

COMPANY REGISTRATION NUMBER: 03162045
CHARITY REGISTRATION NUMBER: 1058648

Making The Leap
Company Limited by Guarantee
Financial Statements
Year Ended
31st March 2019

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Making The Leap
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year Ended 31st March 2019

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31st March 2019.

Reference and Administrative Details

Registered charity name	Making The Leap
Charity registration number	1058648
Company registration number	03162045
Principal office and registered office	Harriet Tubman House Hazel Road Kensal Green London NW10 5PP

The Trustees

Mr A Boucher	
Ms D Everall	
Mr M Horton	
Ms S Jordansson	
Mr A May	
Mr A Nooriala	
Mr P Riseborough	(Resigned 23rd April 2019)
Mr M Keenan	
Mr N Cheffings	(Appointed 29th October 2018)
Ms K Eden-Green	(Appointed 29th October 2018)
Mr O Akunmu Babarinde	(Appointed 29th October 2018)
Mrs A Chhania	(Appointed 29th October 2018)
Dr J Paine	(Resigned 23rd July 2018)
Mr W Chapman	(Appointed 25th February 2019)

Auditor	Nigel Wilson & Co Accountants & statutory auditor 4th Floor 100 Fenchurch Street London EC3M 5JD
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Bankers	The Co-Operative Bank Business Direct PO Box 250 Delf House, Skelmersdale WN8 6WT England
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Making The Leap

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (*continued*)

Year Ended 31st March 2019

Structure, Governance and Management

Governing document

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 21st February 1996. It is a registered charity, number 1058648. The objectives are the benefit of the public in London and elsewhere in the United Kingdom and in particular for the benefit of those members of the public who may be young and disadvantaged by improving social mobility through the provision of advice, information, support, training and education. There have been no changes in the objects since the last annual report.

Recruitment of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

Trustee induction and training

An induction has been developed to ensure that any newly appointed trustee receives training on all matters necessary to enable them to perform their duties effectively. This may be tailored to their specific needs but covers as a minimum: governance and management; equal opportunities; a thorough induction to the history and current activities of the organisation; sufficient explanation of the charity's financial accounts and reporting procedures to enable them to exercise effective fiscal oversight; explanation of all the charity's policies including those relating to trustee expenses and how they can be claimed.

The Chief Executive is responsible for ensuring that the induction process is arranged and completed.

Organisational structure

The Trustees provided governance and oversight of Making The Leap operations during the year. Four groups are in place with each of the Trustees sitting on at least one grouping. The Finance & General Purpose Committee is a standing group and Marketing, IT and Policy are "task and finish" groups that sit according to need. The Chief Executive had delegated authority to manage day to day activities and to sign contracts on behalf of the Management Committee in line with the organisation's objectives.

Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

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Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (continued)

Year Ended 31st March 2019

Objectives and Activities

Social Mobility

At Making The Leap we are concerned that in the UK, the income of parents is the strongest indicator of their child's future achievement in school and career. Social mobility is a hot topic issue, and the Prime Minister, Theresa May, stated that it was the principal goal of her government's social policy. A 2014 report from the Social Mobility Commission (previously the Social Mobility & Child Poverty Commission) shows that social mobility in the UK is amongst the lowest in the developed world. Furthermore, the seven per cent of young people attending private schools have hugely increased chances of reaching the very top of this country's institutions and industries and are ten times more likely to go to Oxbridge than the poorest youngsters. The flip side is that poor pupils are over twice as likely to become NEET (Not in Employment, Education or Training) compared to wealthier pupils. The reasons for concern about the lack of social mobility are not just about fairness but also that it leaves the country's economic potential unfulfilled. Some of the key facts around social mobility are:

- In the UK, how much a child's parents earn is the biggest factor in how well that child will do in life
- A bright child from a poor family will be overtaken by an average ability child from a wealthier family by the time they take their GCSEs¹
- A quarter of the rich/poor gap at GCSE attainment is due to differences in attitude and aspirations²
- Many talented young people in our society are not getting equal opportunities to access the top jobs: for example, only a quarter of boys from working-class backgrounds get middleclass (professional or managerial) jobs
- Increasing social mobility could benefit the UK economy by up to £140 billion a year³

