

Registered number: 01355222
Charity number: 275489

Bootstrap Company Limited
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 March 2020



Bootstrap Company Limited
(A company limited by guarantee)

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Bootstrap Company Limited
(A company limited by guarantee)

Reference and administrative details of the Company, its Trustees and advisers
For the year ended 31 March 2020

Trustees	Sarah Cary, Chair Ross Mitchell (resigned 29 April 2020) Clarisse Simonek Denis King Jordan Bookman Tamsin Chislett (resigned 14 December 2020) Patrizia Canziani (appointed 28 September 2020) Andrew Catcheside (appointed 28 September 2020) Michael Delfs (appointed 10 July 2019) Symone Krimowa (appointed 2 February 2021) Stewart Whiting (appointed 2 February 2021)
Company registered number	01355222
Charity registered number	275489
Registered office	The Print House 18 Ashwin Street London E8 3DL

Bootstrap Company Limited
(A company limited by guarantee)

Trustees' report
For the year ended 31 March 2020

The Trustees present their annual report together with the audited financial statements of the Company for the 1 April 2019 to 31 March 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the Group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

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

Bootstrap is a charity based in Hackney and is committed to alleviating poverty. Bootstrap provides workspace and support for local start ups, social enterprises, charities, and businesses, and promotes employability and entrepreneurship as a way to challenge poverty.

Over time the activities grew to include the provision of managed workspace across 3 buildings and 60,000 sq. ft. that is home to 150 businesses. The Bootstrap charitable objects are: "To advance education and to relieve poverty." Our mission is:

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

Aim 2: To support for socially committed tenants to grow into sustainable businesses that are committed to responsible business.

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

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

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

1. Lettings
2. Events
3. Charitable Purpose

b. Policies and objectives (continued)

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

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Bootstrap Company Limited
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Trustees' report (continued)
For the year ended 31 March 2020

Objectives and activities (continued)

c. Review of 2019/20

Bootstrap made considerable ground in building its core lettings business. Over the financial year, we moved from c 75% occupancy to close to full occupancy. This allowed the business to begin to stabilise and bring in new tenants that are committed to supporting the organisation's charitable aims.

d. Enterprise Bootcamp and Bootcamp Live

The Bootstrap Campus project provides support for local unemployed 18 to 25 year olds to transition into work or startup businesses, by giving them opportunities to develop their skills, experience and professional networks. We ran two programmes Enterprise Bootcamp and Bootcamp Live, which supported over 100 people.

e. Bootstrap Trading Company Limited

All noncharitable trading is carried out through the wholly owned subsidiary Bootstrap Trading Company Limited. It donated 100% of its profits to the charity under Gift Aid. This entity runs our events business at Dalston Roof Park.

Financial review

a. Going concern

The accounts show that, during the year to 31 March 2020, the Charity's expenditure exceeded its income.

The impact of Covid-19 has had an adverse effect on operations and likely to over the year. Under the emerging lockdown restrictions, many tenants have been unable to use the Charity's premises. While the majority of tenants have continued to pay their rent on time and in full, there have been a number that have agreed delayed payment terms or started to terminate their tenancies. This has resulted in a drop in cash received, and a delay in paying creditors – primarily HMRC and Hackney Council.

The Charity is managing its operations and trade creditors in such a way that it does not foresee legal actions or statutory demands. HMRC and Hackney Council are likely to be the Charity's two major creditors. Given the current economic climate with respect to Covid-19 and the nature of our relationships, business, and our financial forecast the Charity is confident they will be receptive to a managed approach to repayment.

Over the next twelve months the Charity will reduce its operational costs and reorganise its tenancy profile, two changes that should leave the Charity's operational finances in a stronger position post-Covid-19. The Trustees have entered into discussions with the Charity's bankers regarding additional loans and have prepared financial forecasts for the period to March 2022, which will be scrutinised by the bank's advisors. Additionally, the Charity maintains a positive asset value and as a last line of defense could dispose of its property assets in order to release cash to meet its obligations, although this is not anticipated to be required.

