

# POWER2 LTD

England & Wales · Charity number 1099782

## Details

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Other names	CHILDREN: OUR ULTIMATE INVESTMENT (UK), TEENS AND TODDLERS, TEENS AND TODDLERS TRADING AS POWER2 LTD, POWER2
Status	Registered
Legal form	Charitable company
Company number	<a href="#">04001308</a>
Registered	2003-10-01
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	26A Warrington Street Ashton-under-Lyne Tameside OL6 6AS
Phone	0161 331 9329
Email	<a href="mailto:info@power2.org">info@power2.org</a>
Website	<a href="http://www.power2.org">www.power2.org</a>

## Activities

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**Objects:** TO FOSTER AND SUPPORT THE EDUCATION, HEALTH, OPPORTUNITY AND DEVELOPMENT OF CHILDREN AND YOUNG PEOPLE.

**Activities:** Power2 is a leading youth development charity. We believe there is no greater cost to society than unfulfilled potential. We support children and young people at key transition points to achieve their potential by developing crucial life skills, boosting confidence and improving self-esteem. Our two main programmes are the award-winning Teens & Toddlers programme and the Young Leaders programme.

## Classification

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- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

## Geography

- Throughout England

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£2,382,536	£2,347,310	£491,939	63
2024-07-31	£2,359,821	£2,269,662	£456,713	59
2023-07-31	£2,313,877	£2,246,868	£366,554	43
2022-02-28	£1,191,146	£1,143,015	£252,541	26
2021-02-28	£1,215,100	£1,150,930	£204,410	26

## Trustees

Name	Role	Appointed
<b>Michael Francies</b>	Chair	2025-06-04
Amira Shariif Ali		2021-09-24
Anna Marks		2026-05-19
Emily Wells		2024-09-20
James Victor Aylward Potter		2021-01-20
Juliette Wilson-Thomas		2024-09-20
Lara Norris		2024-10-02
Lauren Livingston		2023-06-13
Michael Hartig		2024-10-02
Reena Gogna		2020-06-01
Shazia Latif Book		2024-10-02
Troels Henriksen		2024-09-20

**POWER2 LTD**

England & Wales - Charity number 1099782

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# Accounts

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Power2 Ltd

FINANCIAL STATEMENTS

12 MONTHS ENDED 31 JULY 2025

REGISTERED CHARITY NUMBER: 1099782 (England and Wales)

COMPANY NUMBER: 4001308



## Power2 Ltd

These financial statements cover the 12-month period from 1 August 2024 to 31 July 2025.

2024-25 was a year of consolidation for Power2 with revenue of £2,382,536 vs £2,359,821 in 2024. We worked with nearly 1,300 children and young people. 97% of those we worked with had social, emotional and mental health (SEMH) vulnerabilities, 92% were living in poverty, 30% had special educational needs (SEND), and 17% of those we worked with were care-experienced or supported by a social worker. We're also seeing a change in the way these vulnerabilities impact on our programme participants; we're supporting many more at risk of exploitation or where their anxiety impacts their school attendance.

We finished the second year of our three-year strategy well on the way to achieving our ambitious growth plans. Our flagship group programme, Teens and Toddlers, continues to be in high demand from schools and we were delighted to be featured by the BBC's Morning Live programme and in the Sunday Times. We launched our new group programme, Power2 Energise, where young people use movement and physical activity to mentor younger children. Our Power2 Rediscover intensive 1:1 approach continues to be widely used, both as our own 10-week programme being delivered in schools and as an intervention commissioned by local authorities where we provide support for up to three years, and we were delighted with the findings of two external evaluations into its efficacy. One, from ProBono Economics and the University of Manchester provided a value for money assessment of Power2 Rediscover and found that it could be improving wellbeing by the equivalent of 1.2 life satisfaction points (around twice the size of the impact measured for adults getting a job after being unemployed). The second, from the University of Sunderland, found that Power2's work with young people provided significant protective factors to their accessing and remaining in mainstream school. Our relaunched website highlighted all this and more, and we were pleased to receive praise for its accessibility and ability to showcase our great work.

Power2 is nothing without its people, and so we were all affected by the untimely death of one of our brilliant Programme Leads, Khalil Taipow, at the end of 2024. We have introduced a special award at our annual graduation ceremonies in his memory - the Khalil Taipow for Role Model of the Year- which we presented this for the first time in summer 2025.

Our focus for the next year - the final year of our strategy – is threefold: to work more with alternative provision settings, school sales, to increase our focus on mid-and major individual giving, and to launch our organisational culture project, ensuring that we continue to make Power2 a great place to work. I'm confident that we can achieve these aims and improve outcomes for those we work with this year.

2026 marks our 25<sup>th</sup> year, and we are delighted to have been joined for it by a new Chair of Trustees, Michael Francies, who will be helping steer us through our next phase. Our 25<sup>th</sup> year also marks the end of our current strategy, and so Michael and his fellow trustees will be working with Power2's senior management team to develop the strategy for the next phase of our growth.

The work we do at Power2 changes lives. I'm incredibly proud of the staff team, their skill and determination in making a difference to the lives of our programme participants and, above all, the children and young people we work with and everything they have achieved.



*Julie Randles*

Julie Randles  
CEO  
**Power2 Ltd**



## **Report of the Trustees for the 12 Months ending 31 July 2025**

The Trustees are pleased to present their Trustees' Report together with the audited financial statements of the charity for the 12 months ending 31 July 2025, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

### **Our purposes and activities**

The purpose of the charity is to foster and support the education, health, opportunity and development of children and young people. We believe there is no greater cost to society than unfulfilled potential. We support children and young people at key transition points to achieve their potential by developing crucial life skills, boosting confidence and improving self-esteem. Among our programmes are the award-winning Teens and Toddlers programme and Power2 Rediscover, a programme developed during COVID when group work in schools was not possible. There have been no changes to the Charity's objectives during the year. The Charity is a public benefit entity. The Trustees have had regard to the Charity Commission's guidance on public benefit.

### **Strategic Report - Achievements and performance**

In the period to July 2025, we worked in 34 local authorities and 99 secondary schools.

### **Financial review**

Power2 had a surplus of £35,226 for the 12 months to July 2025. For the 12 months to July 2024 our audited surplus was £90,159. Financial sustainability is the main financial risk faced by the Charity. Securing grants is increasingly difficult as competition is extreme. The development of commissioned incomes sources can mitigate these risks but commissioned revenues are also subject to uncertainties because they are ultimately dependant on central government funding. On the other hand we have found that by delivering value to Local Commissioners we have been able to secure ongoing multi-year contracts.

### **Plans for future periods**

Over the last two years the Charity has successfully executed its strategy to expand trading and commissioned income and in 2025 this income stream approached 50% of total income. The Trustees expect this change of direction to be built upon over the next years. The funding of the Charity has been realigned to utilise loan facilities to provide the medium to long term working capital needs which local Authority commissioned income streams demand.

### **Investment powers and policy**

The operating management, taking into account the liquidity requirements of operations, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index.



### Reserves Policy

Power2 must ensure its long-term sustainability, viability, and success. In determining the reserves policy the Trustees have considered the current economic conditions and the risks to key funding sources. The Trustees have also considered the organisation's core financial responsibilities. The Trustees have agreed that the Charity's objective is to have free cash reserves of no less than 3 months and no more than 6 months normal operating expenditure in order to continue to operate programmes. Normal operating expenditure for this purpose excludes expenditure which is covered by restricted reserves. Reserves held at 31 July 2025 are £491,939 (2024: £456,713). Of these £306,459 were unrestricted (2024: £256,340) and £185,480 restricted (2024: £200,373) as at 31 July 2025.

The Trustees are satisfied with the level of unrestricted reserves.

The Trustees have no material concerns relating to the ability of Power2 to continue to operate as a going concern.

In setting its budgets, level of charges for services and in negotiating the level of funding for grants, Power2 takes account of the need to maintain adequate reserves. The Board of Directors and the Finance Committee monitor whether the level of income is appropriate to establish and maintain reserves in line with this policy through the processes of annual budgeting, periodic management accounts and cash flow reporting. The reserves policy is regularly reviewed by the Board.

### Reference and administrative details

Charity number: 1099782  
 Company number: 4001308  
 Principal & Registered Office: 26A Warrington Street, Ashton-under-Lyne, Tameside, OL6 6AS

### Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair	Michael Francies (appointed 4 June 2025)
Trustees	Amira Shariif Ali Emily Wells (appointed 20 September 2024) Gemma Carroll (resigned 28 March 2025) James Potter Juliette Wilson-Thomas (appointed 20 September 2024) Lara Norris (appointed 12 October 2024) Lauren Livingston Michael Hartig (appointed 12 October 2024) Reena Gogna Shazia Latif Book (appointed 12 October 2024) Troels Henrikson (appointed 20 September 2024) Wendy Doherty (appointed 20 September 2024, resigned 19 January 2025)



Company Secretary	Julie Randles
Chief Executive	Julie Randles
Auditors	MHA 910 The Crescent, Colchester Business Park, Colchester, Essex, CO4 9YQ
Bankers	Unity Trust Bank PO Box 7193, Planetary Road, Willenhall, WV1 9DG Barclays Bank plc, Borough High Street, London, SE1 1LY. accounts closed February 2025
Senior Management Team	Paul Hopkins - Finance Director Samantha Marcus - Director of Services Jennifer Smith – Head of Operations Sam Broderick – Head of Fundraising Danielle Garwood – Head of Brand, Marketing and Communications Suzanne Kennedy – Head of Service Delivery

**Fundraising**

The Charity does not use any professional fundraisers other than those individuals employed by the Charity. During the financial period 2024-25 the charity paid due regard to its fundraising practices in line with the guidelines set out by the Fundraising Regulator’s Fundraising Code of Practice. There were no complaints made against the charity regarding fundraising practices. Fundraising is monitored by the Trustees.

We would like to thank all our funders, some of whom are listed below. Other not listed prefer to remain anonymous.

- Alex Ferry Foundation
- Antin Infrastructure Partners
- Bagley Cottage Charitable Trust
- Breathe HR
- Brian Wilson Charitable Trust
- Charles and Elsie Sykes Trust
- Charles Hayward Foundation
- Clarion Futures Communities
- Compass Leading
- CVC Foundation
- Derwent London Community Fund
- EET Fuels
- Eleanor Rathbone Charitable Trust
- Fair Education Alliance
- Garfield Weston Foundation
- Good Business
- Greenwich Healthier Communities Fund
- Heathrow Community Trust
- John Lyon’s Charity



Leathersellers' Foundation  
Manchester Airport Community Trust Fund  
Marjory Boddy Charitable Trust  
Moorhouse Consulting  
Newcomen Collett Educational Foundation  
North West Young People's Development Trust  
npower Business Solutions Foundation  
Paul, Weiss, Rifkind, Wharton & Garrison LLP  
Pilkington Charities' Fund  
Progress Foundation  
Prudence Trust  
Sam Griffiths Foundation  
Sanghera Foundation  
Sir Donald and Lady Edna Wilson Charitable Trust  
Sir James and Lady Scott Trust  
Somers Town Big Local  
Swire Charitable Trust  
Tesco Community Grants  
The Childhood Trust  
The Keith Howard Foundation  
The Maudsley Charity  
The National Lottery Community Fund  
The Topinambour Trust  
The Walcot Foundation  
UK Youth  
Youth Endowment Fund  
W1M  
Weil, Gotshal and Manges LLP (London)

## **Structure, Governance and Management**

### ***Governing Document***

Power2 is a company limited by guarantee governed by its Memorandum and Articles of Association dated May 2000. It is registered as a charity with the Charity Commission.

### ***Trustee induction and training***

New trustees receive an induction pack and undergo orientation to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. The intention is also that they visit one of our programmes in action.

### ***Organisation***

The board of trustees administers the charity. The Board normally meets five times per year and during the period covered by these accounts there were sub-committees for finance and



risk, (Finance and Risk Committee) and safeguarding (Safeguarding Committee). The Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and to delegate through the Senior Management Team (SMT). The delegated authority scheme is agreed by the Board and reviewed every 3 years.

#### ***Related parties and co-operation with other organisations***

None of our trustees receive remuneration or other benefit from their work with the charity.

#### ***Indemnity Insurance***

Professional indemnity insurance is paid on behalf of the Trustees to protect them from claims arising from negligent acts, errors, or omissions while on charity business.

