

LAUNCHPAD READING
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

Trustees

Suzanne Stallard, Chair
Ian Haslam, Vice Chair
Sean Sutcliffe, Vice Chair
Carlos Terolmarrero (appointed 22 November 2018, resigned 21 November 2019)
Hannah Powell
Helen Waring
Manjula Phadnis (appointed 12 September 2019)
Matt Andrews
Philip Jones
Roger Chester (resigned 22 November 2018)
Victoria Oakes (resigned 28 January 2019)
William Montague

Company registered number

1459149

Charity registered number

279859

Registered office

The Stables, 1a Merchants Place, Reading, RG1 1DT

Company secretary

Ian Caren

Chief executive officer

Ian Caren

Independent auditors

James Cowper Kreston, Reading Bridge House, George Street, Reading, Berkshire, RG1 8LS

Bankers

Barclays Bank Plc, Apex Plaza, Reading, RG1 1AX

Triodos Bank, Deanery Road, Bristol, BS1 5AS

Metro Bank, 201 Broad Street Mall, Reading, RG1 7QA

Solicitors

Field Seymour Parkes, The Old Coroners Court, No 1 London Street, Reading, Berkshire, RG1 4QW

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2018 to 31 March 2019. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the 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 (FRS 102) (effective 1 January 2015).

Since the Charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

MISSION, VISION AND VALUES

Our Vision

Launchpad Reading wants everyone in Reading to have their own home and the opportunity for a positive future.

Our Mission

Our mission is to house, support and empower vulnerable people to transform their lives and fulfil their potential.

Our Values

We are committed to the following values:

- **RESPECT:** We respect the unique worth of every individual
- **EMPOWER:** Everyone has the opportunity to help others fulfil their potential
- **INTEGRITY:** We are open, consistent and accountable
- **INFLUENCE:** We use our skills and knowledge to encourage change and innovation

Every person who turns to us for help is different, facing unique challenges. We provide support on an individual basis, always considering the best way to help in each situation. These are the tangible things we do to help people in Reading:

- Provide decent, safe accommodation
- Provide high quality, individually tailored support
- Help people become more active in their local community
- Raise awareness of homelessness in Reading
- Work productively with other local agencies and organisations

Our Services

Launchpad is Reading's leading homelessness prevention charity, providing vital information and support for individuals, couples and families who don't have a stable place to live or are at risk of losing their home.

We deliver 3 key services:

1. **Preventing homelessness** - Launchpad works in a number of ways to prevent homelessness in Reading.

Our **drop-in service** offers specialist information and support for anyone at risk of losing their home. Our **floating support service** provides tailored support for 3 to 6 months for people at risk of losing their home because of issues such as addiction, debt management, poor mental health or hoarding. A specialist solicitor provides housing and homelessness-related **legal advice** and we employ a **MEAM (Make Every Adult Matter) Coordinator** to ensure people with complex issues receive integrated support from all agencies across the town. During periods of extreme cold, we provide volunteers, emergency bedding, toiletries and food as part of Reading's **Severe Weather Emergency Provision** to

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

support the town's rough sleepers.

2. **Providing homes** - Launchpad aims to break the cycle of homelessness by providing both temporary and long-term homes.

Our **supported housing service** provides temporary accommodation across Reading for up to 100 people who are homeless or at risk of becoming homeless, and combines this with individual, targeted support to get residents' lives back on track. Each client is supported for 6 to 12 months with a personalised support plan to tackle the issues that are holding them back. We also provide **long-term homes** for 10 single people and 2 families to provide affordable and sustainable accommodation for those in housing need.

3. **Rebuilding lives** – We know it takes more than just a home to help people move out of homelessness. We support people to tackle their issues and rebuild their lives through therapeutic activities and support with education, training and employment (ETE).

Our **wellbeing programme** is open to all clients and offers a wide range of therapeutic and life-skills activities and workshops, including gardening, relaxation and yoga, arts and crafts, art therapy, counselling, budgeting and creative writing. Our **ETE service** supports clients with numeracy and literacy, IT skills, CV writing and interview skills, job searching and offers a variety of online learning opportunities such as touch typing, food hygiene and construction skills certificates. We also coordinate the distribution of **The Big Issue** in Reading, recruiting and training vendors, monitoring pitches and managing the income from weekly sales.

Our Impact

In 2018/19 Launchpad helped 1,407 cases. This is 112 (9%) more than the previous year and almost double the total cases in 2015/16 (712).

The statistics:

- 868 people used Launchpad's drop-in service to resolve a housing issue
- 314 households were helped by our floating support service
- 189 people were supported by our supported housing team
- 7 people were housed in our long-term homes
- 31 people benefitted from our Horticulture and Healthy Living project

The 39% increase in the number of people using our drop in service over the year shows a clear and growing need for Launchpad's support. It also highlights the continuing high levels of housing insecurity in Reading. The reduction in the number of people helped by our floating support and supported housing services over the year reflects changes to the contracts awarded by Reading Borough Council to deliver these core services.

Over the year, we continued to expand our rebuilding lives activities with funding from a number of charitable grants, which enabled:

- 102 people to receive education, training and employment support
- 99 people to take part in at least one wellbeing activity to build confidence, self-esteem and motivation
- 41 people to receive specialist counselling support

Over the year, 63% of the people using Launchpad's core services were men, compared to 37% women. 14% were aged 25 years or under; 67% were 26 to 54 years and 19% were aged 55 years and above.

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TRUSTEES' REPORT (continued)
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ACHIEVEMENTS

In 2018/19 Launchpad's service delivery achievements included:

Preventing homelessness

- Drop-in – 868 people used our drop-in service. This is available to anyone in housing need or with a housing issue that needs to be resolved. Over the year, this included people seeking help with Universal Credit, landlord disputes, registering as homeless and facing eviction. This service, run with the support of a dedicated team of volunteers, helps people resolve their housing crisis, feel supported and better informed and signposts them to local support agencies.

Angela arrived at Launchpad's drop-in service with a carrier bag full of bills. Her benefits had been recently cut, the bailiffs were at her door, her health was suffering and she was about to lose her home because of rent arrears that were mounting monthly. On top of this, she had an amphetamine addiction she had hidden for over 40 years. Launchpad's staff contacted the bailiffs and her landlord to hold off the eviction while finding Angela support for her debts and addiction. Still in her home Angela is now managing her addiction and is slowly repaying her debts through a monthly repayment plan. "Launchpad saved my life and that is the only way I can express how I feel" said Angela.