Soft Skills

Most efforts on improving social mobility are focused on increasing the educational attainment of the poorest pupils and those in the worst state schools. However, a report from the Social Mobility Commission in June 2015 showed that even when poorer children had managed to achieve the required qualifications, they were often held back by their less developed soft skills, which are often taught or emphasised more in private or state-selective schools. Soft skills are commonly considered to include the ability to listen well, communicate effectively, be positive, manage conflict, accept responsibility, be resilient, build trust, work well with others, manage time effectively, accept criticism, work under pressure, be likeable and demonstrate good manners. These soft skills are crucial, with 93 per cent of employers considering them to be just as important as or more important than hard skills when evaluating job candidates. Furthermore, developed soft skills can boost an individual's lifetime earnings by up to 15 per cent.

At Making The Leap, we have created interventions to develop the soft skills of the young people we serve, as we recognise that they not only contribute to the gap in educational attainment, but that they are often the deciding factor where educational attainment is equal. We believe that the training that we provide is "truly responsive to the needs of employers" and does "genuinely equip the trainee for the workplace", as called for in a government report published in 2013.

The development of soft skills is also crucial to the UK economy: soft skills are currently worth over £88bn in Gross Added Value; an amount which is expected to grow in real terms to £109bn by 2020 and £127bn by 2025. In London, the importance of soft skills was valued at £20.4bn in 2012, and is predicted to rise to £30.6bn by 2020⁴. A lack of soft skills can cause major problems for businesses, as they result in diminished productivity, competitiveness and profitability.

¹ Social Mobility Commission, *The State of the Nation Report*, 2014

² Chowdry, Crawford & Goodman, *The role of attitudes and behaviours in explaining socioeconomic differences in attainment at age 16*, 2011

³ www.suttontrust.com/newsarchive/140-billion-year-cost-low-social-mobility/

⁴ Development Economics, *The Value of Soft Skills to the UK Economy*, 2015

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Year Ended 31st March 2019

Achievements and Performance

2018/19 was a transitional year for the charity, in that we no longer held the fundraising gala that had been a significant contributor to our income for the previous four years, and instead did more advocacy work through the vehicle of the UK Social Mobility Awards and generated income through that. That initiative made an important contribution to our total income of £828,524 and our net surplus on the year of £17,851 (our third successive year of surplus). There was a big increase in numbers of young people served in the year to 11,915 with 9,107 of those being in schools and 2,808 being young adults (18-25). There were a number of major events during the year, which are reported here:

UK Social Mobility Awards

The experience of the previous year helped us to build on that success for the 2018 SOMO Awards. We had a successful launch event at Coutts where over 100 people attended, where there was a real enthusiasm both on the evening and afterwards for the awards. We took a decision to remove two categories from the initiative and so were pleased to receive the same number of entries as the previous year and slightly more entrants too.

As per the previous year, the SOMOs event culminated in a gala dinner held at the London Marriott Hotel Grosvenor Square, where the winners were announced, on 18th October. This was a massive success with 380 guests present. The securing of Capita as lead sponsor was perfect and their CEO gave an excellent speech on the night. The event was extremely well-run, with all of our experience of running the fundraising gala at the Waldorf and last year's SOMOs coming together to create a very slick event. We had Minister for Children & Families, Nadhim Zahawi attend and give a speech and he was extremely impressed. The general feedback was extremely positive, with people who did not know the charity or the SOMOs being pleasantly surprised at the scale. The winners on the night included Grant Thornton (Organisation of the Year), Greene King (Recruitment Programme of the Year) and Ministry of Justice (Progression Programme of the Year). Melanie Richards of KPMG was awarded an Outstanding Contribution award.

Social Mobility Careers Fair

The Central Methodist Hall Westminster was once again the scene for our annual Social Mobility Careers Fair. Corporate exhibitors included, Capita, Coutts, EY, FM Conway, Google, Hedley May, HMRC, Ministry of Justice, National Grid, PwC, RAF, Redington and The Telegraph.

