 UK Charities.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the New Entrepreneurs Foundation 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 the 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 Account 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; 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 confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

— Objectives and Activities

Objectives

The Foundation's objectives are to provide bright, young aspiring entrepreneurs with hands-on work experience in high growth companies together with a formal learning and development programme in entrepreneurial start-up skills, personal coaching, business mentoring and access to business networks.

Main Activities

The Foundation engages in five main activities:

1. Selecting up to 40 aspiring young entrepreneurs (NEFers) each year, from universities and higher education and placing them with fast growing companies on a one-year paid placement. The candidates work alongside the CEOs and the Senior Management teams in these companies to develop their own start-up skills and get hands-on experience of managing a growing company.
2. Delivering an intensive learning and development programme to enable the young entrepreneurs to develop and launch a new venture/business. The programme encompasses the 'hard' skills required to launch and manage a new business, such as finance, strategy, sales, negotiation, business planning and pitching for investment, as well as personal development skills such as self-awareness, selecting and building teams and developing resilience.
3. Providing access to networks through high level, monthly speaker events with established business leaders, successful entrepreneurs and rising star entrepreneurs.
4. Providing business mentoring from established entrepreneurs and business leaders. Providing personal 1:1 coaching support (with qualified coaches) to the candidates during the year.
5. Encouraging the candidates to participate in outreach activities in their communities, schools and with other charities.

Public benefit

When setting the objectives and planning the work of the Foundation, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit, and, where relevant, its supplementary guidance.

— Achievements and Performance

The year 2015/16 was NEF's fifth full year of operations. Five cohorts (155 candidates) have been through the programme. The key achievements of the first five cohorts are shown below.

Highlights and achievements in numbers (2011-2016)

In the previous year we reported that NEF Alumni had 40 live ventures, had raised £2.6 million in seed funding, and had created over 400 jobs (full and part time). The larger Alumni group has made significant progress since last year's report. As of July 2016:

- We currently have **62 live ventures**, launched by Alumni.
- These companies have created over **650 new jobs** (full time and part time) for the UK economy.
- Collectively, they have raised **£10,987,500** in early stage seed funding for their ventures.



The NEF Class of 2016 on their graduation day, along with NEF Trustees and Executive Team.

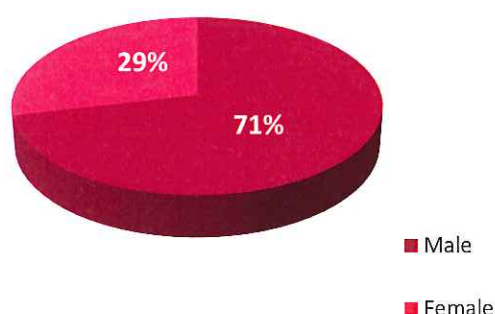
— Activities for the Class of 2016

Recruitment of Class of 2016

For the Class of 2016, we received **555** applications. We selected **37** candidates who started the programme in September 2015. Two candidates dropped out, with **35** graduating in June 2016.

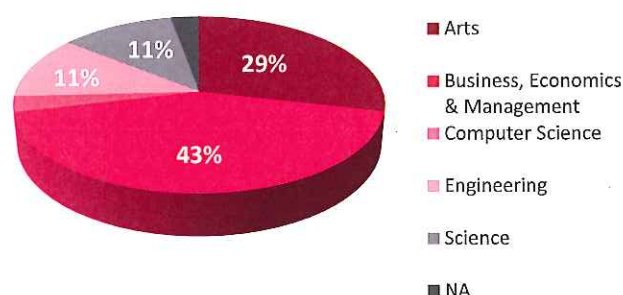
Class of 2016 – Candidate Profiles

37 candidates were selected for the Class of 2016: **10** women and **27** men. They came from diverse backgrounds and education experience, and span a ten-year age range (Ages 19 – 30).



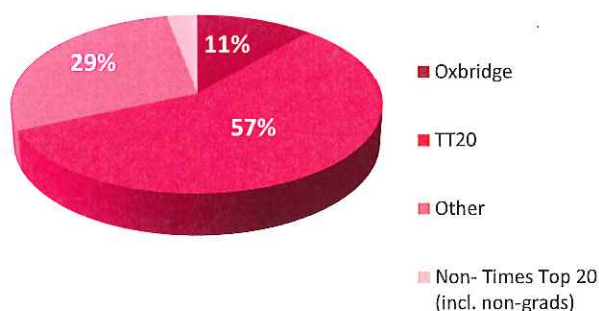
Gender

The female/male ratio for the Class of 2016 was second highest in NEF's history to date (Class of 2014 comprised 42% women).



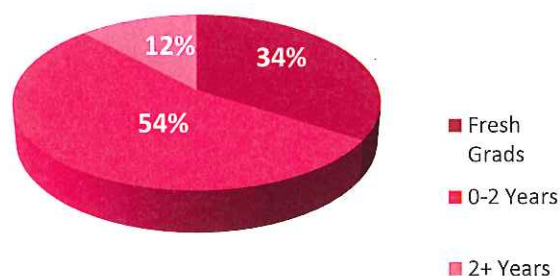
Degree Type

The largest proportion of candidates came from Business, Management and Arts disciplines, with smaller numbers from Computer Science, Engineering and general Sciences.



University Type

57% of candidates were drawn from Times Top 20 Universities, and a third from other UK Universities. Oxbridge candidates made up 11% of the cohort and a further 3% from EU Institutions