- Floating support – 314 single people and families received support from Launchpad's floating support service. It provides tailored support for 3 to 6 months for people at risk of losing their home because of an issue such as debt, hoarding, poor mental health or addiction; or to those requiring support to settle into new accommodation to enable them to sustain their new tenancy.
- Legal advice – This new project started in September 2018 in response to the increasingly complex issues being presented at Launchpad's drop in service. Working in partnership with Oxford-based law firm Turpin and Miller LLP, we jointly fund access to a solicitor. They work in our office and provide crucial housing and homelessness-related legal advice – and often take legal action on behalf of people who are at risk of losing their home or who don't have a place to live. The solicitor works with our clients to ensure they are treated lawfully by landlords, housing associations and other agencies across Reading by educating people who come to us for support on their legal rights, helping them navigate complicated legal proceedings and acting as an advocate when they are too vulnerable to use their voice. In 2018/19 this new service helped 70 clients.

Providing homes

- Supported housing – In 2018/19, 189 single people were housed and supported by our supported housing service. Each client was provided with a place to live in one of Launchpad's properties and supported over 6 to 12 months by one of our support staff to help them prepare for a planned and positive move on to a tenancy they can sustain. Our work with local partner agencies and community groups ensured clients received wrap-around support and the best opportunity to rebuild their lives and move out of homelessness.

Before being referred to Launchpad, Steph's life had been a never ending round of sofa surfing, criminality to fuel an addiction and spells in prison. She was desperate to change and to move on with her life. Steph is now living in one of our flats and is receiving support from one of our support workers. For the first time in her life, she has a place to call her own. She no longer takes drugs and has discovered a love of cooking, which we are encouraging by funding her travel to a local cookery course.

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- New long term homes - In February, Launchpad opened five new one bedroom flats to increase the number of affordable homes available for people with a history of homelessness or in housing need. Combined with Launchpad's other long-term homes, we are now able to provide stable and permanent homes for 10 single people and 2 single-parent families in Reading. The new flats were the culmination of a 4 year project that received support from across the Reading community. Launchpad is committed to increasing the availability of affordable housing in Reading and continues to seek other opportunities to increase its housing stock.

Rebuilding lives

- Improving Life Chances: Moving on from Homelessness – Now in its final year of funding from The Community Fund (formerly the Big Lottery Fund's Reaching Communities Fund), this project continued to improve the life chances of people housed and supported by Launchpad. In 2018/19, 201 people were supported through a variety of activities to build confidence, improve self-esteem and self-awareness and to help people on the road to education, training and employment.

Isabella is in her 40s and had spent many years working in the catering industry, including in a Michelin-starred restaurant. But she had recently lost her job and was struggling to pay her rent. She came to Launchpad frightened that she was about to be homeless. Isabella was given practical help to improve her CV and apply for jobs online. Within a few weeks she'd found a new job! Now able to pay her bills, she was no longer at risk of losing her home.

- Horticulture and healthy living project – During the year, funding for this project came to an end. However, Launchpad has retained its allotment and will continue to use it to deliver horticulture therapy and access to gardening and the outdoors. 31 Launchpad clients and 49 people from other charities in Reading were supported through this project.
- Volunteering programme – Launchpad now has a team of 130 active volunteers who provided 7,000+ hours of volunteer support over the year, 85% of which were client-facing. The volunteer team manage a wide range of volunteering roles including student placements and interns, ex-service user support, professional shadowing placements, bite-size volunteering and specific volunteering roles across front-line support, back-office support, the activities and ETE programmes and fundraising support. In 2018/19, more than 30 clients or former clients volunteered for Launchpad on a one-off or sustained basis, developing transferable skills and confidence in the process.
- New Reading Borough Council contracts – In September 2018, following a competitive tendering process, Reading Borough Council awarded floating support and working towards independence (supported housing) contracts to Launchpad, reflecting its confidence in our ability to transform lives and support people out of homelessness. These 5 year contracts will continue to form the core of Launchpad's services.
- Removals Project – Towards the end of the year we secured funding to enable our Removals Project to be re-established to provide a flexible and supportive service to our clients, as we help them to move into new accommodation.

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FUNDING

Contracts

Launchpad's core services are underpinned by income that comes through Reading Borough Council in the form of:

1. Housing benefit for the accommodation that we provide;
2. Contract income to provide a supported housing service for 100 people and a floating support (preventing homelessness) service to people housed in non-Launchpad accommodation.

The value of these contracts reduced, as has the timescale within which we are funded to work with each client within the term of the contracts. However, Launchpad is committed to providing a full range of holistic support for its clients and continues to enhance its core services by raising voluntary funds for therapeutic activities and an education, training and employment programme.

Fundraising

Annual events

During 2018/19 Launchpad ran a number of fundraising events that were supported by hundreds of local people and organisations, helping to raise more than £41,000. These included:

Big Sleep Out, which was attended by 95 people including the Mayor of Reading, raised more than £27,700.
Carols by Candlelight, which brought together a congregation of over 800 people to mark the start of the Christmas season, raised nearly £9,000.
Pancake Race, which saw 36 teams from local businesses compete on Broad Street, raised more than £4,500.

Runs and challenges

Launchpad also benefited from people taking part in a number of runs and challenges, including teams in both the Reading Half Marathon and Green Park Royal Berkshire 10k who raised more than £10,000 in sponsorship.

Community

We continued to receive tremendous support from local community organisations in 2018/19. A number of local schools supported us by running events, including sponsored silences and summer fetes, with three schools organising their own sleep outs. Choirs performed at Reading Station, collecting over £2,000 from commuters over 3 evenings and Launchpad was the beneficiary of a number of church appeals and concerts, including the annual St Thomas More appeal which raised almost £3,000.

Launchpad was voted as one of the Mayor of Reading's Charities of the Year. Cllr Debs Edwards spent 12 months raising almost £10,000 for her four local charities through a series of special events and campaigns. Launchpad received almost £2,500.

Individual giving

In 2018/19 regular donations were at an all-time high of £61,915, a 42% increase from the year before. Regular gifts are vital to Launchpad's work as they allow the charity to plan ahead and ensure funds are used effectively. A number of individual donors also supported the building of our five new homes with generous gifts totalling £165,000.

Corporate support

Launchpad continued to receive significant support from Reading's business community, raising £230,786 from its corporate supporters. We opened a second allotment in November 2018 to increase opportunities for employee volunteering and to provide fresh produce to our clients, local foodbanks and community fridges. five teams donated over 100 hours of volunteering to prepare and plant the allotment.