The above have led the Trustees to conclude that, with new tenancies being signed, and late payments being received, it would be appropriate to prepare the accounts on a going concern basis.

b. Reserves policy

As at 31 March 2020, the Charity held no free reserves. There was no change to reserves policy stated in the previous year, which was that the board decided to take a measured approach to building reserves balancing the commitment of investment to maximising social impact. Because there was a deficit in the year, the negative reserves have not improved but projections indicate that the charity will be making a surplus in the medium term. The Reserves Policy will be reviewed in the coming months.

Bootstrap Company Limited
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Trustees' report (continued)
For the year ended 31 March 2020

Strategic report (continued)

Financial review (continued)

c. Transactions and Financial Position

The Statement of Financial Activities shows net expenditure for the year of £305,149 (2019: £413,491).

Occupancy rates increased this year, and therefore rental income increased to £1,619,660 (2019: £1,461,815).

Consolidated net assets at the year-end stand at £1,240,364 (2019: £1,545,513), including £3,547,312 tangible fixed assets (2019: £3,528,857). A majority of the expenditure is spent on property leasehold costs and managing and refurbishing the rental properties alongside servicing the company's borrowing.

Structure, governance and management

a. Constitution

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

b. Methods of appointment or election of Trustees

The trustees who served throughout the year are listed on page 1. Board meetings were held four times a year.

The existing trustee board takes responsibility to recruit and appoint new trustees. Prospective trustees are invited to observe several board meetings before joining the board and an induction pack exists for new trustees.

c. Organisational Structure

Bootstrap's services are delivered by a combination of paid staff supported by specialist contractors and volunteers. The staff team at the end of 2019/20 numbered 15 full time employees.

d. Pay policy for key management personnel

The directors, who are the Trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year. The pay of the senior staff is reviewed periodically (normally every three years) and normally increased in accordance with average earnings based on the financial position of the charity. In view of the nature of the charity, the directors benchmark against pay levels in other charities of a similar size.

Bootstrap Company Limited
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Trustees' report (continued)
For the year ended 31 March 2020

Structure, governance and management (continued)

e. Risk Management

Trustees have reviewed and identified the following key risks, and potential mitigation. The obvious risk is Covid 19.

Bootstrap made a conscious decision to support our business community of tenants and charities when Covid hit. We communicated to tenants that we would offer rent holidays and reductions, and be gracious in how we expect them to pay their accrued debt to us. Bootstrap has therefore taken the short term 'pain' to ensure that our tenants can stay with us and continue to contribute and support the local community and economy. There were invariably losses however.

Fall in income - Tenants left, and those that stayed could not pay their rent in full. This resulted in an obvious fall in income. The furlough scheme, and support from Hackney Council (one of our landlords) has helped us address this to some extent. We also put in place cost cutting measures, and focused on retaining existing and recruiting new tenants.

Debtors and cash recovery – In supporting tenants to stay with us, tenants owe us a considerable sum in unpaid rent. Where possible, we have tried to structure long term repayment plans for these tenants (over 2 to 3 years if needed). This does not address the short term risk to cash, but it provides stability for the future.

Trading Business – We had to shut our trading business, and could only reopen our roof park for 2 months in 2020. We addressed this risk by cutting costs (staff and contracts), and prepare for any opportunities to open in the future.

Charity tenants – We have 10 charity tenants. Our subsidy to them has doubled, out of necessity, over the Covid period, and will probably rise again. We took this decision to enable them to stay in Dalston through Covid. They are an important part of our culture, and reflect our practical and qualifiable commitment to social justice, and to Dalston's residents.

Charitable activity – We depend on our tenants to educate and mentor young people. The loss of tenants and the introduction of social distancing made our work difficult. We have taken the time to prepare new and returning tenants to begin work again in 2021.