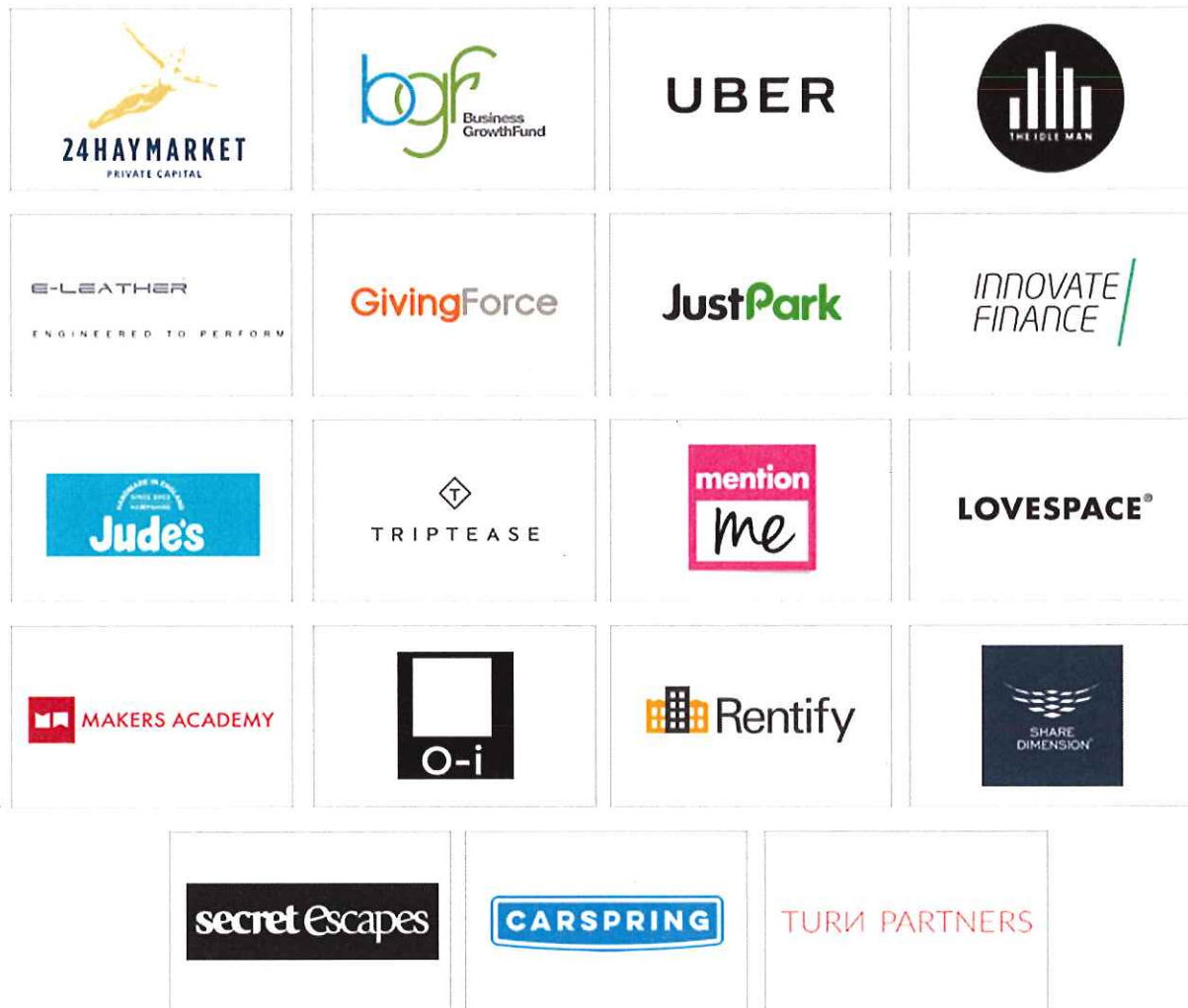


Experience Level

One third of the Class of 2016 were new graduates, over half had between 1-2 years of work experience and the remainder joined with more than 2 years of work experience

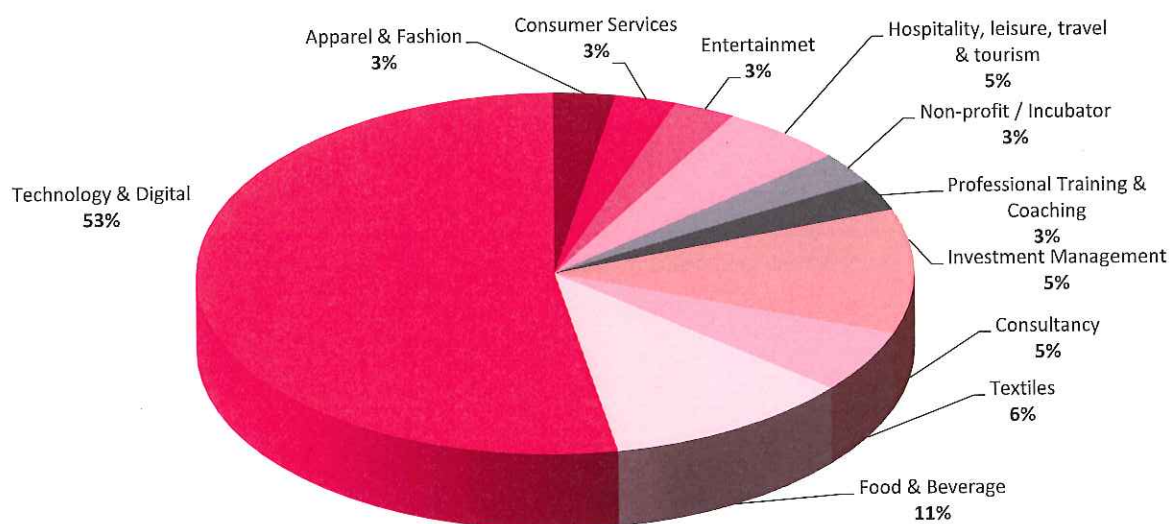
Host Companies for the Class of 2016

Our NEFers were placed in a cross section of fast growing, entrepreneurial Host Companies. They covered a wide range of industries and size and our NEFers performed a variety of functions within them. The Class of 2015 was placed in the following companies:



Host Company Industry

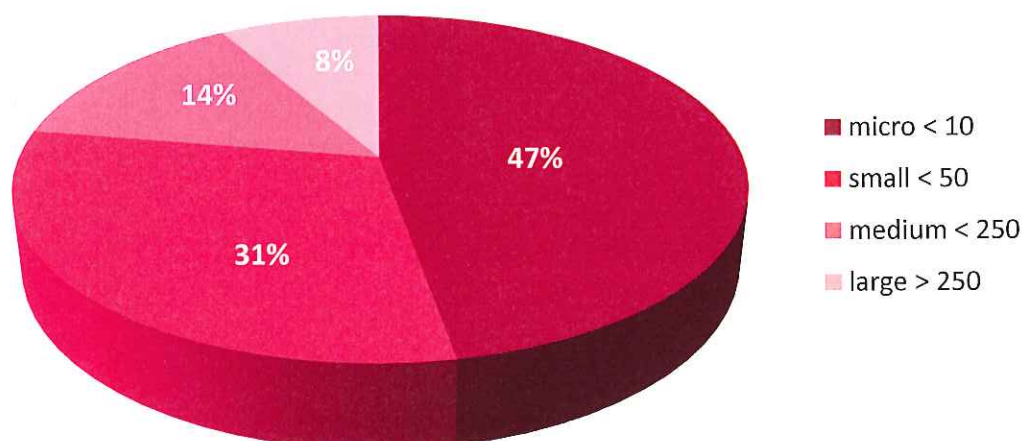
As with previous years, we have provided a diverse range of ventures across multiple sectors for our NEFers to work in while on the programme. This year, most of our NEFers worked in the Technology and Digital sector. Food and Beverages was the next highest by a small margin, with a fairly even spread between the remaining sectors.



Host Company Size

This year the majority of NEFers were placed in smaller companies with fewer than 50 employees.

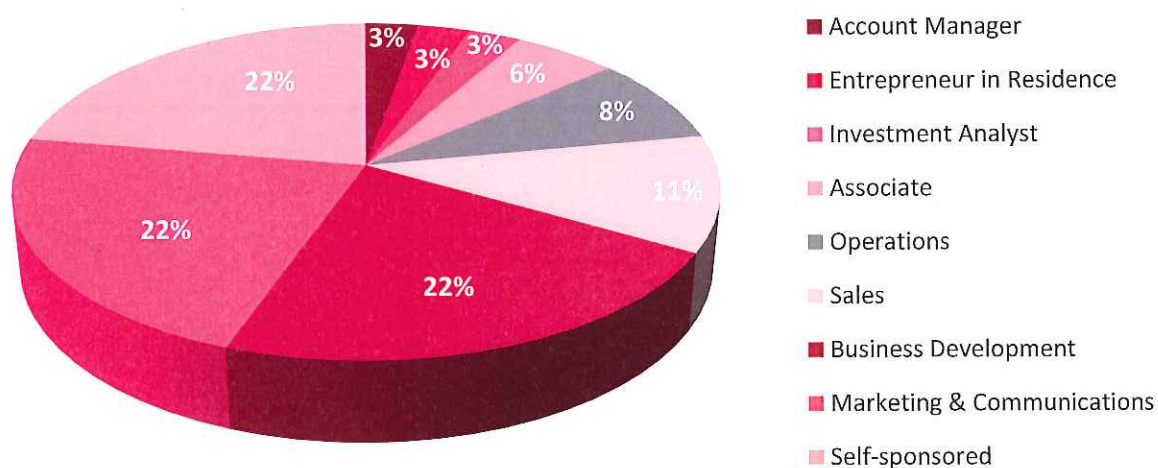
While the sizes are similar to the previous year, we have seen a drop in the number of NEFers placed in larger companies with over 250 employees.



Types of Role NEFers performed in their Host Company

While NEF offers a diverse range of industries and companies to work within, the roles that NEFers take on are similarly varied.

This year we saw the majority of the cohort working in business development and marketing & communication roles. The next highest group were self-sponsored NEFer that joined the programme with a business that they had themselves founded.



— NEF Fast-Track Learning Programme

The Year 2015-2016 was another intensive year of learning and development for the cohort. They attended **25** days of formal training workshops, representing over **200** hours of teaching.