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THE FUTURE

In 2019/20 Launchpad aims to:

40th anniversary: Founded as a soup kitchen in November 1979, Launchpad is turning 40 this year. Launchpad will be celebrating the anniversary throughout 2019/20 with a range of activities, but the focus will be on using the birthday to raise £200,000 to fund Launchpad's work and life skills centre. The fundraising campaign will be launched in November 2019.

Open a work and life skills centre: By opening a purpose built, dedicated learning centre, we aim to increase the number of people we support to move out of homelessness. The new centre will offer both education, training and employment support, and a wide range of therapeutic activities to give our clients the very best chance of living full and independent lives. Facilities will include a training kitchen for cooking and barista courses; a DIY workshop and laundry area to learn how to maintain a home and practise self-care; an IT suite for job searching and online learning; a counselling service for talking therapies; and a space for creative writing, art, photography and wellbeing activities such as yoga and meditation. When fully open, we aim to help around 200 people a year. We hope the first clients will use the new centre in spring 2020.

Introduce a Financial Skills for Independence project: This new project will arm clients with life-changing financial management skills. It will provide information and support on topics such as debt management, budgeting and claiming benefits, and will teach clients how to avoid financial difficulties, manage their money, sustain a tenancy and remain independent.

Grow our housing stock: In line with our commitment to increasing the availability of affordable housing in Reading, we will continue to seek opportunities to acquire good quality, affordable housing in close reach of the town centre. Where possible, we will purchase our own property rather than lease so that we have certainty regarding future availability and cost of the properties that we use for our services.

Demonstrate the quality of our services: We will work towards achieving quality accreditation for our drop-in service as part of the Reading Advice Network.

Re-launch our Removals Project: Towards the end of the year, we secured funding to enable our Removals Project to be re-established to provide a flexible and supportive service to our clients as we help them to move into new accommodation.

Public Benefit

There are clear, identifiable benefits to the community from Launchpad's charitable activities. Launchpad offers good quality supported accommodation to those who are vulnerable and homeless in our society, and increases the opportunities for our service users to be reintegrated back into the community. The floating support service offers help to sustain tenancies and prevent homelessness to those in need in the greater Reading area.

Launchpad has a responsibility to act as a good neighbour and takes a responsible role in managing its properties in the community. Launchpad has excellent relationships with a number of local agencies including Thames Valley Police, Reading Borough Council, IRiS, National Probation Service and Thames Valley Community Rehabilitation Company.

The Trustees confirm that they have complied with the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit.

FINANCIAL REVIEW

Income & Expenditure

The principal funding sources for the charity during 2018-19 were:

- The rental income (comprising Housing Benefit and tenant charge element).
- Contract income to provide a supported housing service and a floating support (preventing homelessness) service to people housed in non-Launchpad accommodation.

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- Grants from Trusts and statutory bodies that fund the additional services and activities that help our clients to re-build their lives.
- Voluntary donations and income from fundraising activities.

Income decreased during the year, principally due to the changes in contractual arrangements with Reading Borough Council which resulted in a reduction in bed spaces and reduced contract fees from September 2018. The reduction in voluntary income primarily reflects a significant third party fundraising event held in 2017/18 which generated nearly £100k of income; as well as the end of the National Lottery funding for our Horticulture and Healthy Living Project, which accounts for nearly £40k of the decrease. Our ability to raise voluntary income is a key element of our future strategy.

Expenditure has also decreased, reflecting the reduction in staffing and property costs resulting from the contractual changes that came into effect during the year.

Through careful financial management and operation of our core services, Launchpad has been able to build up reserves sufficient for us to invest in increasing our property portfolio so that we are able to offer more affordable accommodation within Reading. At the year end, the Trustees committed £600k towards the purchase of a new property to replace a leased property. The new property was purchased in May 2019 and clients moved in during summer 2019.

In April 2018, Launchpad helped to secure its own future by buying the office premises which we previously leased. It is vital for Launchpad to be based in Reading town centre in order to be accessible to those in need of our support. By buying our own office space we are protected from the ever increasing cost of rent in Reading town centre and the threat of termination of lease. We have successfully let the surplus space within the building which is also generating an annual income which further underpins our financial security.

Reserves

The Board of Trustees has examined Launchpad's requirements for reserves in light of the main risks to the Charity. The Trustees have set a reserves policy which requires that Launchpad's reserves are maintained at a level which ensures that core activity could continue during a period of unforeseen difficulty, and a proportion of those reserves are held in a readily realisable form.

On this basis, the Trustees have identified the need for free unrestricted reserves of £540,000. The trustees also designate unrestricted funds for known or expected commitments such as those relating to property or project development.

Launchpad's reserves can be summarised as:

| | | |
|------------------------------|---|------------------|
| Total funds at 31 March 2019 | £ | 4,974,239 |
| less: Restricted funds | £ | 95,161 |
| less: Designated funds | £ | 858,000 |
| | £ | <u>4,021,078</u> |

However, at 31 March 2019, the value of functional fixed assets (primarily property used for core service provision) was £6,109,108 which means that Launchpad has no 'free reserves'. However, if both functional assets and long-term borrowing (of £2,353,190) which is primarily for property purchase and development are excluded; the picture is as follows:

| | | |
|-------------------------------------|---|----------------|
| Net current assets at 31 March 2019 | £ | 1,218,321 |
| less: Restricted funds | £ | 95,161 |
| less: Designated funds | £ | 858,000 |
| | £ | <u>265,160</u> |

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Included within designated funds is £600,000 towards the purchase of a new property. Where possible, Launchpad will buy property to replace leased premises as this provides security and improved cashflow in future. The purchase of this property has reduced the overall free reserves of the charity as short-term cash has been replaced with a long-term asset. However, The Trustees have made this decision in the long-term interests of the charity and have plans in place to re-build free reserves. The Trustees monitor the level of reserves as part of the management accounts reporting, and review the reserves policy and reserve requirements at least annually.

Investments

Aside from retaining a prudent amount in reserves each year, most of the charity's funds are to be spent in the short or medium term so there are no funds for long term investment. Funds held for longer than 12 months (medium term) are held in interest bearing deposit accounts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Structure

Launchpad Reading is a registered charity and is a company limited by guarantee incorporated on 5 November 1979. The Charity's governing instrument is its Memorandum and Articles of Association. Members have guaranteed contribution of £1 each in the event of the dissolution of the charity.