Creditors – We have managed to sustain the business and pay trade creditors and landlords. We still owe HMRC however. We will identify sources of finance to make provision for this liability, and discuss with HMRC options to repay.

The charity Trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks.

f. Fund raising

The charitable company did not partake in charitable fundraising activities.

Bootstrap Company Limited
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Trustees' report (continued)
For the year ended 31 March 2020

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial . Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 31 March 2021 and signed on their behalf by:



Michael Delfs
Trustee

Bootstrap Company Limited
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Independent auditors' report to the Members of Bootstrap Company Limited

Opinion

We have audited the financial statements of Bootstrap Company Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. 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 of the parent charitable company's affairs as at 31 March 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements. The Group incurred a net loss of £305,149 during the year ended 31 March 2020 and, as of that date, the Group's current liabilities exceeded its current assets by £888,435. As stated in note 2.2, the company is in discussions with the Group's bankers regarding additional loans, and is also in discussions with other major creditors, indicating that a material uncertainty exists that may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Bootstrap Company Limited
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Independent auditors' report to the Members of Bootstrap Company Limited (continued)

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 Auditors' 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 matters 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable 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' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Bootstrap Company Limited
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Independent auditors' report to the Members of Bootstrap Company Limited (continued)

Responsibilities of trustees

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

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

Auditors' 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

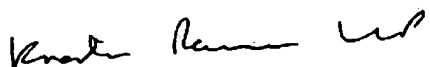
Bootstrap Company Limited
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Independent auditors' report to the Members of Bootstrap Company Limited (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
London

1 June 2021

Bootstrap Company Limited
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	3	4,033	4,033	1,407
Charitable activities	4	1,619,660	1,619,660	1,461,815
Other trading activities	5	531,787	531,787	420,952
Bank interest	6	5	5	-
Total income		2,155,485	2,155,485	1,884,174
Expenditure on:				
Raising funds		491,033	491,033	396,517
Charitable activities	7	1,969,601	1,969,601	1,898,994
Total expenditure		2,460,634	2,460,634	2,295,511
Net expenditure before taxation		(305,149)	(305,149)	(411,337)
Taxation		-	-	(2,154)
Net movement in funds before other recognised gains		(305,149)	(305,149)	(413,491)
Net movement in funds		(305,149)	(305,149)	(413,491)
Reconciliation of funds:				
Total funds brought forward		1,545,513	1,545,513	1,959,004
Net movement in funds		(305,149)	(305,149)	(413,491)
Total funds carried forward		1,240,364	1,240,364	1,545,513

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 17 to 34 form part of these financial statements.

Bootstrap Company Limited
(A company limited by guarantee)
Registered number: 01355222

Consolidated balance sheet
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	11	9,669	-
Tangible assets	12	3,537,643	3,528,857
		<u>3,547,312</u>	<u>3,528,857</u>
Current assets			
Debtors	14	289,818	249,803
Cash at bank and in hand		534	15,456
		<u>290,352</u>	<u>265,259</u>
Creditors: amounts falling due within one year	15	(1,178,787)	(783,360)
Net current liabilities		<u>(888,435)</u>	<u>(518,101)</u>
Total assets less current liabilities		<u>2,658,877</u>	<u>3,010,756</u>
Creditors: amounts falling due after more than one year	16	(1,418,513)	(1,465,243)
Total net assets		<u><u>1,240,364</u></u>	<u><u>1,545,513</u></u>
Charity funds			
Restricted funds	18	-	-
Unrestricted funds			
Revaluation reserve	18	1,589,178	1,614,487
Capital funds	18	601,701	609,656
General funds	18	(950,515)	(678,630)
Total unrestricted funds	18	<u>1,240,364</u>	<u>1,545,513</u>
Total funds		<u><u>1,240,364</u></u>	<u><u>1,545,513</u></u>

Bootstrap Company Limited
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Consolidated balance sheet (continued)
As at 31 March 2020

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 31 March 2021 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Michael Delfs', with a stylized flourish at the end.