We pride ourselves in offering a fast track learning programme that not only helps build the business critical skills required for launching a business (such as finance, marketing and sales) but also provides the much needed personal development skills (such as pitching and presentations skills, resilience) for becoming a successful entrepreneurial leader.

The feedback from the cohort highlights the key practical and tangible skills learned from the sessions. Below are a couple of examples.



"The open and honest nature of the panel was refreshing. Often the simple things are the things you forget, good to be reminded of them."

(Getting On Board workshop for new graduates only)

"A key take away for me was the importance of the right team for your venture and the steps I can take to create the right team."

(UCL workshop on HR & Teams)

"Today I really gained an understanding of my next steps to approaching investors and an understanding of my own business's financial situation."

(UCL workshop on Entrepreneurial Finance)

"I learned loads of stuff that I wouldn't have otherwise. Really eye-opening. Thanks. I really wanted to learn more about product management so this was good."

(Web Development Skills workshop)

"I learned about attitude, process and behaviours for optimal win-win results in negotiation. Negotiations are something every entrepreneur has to go through on a regular basis."

(Negotiation workshop)

"There are small tasks that I can do TODAY with potentially large returns."

(Growth Hacking Marketing workshop)

New learning initiatives introduced in 2015/6:

This year we also trialed new form of 'action learning' workshop called NEFX: We ran collaborative workshops on three Saturdays over four months, where the cohort shared and talked about their ventures, their challenges and received advice and support from participants and mentors.



In addition to the scheduled workshops, we organised the first transatlantic webinar on USA Expansion. We partnered with Expert DOJO a US- based organisation, who brought together experts who help start-ups expand to the USA to provide advice and guidance.

This webinar was open to companies in our network looking at international expansion, scaling up their business or for those interested in knowing more about expanding their business to the USA. This was the first live stream between the USA and the UK. Over 35 people including a number of our mentors and host company CEOs joined the session.

“

“That was one amazing session, well worth the time. Dustin was terrific. Most of his advice was good for NEFers in the UK too.”

“The speakers were really well informed and had some fantastic information to impart!”
(Participants in the webinar)

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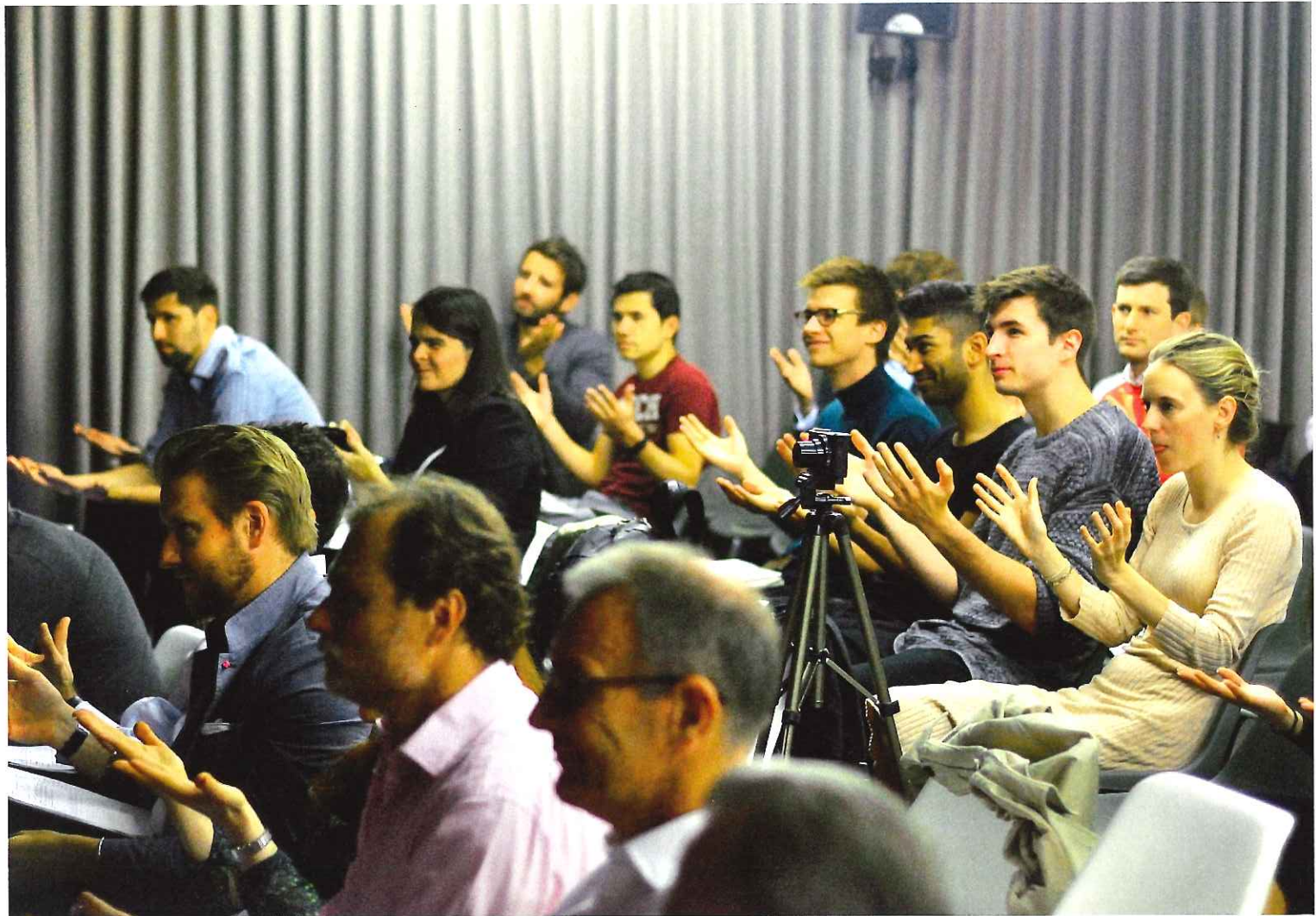
Our unique Executive coaching programme, chaired by Linda Aspey, a senior experienced coach and former Chair of the British Association of Coaching Professionals (BACP), continued through the year and our panel of carefully selected coaches grew to 35 professionals. All the coaches, who are senior, qualified executive coaches gave their time pro bono.



As the cohort progresses through the year, and they develop their business ventures, we also match them with a 'principal' business mentor who is their main point of contact, and they also have access to a pool of 'expert' mentors.

In 2015/6, our panel of business mentors grew to more than 40 people. The mentors are successful entrepreneurs and business executives and includes senior staff from our donor organisations. Experts in their respective fields, the mentors provide honest advice and actionable feed-back to our aspiring entrepreneurs for their venture ideas. In 2015/16, our volunteer mentors offered 210 hours of business mentoring.

For the Class of 2016 mentoring programme we appointed Tirdad Sorooshian as Chair of the panel of mentors. Tirdad is the Co-Founder and Managing Director of Acclaria UK Ltd and an experienced business mentor.





“

Hearing from individuals that have experienced what you will be going through has opened my eyes to the reality of entrepreneurship and the hard work that is required. The series also offered a great platform to network and connect with some incredible people - my next job came about as a result of these talks...

”

— The Power of the NEF network

Throughout the year we provide opportunities for businesses and entrepreneurial talent to network. Our key activity in this area is through providing regular speaker events inviting our sponsors, supporters, and alumni community.

This year we hosted six speaker events with an average attendance of 100 people. We invite established entrepreneurs and business leaders to discuss the highs and lows of their business experience. Some of the speakers we hosted this year were:

Alex Kayser, Yreceipts; **Bindi Karia**, Silicon Valley Bank; **Brett Akker**, LOVESPACE; **Charlie Bradshaw**, Matrix APA; **Cyrus Jilla**, Eight Roads; **Damian Kimmelman**, DueDil; **Eileen Burbidge**, Passion Capital; **Simon Calver**, Moo.com; **Liam Maxwell**, HM Government; **Henry Lane Fox**, Founders Factory; **James Osmond**, Triptease; **Jane Michell**, Jane Plan; **Lopo Champalimaud**, Wahanda; **Lucy Stonehill**, BridgeU; **Nick Wheeler**, Charles Tyrwhitt; **Ning Li**, made.com; **Ollie Purdue**, Loot; **Oli Barrett MBE**, Cospa; **Reshma Sohoni**, Seedcamp; **Rikke Rosenlund**, BorrowMyDoggy.com; **Russ Shaw**, Tech London Advocates; **Sarah McVittie**, Dressipi; **Tamara Heber-Percy**, Mr and Mrs Smith; **Tom Valentine**, Secret Escapes; **Tram Abramov**, Market Invoice.