#### ***Pay policy for senior staff***

The Directors consider that the board of directors - who are the Charity's trustees- the Chief Executive and the senior management team, comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. The pay of the Chief Executive is reviewed annually by the Remuneration Committee (2 trustees) with approval by the Trustee Board and increased in accordance with average earnings, where relevant, and benchmarked against other similar charities.

#### ***Risk management***

The Trustees have a risk management strategy which comprises:

- a risk register which is reviewed by the full Board at each meeting along with a list of changes since the previous Board meeting.
- A regular review of the principal risks and uncertainties that the charity is subject to by the main Trustee Board.
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.
- a Finance Committee comprising 3 trustees which meets separately from the main Board to review financial forecast in detail as well as other financial risks.

The principal risks of the Charity identified by the Trustees include the availability of funding for projects and the safeguarding risks arising in relation to the teenagers and young children involved in the projects. These risks are mitigated by active financial management and by robust policies and procedures in respect of selection and training of staff working with young people.

#### ***Trustees' responsibilities in relation to the financial statements***

The charity trustees are responsible for preparing a trustees' annual report and 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 (FRS 102);
- make judgements and 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 charity will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to the auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board Michael Francies  
Chair of Trustee Board

By order of the Board of Trustees

Date 27 March 2026



## Independent Auditor's Report to the Members of Power2 Ltd

### Opinion

We have audited the financial statements of Power2 Limited (the 'charitable company') for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2025 and of its incoming resources and application of resources 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### 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 contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

### **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
- sufficient accounting records have not been kept; or
- the 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 charitable company for the purposes of company law) are responsible for the preparation of the financial statements which 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**

We have been appointed as auditor under section 145 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

### **Use of our report**

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

*Cara Miller*

**Cara Miller ACCA , Senior Statutory Auditor for**

**MHA, Statutory Auditor**

Colchester, United Kingdom

Date: March 31, 2026

MHA is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006. MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).



## Power 2 Ltd

### STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT

	Notes	12 Months Ending July 2025			2024
		Unrestricted	Restricted	Total	Total
		Funds	Funds		
<u>Income and endowments from:</u>					
<b>Grants and Legacies</b>					
Grants	1	199,361	629,252	828,613	923,893
Donations and events	1	99,586	-	99,586	96,536
		<b>298,947</b>	<b>629,252</b>	<b>928,199</b>	<b>1,020,429</b>
<b>Charitable activities</b>					
Income from commissioned services	1	1,444,636	-	1,444,636	1,335,406
<b>Investments</b>					
Bank interest receivable	1	9,701	-	9,701	3,986
<b>Total Income and endowments</b>		<b>1,753,284</b>	<b>629,252</b>	<b>2,382,536</b>	<b>2,359,821</b>
<b>RESOURCES EXPENDED</b>					
Raising Funds	5	216,185	-	216,185	231,094
Charitable activities	3	1,486,980	644,146	2,131,125	2,038,568
<b>Total expenditure</b>		<b>1,703,164</b>	<b>644,146</b>	<b>2,347,310</b>	<b>2,269,662</b>
<b>Surplus</b>		<b>50,119</b>	<b>(14,893)</b>	<b>35,226</b>	<b>90,159</b>
<b>Transfers between funds</b>	11	-	-	-	-
<b>NET INCOMING/(OUTGOINGS) RESOURCES FOR THE YEAR</b>		<b>50,119</b>	<b>(14,893)</b>	<b>35,226</b>	<b>90,159</b>
Reconciliation of funds					
Total funds brought forward		256,340	200,373	456,713	366,554
<b>Balances carried forward at the end of the period</b>		<b>306,459</b>	<b>185,480</b>	<b>491,939</b>	<b>456,713</b>

All income and expenditure derive from continuing activities.

The notes on pages 17 to 24 form part of these financial statements.



**Power2 Ltd**

**Balance Sheet for the 12 Months Ending 31 July 2025**

	Notes	At 31 July 2025		At 31 July 2024	
		£	£	£	£
<b>FIXED ASSETS</b>					
Computer equipment	7		24,077		23,084
<b>CURRENT ASSETS</b>					
Debtors	8	164,914		336,462	
Cash at bank and in hand		642,134		541,248	
		807,048		877,711	
<b>CREDITORS: Amounts falling due within one year</b>	9	168,476		210,931	
<b>NET CURRENT ASSETS</b>			638,572		666,780
<b>Loans falling due after more than one year</b>	12		170,710		233,151
<b>NET ASSETS</b>			<b>491,939</b>		<b>456,713</b>
<b>FUNDS</b>					
Unrestricted General fund	11		306,459		256,340
Restricted			185,480		200,373
<b>TOTAL FUNDS</b>			<b>491,939</b>		<b>456,713</b>

The Financial Statements were approved and authorised for issue by the Board on 27 March 2026.

Signed on behalf of the Board of Trustees

Michael Francies

Chair of Board of Trustees

Date 27 March 2026

The notes on pages 17 to 24 form part of these financial statements



**Power2 Ltd**

**Statement of Cash Flows for the 12 Months Ending 31 July 2025**

		<b>12 Months to July 2025</b>	<b>12 Months to July 2024</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Cash flow from operating activities		35,226	90,159
<i>Adjustments for:</i>			
Depreciation		14,118	11,856
Interest paid		21,081	11,206
Interest received		(9,701)	(3,986)
Increase in debtors		171,548	(156,713)
Increase in creditors		(42,455)	(31,861)
<b>Net cash flow from operating activities</b>		<b>189,818</b>	<b>(79,339)</b>
Cash flow from investing activities			
Purchase of tangible assets		(15,111)	(11,748)
Interest received		9,701	3,986
<b>Net cash flow from investing activities</b>		<b>(5,410)</b>	<b>(7,762)</b>
<b>Cash flows from financing activities</b>			
New loan advance			236,900
Repayment of loans		(62,441)	(26,717)
Interest paid		(21,081)	(11,206)
<b>Net cash from financing activities</b>		<b>(83,522)</b>	<b>198,977</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>100,886</b>	<b>111,876</b>
Cash and cash equivalents brought forward at beginning of period		541,248	429,372
<b>Cash and cash equivalents carried forward at end of period</b>		<b>642,134</b>	<b>541,248</b>

The notes on pages 17 to 24 form part of these financial statements



## Power2 Ltd

### Note 1 Summary of significant accounting policies

#### (a) General information and basis of preparation

Power2 is a charitable company limited by guarantee incorporated in England and Wales. 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. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are to foster and support the education, health, opportunity and development of children and young people. We run programmes where teenagers mentor young children, and build the life skills and self-belief they need to succeed at school, in work and in the community. There have been no changes to the Charity's objectives during this year.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Funds

Unrestricted funds 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.

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 cost 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.

#### (c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.



For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donations and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities, assets and professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities, assets and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grant income is recognised when the charity is entitled to the income, receipt is probable and the amount can be measured reliably. Where grants are subject to performance-related conditions, income is recognised only when those conditions have been met. Grants received in advance are deferred until the charity becomes entitled to the income. Grants subject only to restrictions on use are recognised as restricted income when entitlement arises.

Investment income is earned through holding assets for investment purposes. It includes interest and interest income is recognised using the effective interest method and included when receivable.

#### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and that amount of the obligation can be measured reliably. It is categorised under the following headings:



- Costs of raising funds includes fundraisers' salaries and costs associated with applying for funds
- Power2 capitalises computer equipment with monetary value of greater than £500. Capitalised assets are written off over 3 years on a straight line basis. As such, capital purchases of less than this amount are recognised through the Statement of Financial Activities and Income and Expenditure Account.
- Expenditure on charitable activities includes delivery costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have allocated to cost of raising funds and expenditures on charitable activities on a basis consistent with use of the resources. Overheads have been allocated as detailed in note 3.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 4.

**(f) Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(g) Financial Instruments**

The charity has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(i) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

**(j) Employee pensions and benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount



expected to be paid in exchange for that service. Where employees are informed of redundancies by balance sheet date, provisions are included in the financial statements.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable in accordance with the rules of the scheme.

**(k) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(l) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(m) Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material, adjustment to the carrying amounts of assets and liabilities within the next financial year include the valuation of deferred income in creditors. The trustees have reviewed the deferred income and are satisfied that this is valued in accordance with the accounting policies.



## Power2 Ltd

### Notes to the Financial Statements for the 12 Months to 31 July 2025

1	INCOMING RESOURCES	Unrestricted Funds	Restricted Funds	12 Months to 31 July 2025	2024
		£	£	£	£
	<b>Grants and Legacies</b>				
	Grants	199,361	629,252	828,613	923,893
	Donations and events	99,586		99,586	96,536
		298,947	629,252	928,199	1,020,429
	<b>Charitable activities</b>				
	Income from commissioned services	1,444,636		1,444,636	1,335,406
	<b>Investments</b>				
	Bank interest receivable	9,701	-	9,701	3,986
		<b>1,753,284</b>	<b>629,252</b>	<b>2,382,536</b>	<b>2,359,821</b>
	In the prior period income of £2,359,821 comprised £683,439 restricted and £1,676,382 unrestricted				
	<b>2 RESOURCES EXPENDED</b>				
	<b>Costs directly attributable to activities</b>				
	Salary costs			1,539,151	1,498,604
	Project materials			33,917	35,778
	Other delivery costs			136,868	134,956
	Postage and freight			107	933
	Travel			80,600	64,236
	Training Quality Assurance and Accreditation (inc salaries)			26,465	5,020
	Research and Evaluation (inc salaries)			81,902	74,186
				<b>1,899,009</b>	<b>1,813,714</b>
	<b>Support costs allocated to activities</b>				
	Bank charges and loan interest			21,081	11,206
	Building, and utility costs			2,560	5,732
	Equipment hire and purchase			(440)	405
	Insurance			4,716	3,698
	Recruitment			1,963	2,408
	IT software and web development			91,995	71,836
	Legal and professional fees			15,055	22,038
	Other			3,500	3,020
	Postage, printing and stationery			4,338	3,467
	Rent and rates			47,917	53,953
	Telephone			29,850	32,058
	Audit			12,600	18,528
	Depreciation			14,118	11,856
				<b>249,254</b>	<b>240,205</b>
	<b>Total Cost of Charitable Activities</b>			<b>2,148,262</b>	<b>2,053,919</b>
	<b>Raising Funds</b>				
	Salary costs			198,263	210,648
	Communications and PR			785	5,095
	Donor Costs			-	-
				<b>199,048</b>	<b>215,743</b>
	<b>TOTAL RESOURCES EXPENDED</b>			<b>2,347,310</b>	<b>2,269,662</b>



**Power2 Ltd**

**Notes to the Financial Statements for the 12 Months to 31 July 2025**

<b>3</b>	<b>Analysis of Expenditure on charitable activities</b>					
			<b>Costs directly attributable to activities</b>	<b>Support costs</b>	<b>12 Months to July 2025</b>	<b>2024</b>
	<b>Costs directly attributable to activities</b>					
	Delivery		1,977,670	153,456	2,131,126	2,038,569
			<b>1,977,670</b>	<b>153,456</b>	<b>2,131,126</b>	<b>2,038,569</b>
<b>4</b>	<b>Allocation of Support costs</b>					
			<b>Raising Funds</b>	<b>Delivery</b>	<b>12 Months to July 2025</b>	<b>2024</b>
	Governance		1,329	11,901	13,230	21,932
	Office costs inc Rent		4,721	42,279	47,000	33,178
	Information Technology		5,582	49,989	55,571	64,182
	Other		5,504	49,288	54,792	16,995
			<b>17,137</b>	<b>153,456</b>	<b>170,593</b>	<b>136,287</b>
	Fees paid to the auditors for the audit of the Charity's annual accounts £12,600 (2024: £18,528).					
<b>5</b>	<b>Raising Funds</b>				<b>12 Months to July 2025</b>	<b>2024</b>
					£	£
	Costs directly attributable				199,048	215,744
	Support costs				17,137	15,350
					<b>216,185</b>	<b>231,094</b>
<b>6</b>	<b>Staff costs and employee benefits</b>				<b>12 Months to July 2025</b>	<b>2024</b>
					£	£
	Wages and Salaries				1,558,452	1,551,776
	Social Security Costs				144,430	132,653
	Defined contribution pension costs				116,434	99,010
	<b>Total staff wages and salaries</b>				<b>1,819,315</b>	<b>1,783,439</b>
	In the period redundancy costs were incurred of £3,202 (2024: £16,737). These costs are included in salaries.					
	The emoluments of the higher paid employees fell within the ranges indicated below. These emoluments include gross salary and exclude pension contributions.					
					<b>12 Months to July 2025</b>	<b>2024</b>
	£70,000 to £79,999				1	
	£80,000 to £89,999					1
	During the 12 months accounting period staff over £60,000 received pension benefits of £10,148					
	The average number of employees analysed by function was:					
					<b>Calculated on a Head Count basis</b>	
					<b>12 Months to July 2025</b>	<b>2024</b>
	Raising Funds				5.0	4.3
	Charitable activities				58.4	54.5
					<b>63.4</b>	<b>58.8</b>
	Key management personnel of the charity comprised the trustees of the charity who received no remuneration, and the Chief Executive and senior management team (6 staff). Their combined salaries and pensions totalled £341,457 for the 12 month period ( 2024 - £303,492).					