Michael Delfs
Trustee

The notes on pages 17 to 34 form part of these financial statements.

Bootstrap Company Limited
(A company limited by guarantee)
Registered number: 01355222

Company Statement of financial position
As at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	11	9,669	-
Tangible assets	12	3,537,643	3,528,857
Investments	13	10	10
		<u>3,547,322</u>	<u>3,528,867</u>
Current assets			
Debtors	14	284,461	269,151
Cash at bank and in hand		24	14,533
		<u>284,485</u>	<u>283,684</u>
Creditors: amounts falling due within one year	15	(1,197,278)	(798,886)
Net current liabilities		<u>(912,793)</u>	<u>(515,202)</u>
Total assets less current liabilities		<u>2,634,529</u>	<u>3,013,665</u>
Creditors: amounts falling due after more than one year	16	(1,418,513)	(1,465,243)
Total net assets		<u>1,216,016</u>	<u>1,548,422</u>
Charity funds			
Restricted funds	18	-	-
Unrestricted funds			
Revaluation reserve	18	1,589,178	1,614,487
Capital funds	18	601,701	609,656
General funds	18	(974,863)	(675,721)
Total unrestricted funds	18	<u>1,216,016</u>	<u>1,548,422</u>
Total funds		<u>1,216,016</u>	<u>1,548,422</u>

The Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

Bootstrap Company Limited
(A company limited by guarantee)

Company Statement of financial position (continued)
As at 31 March 2020

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

The financial statements were approved and authorised for issue by the Trustees on 31 March 2021 and signed on their behalf by:



Michael Delfs
Trustee

The notes on pages 17 to 34 form part of these financial statements.

Bootstrap Company Limited
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Consolidated statement of cash flows
For the year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash used in operating activities	45,600	(468,559)
Cash flows from investing activities		
Dividends, interests and rents from investments	5	-
Purchase of intangible assets	(8,636)	-
Purchase of tangible fixed assets	(121,816)	(134,835)
Net cash used in investing activities	(130,447)	(134,835)
Cash flows from financing activities		
Cash inflows from new borrowing	-	574,000
Repayments of borrowing	59,851	(122,554)
Net cash provided by financing activities	59,851	451,446
Change in cash and cash equivalents in the year	(24,996)	(151,948)
Cash and cash equivalents at the beginning of the year	15,456	167,404
Cash and cash equivalents at the end of the year	(9,540)	15,456

The notes on pages 17 to 34 form part of these financial statements

Bootstrap Company Limited
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Notes to the financial statements
For the year ended 31 March 2020

1. General information

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Company has elected to apply all amendments to FRS 102, as set out in the Financial Reporting Council's triennial review published in December 2017, and included in Update Bulletin 2 to the Charities SORP (FRS 102), prior to mandatory adoption for accounting periods beginning on or after 1 January 2019.

Bootstrap Company Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Bootstrap Company Limited
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Notes to the financial statements
For the year ended 31 March 2020

2. Accounting policies (continued)

2.2 Going concern

The accounts show that, during the year to 31 March 2020, the Charity's expenditure exceeded its income.

The impact of Covid-19 has had an adverse effect on operations and likely to over the year. Under the emerging lockdown restrictions, many tenants have been unable to use the Charity's premises. While the majority of tenants have continued to pay their rent on time and in full, there have been a number that have agreed delayed payment terms or started to terminate their tenancies. This has resulted in a drop in cash received, and a delay in paying creditors – primarily HMRC and Hackney Council.

The Charity is managing its operations and trade creditors in such a way that it does not foresee legal actions or statutory demands. HMRC and Hackney Council are likely to be the Charity's two major creditors. Given the current economic climate with respect to Covid-19 and the nature of our relationships, business, and our financial forecast the Charity is confident they will be receptive to a managed approach to repayment.