The culmination of the NEF learning and development programme is the NEF Pitch Days where the cohort and Alumni pitch their ventures to panels of investors and advisers.

— NEF's Schools Outreach Programme

Each year we encourage our cohorts to take part in activities with our outreach partners or with their own charities. This year we partnered with:

Barnet Education Business Partnership (BEBP)

BEBP's aim is to be the link between education and business in providing high quality work related learning in Barnet. They connect Barnet's young people with the world of work by providing employer-led opportunities that inform, inspire and prepare them for their futures.

This year, one of our NEFers engaged with 12-13 year old girls at Bishop Challoner's School and spoke to about 40 of them in speed networking groups.

Acorn Aspirations

An Edtech social enterprise on a mission to foster tech entrepreneurship in young people aged 11-19, offering a variety of programmes and events.

During a 2- day hackathon to teach digital and entrepreneurship skills, some of our NEFers mentored over 100 school children from six London Boroughs. NEF's CEO also took part as a mentor and a judge during the pitches. The winners of the pitch were invited to an NEF speaker event.



In addition, some NEFers decided to do their own outreach activities and worked with their preferred charities.

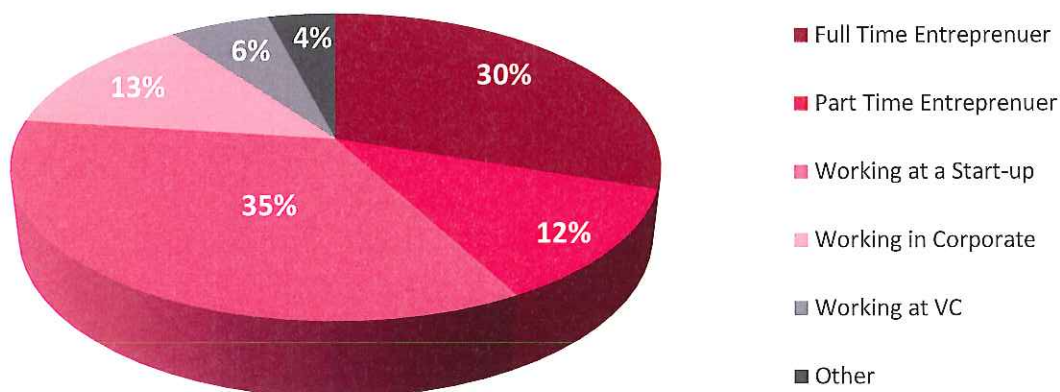
For example: One of the 2016 NEFers raised almost 10k for charity this year on his platform, and offered some pro-bono tech advice and referrals to two charities: Peace Brigades International UK (PBI UK) and Ambition UK. He fundraised for PBI UK on International Women's Day, and during Ramadan for Muslim Aid, Orphans in Need, Ummah Welfare Trust, Human Appeal and Human Aid. Over the course of the year he gave tech advice to PBI UK and to Ambition UK.

— NEF Alumni — where are they now?

We now have **155** Alumni of our programme.

The data we have collected on the alumni community gives a general breakdown of which sectors they are currently employed in. It is positive to see that 42% of the graduates of our programme are working as either full or part-time entrepreneurs.

The remaining Alumni are predominantly working in start-ups, with a small proportion working in corporates, venture capital firms, or other sectors.



— NEF Impact Report

Our impact monitoring comprises two key measures: as an entrepreneur development organisation, we clearly measure how many of our candidates go on to launch new businesses, create jobs and scale their businesses, but as an educational charity, we also measure the impact that NEF has on the participants' views of skills developed, confidence gained and networks created.

We monitor new ventures launched directly through candidate tracking, and the second area is measured each year through a structured impact study, which is conducted by researchers at UCL.

— NEF Ventures, jobs created and investment raised

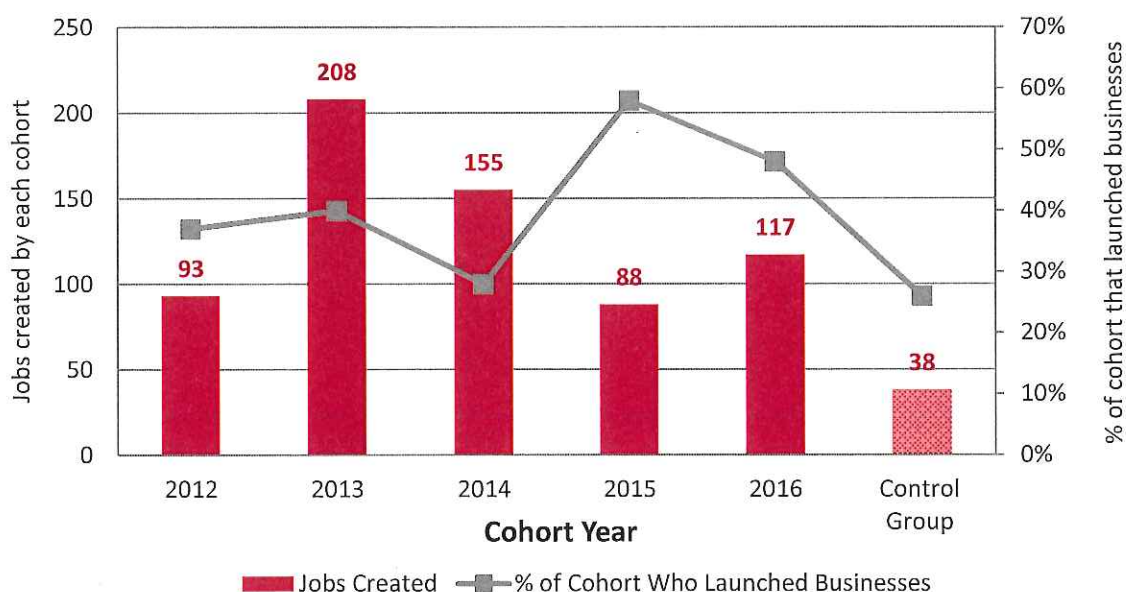
Over 40% of our Alumni are working as full- time or part- time entrepreneurs, and have launched over 100 new ventures in the last five years. As of July 2016, our NEFers have:

- Launched **62** live ventures (over 100 launched in total)
- Created over **650** jobs created (262 full-time 399 part-time)
- Raised **£10,987,500** in seed funding for their ventures over the last five years. This has been in the form of seed investment, loans and competition money.

The new ventures are in a broad range of sectors, from e-commerce and food to data, design and finance. These are some of the live NEF ventures:



Percentage of each cohort launching ventures and jobs created compared to a control group



We track all our alumni each year to see how many go on to launch businesses, raise investment and create real jobs. The percentage that do each year varies from year to year and, on average across five cohorts, about 40% have launched businesses. We expect that this chart will change with time and anticipate more people from earlier cohorts to leave their full time jobs and create new ventures.

We compare their progress with a control group of interviewees each year. Members of the control group are randomly selected from people who applied to join the NEF programme and succeeded in getting to the last 100 selection panels but were either not selected or turned down the offer of a place. Although the sample size of the control group is smaller each year than the alumni group, early results are showing marked differences in ambition, the confidence to start businesses and the number of businesses created between NEF alumni and the control group.

Results of the Second UCL Impact Study

The second phase of the longitudinal study of the impact of the NEF programme on participants was conducted, once again by Dr. Chris Coleridge of the School of Management at University College London in mid- 2016.