Recruitment and Appointment of Launchpad Trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association the members of Board of Trustees have to be elected by two thirds of the Board of Trustees. One third of members of the Board of Trustees are up for re-election each year.

Launchpad Reading focuses upon the needs of those people who are homeless or at risk of homelessness in Reading, and their needs for support and accommodation. The Board of Trustees seeks to ensure that the needs of this group are appropriately reflected through the diversity of the trustee body.

The charity seeks trustees who represent both the local community, have a housing background and the traditional skills needed for a small business. Launchpad Reading Board of Trustees currently has a broad base of business skills with a number of members who have a housing background.

Trustee Induction and Training

New trustees are invited and encouraged to attend a series of short meetings to familiarise themselves with the charity and the context within which it operates. These are led by the Chief Executive Officer and the management team of the charity and cover:

- The obligations of Trustees.
- The main documents, which set out the operational framework for the charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives as outlined in the latest Launchpad Business Plan.
- All new trustees will be given a copy of the last Annual Report and the latest financial statements.

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Organisational Structure

Launchpad Reading has a Board of Trustees with between six and fifteen members who meet quarterly and are responsible for the strategic direction and policy of the charity. A scheme of delegation is in place and day-to-day responsibility for the provision of the services rests with the Chief Executive Officer along with the Head of Operations, Finance Manager and the HR Manager.

Safeguarding

We take the safeguarding of our clients and staff very seriously. All staff and volunteers go through a robust recruitment process, which includes full referencing, and DBS checks if they are required for the role.

Our Code of Conduct clearly sets out expectations for professional boundaries and safeguarding. Safeguarding is part of our mandatory induction and training programmes for client-facing staff and volunteers. We also have a wide range of safeguarding policies and procedures.

Where safeguarding concerns do arise, we fully investigate and make reports to safeguarding teams in Reading Borough Council. We will also report to the Disclosure and Barring Service, where necessary. We have processes in place to ensure we continually learn and improve our practice in relation to safeguarding. Launchpad also have a whistleblowing policy, and anti-harassment and bullying policies.

Risk & Internal Control

The Board of Trustees oversee a review of the risks to which the charity is exposed, and these are recorded in a risk register. A risk assessment process and written evaluation has been established and is updated as required and reviewed at least annually. Where appropriate, systems and procedures have been established to mitigate the risks the charity faces.

Launchpad mitigates risk by taking a rigorous approach to policy development, implementation and enforcement in areas including safeguarding, vulnerable adults, data security, health and safety, employment, financial management and control, and fundraising. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects, and ensuring procedural compliance with any current legislative requirements or best practice. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to supported accommodation and office environments. These procedures are reviewed regularly to ensure that they continue to meet the needs of the charity.

Principal Risks and Uncertainties

The trustees have established a register for all major strategic, business and operational risks identified by them to which the charity is exposed. These have been reviewed regularly during the year by the relevant subcommittee (Executive Committee, Operations Committee or Marketing & Fundraising Committee), and annually by the Board of Trustees. Systems and procedures have been established to manage these risks, and initial responsibility for managing risk lies with the CEO and Senior Management Team, prior to review by the trustees.

The table below summarises the highest-rated key risks from the risk register, and demonstrates the management and monitoring of these risks.

| Identified Risk Factor | Risk Control | Monitoring |
|--|---|---|
| Health & Safety (Critical Incident) | Critical incident procedure; Health & Safety Policy & Procedure. | Board of Trustees Senior Management team |
| Adverse PR – neighbours / new developments / client actions/ complaints. | Management and monitoring of potential issues. Crisis response and communication. | Board of Trustees Senior Management team |

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Related Parties & Connected Organisations

At every meeting, Trustees are asked to declare any conflict of interest. The following Trustees, who served during the year, are linked with the provision of services for Launchpad: Helen Waring is the Director of Cream Design; William Montague and Matt Andrews is a Trustee of Reading Rotary Community Projects, and Matt Andrews is also a Trustee of Watlington House Trust.

Pay and remuneration of key management staff

The remuneration of the CEO is agreed by the Board of Trustees and this is benchmarked against similar organisations. The remuneration of senior management is set by the CEO. This is benchmarked against similar-sized private, public and charity sector organisations. All staff are entitled to the same employment benefits.

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Trustees' responsibilities statement

The Trustees (who are also directors of Launchpad Reading 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 year. 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 the group 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.

This report was approved by the Trustees, on 21 November 2019 and signed on their behalf by:

.....
Suzanne Stallard, Chair

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAUNCHPAD READING

Opinion

We have audited the financial statements of Launchpad Reading (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 set out on pages 16 to 35. 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 2019 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 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.

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the 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 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.

LAUNCHPAD READING
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAUNCHPAD READING

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charity 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.

LAUNCHPAD READING
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAUNCHPAD READING

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

James Cowper Kreston

Chartered Accountants and Statutory Auditor

Reading Bridge House
George Street
Reading
Berkshire
RG1 8LS
21 November 2019

James Cowper Kreston are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

LAUNCHPAD READING
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

| | Note | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | As restated Total funds 2018 £ |
|--|-------|------------------------------------|----------------------------------|-----------------------------|--|
| Income from: | | | | | |
| Donations and legacies | 3 | 489,455 | 246,810 | 736,265 | 873,385 |
| Charitable activities | 4 | 2,701,193 | - | 2,701,193 | 2,767,566 |
| Other income | 5 | 118,810 | - | 118,810 | 39,124 |
| Investments | | 2,613 | - | 2,613 | 793 |
| Total income | | 3,312,071 | 246,810 | 3,558,881 | 3,680,868 |
| Expenditure on: | | | | | |
| Raising funds | 6 | 129,773 | - | 129,773 | 122,886 |
| Charitable activities | 7,8,9 | 2,522,381 | 201,522 | 2,723,903 | 2,960,488 |
| Total expenditure | | 2,652,154 | 201,522 | 2,853,676 | 3,083,374 |
| Net income before transfers | | 659,917 | 45,288 | 705,205 | 597,494 |
| Transfers between Funds | 18 | 35,000 | (35,000) | - | - |
| Net income before other recognised gains and losses | | 694,917 | 10,288 | 705,205 | 597,494 |
| Net movement in funds | | 694,917 | 10,288 | 705,205 | 597,494 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 4,184,161 | 84,873 | 4,269,034 | 3,671,540 |
| Total funds carried forward | | 4,879,078 | 95,161 | 4,974,239 | 4,269,034 |

The notes on pages 20 to 35 form part of these financial statements.