In total, 153 young people attended the fair from across 20 London Boroughs and benefitted from receiving quality interactions with the range of exhibitors.

Feedback from the young people who attended the fair

- 85% of young people felt the advice they received from the employers was 'Good' or 'Excellent'
- 89% felt the Careers Fair had helped them in their job searching
- 98% of young people would recommend the careers fair to their friends

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Year Ended 31st March 2019

Feedback from the employers who attended the Careers Fair

- 90% of the companies who attended stated that their chances of successfully recruiting would be likely to very likely
- 100% of companies rated the potential of the young people who attended as either 'Good' or 'Excellent'

Raising University Aspirations

The 2018 Raising University Aspirations event (RUA) was also even more successful than previous years. The aim of this is in the name and is to give students who attend disadvantaged London schools an excellent opportunity to engage with top Universities. 675 students attended from 20 schools who benefitted from interacting with 17 Russell Group Universities.

85% of those that attended felt the event raised their aspirations. 85% of all pupils who came to RUA felt inspired by it to attend university. 99% of those that attended described the event as helpful or very helpful.

Performance

We are measuring our progress towards the achievement of three strategic aims by 2020/21, which are: to increase the number of young people served & grow beyond London; to enhance the awareness of our organisation and to become more financially sustainable. Underpinning our priorities are a number of goals that have been used both as a guide and a measurement towards the fulfilling of our aims.

Strategic Aim - To Serve More Young People

We have four goals by which we will measure our strategic aim to serve more young people. These are:

- Goal 1. Be in 50 schools in London
- Goal 2. Serving 12,500 young people per year: 10,000 school children and 2,500 young adults
- Goal 3. To Have 300 volunteers
- Goal 4. To Operate in 2 cities

Goal 1. Be in 50 schools in London

	Baseline	Actual	Actual
	FY16/17	FY17/18	FY18/19
Presence in number of London Schools	31	32	39

Our heritage is London, and there are nearly 350 secondary schools in London that would fit our criteria for working with them (scoring high on the IDACI or having high numbers of pupils on free school meals). There is huge potential to continue to grow within the capital and we intend to increase our presence here. We were in 31 schools in 2016/17 and this increased to 39 schools in 2018/19, and we are on target to reach our goal of being in 50 schools in London by 2020/21.

Goal 2. Serving 12,500 young people per year: 10,000 school children and 2,500 young adults

	Baseline	Actual	Actual
	FY16/17	FY17/18	FY18/19
Number of school children	5,655	8070	9,107
Number of young adults	1,100	2099	2,808

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Year Ended 31st March 2019

We deliver a variety of interventions within schools, all aimed at raising the aspirations and increasing the access to opportunities of the pupils. These programmes include soft skills delivery, mock interviews, special events and other bespoke interventions. We worked with 9,107 school children in the period, up 13% from the previous year and a massive 61% from the baseline figure.

With reference to young adults, with each of them receiving as a minimum, initial individual advice and guidance, we worked with 2,808 young people which is well over double that we achieved in 2016/17.

Goal 3. To Have 300 volunteers

Number of volunteers	Baseline FY16/17	Actual FY17/18	Actual FY18/19
	239	495	345

Those who volunteer their time to support our delivery to young people play an important role, because research shows that children who receive 5 or more employer interactions are much less likely to become NEET. During the year, we were supported by 345 volunteer "Skills Coaches" who delivered a total of 2,140 hours of support to young adults and school students on a range of programme activity.

Strategic Aim - Enhance Awareness of the Organisation

After 24 years of existence we took the decision to define ourselves more clearly. We are a leading grassroots delivery charity that provides direct services to young people in London. Alongside that though, our longevity, credibility and commitment to the advancement of social mobility, meant that we could launch our UK Social Mobility Awards initiative with gusto. The UK Social Mobility Awards brand, wholly owned by Making The Leap, is a vehicle for enhancing awareness of the charity and by promoting the Awards it has the effect of promoting the charity.

We also planned to use social media to broaden our reach, get involved via the awards in the national conversation on social mobility, publicise our work and to engage with young people.