As in the previous year, the methodology used was a combination of in-depth interviews with randomly selected candidates from the Classes of 2015 and 2016, as well as a further seven interviews with a 'control' group, that is, people who applied to the NEF and made it to the final 100 selection stage, but were not offered a place, or they were offered a place but declined it.

In addition, 26 members of the class of 2015 completed their 'exit' questionnaires and 37 members of the class of 2016 completed separate questionnaires about their 'before and after' experience. In addition to the seven in-depth interviews with control group members, 20 control group members completed questionnaires about their skills development and career/entrepreneurial activities since applying to join the NEF programme.

The key highlights on skills, behaviours, ambitions and confidence from this second study are:

New business and jobs creation

- NEF candidates are more likely to start businesses than the control group are: Over 40% of those embarking on the programme have live businesses at the end of it; and these figures have been higher still for the Classes of 2015 and 2016 (60% and 50% respectively). Among the control group, the rate of live businesses was much lower: among the 42 individuals surveyed, only 11 (26%) had launched businesses which had created 38 jobs.

Entrepreneurs encouraged

- In the first phase of the study, we found that 79% of NEF Alumni who were not already running a business reported that they were more likely to start businesses as a result of their participation on the programme. This finding was sustained in phase two of the study, with 80% of the Alumni interviewed reporting that they were more likely to do so.

Some comments from Alumni not currently running a business include:

“

“I am surrounded by people who want to build global businesses, people with a global outlook. Post-Brexit, it makes more sense than ever to use my connections to those people to start with bigger ambitions”.

“I’ve become more creative and more willing to try out new ideas. It’s just what happens when you’re with other creative people”.

“NEF breaks everything down into next steps so you’re always thinking a few years ahead and therefore thinking about the unattainable”.

”

Among the 31 control group members interviewed and surveyed (in phase one and phase two of this research) who had not started a business, 20 (65%) indicated that they had become inclined to believe that starting a business was less likely for them. Of the eleven control group members who were running a live business, three indicated that this was simply a way to pay the bills and that they were not passionate about it.

Innovation enhanced

A common theme that emerged from both phase one and phase two of the research was that the scope of entrepreneurial 'change the world' ambition had changed. Those alumni still employed in companies often professed to be as bold as those running their own businesses. Interviewees strongly confirmed that they were behaving in a more entrepreneurial way at work – with their employers clearly reaping some benefit.

“

“This was an investment by my employer and I learned so much from being constantly asked to share what I was learning. Having to simplify it and communicate it to my co-workers so it wouldn't seem just like theory was huge”.

“The combination of an informal group within the NEF cohort, and also constantly being placed into formal, corporate, intrapreneurial environments is a huge influence on learning how to innovate in the real world, where so much of the resource depends on your comfort with formal things as much as with creativity”.

“NEF encouraged me to question 'why' at work. My CEO and colleagues never did that. I feel that I have become more problem-focused rather than quick solution driven”.

“I learned to start thinking about what the CEO was going through on a day to day basis, the decisions he was facing, and his priorities – I completely lost the paycheck mentality I could see in so many people around me”.

“A huge upside wasn't just the learning from other NEFers about tools and opportunities. The whole ecosystem of entrepreneurship is huge and it was like having 30 people out there scouting for things that would be interesting to me”.

“Now being an entrepreneur is a career. I don't think only about the scalability of my idea but also about using cash flow to make more interesting moves in the future”.

”

...

Expertise developed

Respondents to the research were asked to self-report how they believed their competence in five particular skill areas, identified in academic entrepreneurship literature as being critical for entrepreneurship, had changed before and after the course, or in the case of the control group, since they had applied for the course. This was done by asking them to rate their skills in a given area (market research, creativity, leadership, teamwork and finance) on a scale of 1-6. As expected, overall the candidates reported that their skills had developed as they moved into the workplace. The key points that emerged from this second phase of the study were:

- Alumni, especially those not running a business, reported a significant lift in their market research skills – and this was especially supported by data from the interviews. Many reported that these skills were gained through their work placement, where a number worked in business development functions, examining and evaluating opportunities for their employers.

- Scores on creativity rose very substantially, and it was here that the largest gap between NEF alumni and non-alumni self-reporting was seen, suggesting a substantial impact from the NEF experience.
- Self-reported team working scores for both the alumni and non-alumni group were broadly similar which suggests that it is the general workplace experience that builds confidence in this area.
- NEF Alumni reported a significant absolute change in their leadership ability.
- In the area of financial skills, non-alumni reported themselves to have experienced better skills progression than those who had participated in the programme. This may have been related to the fact that many of the control group respondents were working in finance-related jobs.
- Overall, a significant proportion of alumni, particularly from the Class of 2016, self-reported near maximum scores on their skills *at the start* of the programme. In some cases, these scores were reduced in the exit surveys, suggesting some over confidence at the start, but a more realistic understanding of what they don't know, once they had gone through the programme.

We plan to conduct regular impact studies as appropriate to gauge the longer term impact of the NEF programme on candidates who have just graduated, as well as longitudinal monitoring of people who graduated in previous years.

“

While the sample size of the 'control group' is too low to be completely definitive, this comparison does strongly suggest that the NEF programme is having an extraordinary impact on the young people participating in it and their ability, opportunity and will to start new businesses.

*Dr Chris Coleridge, Senior Research Associate,
School of Management, University College London*

”

— NEF Case Studies

**Alex Somervell*****The accidental entrepreneur***

Alex Somervell is the co-founder of **One Third Stories**, a company rewriting the way children learn languages through stories that start in English and end in a different language.

Alex, 25, sees himself as an accidental entrepreneur as he never saw himself running his own business. However, while at University, he and his best friend started developing a new way to learn foreign languages inspired by the book 'A Clockwork Orange'.

This concept evolved into a full-time business and Alex applied to NEF to develop his business skills and grow his network in order to benefit his venture.



“One of my best friends recommended NEF to me. The programme was extremely appealing as it is very rare to experience a structured introduction to the world of running your own business, straight out of university. Thankfully, the NEF team recognised enough of a certain spark in me to offer me a place and I'm so glad they did. Being part of the NEF programme has given me the validation and confidence I needed to be an entrepreneur plus I've been introduced to an awesome group of people who are like me - young entrepreneurs experiencing growing a venture.”

The support and sharing of experiences with like-minded members of his cohort have been valuable to Alex. He also used the NEF pitch days to present to potential investors for seed investment and, through NEF mentors, Alex has connected to a children's illustrator who is contributing to One Third Stories' illustrations.

Alex and his partner have seen One Third Stories achieve great things this year. They launched their Kickstarter launch campaign mid-2016, tripling their original target and are hoping to create a library of language learning stories as hardback books, apps and audiobooks to inspire a new generation of linguists.