LAUNCHPAD READING
(A company limited by guarantee)
REGISTERED NUMBER: 1459149

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2019

| | Note | £ | 2019 £ | £ | 2018 £ |
|--|------|-------------------------|--------------------------------|------------------|-------------------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 6,109,108 | | 3,710,832 |
| Current assets | | | | | |
| Debtors | 14 | 300,729 | | 622,053 | |
| Investments | 15 | 600,000 | | 500,000 | |
| Cash at bank and in hand | | 757,704 | | 745,411 | |
| | | <u>1,658,433</u> | | <u>1,867,464</u> | |
| Creditors: amounts falling due within one year | 16 | (440,112) | | (510,096) | |
| Net current assets | | | <u>1,218,321</u> | | <u>1,357,368</u> |
| Total assets less current liabilities | | | <u>7,327,429</u> | | <u>5,068,200</u> |
| Creditors: amounts falling due after more than one year | 17 | | (2,353,190) | | (799,166) |
| Net assets | | | <u><u>4,974,239</u></u> | | <u><u>4,269,034</u></u> |
| Charity Funds | | | | | |
| Restricted funds | 18 | | 95,161 | | 84,873 |
| Unrestricted funds | 18 | | 4,879,078 | | 4,184,161 |
| Total funds | | | <u><u>4,974,239</u></u> | | <u><u>4,269,034</u></u> |

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. 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 the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 21 November 2019 and signed on their behalf, by:

.....
Suzanne Stallard, Chair

The notes on pages 20 to 35 form part of these financial statements.

LAUNCHPAD READING
(A company limited by guarantee)
REGISTERED NUMBER: 1459149

CHARITY BALANCE SHEET
AS AT 31 MARCH 2019

| | Note | £ | 2019 £ | £ | 2018 £ |
|--|------|------------------|-------------------------|------------------|-------------------------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | 6,109,108 | | 3,710,832 |
| Investments | 13 | | 1,000 | | 1,000 |
| | | | <u>6,110,108</u> | | <u>3,711,832</u> |
| Current assets | | | | | |
| Debtors | 14 | 317,768 | | 622,053 | |
| Investments | 15 | 600,000 | | 500,000 | |
| Cash at bank and in hand | | 718,332 | | 745,411 | |
| | | <u>1,636,100</u> | | <u>1,867,464</u> | |
| Creditors: amounts falling due within one year | 16 | <u>(418,779)</u> | | <u>(511,096)</u> | |
| Net current assets | | | <u>1,217,321</u> | | <u>1,356,368</u> |
| Total assets less current liabilities | | | <u>7,327,429</u> | | <u>5,068,200</u> |
| Creditors: amounts falling due after more than one year | 17 | | <u>(2,353,190)</u> | | <u>(799,166)</u> |
| Net assets | | | <u><u>4,974,239</u></u> | | <u><u>4,269,034</u></u> |
| Charity Funds | | | | | |
| Restricted funds | | | 95,161 | | 84,873 |
| Unrestricted funds | | | 4,879,078 | | 4,184,161 |
| Total funds | | | <u><u>4,974,239</u></u> | | <u><u>4,269,034</u></u> |

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

The Trustees consider that the charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the charity to obtain an audit for the year in question in accordance with section 476 of the Act. 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 the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 21 November 2019 and signed on their behalf, by:

.....
Suzanne Stallard, Chair

The notes on pages 20 to 35 form part of these financial statements.

LAUNCHPAD READING
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

| | Note | 2019 £ | 2018 £ |
|--|------|-------------------------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 20 | <u>1,026,291</u> | <u>522,444</u> |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | 2,613 | 793 |
| Purchase of tangible fixed assets | | <u>(2,517,619)</u> | <u>(306,141)</u> |
| Net cash used in investing activities | | <u>(2,515,006)</u> | <u>(305,348)</u> |
| Cash flows from financing activities: | | | |
| Repayments of borrowings | | (98,992) | (113,437) |
| Cash inflows from new borrowing | | <u>1,700,000</u> | <u>-</u> |
| Net cash provided by/(used in) financing activities | | <u>1,601,008</u> | <u>(113,437)</u> |
| Change in cash and cash equivalents in the year | | 112,293 | 103,659 |
| Cash and cash equivalents brought forward | | <u>1,245,411</u> | <u>1,141,752</u> |
| Cash and cash equivalents carried forward | 21 | <u><u>1,357,704</u></u> | <u><u>1,245,411</u></u> |

The notes on pages 20 to 35 form part of these financial statements.

LAUNCHPAD READING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Launchpad Reading 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 Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

1.2 Company status

The charity is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 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 charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity 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.

1.4 Income

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

LAUNCHPAD READING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.5 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.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's operations, including support costs and costs relating to the governance of the charity which have been apportioned to charitable activities.

1.6 Basis of consolidation

The financial statements consolidate the accounts of Launchpad Reading and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of the charity was £705,205 (2018 - £597,494).

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|-------------------------------|---|--|
| Freehold property | - | 2% straight line. Land is not depreciated. |
| Short-term leasehold property | - | Over the term of the lease |
| Motor vehicles | - | 25% straight line |
| Office and general equipment | - | 33.3% straight line |

LAUNCHPAD READING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting Policies (continued)

1.8 Investments

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

1.9 Interest receivable

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.

1.10 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.

1.11 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.

1.12 Liabilities

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 charity 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.

1.13 Pensions

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

2. Judgements in applying accounting policies and key sources of estimation

The preparation of the financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets (note 12)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the asset and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

3. Income from donations

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | As restated Total funds 2018 £ |
|---------------------|--|--|---------------------------------------|--|
| Donations | 177,177 | - | 177,177 | 170,363 |
| Grants | 8,500 | 246,810 | 255,310 | 295,836 |
| Fundraising general | 303,778 | - | 303,778 | 407,186 |
| | <u>489,455</u> | <u>246,810</u> | <u>736,265</u> | <u>873,385</u> |
| Total 2018 | <u>579,699</u> | <u>293,686</u> | <u>873,385</u> | |

4. Income from charitable activities

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | As restated Total funds 2018 £ |
|-------------------|--|--|---------------------------------------|--|
| Housing & support | 2,701,193 | - | 2,701,193 | 2,767,566 |
| | <u>2,767,566</u> | <u>-</u> | <u>2,767,566</u> | |
| Total 2018 | <u>2,767,566</u> | <u>-</u> | <u>2,767,566</u> | |