## Power2 Ltd

### Notes to the Financial Statements for the 12 Months to 31 July 2025

<b>7</b>	<b>FIXED ASSETS - COMPUTER EQUIPMENT</b>				<b>£</b>
	Cost or Valuation				
	Brought forward 1 August 2024				41,040
	Additions in the period				15,111
	<b>Carried forward 31 July 2025</b>				<b>56,151</b>
	<b>Depreciation</b>				
	Brought forward 1 August 2024				17,956
	Additions in the period				14,118
	<b>Carried forward 31 July 2025</b>				<b>32,074</b>
	<b>Net book value</b>	b/f 1 August 2024			<b>23,084</b>
		c/f 31 July 2025			<b>24,077</b>
<b>8</b>	<b>DEBTORS</b>		<b>At 31 July 2025</b>		<b>At 31 July 2024</b>
			<b>£</b>		<b>£</b>
	Trade debtors		115,759		249,696
	Other debtors		3,275		1,839
	Prepayments and accrued income		45,880		84,927
			<b>164,914</b>		<b>336,462</b>
<b>9</b>	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>At 31 July 2025</b>		<b>At 31 July 2024</b>
			<b>£</b>		<b>£</b>
	Trade creditors		16,903		26,220
	Accruals and provisions		16,255		43,221
	Other taxation and social security		47,512		41,081
	Deferred income		27,139		57,760
	Other loans		60,667		42,648
			<b>168,476</b>		<b>210,931</b>
	The amount of £60,667 includes a Coronavirus Business Interruption Loan (£7,211), secured by the government, repayable by instalments commencing in November 2021 and ending in October 2025 (2024 £42,648).				
<b>10</b>	<b>Deferred Income</b>		<b>At 31 July 2025</b>		<b>At 31 July 2024</b>
	At start of period		57,760		134,159
	Released to income during the year		(57,760)		(134,159)
	Additions during the year		27,139		57,760
	Carried forward 31 July		<b>27,139</b>		<b>57,760</b>
	Deferred income comprises income received in advance of delivery.				



**Power2 Ltd**

**Notes to the Financial Statements for the 12 Months to 31 July 2025**

<b>11 RESTRICTED &amp; UNRESTRICTED FUNDS</b>					
<b>Fund Name</b>	<b>Fund Balances b/f</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Fund Balances c/f</b>
	£	£	£	£	£
Business Development	45,473	40,000	(52,966)		32,507
Power2 Advance	-	48,337	(39,150)		9,187
Power2 Energise	-	50,000	(44,555)		5,445
Power2 Thrive	29,157	247,408	(233,466)		43,099
Other Restricted Funds	125,743	243,507	(274,010)		95,241
<b>Total Restricted Funds</b>	<b>200,373</b>	<b>629,252</b>	<b>(644,146)</b>	-	<b>185,480</b>
<b>Total Unrestricted Funds</b>	<b>256,340</b>	<b>1,753,284</b>	<b>(1,703,164)</b>	-	<b>306,459</b>
<b>Total All Funds</b>	<b>456,713</b>	<b>2,382,536</b>	<b>(2,347,310)</b>	-	<b>491,939</b>

All of the restricted funds represent monies received that have been given specifically towards the advancement of Power2 programmes.

**Analysis of net assets between funds**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>At 31 July 2025</b>	<b>At 31 July 2024</b>
Fixed assets	24,077		24,077	23,084
Current assets	621,568	185,480	807,048	877,711
Creditors	(168,476)		(168,476)	(210,931)
Long term creditors	(170,710)		(170,710)	(233,151)
<b>Total</b>	<b>306,460</b>	<b>185,480</b>	<b>491,939</b>	<b>456,713</b>

**11a RESTRICTED & UNRESTRICTED FUNDS for the 12 MONTH PERIOD TO JULY 31 2024**

	<b>Opening Balance 1 Aug 2023</b>	<b>Net Incoming Resources</b>	<b>Charitable Expenditure</b>	<b>Transfers between Funds</b>	<b>Closng Balance 31 July 2024</b>
Restricted Funds	119,400	683,439	(602,466)		200,373
Unrestricted Funds	247,154	1,676,382	(1,667,196)		256,340
<b>Total Reserves</b>	<b>366,554</b>	<b>2,359,821</b>	<b>(2,269,662)</b>	-	<b>456,713</b>



**Power2 Ltd**

**Notes to the Financial Statements for the 12 Months to 31 July 2025**

<b>12</b>	<b>LOANS</b>		<b>At 31 July 2025</b>	<b>At 31 July 2024</b>
			<b>£</b>	<b>£</b>
	Amounts falling due within 1 year		60,667	42,648
	Amounts falling due 1-2 years		57,835	60,906
	Amounts falling due 2-5 years		112,875	172,245
	Other loans		<b>231,377</b>	<b>275,799</b>
	Amounts falling due after year 1 (£57,835 plus £112,875) amount to £170,710 as disclosed in the Balance sheet on page 15			
<b>13</b>	<b>RELATED PARTY TRANSACTIONS</b>			
	A number of the trustees of the charity are also involved as supporters and trustees of other charities and not for profit organisations which may provide grants to Power2. These trustees do not participate in any decisions in relation to these transactions.			
<b>14</b>	<b>COMMITMENTS</b>			
	<b>OPERATING LEASES</b>			
	At 31 July 2025 the Charity had the following annual commitments under non-cancellable operating leases:			
			<b>Rent &amp; Equipment</b>	<b>Rent &amp; Equipment</b>
			<b>At 31 July 2025</b>	<b>At 31 July 2024</b>
			<b>£</b>	
	Operating leases which expire:			
	Within one year		29,108	44,498
	Within one to two years		27,821	21,408
	Within two to five years		30,733	8,600
			<b>87,662</b>	<b>74,506</b>
	Operating lease costs in the 12 months to 31 July 2025 were £22,310 (2024: £29,389)			
<b>15</b>	<b>COMPANY LIMITED BY GUARANTEE</b>			
	Each member of the Charity has guaranteed to contribute up to £1 in the event of a winding up.			
<b>16</b>	<b>FUTURE INCOME AND THE CURRENT ECONOMIC CLIMATE</b>			
	The Trustees consider that the income stream of the Charity will continue as forecast and unplanned expenditure would be minimal. The going concern basis is therefore considered to be appropriate as a basis of accounting.			
<b>17</b>	<b>Analysis of net debt</b>		<b>At 31 July 2024</b>	<b>Cash Flow</b>
				<b>At 31 July 2025</b>
	Cash at bank		541,248	100,886
	Debt falling due within one year		(42,648)	(18,019)
	Debt falling due within more than one year		(233,151)	62,441
			<b>265,449</b>	<b>145,308</b>
				<b>410,757</b>
<b>18</b>	<b>DIRECTORS' AND OFFICERS' REMUNERATION AND EXPENSES</b>			
	During the year ending 31 July 2025 £50 was reimbursed to one trustee for travel expenses, no other Trustee expenses have been incurred (2024:Nil)			

**POWER2 LTD**

England & Wales - Charity number 1099782

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# Accounts

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Power2 Ltd

FINANCIAL STATEMENTS

12 MONTHS ENDED 31 JULY 2024

REGISTERED CHARITY NUMBER: 1099782 (England and Wales)

COMPANY NUMBER: 4001308



## Power2 Ltd

These financial statements cover the 12-month period from 1 August 2023 to 31 July 2024. Last year we changed our accounting period and so the comparator is the 17 months to 31 July 2023. We made this change to match the school year which determines our annual work pattern and our impact reporting. This change has brought our financial and impact reporting together with our delivery calendar, thus making it easier for us to present our work to funders and commissioners.

2023-24 was a year of significant growth for Power2, with our revenue nearly doubling compared to the last 12-month accounting period (to February 2022)- £2,359,821 vs £1,203,150. We worked with nearly 1,300 children and young people, compared to just over 1,000 the previous year; our reach hasn't increased in proportion to our income because we are increasingly working with our programme participants more intensively and for a longer period, and we expect this to continue in the future as we work with those in greater need. 25% of those we worked with were care-experienced or supported by a social worker. We know that this group is amongst the most vulnerable in society.

We finished the first year of our five-year strategy well on the way to achieving our ambitious growth plans. Our flagship group programme, Teens and Toddlers, continues to be in high demand from schools and we were delighted to be funded by the npower Business Solutions Foundation to take it to Leeds in 2024/25. We were also delighted to be funded by the Garfield Weston Foundation and the National Lottery Community Fund to scale up delivery of our Power2 Thrive programme in London and the North West, and by the Prudence Trust to carry out an intensive evaluation of its impact. Our Power2 Rediscover intensive 1:1 approach continues to be widely used, both as our own 10-week programme being delivered in schools and as an intervention commissioned by local authorities where we provide support for up to three years. The needs and challenges of these participants have increased significantly and we're now working with more children and young people at crisis point, whether that's involvement in child criminal exploitation or with emotionally based school avoidance. We're delighted that all commissioners we've worked with so far have recommissioned us as a provider.

This commissioned work has led to an increase in the size of the staff team, from 51 people to 62. Power2 is nothing without its people, and we are emphasising staff wellbeing and development in our new strategy. We're proud that so many of the team has lived experience of the issues we seek to address, and we'll continue to centre this in our recruitment and communications – as well as ensuring we hear the voices of the experts-through-experience who are our programme participants.

We've continued to raise the profile of Power2 and held two successful externally-facing events; a dinner at the House of Lords for current and potential major donors, hosted by our Ambassador Lord Knight of Weymouth, and the launch of our Impact Report. We were delighted as part of this to highlight our Social Return on Investment; for every £1 invested in us we create value in society of £17.82.

We also refreshed our brand, vision and values, to ensure they are fit for purpose as our work, and the needs of the children and young people we serve, changes. Our new vision is of a world where all children and young people – no matter their background and challenges – can thrive and reach



their full potential. We work to achieve this vision by supporting children and young people experiencing vulnerabilities and disadvantages to improve their wellbeing so they can thrive and reach their full potential. We do this by helping them identify their strengths, address their challenges and develop their skills. Our values define who we are and how we behave. They are the fundamental beliefs of Power2. We are brave, we are expert, and we are passionate.

Our focus for the next year – year 2 of our five-year strategy – is threefold: to increase the number of schools we work with, to increase awareness of our work and our impact, and to continue to make Power2 a great place to work. I'm confident that we can achieve these aims and improve outcomes for those we work with this year.

The work we do at Power2 changes lives. I'm incredibly proud of the staff team, their skill and determination in making a difference to the lives of our programme participants and, above all, the children and young people we work with and everything they have achieved.

Julie Randles  
Chief Executive  
**Power2 Ltd**



## **Report of the Trustees for the 12 Months ending 31 July 2024**

The Trustees are pleased to present their Trustees' Report together with the audited financial statements of the charity for the 12 months ending 31 July 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

### **Our purposes and activities**

The purpose of the charity is to foster and support the education, health, opportunity and development of children and young people. We believe there is no greater cost to society than unfulfilled potential. We support children and young people at key transition points to achieve their potential by developing crucial life skills, boosting confidence and improving self-esteem. Among our programmes are the award-winning Teens and Toddlers programme and Power2 Rediscover, a programme developed during COVID when group work in schools was not possible. There have been no changes to the Charity's objectives during the year. The Charity is a public benefit entity. The Trustees have had regard to the Charity Commission's guidance on public benefit.

### **Strategic Report - Achievements and performance**

In the period to July 2024, we worked in 24 local authorities and 102 secondary schools.

### **Financial review**

Power2 had a surplus of £90,159 for the 12 months to July 2024. For the 17 months to July 2023 our audited surplus was £67,009.