Ry Morgan

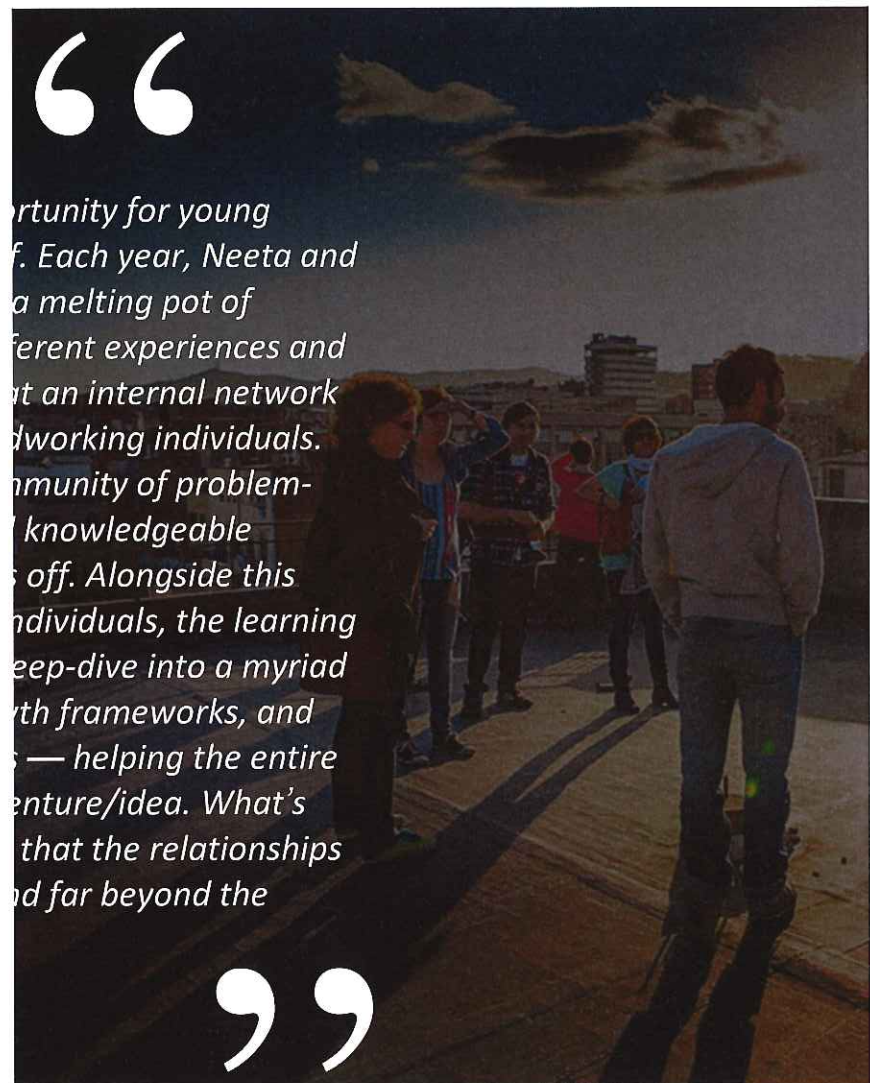
The full-circle entrepreneur

Ry Morgan is the Co-Founder and CEO of **Yomp**, a B2B health and wellbeing platform. Ry joined NEF during its second year and is now the first alumnus to have had a successful exit, following Yomp's acquisition in early 2016. He is also a huge advocate of NEF's role in the entrepreneurial ecosystem and in nurturing the ambitions of future entrepreneurs.

Ry joined NEF in 2013 having set-up Yomp 18 months earlier. As a result he became the first self-sponsored candidate and continued to run Yomp while participating in NEF's programme. This allowed Ry to put in place the learnings he gained from NEF's workshops and utilise the network of mentors, cohort members and NEF staff to move Yomp forward.

Ry's positive experience meant that, when financially viable, Yomp became a NEF host company. His desire to support other young entrepreneurs is a testament to his "pay it forward" mentality. Having gained so much from NEF, Ry is committed to sharing his insight and experience in order to nurture the next wave of young entrepreneurs.

Yomp was acquired in March 2016 by Reward Gateway, the industry-leading employee benefit provider. Ry became their "Head of Wellbeing Technology" and will be overseeing their workplace wellbeing agenda.





Marianne Hughes
The determined entrepreneur

Marianne Hughes is the founder of **KnowLabel**, a digital clothing label which shows the environmental and social impact of what you are wearing. An ambitious, young female entrepreneur, Marianne was recently selected by Startups.co.uk as one of the top young entrepreneurs to watch in 2016.

Marianne actively sought to engage with NEF almost a year before her application. She had seen others go through the NEF journey and was attracted by NEF's focus on helping women entrepreneurs. Having already launched a social enterprise while at university, Marianne already had some entrepreneurial experience. This meant she came to NEF with strong ideas and goals for KnowLabel and wanted to take advantage of the support and experiences provided by NEF to help her drive it forward.

• • •

Marianne also benefited from NEF's events and the support of other cohort members. In June, Marianne participated in NEF's investor pitch day where she presented KnowLabel with the aim of seed investment and introductions.

As she looks to the future, Marianne plans to expand KnowLabel and continue to work with international fashion retailers.

“

I was lucky to be placed with a host company that completely immersed me in their business. It gave me unprecedented access to the start-up life and the person who runs it. Shadowing a CEO who knows the sector I wanted to work in meant a great deal and provided me with a valuable mentor. At the same time, I was also able to be involved in almost every aspect of the business from pitching to customers to technical knowhow and even sourcing new premises. But it didn't stop there! They also took the time for me to advise me on my own venture, Knowlabel. It was a unique experience that helped give me the confidence and drive to speed up getting KnowLabel off the ground.

”



Ivan Kayima

The Social Entrepreneur

Ivan Kayima, 24, believes that by bringing together people from all walks of life via online collaboration, it gives young people from more disadvantaged boroughs an opportunity to learn new information and skills that will help them break free from the things in society that are holding them back. This passion along with his own personal experiences led Ivan to create **Spiela**, a collaborative online network that helps young people from diverse backgrounds learn and engage with influential people in their fields of interest. Ivan describes Spiela as a cross between Wikipedia and Quora.

• • •

Ivan came to NEF with a keen interest in entrepreneurship and social awareness. This passion stems from his drive to better his own circumstances following a challenging childhood. After getting arrested at a young age, Ivan realised he needed to better his own life and not depend on others to make that happen. As a result of his efforts, he graduated University of Portsmouth with 1st Class honours, and went on to join the New Entrepreneurs Foundation programme in the Class of 2015.

Spiela is set for a public launch in August and Ivan's certain that his future lies in being a social entrepreneur. While in 'Alpha' mode, Spiela's Facebook group has grown to more than 1,800 members and 300 contributors/experts across different fields - law, media, education and others.

The company is preparing to raise its first £20,000 through crowd funding to launch a new website.

“

“Growing up in Lewisham, there's wasn't much opportunity to make the right connections to get a business up and running. I am lucky to have been part of the New Entrepreneurs Foundation and have had the gulf between myself and those that can help support by business idea closed. Over the last 12 months, NEF has given me the opportunities to help me with getting Spiela off the ground that I could have never achieved on my own - not just through connections made through mentorship, training and pitch days - but also its boosted my self-confidence and my belief that I can be an entrepreneur and lead a successful venture. The team at NEF have been so supportive and I will be forever grateful”

”

— Future Plans

The Trustees are pleased with the results of this year, specifically the high percentage of participants who have gone on to build new businesses. The impact report results combined with anecdotal evidence clearly indicates that the programme is valuable for participants, and in some cases, has been 'life changing' in terms of building skills, confidence and networks.

The Trustees are therefore keen to continue to run the programme and to maintain the high quality and impact. The Trustees have also discussed the possibility of scaling the programme to another UK city, but they would need assurance of guaranteed medium term funding in order to do so. These discussions are continuing and no decision has been made to launch NEF in another city.