In order to achieve this aim, the organisation has the following goals:

Goal 1. To Increase number of users

Goal 2. To Increase article and media mentions

Goal 3. To Increase followers, subscribers and likes on social media

Goal 1. To increase number of users

	Baseline FY16/17	Actual FY17/18	Actual FY18/19
Number of users (mtl.org.uk)	11,248	10,120	13,217
Number of users (uksomo.com)	-	7,621	8,874

There were 11,248 users of the mtl.org.uk site in 2016/17, and 13,217 of the same site in 2018/19. Combined with the uksomo.com we had a total number of 22,091 users for the year.

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Year Ended 31st March 2019

Achievements and Performance *(continued)*

Goal 2. To increase article and media mentions

	Actual FY17/18	Actual FY18/19
Making The Leap	2	2
UKSMA	9	17

There were 2 mentions of Making The Leap in press and media articles. The UK Social Mobility Awards saw a huge increase in media mentions rising from 9 in the previous year to 17.

Goal 3. To increase followers, subscribers and likes on social media

	Baseline FY16/17	Actual FY17/18	Actual FY18/19
Facebook (MTL)	658	716	820
Twitter (MTL)	1,111	1,186	1,328
Instagram (MTL)	290	350	547
LinkedIn (MTL)	817	910	1,257
Twitter (UKSMA)	55	445	670
Newsletter subscribers	166	398	1,031

All of our social media channels gained tremendous traction with increases across all areas. There was a noticeable increase of 633 newsletter subscribers compared to the previous year.

Financial Review

Funders, Grants and Sponsors

Making The Leap is grateful to the companies, trusts & foundations and individuals who supported Making The Leap and enabled us to transform futures by raising the aspirations of young people, and helping them to develop the skills, behaviours and attitudes needed to succeed in the careers of their choosing. We say thank you for the generosity and foresight of HSBC, Department for Work and Pensions, BNP Paribas, The Henry Smith Charity, Mark & Sarah Crosbie, Steven Gee, Coutts & Co, CMC Markets, The Peter Cruddas Foundation, Ministry of Justice, The Romeera Foundation, Wates Foundation, OakNorth Bank, The Ask Charitable Trust, PwC, Kensington and Chelsea Foundation, Credit Suisse Securities and all our other supporters.

Overview

We made a surplus of £17,581 for the 2018/19 financial year. This is an increase of £6,347 on the previous year and a surplus has been achieved for the third successive year.

We achieved an income of £828,524, which was an increase of £ 10,998 on the previous year. Our expenditure has been carefully managed, spending £810,943, just £4,651 more than the expenditure in the previous year.

We received £268,513 in total funds through grants and donations although less restricted funds than in the previous year.

With regards to the expenditure, our fundraising costs decreased from £105,519 to £82,625 as 2017/18 was our last fundraising gala. Our final loan repayment was made in October 2018. There has been an increase in salaries by £19,819 primarily because of a new member of staff added to our Engagement Team.

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Financial Review *(continued)*

Our total generated income has continued to grow rising from £499,947 in the previous year to £524,029. We did not hold a fundraising gala in the year 2018/19 however the success of the SOMOs has seen us raising £377,973, an increase of £136,353 on the previous year.

The charity owns the freehold title to Harriet Tubman House and there is no outstanding mortgage on the property.

Performance

We are measuring our progress towards the achievement of a strategic aim of becoming more financially sustainable.

Strategic Aim - To Grow Income and Become More Sustainable

This strategic aim is a necessary one, but it comes within the context of shrinking public funding via austerity and a trend for public sector grants that used to be ring-fenced for charities being opened up, and indeed preference given, to private sector companies. We are happy to report that Making The Leap continues to diversify, identify revenue raising opportunities and grow its income particularly with the ability to make further increases to our generated income.