5. Other income

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|------------------|--|--|---------------------------------------|-----------------------------|
| Commercial rents | 79,625 | - | 79,625 | 8,837 |
| Other income | 39,185 | - | 39,185 | 30,287 |
| | <u>118,810</u> | <u>-</u> | <u>118,810</u> | <u>39,124</u> |
| Total 2018 | <u>39,124</u> | <u>-</u> | <u>39,124</u> | |

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

6. Costs of raising funds

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|-----------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Events and activities | 19,706 | - | 19,706 | 19,805 |
| Staff costs | 110,067 | - | 110,067 | 103,081 |
| | <u>129,773</u> | <u>-</u> | <u>129,773</u> | <u>122,886</u> |
| Total 2018 | <u>122,886</u> | <u>-</u> | <u>122,886</u> | |

7. Direct costs

| | Housing & support £ | Additional support services £ | Total 2019 £ | As restated Total 2018 £ |
|--------------------|---------------------------|--|--------------------|-----------------------------------|
| Property costs | 819,023 | 1,827 | 820,850 | 932,534 |
| Other staff costs | 120,754 | 6,586 | 127,340 | 130,084 |
| Activities | 25,042 | 58,117 | 83,159 | 114,382 |
| Wages and salaries | 1,214,512 | - | 1,214,512 | 1,287,503 |
| Depreciation | 77,000 | - | 77,000 | 75,395 |
| | <u>2,256,331</u> | <u>66,530</u> | <u>2,322,861</u> | <u>2,539,898</u> |
| Total 2018 | <u>2,284,172</u> | <u>255,726</u> | <u>2,539,898</u> | |

8. Support costs

| | Housing & support £ | Additional support services £ | Total 2019 £ | As restated Total 2018 £ |
|---------------------------|---------------------------|--|--------------------|-----------------------------------|
| Premises & office costs | 258,822 | 11,927 | 270,749 | 275,008 |
| Other staff costs | 5,607 | - | 5,607 | 19,510 |
| Bank charges & other fees | 2,336 | - | 2,336 | 27,340 |
| Other costs | 46,793 | - | 46,793 | 33,425 |
| Wages and salaries | 8,481 | - | 8,481 | 11,317 |
| Depreciation | 42,343 | - | 42,343 | 32,969 |
| | <u>364,382</u> | <u>11,927</u> | <u>376,309</u> | <u>399,569</u> |
| Total 2018 | <u>360,353</u> | <u>39,216</u> | <u>399,569</u> | |

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. Governance costs

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ | Total funds 2018 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Auditors' remuneration - audit fees | 8,350 | - | 8,350 | 7,500 |
| Auditors' remuneration - accountancy fees | 2,810 | - | 2,810 | 1,500 |
| Board expenses | 1,361 | - | 1,361 | 482 |
| Wages and salaries | 12,212 | - | 12,212 | 11,539 |
| | <u>24,733</u> | <u>-</u> | <u>24,733</u> | <u>21,021</u> |

10. Net income/(expenditure)

This is stated after charging:

| | 2019 £ | 2018 £ |
|---|----------------|----------------|
| Depreciation of tangible fixed assets: - owned by the charitable group | 119,343 | 108,364 |
| Auditors' remuneration - audit | 8,350 | 7,500 |
| Auditors' remuneration - other services | 2,810 | 1,500 |
| | <u>120,503</u> | <u>117,364</u> |

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2018 - £NIL).

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

11. Staff costs

Staff costs were as follows:

| | 2019 | 2018 |
|-----------------------|-------------------------|------------------|
| | £ | £ |
| Wages and salaries | 1,165,165 | 1,223,635 |
| Social security costs | 101,079 | 107,256 |
| Other pension costs | 79,028 | 82,549 |
| | <u>1,345,272</u> | <u>1,413,440</u> |

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

| | 2019 | 2018 |
|------------------------------|------------------|-----------|
| | No. | No. |
| Chief Executive | 1 | 1 |
| Service Delivery for Clients | 37 | 43 |
| Finance & Administration | 7 | 7 |
| Fundraising | 4 | 4 |
| | <u>49</u> | <u>55</u> |

Average headcount expressed as a full time equivalent:

| | 2019 | 2018 |
|------------------------------|------------------|-----------|
| | No. | No. |
| Chief Executive | 1 | 1 |
| Service Delivery for Clients | 34 | 39 |
| Finance & Administration | 5 | 5 |
| Fundraising | 4 | 3 |
| | <u>44</u> | <u>48</u> |

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

During the year £186,938 (2018: £196,675) was paid in remuneration and benefits to key management personnel.

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

12. Tangible fixed assets

| Group and Charity | Freehold property £ | Leasehold property £ | Motor vehicles £ | Office equipment £ | Total £ |
|--------------------------|------------------------------------|-------------------------------------|---------------------------------|-----------------------------------|--------------------|
| Cost | | | | | |
| At 1 April 2018 | 3,409,891 | 427,092 | 55,414 | 356,750 | 4,249,147 |
| Additions | 2,017,114 | 492,978 | - | 7,527 | 2,517,619 |
| Disposals | - | - | (5,614) | (17,137) | (22,751) |
| At 31 March 2019 | <u>5,427,005</u> | <u>920,070</u> | <u>49,800</u> | <u>347,140</u> | <u>6,744,015</u> |
| Depreciation | | | | | |
| At 1 April 2018 | 152,871 | 30,733 | 34,914 | 319,797 | 538,315 |
| Charge for the year | 66,311 | 19,953 | 6,000 | 27,079 | 119,343 |
| On disposals | - | - | (5,614) | (17,137) | (22,751) |
| At 31 March 2019 | <u>219,182</u> | <u>50,686</u> | <u>35,300</u> | <u>329,739</u> | <u>634,907</u> |
| Net book value | | | | | |
| At 31 March 2019 | <u>5,207,823</u> | <u>869,384</u> | <u>14,500</u> | <u>17,401</u> | <u>6,109,108</u> |
| At 31 March 2018 | <u>3,257,020</u> | <u>396,359</u> | <u>20,500</u> | <u>36,953</u> | <u>3,710,832</u> |

13. Fixed asset investments

| Charity | Shares in group undertakings £ |
|-----------------------------------|---|
| Cost | |
| At 1 April 2018 and 31 March 2019 | <u>1,000</u> |