Donors and Supporters

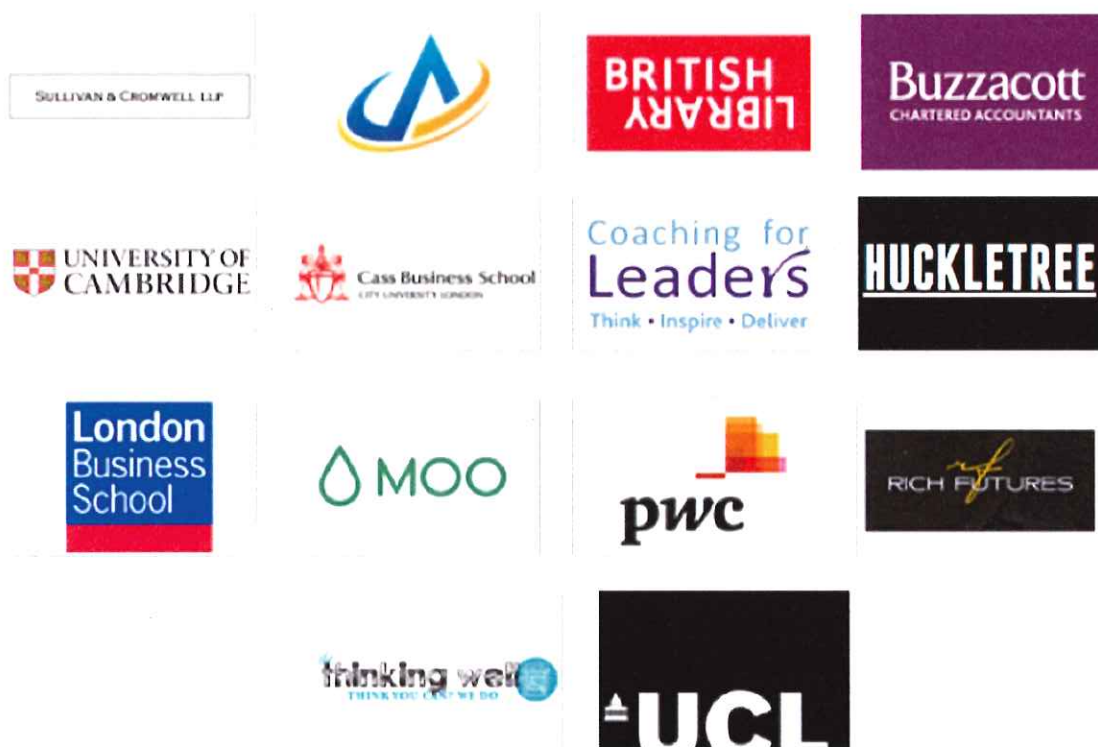
Our achievement has been possible because of the generous and continued support of our donors. We are very grateful to all our Corporate and individual below for supporting us wholeheartedly in our endeavors.



Fellowship donors:

Sir Theodore Agnew, Chairman and Sponsor, Inspiration Academy Trust and Lead Non-Executive, Ministry of Justice; **Ian Armitage**, Co-Founder, Isfield Investments Llp; **Lord Davies of Abersoch**, Chairman, Corsair Capital; **Lloyd Dorfman**, Founder and Chairman, Travelex; **David Gregson**, Chairman, The Lawn Tennis Association and The Karma Group; **Andrew Joy**, Senior Advisor, Stonehage Fleming; **Sir Keith Mills**, Ex-Deputy Chairman, LOCOG; **Jamie Hambro**, Founding Partner and Chairman, James Hambro; **Jon Moulton**, Founder and Partner, Better Capital; **Rajal and Rohit Patni**, Founders, YESpay; **Oliver Pawle**, Chair, Board Practice, Korn Ferry; **David Pearl**, David Pearlman Foundation; **Mark Pritchard**, Founder, Allied Minds; **Sir John Ritblat**, Sir John Ritblat Foundation; **Gerald Ronson**, Gerald Ronson Foundation; **Sadell Fellowship Funder**; **David Tibble**, Partner, Warburg Pincus; **Jean-Baptiste Wautier**, Managing Partner, BC Partners; **The Hon. Charles Wigoder**, Executive Chairman, Utility Warehouse and the NEF Trustees, **Elisabeth Scott**, **Dee Stirling** and **Barry Smith**.

Supporters: We are also grateful to the many partner organisations and individuals who support our work



We are particularly grateful for the continued support of our Coaches, Mentors and Learning Providers who provide so much help and advice to our cohorts.

— Financial Review

Total income for the year was £666,498 (2015 - £576,926), consisting of contributions from sponsor companies, participation fees from host companies and other donations.

Total expenditure for the year amounted to £685,504 (2015 - £573,192). This included £667,607 (2015 - £526,532) in respect of charitable expenditure on activities in furtherance of the Foundation's objectives. This comprised £3,750 (2015 - £18,429) grants awarded and £663,857 (2015 - £508,103) in respect of candidate recruitment and running of the training programme. This resulted in a deficit of £19,006 (2015 - surplus of £3,734) and total funds at 5 April 2016 of £126,299 (2015 - £145,305).

At the year-end £49,177 has been set aside by the Trustees to cover the remaining anticipated costs of the 2015/16 programme (2014/15 - £46,111). The remaining balance of £77,122 (2015 - £99,194) is unrestricted. Of this balance, £74,492 (2015 - £97,776) constitutes the charity's free reserves carried forward as discussed below.

• • •

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 5 April 2016 this figure equates to approximately £75,000 - £100,000. 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 £127,499 (2015 - £145,305). £49,177 (2015 - £46,111) relates to a designated fund representing monies set aside to complete the training programme for 2015/16 candidates that is still ongoing at the year end. £12,630 (2015 - £1,418) represents fixed assets held for use in the foundation's operations and therefore not liquid resources available for general expenditure. £74,492 (2015 - £97,776) equates to free reserves. This falls below the target free reserves set in the policy above and the trustees will plan future budgets in order to increase the level of free reserves towards the desired level.

— 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 2015/16 and necessary actions have been implemented in the current year.

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

Funding: The key risk to NEF'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. In this last year, the key step we have taken is to widen the sources of funding to individual donors. This category now accounts for nearly half of all our funding. We have also introduced a self-funding model of recruitment and placements, whereby host companies where candidates are placed are asked for a small fee of £2,500 to meet some of the recruitment costs. This generated £58,250 in additional income in 2015/6.

In January 2016, we recruited our first dedicated fund raising director. Unfortunately, the appointment was not successful and we are, once again, looking to recruit someone dedicated to fund raising on a part- time basis.

Fraud: As with previous years, we seek to mitigate against financial fraud by separating budget and expenditure sign off duties. The basic rule we follow is a person who has committed to any expenditure cannot authorize the expenditure, nor pay the invoice relating to that item. In April 2016, we introduced Xero, an online financial management system which enables the CEO to keep a closer eye on cash in the bank, monitor all payments quickly and be aware of the cash position at any time. Further, trustees have set a limit of £25,000 as the CEO's sign off authority, with any amount greater needing a trustee's sign off.

. . .

— 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

21.09.16

Independent auditor's report to the members of the New Entrepreneurs Foundation

We have audited the financial statements of the New Entrepreneurs Foundation for the year ended 5 April 2016 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

— Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities set out in the Trustees' report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

— Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

— Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2016 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
-

— Opinion on other matter prescribed by the Companies act 2006

In our opinion the information given in the Trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements. Also in our opinion, in light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have identified no material misstatements in the Trustees' report.

— Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made;
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

28 September 2016

Statement of Financial Activities

	Notes	2016 Total funds £	2015 Total funds £
Income and expenditure			
Income:			
Donations	1	608,248	576,926
Other trading activities	2	58,250	—
Total income		666,498	576,926
Expenditure:			
Costs of raising funds		17,897	46,660
Expenditure on charitable activities			
. Grants payable	4	3,750	18,429
. Other charitable activities	5	663,857	508,103
Total expenditure	3	685,504	573,192
Net (expenditure) income and net movement in funds		(19,006)	3,734
Reconciliation of funds:			
Fund balances brought forward at 6 April 2015		145,305	141,571
Fund balances carried forward at 5 April 2016		126,299	145,305

All of the charity's activities derived from continuing operations during the above financial period.

All funds are unrestricted.


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

The notes to the accounts on pages 42 to 45 form part of these financial statements.

Balance Sheet

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible fixed assets	11		2,630		1,418
Current assets					
Debtors	12	96,123		98,287	
Cash at bank and in hand		127,212		145,202	
		<u>223,335</u>		<u>243,489</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	(99,666)		(99,602)	
Net current assets			123,669		143,887
Total net assets			<u>126,299</u>		<u>145,305</u>
The funds of the charity:					
Unrestricted funds					
. General funds			77,122		99,194
. Designated funds	14		49,177		46,111
			<u>126,299</u>		<u>145,305</u>

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

Trustee 

21.09.16

New Entrepreneurs Foundation, Company Limited by Guarantee
Registration Number 07469562 (England and Wales)
Approved by the Trustees on

Statement of Cash Flows

	Notes	2016 £	2015 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(14,977)	4,682
Cash flows from investing activities:			
Purchase of tangible fixed assets		(3,013)	—
Net cash (used in) investing activities		(3,013)	—
Change in cash and cash equivalents in the year		(17,990)	4,682
Cash and cash equivalents at 6 April 2015	B	145,202	140,520
Cash and cash equivalents at 5 April 2016	B	127,212	145,202

Notes to the statement of cash flows for the year to 5 April 2016.