The organisation has the following goals to achieve this aim:

- Goal 1. Increase earned income streams
- Goal 2. Develop and implement fundraising strategy
- Goal 3. Generate three months of cash reserves (numbers cumulative)

Goal 1. Increase earned income streams

	Baseline FY16/17	Actual FY17/18	Actual FY18/19
Generated income	£ 120,960	£ 416,035	£ 524,029

In 2016/17 we only generated £120,960 of earned income and there has been a massive jump to £524,029 in 2018/19, mainly as a result of £377,973 from the SOMOs. This is the highest the organisation has ever achieved in terms of generating funds through mission-related enterprise.

Goal 2. Develop and implement fundraising strategy

	Baseline FY16/17	Actual FY17/18	Actual FY18/19
Fundraising income	£ 609,663	£ 401,491	£ 268,513

We achieved £268,513 of fundraising income in 2018/19 through a combination of grants and donations.

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Year Ended 31st March 2019

Strategic Aim (continued)

Goal 3. Generate three months of cash reserves (numbers cumulative)

	Baseline FY16/17	Actual FY17/18	Actual FY18/19
	£	£	£
Cash reserves	145,952	175,107	134,875

We managed to achieve a surplus for the third successive year and we ended up with £134,875 in the bank.

Plans for Future Periods

The plan is to continue working towards achieving the three key strategic aims in FY19/20, but to develop a new strategic plan by the last quarter of 2019/20 for the years 2020/21 - 2023/24. We plan to increase the size of the UK Social Mobility Awards, receive more coverage and form more alliances to help establish the initiative as a fixture in the social mobility calendar.

To increase the number of young people served

Goal 1. Be in 50 schools in London

	Actual FY18/19	Target FY19/20
Presence in number of schools in London	39	44

Our target for 2019/20 is to work with 44 schools. Our plan is to increase the number of one-day activities which proved to be attractive for all stakeholders.

Goal 2. Serving 12,500 young people per year: 10,000 school children and 2,500 young adults

	Actual FY18/19	Target FY19/20
Number of school children	9,107	9,425
Number of young adults	2,808	2,681

We have set ourselves a target of working with 12,106 young people in 2019/20, increasing the number of school children. Our plan is to work with an expanded number of schools, thereby boosting the number of pupils we will work with. We will run more mock interview days for whole year groups.

Goal 3. To have 300 volunteers

	Actual FY18/19	Target FY19/20
Number of volunteers	345	400

It is our plan to maintain the numbers of volunteers, but also to embed a small cohort of them to provide mentoring/coaching support to our young adults once they have finished on our workshop.

Making The Leap

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year Ended 31st March 2019

Plans for Future Periods *(continued)*

Goal 4. To operate in two cities

	Actual FY18/19	Target FY19/20
Number of cities	1	1

To enhance awareness of the organisation

Our plan for 2019/20 is to continue to develop our marketing plan and strategy with staff and an external Consultant and alongside this to develop a robust social media strategy. Our social media channels will continue to be improved, adding more content and the development of additional SOMOs related products.

Goal 1. To increase number of users

	Actual FY18/19	Target FY19/20
Website users - makingtheleap.org.uk	13,217	15,000
Website users – uksomo.com	8,874	10,000

Goal 2. To Increase article and media mentions

	Actual FY18/19	Target FY19/20
Articles and media mentions - Making The Leap	2	5
Articles and media mentions - UKSMA	17	22

Goal 3. To increase followers, subscribers and likes on social media

	Actual FY18/19	Target FY19/20
Facebook (MTL)	820	1,100
Twitter (MTL)	1,328	1,500
Instagram (MTL)	547	700
LinkedIn (MTL)	1,257	1,500
Facebook (UKSMA)	116	150
Twitter (UKSMA)	670	800
Instagram (UKSMA)	165	250
LinkedIn (UKSMA)	260	350
Newsletter subscribers	1,031	1,200

Making The Leap

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Trustees' Annual Report (Incorporating the Director's Report) (continued)

Year Ended 31st March 2019

Trustees' Responsibilities Statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small Company Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 13th December 2019 and signed on behalf of the board of trustees by:



Mr A May
Trustee

Making The Leap

Company Limited by Guarantee

Independent Auditor's Report to the Members of Making The Leap

Year Ended 31st March 2019

Opinion

We have audited the financial statements of Making The Leap (the 'charity') for the year ended 31st March 2019 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2019 and of its 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;
- 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 auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity'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.