14. Debtors

| | Group | | Charity | |
|------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 2019 £ | 2018 £ | 2019 £ | 2018 £ |
| Trade debtors | 179,049 | 233,059 | 119,049 | 233,059 |
| Amounts owed by group undertakings | - | - | 77,039 | - |
| Other debtors | 7,092 | 308,489 | 7,092 | 308,489 |
| Prepayments and accrued income | 114,588 | 80,505 | 114,588 | 80,505 |
| | <u>300,729</u> | <u>622,053</u> | <u>317,768</u> | <u>622,053</u> |

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

15. Current asset investments

| | Group | | Charity | |
|--------------|----------------|-----------|----------------|-----------|
| | 2019 £ | 2018 £ | 2019 £ | 2018 £ |
| Cash deposit | 600,000 | 500,000 | 600,000 | 500,000 |
| | | | | |

16. Creditors: Amounts falling due within one year

| | Group | | Charity | |
|------------------------------------|----------------|-----------|----------------|-----------|
| | 2019 £ | 2018 £ | 2019 £ | 2018 £ |
| Bank loans and overdrafts | 104,160 | 57,176 | 104,160 | 57,176 |
| Trade creditors | 100,858 | 129,604 | 100,858 | 129,604 |
| Amounts owed to group undertakings | - | - | - | 1,000 |
| Other taxation and social security | 61,425 | 29,469 | 61,425 | 29,469 |
| Other creditors | 5,260 | 5,858 | 5,260 | 5,858 |
| Accruals and deferred income | 168,409 | 287,989 | 147,076 | 287,989 |
| | 440,112 | 510,096 | 418,779 | 511,096 |

| | Group | | Charity | |
|--------------------------------------|------------------|------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Deferred income | | | | |
| Deferred income at 1 April 2018 | 185,393 | 165,483 | 185,363 | 165,483 |
| Resources deferred during the year | 70,650 | 185,363 | 49,317 | 185,363 |
| Amounts released from previous years | (185,393) | (165,483) | (185,363) | (165,483) |
| Deferred income at 31 March 2019 | 70,650 | 185,363 | 49,317 | 185,363 |

Loans are secured against the freehold properties of the charity to which they relate.

17. Creditors: Amounts falling due after more than one year

| | Group | | Charity | |
|------------|------------------|-----------|------------------|-----------|
| | 2019 £ | 2018 £ | 2019 £ | 2018 £ |
| Bank loans | 2,353,190 | 799,166 | 2,353,190 | 799,166 |
| | | | | |

Loans are secured against the freehold properties of the charity to which they relate.

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

18. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2018 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2019 £ |
|--------------------------|---------------------------------|-------------|------------------|--------------------------|-------------------------------------|
| Designated funds | | | | | |
| Designated Funds | 631,271 | - | (46,055) | 272,784 | 858,000 |
| General funds | | | | | |
| General Funds | 3,552,890 | 3,312,071 | (2,606,099) | (237,784) | 4,021,078 |
| Total Unrestricted funds | 4,184,161 | 3,312,071 | (2,652,154) | 35,000 | 4,879,078 |

Restricted funds

| | Balance at 1 April 2018 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2019 £ |
|---|---------------------------------|-------------|------------------|--------------------------|-------------------------------------|
| Employment, Training & Education National Lottery Fund Project | 6,592 | 105,635 | (101,652) | - | 10,575 |
| Employment, Training & Education - Other Funds | 9,730 | 5,165 | (835) | - | 14,060 |
| Horticulture & Healthy Living National Lottery Fund | 7,572 | 12,765 | (20,337) | - | - |
| Horticulture & Healthy Living - Other Funds | 2,567 | 15,350 | (4,261) | - | 13,656 |
| Client Wellbeing Funds | 34,730 | 8,895 | (13,651) | (17,068) | 12,906 |
| Volunteering | 22,744 | 49,000 | (50,143) | - | 21,601 |
| Resettlement & Move On Funds | 938 | 15,000 | (10,643) | 17,068 | 22,363 |
| Property Development Funds | - | 35,000 | - | (35,000) | - |
| | 84,873 | 246,810 | (201,522) | (35,000) | 95,161 |
| Total funds | 4,269,034 | 3,558,881 | (2,853,676) | - | 4,974,239 |

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

18. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 April 2017 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2018 £ |
|--------------------------|---------------------------------|-------------|------------------|--------------------------|-------------------------------------|
| Designated funds | | | | | |
| Designated Funds | 721,422 | - | (34,826) | (55,325) | 631,271 |
| General funds | | | | | |
| General Funds | 2,822,496 | 3,647,107 | (3,040,062) | 123,349 | 3,552,890 |
| Total Unrestricted funds | 3,543,918 | 3,647,107 | (3,074,888) | 68,024 | 4,184,161 |

Restricted funds

| | Balance at 1 April 2017 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2018 £ |
|---|---------------------------------|-------------|------------------|--------------------------|-------------------------------------|
| Employment, Training & Education National Lottery Fund Project | 15,884 | 103,935 | (113,227) | - | 6,592 |
| Employment, Training & Education - Other Funds | 12,615 | 8,500 | (11,385) | - | 9,730 |
| Horticulture & Healthy Living National Lottery Fund | 7,584 | 50,249 | (50,261) | - | 7,572 |
| Horticulture & Healthy Living - Other Funds | 2,567 | - | - | - | 2,567 |
| Client Wellbeing Funds | 28,372 | 39,063 | (42,705) | 10,000 | 34,730 |
| Volunteering | 21,549 | 46,939 | (45,744) | - | 22,744 |
| Resettlement & Move On Funds | 16,027 | - | (5,089) | (10,000) | 938 |
| Property Development Funds | 23,024 | 45,000 | - | (68,024) | - |
| | 127,622 | 293,686 | (268,411) | (68,024) | 84,873 |
| Total funds | 3,671,540 | 3,940,793 | (3,343,299) | - | 4,269,034 |

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

18. Statement of funds (continued)

Summary of funds - current year

| | Balance at 1 April 2018 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2019 £ |
|------------------|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| Designated funds | 631,271 | - | (46,055) | 272,784 | 858,000 |
| General funds | 3,552,890 | 3,312,071 | (2,606,099) | (237,784) | 4,021,078 |
| | <u>4,184,161</u> | <u>3,312,071</u> | <u>(2,652,154)</u> | <u>35,000</u> | <u>4,879,078</u> |
| Restricted funds | 84,873 | 246,810 | (201,522) | (35,000) | 95,161 |
| | <u>4,269,034</u> | <u>3,558,881</u> | <u>(2,853,676)</u> | <u>-</u> | <u>4,974,239</u> |