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

	2016 £	2015 £
Net movement in funds (as per the statement of financial activities)	(19,006)	3,734
Adjustments for:		
Depreciation charge	1,801	1,526
Decrease (increase) in debtors	2,164	(19,409)
Increase in creditors	64	18,831
Net cash (used in) provided by operating activities	(14,977)	4,682

B Analysis of cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	127,212	145,202
Total cash and cash equivalents	127,212	145,202

Principal Account 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 5 April 2016.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. This is the first set of financial statements prepared in accordance with the Charities SORP FRS 102.

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.

— Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. Other than presentational adjustments to reanalyse the expenditure for the year ended 5 April 2015 to accord with the format prescribed in the updated Charities SORP FRS 102, no further adjustments were required. Specifically, governance costs which were previously reported as a separate line of expenditure within the statement of financial activities are now allocated to charitable expenditure.

— Critical accounting estimates and areas of judgement

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

The only item in the financial statements where these judgements and estimates have been made is in respect to estimating the useful economic life of tangible fixed assets.

— 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 in respect to a period of one year from the date of approval of these accounts.

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

— Income recognition

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

Donations and contributions are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Participation fees are recognised in the financial year 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. 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 and grants and support costs including governance costs.

— Expenditure recognition (continued)

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

— 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 payment 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 8. Outstanding contributions at the year- end are included in creditors. The charity has no liability beyond matching its contributions and paying across the deductions for the employees' contributions.

Notes to the Financial Statements

1. Donations

	2016 Total funds £	2015 Total funds £
Contribution from sponsors	479,500	457,256
Gift aid receivable	19,435	14,787
Donations	763	2,683
Gifts in kind	108,550	102,100
	608,248	576,926

Gifts in kind relate to coaching, consultancy and venues provided free of charge, the related costs are included within Training programmes (note 4).

2. Other trading activities

	2016 Total funds £	2015 Total funds £
Host company participation fees	58,250	—

3. Analysis of total expenditure

	Direct costs £	Support costs (note 5) £	2016 Total funds £	2015 Total funds £
Costs of raising funds	—	17,897	17,897	46,660
Charitable expenditure				
. Grants payable (note 4)	3,750	—	3,750	18,429
. Other charitable costs (note 5)	323,821	340,036	663,857	508,103
	327,571	357,933	685,504	573,192

4. Grants payable

The grants payable during the year were for the following purposes:

	2016 Total funds £	2015 Total funds £
Funding of new entrepreneurs programme		
Grants to host companies (institutions)		
. Exajet	—	2,566
. Virgin Water	—	3,900
. Yomp (formerly known as Please Cycle)	—	1,463
Grants to candidates (individuals)	3,750	10,500
	3,750	18,429

5. Other charitable activities

	2016 Total funds £	2015 Total funds £
Candidate recruitment	86,388	22,178
Training programmes	237,433	208,478
Support costs (note 6)	340,036	277,447
	663,857	508,103

6. Support costs

The support costs (including governance costs) incurred during the year to 5 April 2016 and the bases of their allocation were as follows:

	Raising funds £	Charitable expenditure £	2016 Total funds £	2015 Total funds £
Staff costs	12,044	228,830	240,874	226,091
Recruitment and training	216	4,095	4,311	16,432
Travelling costs	324	6,166	6,490	3,344
Advertising	1,483	28,173	29,656	29,455
Office costs	1,371	26,049	27,420	25,893
Entertaining and gifts	294	5,583	5,877	4,469
Website costs	105	2,001	2,106	3,859
Depreciation	90	1,711	1,801	1,526
Consultancy fees	1,034	19,636	20,670	—
Legal and professional fees	100	1,900	2,000	600
Audit and accounting fees	836	15,892	16,728	12,438
	17,897	340,036	357,933	324,107

Indirect support costs are allocated to each activity based on estimated staff time.

7. Governance costs

	2016 Total funds £	2015 Total funds £
Audit and accounting fees	16,728	12,438
Legal and professional fees	2,000	600
	18,728	13,038

8. Staff costs

Staff costs during the year were as follows:

	2016 £	2015 £
Wages and salaries	213,508	204,817
Social security costs	22,502	21,274
Pension costs	4,864	—
	240,874	226,091

One employee received remuneration of between £100,000 and £110,000 during the year (2015 – one between £90,000 and £100,000). Pension contributions of £4,750 (2015 - £nil) were made in respect of this employee.

During the year the average number of staff was 5 (2015 – 4).

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 Learning Director and the Head of Talent and Communities (Appointed January 2016). The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £152,950 (2015 - £133,500).

During the year no Trustees received any remuneration or were reimbursed for expenses (2015 - £nil).

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

This is stated after charging:

	2016 Total funds £	2015 Total funds £
Staff costs (note 8)	240,874	226,091
Auditor's remuneration (including VAT)		
. Current year fees	6,720	6,540
. Non-audit fees	7,397	5,898
Depreciation (note 11)	1,801	1,526

10. Taxation

New Entrepreneurs Foundation 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

	Computers and office equipment £
Cost	
At 6 April 2015	7,630
Additions	3,013
Disposals	(800)
At 5 April 2016	<u>9,843</u>
Depreciation	
At 6 April 2015	6,212
Charge for the year	1,801
Eliminated on disposal	(800)
At 5 April 2016	<u>7,213</u>
Net book value	
As at 5 April 2016	<u>2,630</u>
As at 5 April 2015	<u>1,418</u>

12. Debtors

	2016 £	2015 £
Prepayments and accrued income	81,000	81,000
Gift aid receivable	13,125	17,287
Other debtors	1,998	—
	<u>96,123</u>	<u>98,287</u>

Prepayments include a refundable deposit of £81,000 paid to Bright Network in respect of the 2016/17 programme.

13. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	374	17,272
Taxation and social security	8,519	6,490
Accruals and deferred income	90,773	75,840
	<u>99,666</u>	<u>99,602</u>

13. Creditors: amounts falling due within one year (continued)

Included with accruals and deferred income is deferred income as set out below. The amounts deferred related to contributions from sponsors where they have been received in advance for the next financial year.

	2016 £
Deferred income brought forward at 6 April 2015	40,000
Additional income deferred in year	40,000
Deferred income released in year	(40,000)
Deferred income carried forward at 5 April 2016	40,000

14. Designated funds

The Charity includes the following designated fund which has been set aside out of unrestricted funds by the trustees for a specific purpose.

	Balance at 6 April 2015 £	New Designations £	Utilised £	Balance at 5 April 2016 £
Designated fund – 2014/15 training programme	46,111	—	(46,111)	—
Designated fund – 2015/16 training programme	—	49,177	—	49,177
Total	46,111	49,177	(46,111)	49,177

The designation above relates to monies set aside to complete the training programme for 2015/16 candidates that is still ongoing at the period end.

15. Analysis of net assets between funds

Fund balances at 5 April 2016 are represented by:

	General fund £	Designated fund £	Total 5 April 2016 £
Tangible Fixed Assets	2,630	—	2,630
Current Assets	174,158	49,177	223,335
Creditors amounts falling due within one year	(99,666)	—	(99,666)
Total net assets	77,122	49,177	126,299

16. Leasing commitments

At 5 April 2016, the charity had the following future minimum commitments in respect to non-cancellable operating leases:

	Land and buildings	
	2016	2015
	£	£
Operating leases: payment due within one year	1,998	1,250

17. Related party transactions

During the year the charity received donations of £32,500 (2015 - £27,500) from trustees.

There were no other related party transactions which required disclosure (2015 - none).



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