### **Investment powers and policy**

The operating management, taking into account the liquidity requirements of operations, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances deposit rates have been depressed and so this aim was not achieved in the year.

### **Reserves Policy**

Power2 must ensure its long-term sustainability, viability, and success. In determining the reserves policy the Trustees have considered the current economic conditions and the risks to key funding sources. The Trustees have also considered the organisation's core financial responsibilities. The Trustees have agreed that the Charity's objective is to have free cash reserves of no less than 3 months and no more than 6 months normal operating expenditure in order to continue to operate programmes. Normal operating expenditure for this purpose excludes expenditure which is covered by restricted reserves. Reserves held at 31 July 2024 are £456,713 (2023: £366,554). The Trustees are satisfied with the level of unrestricted reserves. There were unrestricted reserves of £256,340 at 31 July 2024.



The Trustees have no material concerns relating to the ability of Power2 to continue to operate as a going concern.

In setting its budgets, level of charges for services and in negotiating the level of funding for grants, Power2 takes account of the need to maintain adequate reserves. The Board of Directors and the Finance Committee monitor whether the level of income is appropriate to establish and maintain reserves in line with this policy through the processes of annual budgeting, periodic management accounts and cash flow reporting. The reserves policy is regularly reviewed by the Board.

#### **Reference and administrative details**

Charity number: 1099782  
Company number: 4001308  
Principal & Registered Office: 26A Warrington Street, Ashton-under-Lyne, Tameside, OL6 6AS

#### **Directors and Trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair	Nicci Russell (resigned 10 June 2024)
Interim Chair	Lauren Livingston (appointed 13 December 2024)
Trustees	Alex Reppold (resigned 15 April 2024) Amira Shariif Ali Emily Wells (appointed 20 September 2024) Gemma Carroll James Potter Juliette Wilson-Thomas (appointed 20 September 2024) Lara Norris (appointed 2 October 2024) Michael Hartig (appointed 2 October 2024) Mohamed Abdallah (resigned 13 December 2023) Nina Ma (resigned 29 July 2024) Reena Gogna Shazia Latif Book (appointed 12 October 2024) Troels Henrikson (appointed 20 September 2024) Wendy Doherty (appointed 20 September 2024, resigned 19 January 2025)
Company Secretary	Julie Randles
Chief Executive	Julie Randles
Auditors	MHA 910 The Crescent, Colchester Business Park, Colchester, Essex, CO4 9YQ
Bankers	Unity Trust Bank PO Box 7193, Planetary Road, Willenhall, WV1 9DG Barclays Bank plc, Borough High Street, London, SE1 1LY. accounts closed February 2024
Senior Management Team	Paul Hopkins - Finance Director



Samantha Marcus - Director of Services

Jennifer Smith – Head of Operations

Sam Broderick – Head of Fundraising

Danielle Garwood – Head of Brand, Marketing and Comms

### **Fundraising**

The Charity does not use any professional fundraisers other than those individuals employed by the Charity. During the financial period 2023-24 the charity paid due regard to its fundraising practices in line with the guidelines set out by the Fundraising Regulator’s Fundraising Code of Practice. There were no complaints made against the charity regarding fundraising practices. Fundraising is monitored by the Trustees.

We would like to thank all our funders, some of whom are listed below. Other not listed prefer to remain anonymous.

Action Together

Alex Ferry Foundation

BBC Children in Need

Breathe HR

Centre for Social Justice

Charles and Elsie Sykes Trust

CVC Foundation

Derwent London Community Fund

Drapers' Charitable Fund

Foux Foundation

Garfield Weston Foundation

Heathrow Community Trust

John Lyon’s Charity

Leathersellers' Foundation

Masonic Charitable Foundation

Moorhouse Consulting

Newcomen Collett Educational Foundation

North Central and East London CAMHS Provider Collaborative (NCEL)

North West Young People's Development Trust

npower Business Solutions Foundation

Pilkington Charities' Fund

Progress Foundation

Prudence Trust

Raymond James Private Capital Advisory

St James’s Place Charitable Foundation

St Olave's Foundation Fund

Sir Bernard and Lady Schreier Foundation

Sir Donald and Lady Edna Wilson Charitable Trust

Social Investment Business

Somers Town Big Local

Team London Bridge



Tesco Community Grants  
The #IWill fund partners: The National Lottery Community Fund, DCMS  
The Childhood Trust  
The Clifford Chance Foundation  
The Ernest Ingham Charitable Trust  
The Fair Education Alliance & Credit Suisse  
The Mercers' Charitable Foundation  
The National Lottery Community Fund  
The Peter Stebbings Memorial Charity  
The Rayne Foundation  
The Topinambour Trust  
The Walcot Foundation  
The Warburtons Foundation  
Transport for Sick Children – HMR Children's Fund  
UCB Community Health Fund, managed by the King Baudouin Foundation  
UK Youth / Youth Endowment Fund  
United St Saviour's Charity  
Waverton Investment Management  
Weil, Gotshal and Manges LLP (London)  
Westminster Foundation  
William Wates Memorial Trust  
Womble Bond Dickinson

## **Structure, Governance and Management**

### ***Governing Document***

Power2 is a company limited by guarantee governed by its Memorandum and Articles of Association dated May 2000. It is registered as a charity with the Charity Commission.

### ***Trustee induction and training***

New trustees receive an induction pack and undergo orientation to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. The intention is also that they visit one of our programmes in action.

### ***Organisation***

The board of trustees administers the charity. The Board normally meets five times per year and during the period covered by these accounts there were sub-committees for finance and risk, (Finance and Risk Committee), programmes and impact measurement (Programmes and Impact Committee), and safeguarding (Safeguarding Committee). A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and to delegate through the Senior Management Team (SMT). The delegated authority scheme is agreed by the Board and reviewed every 3 years.



### ***Related parties and co-operation with other organisations***

None of our trustees receive remuneration or other benefit from their work with the charity.

### ***Indemnity Insurance***

Professional indemnity insurance is paid on behalf of the Trustees to protect them from claims arising from negligent acts, errors, or omissions while on charity business.

### ***Pay policy for senior staff***

The Directors consider that the board of directors, who are the Charity's trustees, the Chief Executive and the senior management team, comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. The pay of the Chief Executive is reviewed annually by the Remuneration Committee (2 trustees) with approval by the Trustee Board and increased in accordance with average earnings, where relevant, and benchmarked against other similar charities.

### ***Risk management***

The Trustees have a risk management strategy which comprises:

- a risk register which is reviewed by the full Board at each meeting along with a list of changes since the previous Board meeting.
- A regular review of the principal risks and uncertainties that the charity is subject to by the main Trustee Board.
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.
- a Finance Committee comprising 3 trustees which meets separately from the main Board to review financial forecast in detail as well as other financial risks.

The principal risks of the Charity identified by the Trustees include the availability of funding for projects and the safeguarding risks arising in relation to the teenagers and young children involved in the projects. These risks are mitigated by active financial management and by robust policies and procedures in respect of selection and training of staff working with young people.

### ***Trustees' responsibilities in relation to the financial statements***

The charity trustees are responsible for preparing a trustees' annual report and 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 (FRS 102);
- make judgements and 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 charity will continue in business.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to the auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board

James Potter, Finance Committee Chair

By order of the Board of Trustees

Date 31 March 2025



## **Independent Auditor's Report to the Members of Power2 Ltd**

### **Opinion**

I have audited the financial statements of Power2 Limited (the 'charitable company') for the year ended 31 July 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In my opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2024 and of its incoming resources and application of resources 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**

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I



believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, I have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and my Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Matters on which we are required to report by exception**

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or



- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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**

I have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

My 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 my 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which my procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;



- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that I will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as I will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my Auditor's Report.

### **Use of my report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My audit work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for my audit work, for this report, or for the opinions I have formed.

**Cara Miller ACCA on behalf of MHA**

Colchester, United Kingdom

Date: 24 April 2025

MHA is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006. MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542)



Power 2 Ltd

**STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT**

	Notes	12 Months Ending July 2024			17 Months to July 2023
		Unrestricted Funds £	Restricted Funds £	Total £	Total £
<b>Income and endowments from:</b>					
Grants	1	240,454	683,439	923,893	1,204,259
Income from commissioned services	1	1,335,406	-	1,335,406	1,022,435
Bank interest receivable	1	3,986	-	3,986	740
Donations and events	1	96,536	-	96,536	86,443
<b>Total Income and endowments</b>		<b>1,676,382</b>	<b>683,439</b>	<b>2,359,821</b>	<b>2,313,877</b>
<b>RESOURCES EXPENDED</b>					
Raising Funds	5	231,094	-	231,094	354,997
Charitable activities	3	1,436,102	602,466	2,038,568	1,891,871
<b>Total expenditure</b>		<b>1,667,196</b>	<b>602,466</b>	<b>2,269,662</b>	<b>2,246,868</b>
<b>Surplus</b>		<b>9,186</b>	<b>80,973</b>	<b>90,159</b>	<b>67,009</b>
<b>Transfers between funds</b>	11	-	-	-	-
<b>NET INCOMING/(OUTGOINGS) RESOURCES FOR THE YEAR</b>		<b>9,186</b>	<b>80,973</b>	<b>90,159</b>	<b>67,009</b>
Reconciliation of funds					
Total funds brought forward		247,154	119,400	366,554	299,545
<b>Balances carried forward at the end of the period</b>		<b>256,340</b>	<b>200,373</b>	<b>456,713</b>	<b>366,554</b>
All income and expenditure derive from continuing activities					

The notes on pages 17 to 25 form part of these financial statements



**Power2 Ltd**

**Balance Sheet for the 12 Months Ending 31 July 2024**

	Notes	At 31 July 2024		At 31 July 2023	
		£	£	£	£
<b>FIXED ASSETS</b>					
Computer equipment	7		23,084		23,192
<b>CURRENT ASSETS</b>					
Debtors	8	336,462		179,749	
Cash at bank and in hand		541,248		429,372	
		877,710		609,121	
<b>CREDITORS: Amounts falling due within one year</b>	9	210,931		228,033	
<b>NET CURRENT ASSETS</b>			666,780		381,088
<b>Loans falling due after more than one year</b>	12		233,151		37,726
<b>NET ASSETS</b>			<b>456,713</b>		<b>366,554</b>
<b>FUNDS</b>					
Unrestricted General fund	11		256,340		247,154
Restricted			200,373		119,400
<b>TOTAL FUNDS</b>			<b>456,713</b>		<b>366,554</b>

The Financial Statements were approved and authorised for issue by the Board on 31 March 2025.

Signed on behalf of the Board of Trustees

James Potter

Chair of Finance Committee and Treasurer

31 March 2025

The notes on pages 17 to 25 form part of these financial statements



**Power2 Ltd**

**Statement of Cash Flows for the 12 Months Ending 31 July 2024**

		<b>12 Months to July 2024</b>	<b>17 Months to July 2023</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Cash flow from operating activities		90,159	67,009
<i>Adjustments for:</i>			
Depreciation		11,856	6,100
Interest paid		11,206	8,776
Interest received		(3,986)	(740)
Increase in debtors		(156,713)	(135,597)
Increase in creditors		(31,861)	136,750
<b>Net cash flow from operating activities</b>		<b>(79,339)</b>	<b>82,298</b>
Cash flow from investing activities			
Purchase of tangible assets		(11,748)	(29,292)
Interest received		3,986	740
<b>Net cash flow from investing activities</b>		<b>(7,762)</b>	<b>(28,552)</b>
<b>Cash flows from financing activities</b>			
New loan advance		236,900	-
Repayment of loans		(26,717)	(36,270)
Interest paid		(11,206)	(8,876)
<b>Net cash from financing activities</b>		<b>198,977</b>	<b>(45,146)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>111,876</b>	<b>8,600</b>
Cash and cash equivalents brought forward at beginning of period		429,372	420,772
<b>Cash and cash equivalents carried forward at end of period</b>		<b>541,248</b>	<b>429,372</b>

The notes on pages 17 to 25 form part of these financial statements



## Power2 Ltd

### Note 1 Summary of significant accounting policies

#### (a) General information and basis of preparation

Power2 is a charitable company limited by guarantee incorporated in England and Wales. 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. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are to foster and support the education, health, opportunity and development of children and young people. We run programmes where teenagers mentor young children, and build the life skills and self-belief they need to succeed at school, in work and in the community. There have been no changes to the Charity's objectives during this year.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Last year the Trustees have changed the financial year end for the Company from 28 February to 31 July. These financial statements have been prepared for the 12 month period from 1 August 2023 to 31 July 2024, this being 366 days. The previous financial statements were prepared for the period from 1 March 2022 to 31 July 2023, this being 518 days. The financial year end was changed in order to synchronise with the school year, which is the basis for the Company's work schedule and impact reporting.