Summary of funds - prior year

| | Balance at 1 April 2017 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2018 £ |
|------------------|---------------------------------|------------------|--------------------|--------------------------|-------------------------------------|
| Designated funds | 721,422 | - | (34,826) | (55,325) | 631,271 |
| General funds | 2,822,496 | 3,647,107 | (3,040,062) | 123,349 | 3,552,890 |
| | <u>3,543,918</u> | <u>3,647,107</u> | <u>(3,074,888)</u> | <u>68,024</u> | <u>4,184,161</u> |
| Restricted funds | 127,622 | 293,686 | (268,411) | (68,024) | 84,873 |
| | <u>3,671,540</u> | <u>3,940,793</u> | <u>(3,343,299)</u> | <u>-</u> | <u>4,269,034</u> |

LAUNCHPAD READING
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

18. Statement of funds (continued)

Designated funds include £150,000 (2018: £512,000) for the development and maintenance of properties and £600,000 (2018: £nil) for property purchase. Other designations relate to the development and delivery of additional services.

The restricted funds relate to the following:

Employment, Training & Education (ETE)

The Big Lottery Fund's Reaching Communities Programme (now The National Lottery Community Fund) – a three year grant (October 2016 – September 2019) to provide and develop training and education to assist clients in returning to work and develop life skills.

Other Funds – various grants to provide and develop training and education to assist clients in returning to work and develop life skills. Some of these grants have specific restrictions relating to a particular activity within ETE eg arts.

Horticulture & Healthy Living (H&HL)

The Big Lottery Fund's Reaching Communities Programme (now The National Lottery Community Fund) – a five year grant (July 2013 – June 2018) to develop a programme of activities to enable clients to engage in horticulture and to promote healthy lifestyles.

Other Funds – various grants to provide and develop a range of horticultural and healthy living activities.

Client Wellbeing

Various grants to support the physical, mental, psychological, emotional and social wellbeing of clients.

Volunteering

Various grants to support the role of volunteers throughout the organisation. Some of these grants have specific restrictions relating to e.g. the costs associated with providing the counselling service for clients.

Resettlement & Move On

Various grants to support the resettlement and move-on of Launchpad clients into independent living.

Property Development Funds

Various grants for the development and refurbishment of Launchpad properties.

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total funds 2019 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 6,109,108 | - | 6,109,108 |
| Current assets | 1,563,272 | 95,161 | 1,658,433 |
| Creditors due within one year | (440,112) | - | (440,112) |
| Creditors due in more than one year | (2,353,190) | - | (2,353,190) |
| | <u>4,879,078</u> | <u>95,161</u> | <u>4,974,239</u> |

Analysis of net assets between funds - prior year

| | Unrestricted funds 2018 £ | Restricted funds 2018 £ | Total funds 2018 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 3,710,832 | - | 3,710,832 |
| Current assets | 1,782,591 | 84,873 | 1,867,464 |
| Creditors due within one year | (510,096) | - | (510,096) |
| Creditors due in more than one year | (799,166) | - | (799,166) |
| | <u>4,184,161</u> | <u>84,873</u> | <u>4,269,034</u> |

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

| | <u>2019</u> £ | <u>Group</u> 2018 £ |
|--|------------------|---------------------------|
| Net income for the year (as per Statement of Financial Activities) | 705,205 | 597,494 |
| Adjustment for: | | |
| Depreciation charges | 119,343 | 108,364 |
| Dividends, interest and rents from investments | (2,613) | (793) |
| Decrease/(increase) in debtors | 321,324 | (281,204) |
| (Decrease)/increase in creditors | (116,968) | 98,583 |
| Net cash provided by operating activities | <u>1,026,291</u> | <u>522,444</u> |

LAUNCHPAD READING
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

21. Analysis of cash and cash equivalents

| | 2019 | Group 2018 |
|--|------------------|----------------------|
| | £ | £ |
| Cash in hand | 775,838 | 745,411 |
| Cash deposit | 600,000 | 500,000 |
| Overdraft facility repayable on demand | (18,134) | - |
| | 1,357,704 | 1,245,411 |
| Total | 1,357,704 | 1,245,411 |

22. Pension commitments

Pension contributions paid in the year were £79,028 (2018: £82,549). At the year end contributions of £3,307 (2018: £3,644) had not been paid over to the scheme.

23. Operating lease commitments

At 31 March 2019 the total of the group's future minimum lease payments under non-cancellable operating leases was:

| | 2019 | 2018 |
|-------------------------|------------------|-------------|
| Group | £ | £ |
| Amounts payable: | | |
| Within 1 year | 361,295 | 417,109 |
| Between 1 and 5 years | 836,755 | 1,008,858 |
| After more than 5 years | 861,616 | 1,022,155 |
| | 2,059,666 | 2,448,122 |
| Total | 2,059,666 | 2,448,122 |

24. Related party transactions

The total payments for services or goods made to organisations connected to Launchpad Reading trustees during the period was £38,265 (2018: £43,243). The organisations paid were: Cream Design £6,491 (2018: £4,562) for design and print services; Reading Rotary Community Projects £31,504 (2018: £38,111) for rent; and Watlington Hall £270 (2018: £570) for hall hire.

All activities with connected organisations were carried out on an arms length basis in the normal course of activities.

LAUNCHPAD READING
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

25. Post balance sheet events

On 22 May 2019, Launchpad invested in the freehold of a residential property. The purchase was made using historical reserves and the property will house clients from our supported housing contract.

On XX XXX 2019, Launchpad invested in the freehold of a building for our new work and life skills centre. The purchase was made through loan financing.

26. Prior year restatement

The prior year statement of comprehensive income has been restated as a result of a reclassification between income from and expenditure on charitable activities totalling £259,925. The adjustment has been made to correct a previous misclassification. This has no impact on the financial performance of the company.

27. Principal subsidiaries

Launchpad Reading Services Limited

| | |
|--|------------------------------------|
| Subsidiary name | Launchpad Reading Services Limited |
| Company registration number | 11162563 |
| Basis of control | 100% shareholding |
| Total assets as at 31 March 2019 | £ 99,372 |
| Total liabilities as at 31 March 2019 | £ (98,372) |
| Total equity as at 31 March 2019 | £ 1,000 |
| Turnover for the year ended 31 March 2019 | £ 360,667 |
| Expenditure for the year ended 31 March 2019 | £ (360,667) |
| Result for the year ended 31 March 2019 | £ - |