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Independent Auditor's Report to the Members of Making The Leap (*continued*)

Year Ended 31st March 2019

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Opinions 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; and
- 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 the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 directors' report and from the requirement to prepare a strategic report.

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Independent Auditor's Report to the Members of Making The Leap (continued)

Year Ended 31st March 2019

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 on the effectiveness of the 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the charity 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.

Making The Leap

Company Limited by Guarantee

Independent Auditor's Report to the Members of Making The Leap *(continued)*

Year Ended 31st March 2019

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.



Nilesh Patel FCCA (Senior Statutory Auditor)

For and on behalf of
Nigel Wilson & Co
Accountants & statutory auditor
4th Floor
100 Fenchurch Street
London
EC3M 5JD

13th December 2019

Making The Leap
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year Ended 31st March 2019

		2019	2019		2018
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Grants and Donations	5	85,013	183,500	268,513	270,304
Charitable activities:					
Generated income - SOMOs	6	377,973	-	377,973	241,620
Other generated income	6	9,179	136,877	146,056	127,142
Fundraising	6	-	-	-	131,185
Investment income	7	35,982	-	35,982	47,275
Total income		<u>508,147</u>	<u>320,377</u>	<u>828,524</u>	<u>817,526</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising grants and donations	8	82,625	-	82,625	105,519
Expenditure on charitable activities	9,10	376,578	351,740	728,318	700,773
Total expenditure		<u>459,203</u>	<u>351,740</u>	<u>810,943</u>	<u>806,292</u>
Net income		<u>48,944</u>	<u>(31,363)</u>	<u>17,581</u>	<u>11,234</u>
Transfers between funds		(32,000)	32,000	-	-
Net movement in funds		16,944	637	17,581	11,234
Reconciliation of funds					
Total funds brought forward		721,226	2,217	723,443	712,209
Total funds carried forward		<u>738,170</u>	<u>2854</u>	<u>741,024</u>	<u>723,443</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 19 to 26 form part of these financial statements.

Making The Leap
Company Limited by Guarantee
Statement of Financial Position

31st March 2019

	Note	2019 £	£	2018 £	£
Fixed Assets					
Tangible fixed assets	16		602,907		617,139
Current Assets					
Debtors	17	87,713		43,914	
Cash at bank and in hand		<u>134,875</u>		<u>175,107</u>	
		222,588		219,021	
Creditors: Amounts Falling due Within One Year	18	<u>84,471</u>		<u>112,717</u>	
Net Current Assets			138,117		106,304
Total Assets Less Current Liabilities			741,024		723,443
Net Assets			741,024		723,443
Funds of the Charity					
Restricted funds			2,854		2,217
Unrestricted funds			<u>738,170</u>		<u>721,226</u>
Total charity funds	20		741,024		723,443

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

These financial statements were approved by the board of trustees and authorised for issue on 13th December 2019, and are signed on behalf of the board by:



Mr A May
Trustee

The notes on pages 19 to 26 form part of these financial statements.

Making The Leap
Company Limited by Guarantee
Statement of Cash Flows
Year Ended 31st March 2019

		2019	2018
		£	£
	Note		
Cash Flows from Operating Activities			
Net income		17,581	11,234
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets	16	14,453	14,182
Rent receivable	7	(35,982)	(47,275)
Interest payable and similar charges		349	1,960
<i>Changes in:</i>			
Trade and other debtors	17	(43,799)	15,573
Trade and other creditors (excluding borrowings)	18	(12,340)	15,356
Cash generated from operations		<u>(59,738)</u>	<u>11,030</u>
Interest paid		(349)	(1,960)
Net cash from/(used in) operating activities		<u>(60,087)</u>	<u>9,070</u>
Cash Flows from Investing Activities			
Rent receivable	7	35,982	47,275
Purchase of tangible assets	16	(221)	(1,300)
Net cash from investing activities		<u>35,761</u>	<u>45,975</u>
Cash Flows from Financing Activities			
Repayments of borrowings	18	(15,906)	(25,890)
Net cash used in financing activities		<u>(15,906)</u>	<u>(25,890)</u>
Net Increase in Cash and Cash Equivalents		(40,232)	29,155
Cash and Cash Equivalents at Beginning of Year		175,107	145,952
Cash and Cash Equivalents at End of Year		<u>134,875</u>	<u>175,107</u>

The notes on pages 19 to 26 form part of these financial statements.