#### (b) Funds

Unrestricted funds 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 cost 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.

**(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donations and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities, assets and professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities, assets and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are accounted for under the accruals model as permitted by FRS102. The deferred element of the grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.



Investment income is earned through holding assets for investment purposes. It includes interest and interest income is recognised using the effective interest method and included when receivable.

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and that amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes fundraisers' salaries and costs associated with applying for funds
- Power2 capitalises computer equipment with monetary value of greater than £500. Capitalised assets are written off over 3 years on a straight line basis. As such, capital purchases of less than this amount are recognised through the Statement of Financial Activities and Income and Expenditure Account.
- Expenditure on charitable activities includes delivery costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have allocated to cost of raising funds and expenditures on charitable activities on a basis consistent with use of the resources. Overheads have been allocated as detailed in note 3.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 4.

**(f) Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(g) Financial Instruments**

The charity has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.



**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(i) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

**(j) Employee pensions and benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Where employees are informed of redundancies by balance sheet date, provisions are included in the financial statements.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable in accordance with the rules of the scheme.

**(k) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(l) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(m) Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material, adjustment to the carrying amounts of assets and liabilities within the next financial year include the valuation of deferred income in creditors. The trustees have reviewed the deferred income and are satisfied that this is valued in accordance with the accounting policies.



**Power2 Ltd**

**Notes to the Financial Statements for the 12 Months to 31 July 2024**

1	<b>INCOMING RESOURCES</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>12 Months to 31 July 2024</b>	<b>17 Months to 31 July 2023</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Grants	240,454	683,439	923,893	1,204,259
	Income from commissioned services	1,335,406		1,335,406	1,022,435
	Bank interest receivable	3,986	-	3,986	740
	Donations and events	96,536		96,536	86,443
		<b>1,676,382</b>	<b>683,439</b>	<b>2,359,821</b>	<b>2,313,877</b>
	In the prior period income of £2,313,877 comprised £145,527 unrestricted and £2,168,349 restricted.				
	<b>2 RESOURCES EXPENDED</b>				
	<b>Costs directly attributable to activities</b>				
	Salary costs			1,498,604	1,408,275
	Project materials			35,778	19,243
	Other delivery costs			134,956	103,618
	Postage and freight			933	580
	Travel			64,236	65,096
	Training Quality Assurance and Accreditation (inc salaries)			5,020	6,399
	Research and Evaluation (inc salaries)			74,186	100,747
				<b>1,813,714</b>	<b>1,703,958</b>
	* Prior period adjusted to reflect current classification methodology, No change to total figures				
	<b>Support costs allocated to activities</b>				
	Bank charges and loan interest			11,206	8,776
	Building, and utility costs			5,732	6,010
	Equipment hire and purchase			405	1,490
	Insurance			3,698	2,839
	Recruitment			2,408	16,191
	IT software and web development			71,836	55,480
	Legal and professional fees			22,038	14,120
	Other			3,020	4,020
	Postage, printing and stationery			3,467	7,364
	Rent and rates			53,953	49,171
	Telephone			32,058	24,815
	Audit			18,528	12,228
	Depreciation			11,856	6,100
				<b>240,205</b>	<b>208,606</b>
	<b>Total Cost of Charitable Activities</b>			<b>2,053,919</b>	<b>1,912,564</b>
	<b>Raising Funds</b>				
	Salary costs			210,648	328,492
	Communications and PR			5,095	5,506
	Donor Costs			-	306
				<b>215,743</b>	<b>334,304</b>
	<b>TOTAL RESOURCES EXPENDED</b>			<b>2,269,662</b>	<b>2,246,868</b>



## Power2 Ltd

### Notes to the Financial Statements for the 12 Months to 31 July 2024

<b>3</b>	<b>Analysis of Expenditure on charitable activities</b>				
		<b>Costs directly attributable to activities</b>	<b>Support costs</b>	<b>12 Months to July 2024</b>	<b>17 Months to July 2023</b>
	<b>Costs directly attributable to activities</b>				
	Delivery	1,917,632	120,937	2,038,569	1,891,871
		<b>1,917,632</b>	<b>120,937</b>	<b>2,038,569</b>	<b>1,891,871</b>
<b>4</b>	<b>Allocation of Support costs</b>				
		<b>Raising Funds</b>	<b>Delivery</b>	<b>12 Months to July 2024</b>	<b>17 Months to July 2023</b>
	Governance - audit	2,470	19,462	21,932	12,228
	Office costs inc Rent	3,737	29,441	33,178	59,000
	Information Technology	7,229	56,953	64,182	47,690
	Other	1,914	15,081	16,995	0
		<b>15,350</b>	<b>120,937</b>	<b>136,287</b>	<b>118,918</b>
	Fees paid to the auditors for the audit of the Charity's annual accounts £18,528 (2023: £12,228).				
<b>5</b>	<b>Raising Funds</b>			<b>12 Months to July 2024</b>	<b>17 Months to July 2023</b>
				<b>£</b>	<b>£</b>
	Costs directly attributable			215,744	334,304
	Support costs			15,350	20,693
				<b>231,094</b>	<b>354,997</b>
<b>6</b>	<b>Staff costs and employee benefits</b>			<b>12 Months to July 2024</b>	<b>17 Months to July 2023</b>
				<b>£</b>	<b>£</b>
	Wages and Salaries			1,551,776	1,588,830
	Social Security Costs			132,653	142,824
	Defined contribution pension costs			99,010	105,761
	<b>Total staff wages and salaries</b>			<b>1,783,439</b>	<b>1,837,415</b>
	In the period redundancy costs were incurred of £16,737 (2023: £7,420). These costs are included in salaries.				
	The emoluments of the higher paid employees fell within the ranges indicated below. These emoluments include gross salary and exclude pension contributions.				
				<b>12 Months to July 2024</b>	<b>17 Months to July 2023</b>
	£60,000 to £69,999				1
	£70,000 to £79,999				
	£80,000 to £89,999			1	1
	£90,000 to £109,999				
	£110,000 to £119,999				1
	During the 12 months accounting period staff over £60,000 received pension benefits of £18,275				
	The average number of employees, calculated on a full-time equivalent basis, and headcount basis, analysed by function was:				
				<b>Calculated on a Head Count basis</b>	
				<b>12 Months to July 2024</b>	<b>17 Months to July 2023</b>
	Raising Funds			4.3	5.4
	Charitable activities			54.5	37.5
				<b>58.8</b>	<b>42.9</b>
	Key management personnel of the charity comprised the trustees of the charity who received no remuneration, and the Chief Executive and senior management team (6 staff). Their combined salaries and pensions totalled £303,492 for the 12 month period ( 2023 - £268,846).				



## Power2 Ltd

### Notes to the Financial Statements for the 12 Months to 31 July 2024

<b>7</b>	<b>FIXED ASSETS - COMPUTER EQUIPMENT</b>				<b>£</b>
	Cost or Valuation				
	Brought forward 1 August 2023				29,292
	Additions in the period				11,748
	<b>Carried forward 31 July 2024</b>				<b>41,040</b>
	<b>Depreciation</b>				
	Brought forward 1 August 2023				6,100
	Additions in the period				11,856
	<b>Carried forward 31 July 2024</b>				<b>17,956</b>
	<b>Net book value</b>	b/f 1 August 2023			<b>23,192</b>
		c/f 31 July 2024			<b>23,084</b>
<b>8</b>	<b>DEBTORS</b>		<b>At 31 July 2024</b>		<b>At 31 July 2023</b>
			<b>£</b>		<b>£</b>
	Trade debtors		249,696		27,499
	Other debtors		1,839		2,430
	Prepayments and accrued income		84,927		149,820
			<b>336,462</b>		<b>179,749</b>
<b>9</b>	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>At 31 July 2024</b>		<b>At 31 July 2023</b>
			<b>£</b>		<b>£</b>
	Trade creditors		26,220		8,629
	Accruals and provisions		43,221		17,981
	Other taxation and social security		41,081		39,373
	Deferred income		57,760		134,159
	Other loans		42,649		27,891
			<b>210,931</b>		<b>228,033</b>
	The amount of £42,649 includes a Coronavirus Business Interruption Loan (£29,915), secured by the government, repayable by instalments commencing in November 2021 and ending in October 2025 (2023 £27,891).				
<b>10</b>	<b>Deferred Income</b>				
			<b>At 31 July 2024</b>		<b>At 31 July 2023</b>
	At start of period		134,159		10,195
	Released to income during the year		(134,159)		(10,195)
	Additions during the year		57,760		134,159
	<b>Carried forward 31 July</b>		<b>57,760</b>		<b>134,159</b>
	Deferred income comprises income received in advance of delivery.				



**Power2 Ltd**

**Notes to the Financial Statements for the 12 Months to 31 July 2024**

<b>11 RESTRICTED &amp; UNRESTRICTED FUNDS</b>					
Fund Name	Fund Balances b/f	Income	Expenditure	Transfers	Fund Balances c/f
	£	£	£	£	£
Power2 Advance London	119,400	94,339	(154,412)	-	59,327
London Individual support	-	55,125	(55,125)	-	-
Power2 Thrive	-	110,000	(110,000)	-	-
Business Development	-	56,100	(56,100)	-	-
Business Solutions Fund	-	62,829	(17,356)	-	45,473
Research Fund	-	40,286	(11,129)	-	29,157
Other Restricted Funds	-	264,760	(198,344)	-	66,416
<b>Total Restricted Funds</b>	<b>119,400</b>	<b>683,439</b>	<b>(602,466)</b>	<b>-</b>	<b>200,373</b>
<b>Total Unrestricted Funds</b>	<b>247,154</b>	<b>1,676,382</b>	<b>(1,667,196)</b>	<b>-</b>	<b>256,340</b>
<b>Total All Funds</b>	<b>366,554</b>	<b>2,359,821</b>	<b>(2,269,662)</b>	<b>-</b>	<b>456,713</b>

All of the restricted funds represent monies received that have been given specifically towards the advancement of Power2 programmes.

**Transfers between funds**

All surpluses on grants relating to projects in specific areas that have come to an end and where all conditions in respect of the grant have been met have been transferred to unrestricted funds. Grants where there are no longer any conditions for their specific use have been transferred to unrestricted funds accordingly. Deficits on completed projects are funded by transfers from unrestricted funds.

**Analysis of net assets between funds**

	Unrestricted	Restricted	At 31 July 2024	At 31 July 2023
Fixed assets	23,084		23,084	23,192
Current assets	677,338	200,373	877,711	609,121
Creditors	(210,931)		(210,931)	(228,033)
Long term creditors	(233,151)		(233,151)	(37,726)
<b>Total</b>	<b>256,340</b>	<b>200,373</b>	<b>456,713</b>	<b>366,554</b>

**11a RESTRICTED & UNRESTRICTED FUNDS for the 17 MONTH PERIOD ENDING 31 JULY 2023**

	Opening Balance 1 March 2022	Net Incoming resources	Charitable Expenditure	Transfers Between Funds	Closing Balance 31 July 2023
Unrestricted Funds	252,541	145,527	(145,527)	(5,387)	247,154
Restricted Funds	47,004	2,168,350	(2,101,341)	5,387	119,400
<b>Total Reserves</b>	<b>299,545</b>	<b>2,313,877</b>	<b>(2,246,868)</b>	<b>-</b>	<b>366,554</b>