Over the next twelve months the Charity will reduce its operational costs and reorganise its tenancy profile, two changes that should leave the Charity's operational finances in a stronger position post-Covid-19. The Trustees have entered into discussions with the Charity's bankers regarding additional loans and have prepared financial forecasts for the period to March 2022, which will be scrutinised by the bank's advisors. Additionally, the Charity maintains a positive asset value and as a last line of defense could dispose of its property assets in order to release cash to meet its obligations, although this is not anticipated to be required.

The above have led the Trustees to conclude that, with new tenancies being signed, and late payments being received, it would be appropriate to prepare the accounts on a going concern basis.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

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Notes to the financial statements
For the year ended 31 March 2020

2. Accounting policies (continued)

2.4 Expenditure (continued)

All expenditure is inclusive of irrecoverable VAT.

2.5 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Consolidated statement of financial activities.

2.6 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Intangible assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Website costs are amortised on a straight-line basis over 5 years.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £750 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Long-term leasehold property	Over the period of the lease
Plant and machinery	- 15 years
Fixtures and fittings	- 5 years

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Notes to the financial statements
For the year ended 31 March 2020

2. Accounting policies (continued)

2.9 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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Notes to the financial statements
For the year ended 31 March 2020

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	1,533	1,533	732
Grants	2,500	2,500	675
	<u>4,033</u>	<u>4,033</u>	<u>1,407</u>

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rental income	1,619,660	1,619,660	1,461,815

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Sales at public events	522,033	522,033	416,035
Other income	9,754	9,754	4,917
	<u>531,787</u>	<u>531,787</u>	<u>420,952</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £
Interest receivable	5	5

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Notes to the financial statements
For the year ended 31 March 2020

7. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Expenditure	-	1,068,025	1,068,025
Charitable activities	901,576	-	901,576
	<u>901,576</u>	<u>1,068,025</u>	<u>1,969,601</u>

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Expenditure	-	967,488	967,488
Charitable activities	931,506	-	931,506
	<u>931,506</u>	<u>967,488</u>	<u>1,898,994</u>

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
Insurance premiums	56,584	52,355
Rent, rates and service charges	680,454	739,364
Light and heat	98,543	65,384
Security costs	57,347	52,026
Bootstrap Campus cost	8,648	18,610
Other activity cost	-	3,767
	<u>901,576</u>	<u>931,506</u>

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Notes to the financial statements
For the year ended 31 March 2020

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	627,927	575,242
Accountancy fees	-	16,811
Professional fees	27,137	18,252
Advertising	1,853	3,039
Bad debts	69,532	15,497
Cleaning costs	25,200	47,928
Other staff costs	26,439	34,512
Bank charges	2,487	11,064
Interest and bank loan charges	74,921	49,795
Repair and maintenance	40,833	61,033
Stationery, printing and postage	12,772	6,648
Other office expenses	18,245	3,355
VAT disallowed under partial exemption	4,298	28,856
Depreciation	111,454	77,485
Governance costs	24,927	17,971
	1,068,025	967,488

8. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4,650	4,750
Fees payable to the Company's auditor in respect of: All non-audit services not included above	1,000	1,300

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Notes to the financial statements
For the year ended 31 March 2020

9. Staff costs

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	728,114	630,202	546,915	515,832
Social security costs	63,572	54,112	63,572	48,367
Contribution to defined contribution pension schemes	17,440	11,043	17,440	11,043
	809,126	695,357	627,927	575,242

The average number of persons employed by the Company during the year was as follows:

	Group 2020 No.	Group 2019 No.
Staff	26	20

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel received a combined salary of £230,987 (2019: £188,626).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2019 - £NIL).

During the year ended 31 March 2020, no Trustee expenses have been incurred (2019 - £NIL).