Making The Leap

Company Limited by Guarantee

Notes to the Financial Statements

Year Ended 31st March 2019

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Harriet Tubman House, Hazel Road, Kensal Green, London, NW10 5PP.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

There are no material uncertainties about the charity's ability to continue.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund Accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company 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 for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Investment income, gains and losses are allocated to the appropriate fund.

Making The Leap
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year Ended 31st March 2019

3. Accounting Policies (continued)

Incoming Resources

Income

All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Resources Expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Fixtures and fittings	-	33% straight line
Office equipment	-	25% straight line

Making The Leap

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year Ended 31st March 2019

3. Accounting Policies (*continued*)

Financial Instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by Guarantee

Making The Leap is a company limited by guarantee and accordingly does not have share capital

5. Grants and Donations

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Grants and Donations	<u>85,013</u>	<u>183,500</u>	<u>268,513</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Grants and Donations	<u>38,420</u>	<u>231,884</u>	<u>270,304</u>

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Generated income SOMOs	377,973	-	377,973	241,618	241,618
Other generated income	9,179	136,877	146,056	127,142	127,142
Fundraising	-	-	-	131,185	131,185
	<u>387,152</u>	<u>136,877</u>	<u>524,029</u>	<u>499,947</u>	<u>499,947</u>

Making The Leap

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year Ended 31st March 2019

7. Investment Income

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
Rental income - Community centre	<u>35,982</u>	<u>35,982</u>	<u>47,275</u>	<u>47,275</u>

8. Costs of Raising Donations and Legacies

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
SOMOs	75,350	75,350	69,824	69,824
Fundraising	7,275	7,275	35,695	35,695
	<u>82,625</u>	<u>82,625</u>	<u>105,519</u>	<u>105,519</u>

9. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Wages and salaries	235,684	243,227	478,911
National insurance	26,241	20,205	46,446
Pension cost	36,790	24,307	61,097
Event costs	-	7,859	7,859
Course participant travel	-	4,081	4,081
Maintenance	-	11,203	11,203
Utilities	-	3,353	3,353
Support costs	77,863	37,505	115,368
	<u>376,578</u>	<u>351,740</u>	<u>728,318</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Wages and salaries	-	459,092	459,092
National insurance	-	45,920	45,920
Pension cost	-	57,609	57,609
Event costs	-	9,525	9,525
Course participant travel	-	3,996	3,996
Maintenance	-	10,469	10,469
Utilities	-	2,799	2,799
Support costs	75,663	35,700	111,363
	<u>75,663</u>	<u>625,110</u>	<u>700,773</u>

Making The Leap
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year Ended 31st March 2019

10. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2019 £	Total fund 2018 £
Wages and salaries	478,911	35,763	514,674	496,676
National insurance	46,446	2,980	49,426	48,989
Pension cost	61,097	1,500	62,597	59,109
Event costs	7,859	-	7,859	9,525
Course participant travel	4,081	-	4,081	3,996
Maintenance	11,203	-	11,203	10,469
Utilities	3,353	4,658	8,011	5,796
Travel and subsistence	-	4,703	4,703	1,497
Telephone	-	7,430	7,430	8,889
Printing, postage and stationery	-	6,455	6,455	5,374
Storage costs	-	5,835	5,835	5,419
Computer expenses	-	5,521	5,521	5,574
Premises insurance	-	5,951	5,951	5,950
Entertaining	-	188	188	-
Consultancy fees	-	2,940	2,940	1,300
Subscriptions	-	9,191	9,191	7,506
Training	-	-	-	65
Recruitment costs	-	-	-	785
Governance costs	-	22,253	22,253	23,854
	<u>612,950</u>	<u>115,368</u>	<u>728,318</u>	<u>700,773</u>

In the opinion of the Trustees the above adequately analyses Support costs and so no further disclosure has been made.