## Power2 Ltd

### Notes to the Financial Statements for the 12 Months to 31 July 2024

<b>12</b>	<b>LOANS</b>				<b>At 31 July 2024</b>	<b>At 31 July 2023</b>
					<b>£</b>	<b>£</b>
	Amounts falling due within 1 year				42,648	27,891
	Amounts falling due 1-2 years				60,906	29,915
	Amounts falling due 2-5 years				172,245	7,811
	Other loans				<b>275,799</b>	<b>65,617</b>
	Amounts falling due after year 1 (£60,906 plus £172,245) amount to £233,150 as disclosed in the Balance sheet on page 15					
<b>13</b>	<b>RELATED PARTY TRANSACTIONS</b>					
	A number of the trustees of the charity are also involved as supporters and trustees of other charities and not for profit organisations which may provide grants to Power2. These trustees do not participate in any decisions in relation to these transactions.					
<b>14</b>	<b>COMMITMENTS</b>					
	<b>OPERATING LEASES</b>					
	At 31 July 2024 the Charity had the following annual commitments under non-cancellable operating leases:					
					<b>Rent &amp; Equipment</b>	<b>Rent &amp; Equipment</b>
					<b>At 31 July 2024</b>	<b>At 31 July 2023</b>
					<b>£</b>	
	Operating leases which expire:					
	Within one year				44,498	30,727
	Within one to two years				21,408	23,986
	Within two to five years				8,600	2,205
					<b>74,506</b>	<b>56,918</b>
	Operating lease costs in the 12 months to 31 July 2024 were £29,389 (2023: £22,119)					
<b>15</b>	<b>COMPANY LIMITED BY GUARANTEE</b>					
	Each member of the Charity has guaranteed to contribute up to £1 in the event of a winding up.					
<b>16</b>	<b>FUTURE INCOME AND THE CURRENT ECONOMIC CLIMATE</b>					
	The Trustees consider that the income stream of the Charity will continue as forecast and unplanned expenditure would be minimal. The going concern basis is therefore considered to be appropriate as a basis of accounting.					
<b>17</b>	<b>Analysis of net debt</b>			<b>At 31 July 2023</b>	<b>Cash Flow</b>	<b>At 31 July 2024</b>
	Cash at bank			429,372	111,876	541,248
	Debt falling due within one year			(27,891)	(14,757)	(42,648)
	Debt falling due within more than one year			(37,726)	(195,425)	(233,151)
				<b>363,755</b>	<b>(98,306)</b>	<b>265,449</b>
<b>18</b>	<b>DIRECTORS' AND OFFICERS' REMUNERATION AND EXPENSES</b>					
	During the year ending 31 July 2024, no Trustee expenses have been incurred (2023:Nil)					

**POWER2 LTD**

England & Wales - Charity number 1099782

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# Accounts

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Power2 Ltd

FINANCIAL STATEMENTS

17 MONTHS ENDED 31 JULY 2023

REGISTERED CHARITY NUMBER: 1099782 (England and Wales)

COMPANY NUMBER: 4001308



## **Power2 Ltd**

The period 2022-23 was one of significant growth for Power2, with more programmes delivered, more partnership working and - most importantly - more children and young people reached through our life-changing interventions.

We worked with over 1,000 children and young people, 22% of whom were care-experienced or supported by a social worker. We know that this group is amongst the most vulnerable in society so everything we're able to do to support them makes a difference.

We're delighted that we've had such an impact, with 86% of our programme participants increasing their wellbeing through working with us and 73% becoming more engaged with school and learning.

Our new five-year strategy has ambitious growth plans to respond to the increase in need amongst children and young people and the increasing demand for our work. We want to be the service provider of choice for work with children and young people in the North West, a significant player in London, and to establish a foothold in other areas of the country. We're well on the way to achieving this, as the following summary of the year demonstrates.

Our flagship group programme, Teens and Toddlers, continues to be requested by schools across the North-West and London, alongside its wellbeing-focused adaptation, Power2 Thrive. This year we've seen an increasing number of new schools buy our services, which have found out about us through other schools or by reputation.

The COVID-19 pandemic and its repercussions are continuing to impact our work, particularly in the increased needs of our programme participants. However, our initial response to the pandemic – our Power2 Rediscover programme - is an increasingly important part of our programme portfolio. Its underpinning approach of trauma-informed individualised and intensive 1:1 work delivered by our highly-trained staff has spearheaded the continued diversification of our programmes. As a result our work has become more intensive - with children and young people experiencing even greater vulnerabilities and needs. We're now working with those at risk of child criminal exploitation, of involvement with gangs and violence, and those experiencing emotionally-based school avoidance, amongst others.

In our last Annual Report we said we'd be increasing our efforts to secure more local authority commissions, since we see this as one of the key pillars of achieving our strategic vision, and our Power2 Rediscover approach – intensive 1:1 trauma-informed and asset-based support delivered by highly-trained staff – has secured a number of new commissions. We have been commissioned to deliver the Home Office-funded SAFE (Support, Attend, Fulfil, Exceed) programme in Southwark and City of Manchester, providing early-intervention support to children and young people at risk of serious violence or gang exploitation, as well as the Youth Endowment Fund financed Another Chance programme in Manchester, supporting young people aged 14-25 involved in group-based serious violent offending to leave a life of crime behind them. We've also been appointed to several Local Authority Frameworks (meaning that statutory bodies in those areas can buy in our services without the need for further procurement procedures) and have been recommissioned to deliver every one of the commissions that have so far come to an end.



We were delighted to be funded by a charitable foundation to pilot our Power2 Advance programme in London, working with children and young people aged 16-18 in the care system to support them with their wellbeing and transition to independent living and employment or further training.

This commissioned work has led to an increase in the size of the staff team, from 31 people to 51 – all delivery staff. Power2 is nothing without its people, and we’re emphasising staff wellbeing and development in our new strategy. We’re proud that so many of the team has lived experience of the issues we seek to address, and we’ll continue to centre this in our recruitment and communications – as well as ensuring we hear the voices of the experts-though-experience who are our programme participants.

We’re pleased to have secured more external recognition for our work and, particularly, for receiving a Centre for Social Justice Award and Fair Education Alliance Scaling Award, both of which will help us to deliver our new strategy and raise our profile.

The work we do at Power2 changes lives. I’m incredibly proud of the staff team, their skill and determination in making a difference to all our programme participants and, above all, the children and young people we work with and everything they have achieved.

These Financial statements cover the 17 month period from 1 March 2022 to 31 July 2023. In future our reporting period will be the 12 months ending 31 July. We have made this change to match the school year which determines our annual work pattern. Our impact reporting is also based on the school year. This change will bring our financial and impact reporting together thus making it easier for us to present our work to funders and commissioners.

Julie Randles  
Chief Executive  
**Power2 Ltd**



## **Report of the Trustees for the 17 Months ending 31 July 2023**

The Trustees are pleased to present their Trustees' Report together with the audited financial statements of the charity for the 17 months ending 31 July 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

### **Our purposes and activities**

The purpose of the charity is to foster and support the education, health, opportunity and development of children and young people. We believe there is no greater cost to society than unfulfilled potential. We support children and young people at key transition points to achieve their potential by developing crucial life skills, boosting confidence and improving self-esteem. Among our programmes are the award winning Teens and Toddlers programme and Power2 Rediscover, a programme developed during COVID when group work in schools was not possible. There have been no changes to the Charity's objectives during the year. The Charity is a public benefit entity. The Trustees have had regard to the Charity Commission's guidance on public benefit.

### **Strategic Report - Achievements and performance**

In the period to July 2023, we worked in 29 local authorities and 127 secondary schools.

### **COVID-19 related challenges and our programmes**

As reported in our last accounts we were badly hit by the COVID-19 pandemic and delivery of our flagship programme, Teens and Toddlers, ceased in March 2020 as schools closed. This has been resumed but we are still dealing with the effects of COVID on the vulnerable children we work with. This is more fully described in the Chief Executive's report.

Despite COVID, as a frontline service provider we were determined to continue to support young people, whose existing challenges are exacerbated by the effects of the pandemic. We took reasonable and prudent steps to access the Government's furlough scheme and reviewed our cost structure. Furlough allowed us to retain key staff and be in a position to resume our work when schools re-opened. We topped up furloughed staff salaries to 100% to ensure we could retain staff.

### **Financial review**

Power2 had a surplus of £67,009 for the 17 months to July 2023. For the 12 months to February 2022 our audited surplus was £48,131. At the request of the auditors we have changed our revenue recognition policy (see note 13 to the accounts). This has the effect of increasing our surplus in the 12 months to 28 February 2022 to £60,135.

### **Investment powers and policy**

The operating management, taking into account the liquidity requirements of operations, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which



matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances deposit rates have been depressed and so this aim was not achieved in the year.

### **Reserves Policy**

Power2 must ensure its long-term sustainability, viability, and success. In determining the reserves policy the Trustees have considered the current economic conditions and the risks to key funding sources. The Trustees have also considered the organisation's core financial responsibilities. The Trustees have agreed that the Charity's objective is to have free cash reserves of no less than 3 months and no more than 6 months normal operating expenditure in order to continue to operate programmes. Normal operating expenditure, for this purpose excludes expenditure which is covered by restricted reserves. Reserves held at 31 July 2023 are £366,554 (2022 as restated: £299,545). The Trustees are satisfied with the level of unrestricted reserves. There were unrestricted reserves of £247,154 at 31 July 2023.

The Trustees recognise the difficult conditions for the Charity, the level of free reserves and the challenging environment of the Charity sector. The Trustees have no material concerns relating to the ability of Power2 to continue to operate as a going concern.

In setting its budgets, level of charges for services and in negotiating the level of funding for grants, Power2 takes account of the need to maintain adequate reserves. The Board of Directors and the Finance Committee monitor whether the level of income is appropriate to establish and maintain reserves in line with this policy through the processes of annual budgeting, periodic management accounts and cash flow reporting. The reserves policy is regularly reviewed by the Board.

### **Reference and administrative details**

Charity number: 1099782  
Company number: 4001308  
Principal & Registered Office: 26A Warrington Street, Ashton-under-Lyne, Tameside, OL6 6AS

### **Directors and Trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair	Nicci Russell
Trustees	Aisha'lee Aminu (resigned 16 September 2022)
	Amira Shariif Ali
	Alex Reppold
	Gemma Carroll
	Georgia Hart (resigned 31 December 2022)
	James Potter
	Kim Rihal (resigned 31 December 2022)
	Lauren Livingston (appointed 13 June 2023)
	Mohamed Abdallah (resigned 13 December 2023)
	Nina Ma
	Reena Gogna



Company Secretary	Julie Randles
Chief Executive	Julie Randles
Auditors	MHA 910 The Crescent, Colchester Business Park, Colchester, Essex, CO4 9YQ
Bankers	Barclays Bank plc, Borough High Street, London, SE1 1LY
Senior Management Team	Paul Hopkins - Finance Director Abigail Moss - Director of Income and Engagement Samantha Marcus - Director of Services

### **Fundraising**

The Charity does not use any professional fundraisers other than those individuals employed by the Charity. During the financial period 2022-23 the charity paid due regard to its fundraising practices in line with the guidelines set out by the Fundraising Regulator's Fundraising Code of Practice. There were no complaints made against the charity regarding fundraising practices. Fundraising is monitored by the Trustees.

### **Structure, Governance and Management**

#### ***Governing Document***

Power2 is a company limited by guarantee governed by its Memorandum and Articles of Association dated May 2000. It is registered as a charity with the Charity Commission.

#### ***Trustee induction and training***

New trustees receive an induction pack and undergo orientation to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction they meet key employees and other trustees. The intention is also that they visit one of our programmes in action.

#### ***Organisation***

The board of trustees administers the charity. The Board normally meets five times per year and during the period covered by these accounts there were sub-committees for finance and risk, (Finance and Risk Committee), programmes and impact measurement (Programmes and Impact Committee), and safeguarding (Safeguarding Committee). A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and to delegate through the Senior Management Team (SMT). The delegated authority scheme is agreed by the Board and reviewed every 3 years.

#### ***Related parties and co-operation with other organisations***

None of our trustees receive remuneration or other benefit from their work with the charity.



### ***Indemnity Insurance***

Professional indemnity insurance is paid on behalf of the Trustees to protect them from claims arising from negligent acts, errors, or omissions while on charity business.

### ***Pay policy for senior staff***

The Directors consider that the board of directors, who are the Charity's trustees, the Chief Executive and the senior management team, comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. The pay of the Chief Executive is reviewed annually by the Remuneration Committee (2 trustees) with approval by the Trustee Board and increased in accordance with average earnings, where relevant, and benchmarked against other similar charities.

### ***Risk management***

The Trustees have a risk management strategy which comprises:

- a risk register which is reviewed by the full Board at each meeting along with a list of changes since the previous Board meeting.
- A regular review of the principal risks and uncertainties that the charity is subject to by the main Trustee Board.
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.
- a Finance Committee comprising 3 trustees which meets separately from the main Board to review financial forecast in detail as well as other financial risks..

The principal risks of the Charity identified by the Trustees include the availability of funding for projects and the safeguarding risks arising in relation to the teenagers and young children involved in the projects. These risks are mitigated by active financial management and by robust policies and procedures in respect of selection and training of staff working with young people.

### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 (FRS 102);
- make judgements and 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 charity will continue in business.



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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Disclosure of information to the auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board

By order of the Board of Trustees  
Nicci Russell

Date 26 April 2024



## Independent Auditor's Report to the Members of Power2 Ltd

### Opinion

We have audited the financial statements of Power2 Ltd (the 'charitable company') for the 17 months ended 31 July 2023 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure account), the Balance Sheet, the Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the Charity's ability to continue to adopt the going concern basis of accounting included the review of charity forecasts and financial performance post year end.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability



to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

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



- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;



- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **MHA, Statutory Auditor**

Colchester, United Kingdom  
Date: 29 April 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)



Power2 Limited					
STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT					
For the 17 Months Ending 31 July 2023					
		17 Months Ending July 2023			As restated 12 Months to Feb 2022
		Unrestricted Funds	Restricted Funds	Total	Total
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Grants	1	58,344	1,145,915	1,204,259	829,269
Sale of services	1	-	1,022,435	1,022,435	235,137
Interest	1	740	-	740	24
Donations, events and CJRS	1	86,443	-	86,443	138,720
<b>Total income and endowments</b>		<b>145,527</b>	<b>2,168,349</b>	<b>2,313,877</b>	<b>1,203,150</b>
<b>RESOURCES EXPENDED</b>					
Raising Funds	5	145,527	209,470	354,997	244,216
Charitable activities	3	-	1,891,871	1,891,871	898,799
<b>Total expenditure</b>		<b>145,527</b>	<b>2,101,341</b>	<b>2,246,868</b>	<b>1,143,015</b>
<b>Surplus</b>		<b>0</b>	<b>67,009</b>	<b>67,009</b>	<b>60,135</b>
<b>Transfers between funds</b>	11	(5,387)	5,387	-	-
<b>NET INCOMING/(OUTGOINGS) RESOURCES FOR THE YEAR</b>		<b>(5,387)</b>	<b>72,396</b>	<b>67,009</b>	<b>60,135</b>
Reconciliation of funds					
Total funds brought forward (restated)		252,541	47,004	299,545	239,410
<b>Balances carried forward at the end of the period</b>		<b>247,154</b>	<b>119,400</b>	<b>366,554</b>	<b>299,545</b>
All income and expenditure derive from continuing activities					

The notes on pages 16 to 23 form part of these financial statements



Power2 Limited					
BALANCE SHEET					
For the 17 Months Ending 31 July 2023					
		At 31 July 2023		As restated At 28 February 2022	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Computer equipment	7		23,192		
<b>CURRENT ASSETS</b>					
Debtors	8	179,749		44,152	
Cash at bank and in hand		429,372		420,771	
		609,121		464,924	
<b>CREDITORS:</b> Amounts falling due within one year	9	228,033		88,670	
<b>NET CURRENT ASSETS</b>			381,088		376,254
<b>NET ASSETS</b>			<b>404,280</b>		<b>376,254</b>
<b>Loans falling due after more than one year</b>	12		37,726		76,709
<b>NET ASSETS</b>			<b>366,554</b>		<b>299,545</b>
<b>FUNDS</b>					
Unrestricted General fund	11		247,154		252,541
Restricted	11		119,400		47,004
			<b>366,554</b>		<b>299,545</b>

The Financial Statements were approved and authorised for issue by the Board on 26 April 2024.

Signed on behalf of the Board of Trustees

*Nicci Russell*

Nicci Russell (Chair)

26 April 2024

The notes on pages 16 to 23 form part of these financial statements



Power2 Limited				
<b>STATEMENT OF CASH FLOWS</b>				
<b>For the 17 Months Ending 31 July 2023</b>				
			<b>17 Months to July 2023</b>	<b>12 Months to Feb 2022</b>
	<b>Notes</b>		<b>£</b>	<b>£</b>
Cash flow from operating activities	<b>18</b>		7,860	(113,534)
Net cash flow from operating activities			7,860	(113,534)
Cash flow from investing activities				
Interest received			740	24
Loan			-	-
Net cash flow from investing activities			740	24
Net increase / (decrease) in cash and cash equivalents			8,600	(113,511)
Cash and cash equivalents brought forward at 1 March			420,772	534,282
<b>Cash and cash equivalents carried forward at 28 February</b>			<b>429,372</b>	<b>420,771</b>

The notes on pages 16 to 23 form part of these financial statements



## Power2 Ltd

### Note 1 Summary of significant accounting policies

#### (a) General information and basis of preparation

Power2 is a charitable company limited by guarantee incorporated in England and Wales. 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. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are to foster and support the education, health, opportunity and development of children and young people. We run programmes where teenagers mentor young children, and build the life skills and self-belief they need to succeed at school, in work and in the community. There have been no changes to the Charity's objectives during this year.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Trustees have changed the financial year end for the Company from 28 February to 31 July. These financial statements have therefore been prepared for the period from 1 March 2022 to 31 July 2023, this being 518 days. The previous financial statements were prepared for the period from 1 March 2021 to 28 February 2022, this being 365 days. The financial year end was changed in order to synchronise with the school year, which is the basis for the Company's work schedule and impact reporting.

#### (b) Funds

Unrestricted funds 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 cost 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.

### **(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donations and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities, assets and professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities, assets and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are accounted for under the accruals model as permitted by FRS102. The deferred element of the grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.



Investment income is earned through holding assets for investment purposes. It includes interest and interest income is recognised using the effective interest method and included when receivable.

**(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and that amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes fundraisers' salaries and costs associated with applying for funds
- Power2 capitalises computer equipment with monetary value of greater than £500. As such, capital purchases of less than this amount are recognised through the Statement of Financial Activities and Income and Expenditure Account
- Expenditure on charitable activities includes delivery costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have allocated to cost of raising funds and expenditures on charitable activities on a basis consistent with use of the resources. Overheads have been allocated as detailed in note 3.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 4.

**(f) Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(g) Financial Instruments**

The charity has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.



**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(i) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

**(j) Employee pensions and benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Where employees are informed of redundancies by balance sheet date, provisions are included in the financial statements.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable in accordance with the rules of the scheme.

**(k) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(l) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(m) Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material, adjustment to the carrying amounts of assets and liabilities within the next financial year include the valuation of deferred income in creditors. The trustees have reviewed the deferred income and are satisfied that this is valued in accordance with the accounting policies.



<b>Power2 Limited</b>					
<b>NOTES TO THE FINANCIAL STATEMENTS</b>					
<b>For the 17 Months Ending 31 July 2023</b>					
<b>1</b>	<b>INCOMING RESOURCES</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>17 Months to 31 July 2023</b>	<b>12 Months to Feb 2022</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Grants	58,344	1,145,915	1,204,259	829,269
	Income from commissioned services		1,022,435	1,022,435	235,137
	Bank interest receivable	740	-	740	24
	Donations, events and CJRS	86,443	-	86,443	138,720
		<b>145,527</b>	<b>2,168,349</b>	<b>2,313,877</b>	<b>1,203,150</b>
	£93,209 was received in the year ending February 2022 (2023 - nil) under the Government's Coronavirus Job Retention Scheme (CJRS) and is included in donations, events and CJRS.				
<b>2</b>	<b>RESOURCES EXPENDED</b>				
	<b>Costs directly attributable to activities</b>				
	Salary costs			1,408,275	686,740
	Project materials			24,849	16,191
	Other delivery costs			149,173	51,107
	Postage and freight			580	707
	Travel			13,935	14,342
	Training Quality Assurance and Accreditation (inc salaries)			6,399	5,478
	Research and Evaluation (inc salaries)			100,747	32,892
				<b>1,703,959</b>	<b>807,458</b>
	<b>Support costs allocated to activities</b>				
	Bank charges and loan interest			8,776	2,778
	Building, and utility costs			6,010	2,670
	Equipment hire and purchase			1,490	9,045
	Insurance			2,839	1,302
	Recruitment			16,191	500
	IT software and web development			55,480	36,527
	Legal and professional fees			14,120	7,504
	Other			4,020	2,464
	Postage, printing and stationery			7,364	1,796
	Rent and rates			49,171	31,383
	Telephone			24,815	12,479
	Audit			12,228	12,140
	Depreciation			6,100	
				<b>208,605</b>	<b>120,588</b>
	<b>Total Cost of Charitable Activities</b>			<b>1,912,564</b>	<b>928,046</b>
	<b>Raising Funds</b>				
	Salary costs			328,492	204,763
	Communications and PR			5,506	2,151
	Donor Costs			306	8,055
				<b>334,304</b>	<b>214,969</b>
	<b>TOTAL RESOURCES EXPENDED</b>			<b>2,246,868</b>	<b>1,143,015</b>



Power2 Limited					
NOTES TO THE FINANCIAL STATEMENTS					
For the 17 Months Ending 31 July 2023					
<b>3</b>	<b>Analysis of Expenditure on charitable activities</b>				
		<b>Costs directly attributable to activities</b>	<b>Support costs</b>	<b>17 Months to July 2023</b>	<b>12 Months to Feb 2022</b>
	<b>Costs directly attributable to activities</b>				
	Delivery	1,793,647	98,225	1,891,871	898,799
		<b>1,793,647</b>	<b>98,225</b>	<b>1,891,871</b>	<b>898,799</b>
<b>4</b>	<b>Allocation of Support costs</b>				
		<b>Raising Funds</b>	<b>Delivery</b>	<b>17 Months to July 2023</b>	<b>12 Months to Feb 2022</b>
	Governance - audit	2,128	10,100	12,228	12,140
	Office costs inc Rent	10,267	48,733	59,000	39,839
	Information Technology	8,299	39,392	47,690	39,441
	Other	0	0	0	5,505
		<b>20,693</b>	<b>98,225</b>	<b>118,918</b>	<b>96,925</b>
	Fees paid to the auditors for the audit of the Charity's annual accounts £12,228 (2022: £9,450).				
<b>5</b>	<b>Raising Funds</b>			<b>17 Months to July 2023</b>	<b>12 Months to Feb 2022</b>
				<b>£</b>	<b>£</b>
	Costs directly attributable			334,304	223,507
	Support costs			20,693	20,709
				<b>354,997</b>	<b>244,216</b>
<b>6</b>	<b>Staff costs and employee benefits</b>			<b>17 Months to July 2023</b>	<b>12 Months to Feb 2022</b>
				<b>£</b>	<b>£</b>
	Wages and Salaries			1,588,830	814,248
	Social Security Costs			142,824	75,101
	Defined contribution pension costs			105,762	35,047
	Total staff wages and salaries			<b>1,837,415</b>	<b>924,396</b>
	In the period redundancy costs were incurred of £7,420 (2022: nil). These costs are included in salaries.				
	The emoluments of the higher paid employees fell within the ranges indicated below. These emoluments include gross salary, and other benefits, plus employer's national insurance contributions, but exclude pension contributions.				
				<b>17 Months to July 2023</b>	<b>12 Month equivalent</b>
					<b>12 Months to Feb 2022</b>
	£60,000 to £69,999			1	
	£70,000 to £79,999				1
	£80,000 to £89,999				
	£90,000 to £99,999			1	1
	£100,000 to £129,999				
	£130,000 to £139,999			1	
	Retirement benefits are accruing under defined contribution pension schemes in respect of these employees. Contributions paid amounted to £26,078 (2022: £7,180)				
	The average number of employees, calculated on a full-time equivalent basis, and headcount basis, analysed by function was:				
		<b>Headcount basis</b>		<b>Calculated on a full-time equivalent basis</b>	
		<b>17 Months to July 2023</b>	<b>12 Months to Feb 2022</b>	<b>17 Months to July 2023</b>	<b>12 Months to Feb 2022</b>
	Raising Funds	5.4	4.9	4.8	4.4
	Charitable activities	37.5	25.6	33.5	21.8
		<b>42.9</b>	<b>30.5</b>	<b>38.4</b>	<b>26.2</b>
	Key management personnel of the charity comprised the trustees of the charity who received no remuneration, and the Chief Executive and senior management team. Their combines salaries and pensions totalled £380,865 for the 17 month period . This equates for a twelve month period to annualised employee benefits of £268,846 (2022 £251,359).				