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Notes to the financial statements
For the year ended 31 March 2020

11. Intangible assets

Group and Company

	Website costs £
Cost	
Additions	8,636
Transferred from tangible fixed assets	2,739
	<hr/>
At 31 March 2020	11,375
	<hr/>
Amortisation	
Charge for the year	1,706
	<hr/>
At 31 March 2020	1,706
	<hr/>
Net book value	
At 31 March 2020	9,669
	<hr/>
At 31 March 2019	-
	<hr/>

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Notes to the financial statements
For the year ended 31 March 2020

12. Tangible fixed assets

Group and Company

	Long-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 April 2019	4,035,351	195,658	113,711	4,344,720
Additions	-	3,360	118,456	121,816
Transferred to intangible assets	-	-	(2,739)	(2,739)
At 31 March 2020	4,035,351	199,018	229,428	4,463,797
Depreciation				
At 1 April 2019	648,871	163,253	3,739	815,863
Charge for the year	60,868	13,733	35,690	110,291
At 31 March 2020	709,739	176,986	39,429	926,154
Net book value				
At 31 March 2020	3,325,612	22,032	189,999	3,537,643
At 31 March 2019	3,386,480	32,405	109,972	3,528,857

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Notes to the financial statements
For the year ended 31 March 2020

13. Fixed asset investments

Company	Investments in subsidiary companies £
Cost	
At 1 April 2019	10
At 31 March 2020	10
Net book value	
At 31 March 2020	10
At 31 March 2019	10

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

Name	Company number	Registered office or principal place of business	
The Bootstrap Trading Company Limited	07952747	18 Ashwin Street, London, E8 3DL	
Principal activity	Class of shares	Holding	Included in consolidation
Operating a bar and event hire facilities	Ordinary	100%	Yes

The financial results of the subsidiary for the period were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
The Bootstrap Trading Company Limited	531,787	515,869	15,918	24,358

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For the year ended 31 March 2020

14. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	121,797	49,947	121,732	46,705
Other debtors	11,235	22,944	6,303	21,690
Prepayments and accrued income	156,786	176,912	156,426	200,756
	289,818	249,803	284,461	269,151

15. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank overdrafts	10,074	-	10,074	-
Bank loans	269,119	162,538	269,119	162,538
Trade creditors	362,786	344,118	345,141	341,025
Amounts owed to group undertakings	-	-	52,740	32,734
Corporation tax	-	2,154	-	-
Other taxation and social security	210,431	83,159	199,468	83,159
Other creditors	154,277	165,403	152,786	164,534
Accruals and deferred income	172,100	25,988	167,950	14,896
	1,178,787	783,360	1,197,278	798,886

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Notes to the financial statements
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16. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans	1,418,513	1,465,243	1,418,513	1,465,243

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Payable or repayable by instalments	728,761	771,254	728,761	771,254
	728,761	771,254	728,761	771,254

The bank loans included in note 15 and 16 are secured by a legal mortgage over the leasehold property, The Print House, and by fixed and floating charges against all the assets of the company.

17. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	138,350	72,891	132,993	93,753
	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial liabilities				
Financial liabilities measured at amortised cost	(2,386,869)	(2,159,040)	(2,404,984)	(2,184,468)

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank overdraft, bank loans, trade creditors, amounts owed to group undertakings, other taxation and social security, other creditors, accruals and deferred income.

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Notes to the financial statements
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18. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2020 £
Unrestricted funds					
Revaluation reserve	1,614,487	-	-	(25,309)	1,589,178
Capital funds	609,656	-	-	(7,955)	601,701
	<u>2,224,143</u>	<u>-</u>	<u>-</u>	<u>(33,264)</u>	<u>2,190,879</u>
General funds					
General funds	(678,630)	2,155,485	(2,460,634)	33,264	(950,515)
Total Unrestricted funds	<u>1,545,513</u>	<u>2,155,485</u>	<u>(2,460,634)</u>	<u>-</u>	<u>1,240,364</u>

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Notes to the financial statements
For the year ended 31 March 2020