11. Net Income

Net income is stated after charging/(crediting):

	2019 £	2018 £
Depreciation of tangible fixed assets	<u>14,453</u>	<u>14,182</u>

12. Auditors Remuneration

	2019 £	2018 £
Fees payable for the audit of the financial statements	<u>4,200</u>	<u>4,140</u>

Making The Leap
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year Ended 31st March 2019

13. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019	2018
	£	£
Wages and salaries	514,674	496,676
Social security costs	49,426	48,989
Employer contributions to pension plans	62,597	59,109
	<u>626,697</u>	<u>604,774</u>

The average head count of employees during the year was 16 (2018: 18). The average number of full-time equivalent employees during the year is analysed as follows:

	2019	2018
	No.	No.
Senior Management	2	2
Training	4	5
Corporate Partnerships	1	1
Support	1	1
Management, Admin & Finance	3	4
Development	1	1
Associate Recruitment	3	2
Education	1	1
Participants Recruitment	–	1
	<u>16</u>	<u>18</u>

The number of employees whose remuneration for the year fell within the following bands, were:

	2019	2018
	No.	No.
£60,000 to £69,999	1	1
	<u>1</u>	<u>1</u>

14. Trustee Remuneration and Expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

15. Transfers Between Funds

A transfer was made between the Restricted and Unrestricted funds to finance the ongoing activity in the restricted fund.

Making The Leap
Company Limited by Guarantee
Notes to the Financial Statements (continued)
Year Ended 31st March 2019

16. Tangible Fixed Assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1st April 2018	700,026	52,940	44,974	797,940
Additions	–	–	221	221
At 31st March 2019	<u>700,026</u>	<u>52,940</u>	<u>45,195</u>	<u>798,161</u>
Depreciation				
At 1st April 2018	84,006	51,821	44,974	180,801
Charge for the year	14,001	434	18	14,453
At 31st March 2019	<u>98,007</u>	<u>52,255</u>	<u>44,992</u>	<u>195,254</u>
Carrying amount				
At 31st March 2019	<u>602,019</u>	<u>685</u>	<u>203</u>	<u>602,907</u>
At 31st March 2018	<u>616,020</u>	<u>1,119</u>	<u>–</u>	<u>617,139</u>

17. Debtors

	2019 £	2018 £
Trade debtors	79,222	32,984
Prepayments and accrued income	5,620	8,658
Other debtors	2,871	2,272
	<u>87,713</u>	<u>43,914</u>

18. Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans and overdrafts	–	15,906
Trade creditors	2,633	2,855
Accruals and deferred income	55,126	68,740
Social security and other taxes	13,982	13,198
Other creditors	12,730	12,018
	<u>84,471</u>	<u>112,717</u>

19. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £62,597 (2018: £59,109).

Making The Leap

Company Limited by Guarantee

Notes to the Financial Statements (*continued*)

Year Ended 31st March 2019

20. Analysis of Charitable Funds

Unrestricted funds

	At 1st April 2018 £	Income £	Expenditure £	Transfers £	At 31st March 2019 £
Unrestricted Fund	<u>721,226</u>	<u>508,147</u>	<u>(459,203)</u>	<u>(32,000)</u>	<u>738,170</u>

Restricted funds

	At 1st April 2018 £	Income £	Expenditure £	Transfers £	At 31st March 2019 £
Restricted Fund	<u>2,217</u>	<u>320,377</u>	<u>(351,740)</u>	<u>32,000</u>	<u>2,854</u>

21. Analysis of Net Assets Between Funds

	Unrestricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Tangible fixed assets	602,907	602,907	617,139
Current assets	222,588	222,588	219,021
Creditors less than 1 year	<u>(84,471)</u>	<u>(84,471)</u>	<u>(112,717)</u>
Net assets	<u>741,024</u>	<u>741,024</u>	<u>723,443</u>