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2018 £	Income £	Expenditure £	Taxation £	Transfers in/out £	Balance at 31 March 2019 £
Unrestricted funds						
Unrestricted capital funds						
Revaluation reserve	1,639,796	-	-	-	(25,309)	1,614,487
Capital funds	617,611	-	-	-	(7,955)	609,656
	<u>2,257,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,264)</u>	<u>2,224,143</u>
General funds						
General funds	(317,013)	1,883,499	(2,276,901)	(2,154)	33,264	(679,305)
Total Unrestricted funds, before share of net income from	<u>1,940,394</u>	<u>1,883,499</u>	<u>(2,276,901)</u>	<u>(2,154)</u>	<u>-</u>	<u>1,544,838</u>
Grant income		675				675
Total		<u>1,884,174</u>				<u>1,545,513</u>
Restricted funds						
RBS opportunity and skills grant	18,610	-	(18,610)	-	-	-
Total of funds	<u>1,959,004</u>	<u>1,884,174</u>	<u>(2,295,511)</u>	<u>(2,154)</u>	<u>-</u>	<u>1,545,513</u>

RBS opportunity and skills grant

RBS awarded a restricted grant to deliver the 'Enterprise Bootcamp' programme to 60 beneficiaries for an 18 month period from 18 December 2017. In year 2017/18, the conditions attached to the grant of £10,000 were fulfilled and RBS released this amount to the Charity. This grant was fully utilised.

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Notes to the financial statements
For the year ended 31 March 2020

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	3,537,643	3,537,643
Intangible fixed assets	9,669	9,669
Current assets	290,352	290,352
Creditors due within one year	(1,178,787)	(1,178,787)
Creditors due in more than one year	(1,418,513)	(1,418,513)
Total	1,240,364	1,240,364

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	3,528,857	3,528,857
Current assets	265,259	265,259
Creditors due within one year	(783,360)	(783,360)
Creditors due in more than one year	(1,465,243)	(1,465,243)
Total	1,545,513	1,545,513

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Notes to the financial statements
For the year ended 31 March 2020

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net expenditure for the period (as per Statement of Financial Activities)	(305,149)	(413,491)
Adjustments for:		
Depreciation charges	110,291	77,487
Amortisation charges	1,706	-
Dividends, interests and rents from investments	(5)	-
Decrease/(increase) in debtors	(40,015)	59,700
Increase/(decrease) in creditors	278,772	(192,255)
Net cash provided by/(used in) operating activities	45,600	(468,559)

21. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	534	15,456
Overdraft facility repayable on demand	(10,074)	-
Total cash and cash equivalents	(9,540)	15,456

22. Analysis of changes in net debt

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	15,456	(14,922)	534
Bank overdrafts repayable on demand	-	(10,074)	(10,074)
Debt due within 1 year	(162,538)	(106,581)	(269,119)
Debt due after 1 year	(1,465,243)	46,730	(1,418,513)
	(1,612,325)	(84,847)	(1,697,172)

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23. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £2,674 (2019: £4,129) were payable to the fund at the balance sheet date and are included in creditors.

24. Operating lease commitments

At 31 March 2020 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	Group 2019 £
Not later than 1 year	601,220	601,220
Later than 1 year and not later than 5 years	2,397,116	2,400,336
Later than 5 years	3,806,750	4,404,750
	<u>6,805,086</u>	<u>7,406,306</u>

25. Related party transactions

The company has taken advantage of the exemption conferred by Section 33.1A of FRS 102 not to disclose transactions between other members of the group.

There were no other related party transactions during the financial year (2019: none).

26. Post balance sheet events

On 30 January, the World Health Organisation (WHO) announced Coronavirus as a global health emergency. On 11 March 2020, it announced that Coronavirus was a global pandemic. The Trustees have considered the on-going impact of the Covid-19 global pandemic and consider this to have a significant impact on the entity.