Power2 Limited - Notes to the Financial Accounts 17 Months Ending 31 July 2023					
<b>7 FIXED ASSETS - COMPUTER EQUIPMENT</b>					
			£		
<b>Cost or Valuation</b>					
Additions in the period			29,292		
<b>Carried forward 31 July 2023</b>			<b>29,292</b>		
<b>Depreciation</b>					
Charge for the period			6,100		
<b>Carried forward 31 July 2023</b>			<b>6,100</b>		
<b>Net Book Value</b>					
At 1 March 2022			-		
At 31 July 2023			<b>23,192</b>		
<b>8 DEBTORS</b>			<b>At 31 July 2023</b>		<b>At 28 Feb 2022</b>
			£		£
Trade debtors			27,499		10,195
Other debtors			2,430		3,600
Prepayments and accrued income			149,820		30,357
			<b>179,749</b>		<b>44,152</b>
<b>9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			<b>At 31 July 2023</b>		<b>As restated At 28 Feb 2022</b>
			£		£
Trade creditors			8,629		6,689
Accruals and provisions			17,981		21,037
Other taxation and social security			39,373		25,470
Deferred income			134,159		10,195
Other loans			27,891		25,279
			<b>228,033</b>		<b>88,670</b>
The amount of £27,891 represents a Coronavirus Business Interruption Loan, secured by the government, repayable by instalments commencing in November 2021 and ending in October 2025 (2022: £25,279).					
<b>10 Deferred Income</b>			<b>At 31 July 2023</b>		<b>As restated At 28 Feb 2022</b>
At start of period (1 March)			10,195		146,322
Released to income during the year			(10,195)		(146,322)
Additions during the year			134,159		10,195
At end date 31 July 2023 and 28 February 2022			<b>134,159</b>		<b>10,195</b>
Deferred income comprises income received in advance of delivery.					
<b>11 RESTRICTED &amp; UNRESTRICTED FUNDS</b>					
	As restated Opening Balance 1 March 2022	Net Incoming resources	Charitable Expenditure	Transfers Between Funds	Closing Balance 31 July 2023
Unrestricted Funds	252,541	145,527	(145,527)	(5,387)	247,154
Restricted Funds	47,004	2,168,349	(2,101,341)	5,387	119,400
<b>Total Reserves - all unrestricted</b>	<b>299,545</b>	<b>2,313,877</b>	<b>(2,246,868)</b>	-	<b>366,554</b>
All of the restricted funds represent monies received that have been given specifically towards the advancement of Power2 programmes.					
<u>Transfers between funds</u>					
All surpluses on grants relating to projects in specific areas that have come to an end and where all conditions in respect of the grant have been met have been transferred to unrestricted funds. Grants where there are no longer any conditions for their specific use have been transferred to unrestricted funds accordingly. Deficits on completed projects are funded by transfers from unrestricted funds.					
<b><u>Analysis of net assets between funds</u></b>					
		Unrestricted	Restricted	Total 17 Months to July 2023	As restated At 28 Feb 2022
Cash at bank and in hand		295,213	134,159	429,372	420,771
Deferred income		-	(134,159)	(134,159)	(10,195)
Other net current assets		71,340		71,340	(111,031)
<b>Total</b>		<b>366,554</b>	-	<b>366,554</b>	<b>299,545</b>
<b>Analysis of Net Debt</b>		At 28 Feb 2022	Operating cash flow plus bank interest	Coronavirus Business Interruption Loan	At 31 July 2023
Cash and Cash Equivalents		420,771	8,600	-	429,371
<b>Total net debt</b>		<b>420,771</b>	<b>8,600</b>	-	<b>429,371</b>



Power2 Limited				
<b>NOTES TO THE FINANCIAL STATEMENTS (continued)</b>				
For the 17 Months Ending 31 July 2023				
<b>12</b>	<b>CREDITORS DUE AFTER MORE THAN ONE YEAR</b>		<b>At 31 July 2023</b>	<b>At 28 Feb 2022</b>
			<b>£</b>	<b>£</b>
	Other loans		37,726	76,709
	The amount of £37,726 represents a Coronavirus Business Interruption Loan, secured by the government, repayable by instalments commencing in November 2021 and ending in October 2025 (2022: £76,709).			
<b>13</b>	<b>LOANS</b>		<b>At 31 July 2023</b>	<b>At 28 Feb 2022</b>
	<b>Amounts falling due within one year</b>			
	Other loans		27,891	25,279
	<b>Amounts falling due 1-2 years</b>			
	Other loans		29,915	27,108
	<b>Amounts falling due 2-5 years</b>			
	Other loans		7,811	49,600
			<b>65,617</b>	<b>101,987</b>
	Security over other loans are included in Note 12.			
<b>14</b>	<b>PRIOR YEAR ADJUSTMENT</b>			
	The results for the year ended 28 February 2022 have been restated to correctly reflect the nature of grant income which had originally been deferred but the correct treatment of this is to recognise in full upon receipt and recognised within income. As a result, opening reserves have been increased by £35,000, deferred income has been decreased by £47,004, and turnover increased by £12,004, with the funds note also being updated to show brought forward funds of			
<b>15</b>	<b>RELATED PARTY TRANSACTIONS</b>			
	A number of the trustees of the charity are also involved as supporters and trustees of other charities and not for profit organisations which may provide grants to Power2. These trustees do not participate in any decisions in relation to these transactions.			
<b>16</b>	<b>COMMITMENTS</b>			
	<b>OPERATING LEASES</b>			
	At 31 July 2023 the Charity had the following annual commitments under non-cancellable operating leases:			
			<b>Rent &amp; Equipment</b>	<b>Rent &amp; Equipment</b>
			<b>At 31 July 2023</b>	<b>At 28 Feb 2022</b>
			<b>£</b>	
	Operating leases which expire:			
	Within one year		7,082	20,000
	Within one to two years		16,068	-
	Within two to five years		43,826	-
			<b>66,976</b>	<b>20,000</b>
	Operating lease costs in the 17 months to 31 July 2023 were £22,119 (2022: £10,651)			
<b>17</b>	<b>COMPANY LIMITED BY GUARANTEE</b>			
	Each member of the Charity has guaranteed to contribute up to £1 in the event of a winding up.			
<b>18</b>	<b>FUTURE INCOME AND THE CURRENT ECONOMIC CLIMATE</b>			
	The Trustees consider that the income stream of the Charity will continue as forecast and unplanned expenditure would be minimal. The going concern basis is therefore considered to be appropriate as a basis of accounting.			



Power2 Limited						
<b>NOTES TO THE FINANCIAL STATEMENTS (continued)</b>						
For the 17 Months Ending 31 July 2023						
<b>19</b>	<b>RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>					
					17 Months to 31 July 2023	As restated 12 Months to 28 Feb 2022
					£	£
					67,009	60,135
					(740)	(24)
					<b>66,269</b>	<b>60,111</b>
					(135,597)	1,662
					100,380	(175,307)
					(23,192)	
					<b>7,860</b>	<b>(113,534)</b>
<b>20</b>	<b>DIRECTORS' AND OFFICERS' REMUNERATION AND EXPENSES</b>					
	No trustee received remuneration from the Charity for their services as a trustee (2022: nil).					

**POWER2 LTD**

England & Wales - Charity number 1099782

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# Accounts

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Power2 Limited

Formerly Teens and Toddlers trading as Power2 Ltd

FINANCIAL STATEMENTS

YEAR ENDED 28 February 2022

REGISTERED CHARITY NUMBER: 1099782 (England and Wales)

COMPANY NUMBER: 4001308



## **Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited)**

The year 2021-22 was my second year as CEO of Power2, and the impact of COVID on the organisation and on the country dominated this year too. Our programme delivery was affected by mitigations and lockdown, particularly our group work where delivery was delayed because of lockdowns or school/pupil isolation and sickness. Most of our staff had COVID at some point during the year, although thankfully no-one was severely ill. We continue to be extremely concerned about the effects of the pandemic on the vulnerable young people we work with, and particularly its impact on their mental health and wellbeing. However, we were able to return to full programme delivery from September and this contributed to the year being one of consolidation and innovation for us, both of which we did very successfully.

Our revenue – whilst appearing flat on the previous year – in fact increased substantially because of our replacement of government funding through the Coronavirus Job Retention Scheme with voluntary and statutory income. We remain hugely grateful for that Scheme, which enabled us to retain all our highly-skilled delivery staff through the pandemic, and they were delighted to be able to return to working with young people.

The voices of our young people remain at the heart of what we do. Our second youth-led in-conversation event, Power2 Be Me At Work, ran in November 2021. Our young people supported our work in other ways too; our Young Leaders interviewed our prospective candidates for Chair, and also supported us in our programme development, with our new Power2 Thrive programme being co-developed with them.

We recommenced delivery of our flagship Teens and Toddlers programme in September 2021; it's even more important that our brilliant teenagers are able to support nursery-aged children with their speech and language, which has been badly affected by the pandemic and successive lockdowns. And we were delighted to be funded to pilot our adaptation of Teens and Toddlers, Power2 Thrive, which was co-developed with young people and has an additional focus on wellbeing and mental health. Our primary-to-secondary school transition programme, Power2 Progress, was piloted successfully in the North West.

An external evaluation of our pandemic crisis response programme, Power2 Rediscover, showed its very positive impact in terms of improving participants' wellbeing, self-confidence, and engagement with school and learning, and is now a core part of our programme offering. This programme offers 1:1 support to young people and is an excellent addition to our roster of group support programmes.

Many of the young people we worked with were in the care system, and we have increased our focus on supporting this very vulnerable group; this, and our new experience of working with young people on a 1:1 basis led us to enter the Local Authority commission space, and we were extremely pleased to be awarded the first tender we responded to, to work with care-experienced young people aged 18-25 in Trafford. The results from the first six months of this programme shows working very intensively with a small number of young people really pays dividends. Toward the end of the financial year we were delighted to be appointed by Cheshire West and Cheshire Council and Social Finance as Delivery Partner for the RootED model, seeking to transform outcomes for children



and young people at risk of exclusion. We will be increasing our efforts to secure local authority commissions in the future.

This diversification of programmes and approach is key to our future financial success and impact on young people. The work we do at Power2 changes lives, and we want to reach as many young people as possible. Delivering more programmes using our strengths-based approach and responding to commissions to embed our work in local authorities, helps us to do that whilst still holding true to our charitable aims and objectives

A number of our Trustees reached the end of their term of service in the year and we'd like to thank them all, and in particular our Chair Marc St John, for their many years of service. We took the opportunity to increase the size of our Board in order to ensure that we have the right mix of skills to guide us through the next phase of our growth, and were particularly pleased to be able to recruit three Young Trustees, two of who are previous beneficiaries of our programme. We now have a very diverse Board as well as staff team, with significant lived experience in each of the issues we seek to address so we truly do reflect the young people that we work with.

We continued to develop our infrastructure, with all staff now using laptops to enable them to work remotely and from the field. We were able to recruit 4 additional staff and make a number of internal promotions. We also moved our Head Office to our base in Ashton under Lyne in Greater Manchester, to mirror the increasing importance of the work we do in the North West.

The work we do at Power2 changes lives. We're able to do that work because of the skill and determination of all our staff I'm very lucky to lead such a brilliant team and am very proud of everything they do to make a difference to the young people we work with.

Julie Randles  
Chief Executive  
**Power2**



## **Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited)**

### **Report of the Trustees for the year ending 28 February 2022**

The trustees are pleased to present their annual Trustees' report together with the audited financial statements of the charity for the year ending 28 February 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

#### **Our purposes and activities**

The purpose of the charity is to foster and support the education, health, opportunity and development of children and young people. We believe there is no greater cost to society than unfulfilled potential. We support children and young people at key transition points to achieve their potential by developing crucial life skills, boosting confidence and improving self-esteem. Our main programmes are the award-winning Teens & Toddlers programme, the Young Leaders programme, and, currently, Power2 Rediscover, our COVID-19 crisis response programme. There have been no changes to the Charity's objectives during the year. The Charity is a public benefit entity. The Trustees have had regard to the Charity Commission's guidance on public benefit.

#### **Strategic Report - Achievements and performance**

In the year to February 2022, we worked in 23 local authorities, 39 secondary schools and 43 primary schools. Our reach was badly affected by school closures due to COVID-19 so we were limited to 465 starters on group programmes in 2022 (380 in 2021). A further 105 young people participated in our other programmes (Young Leaders and Power2 Advance).

#### **COVID-19 related challenges and our programmes**

We were badly hit by the COVID-19 pandemic; all delivery of our flagship programme, Teens and Toddlers, ceased in March 2020 as schools closed, and we lost revenue as a result. As schools re-opened we gradually resumed our activities.

As a frontline service provider we were determined to continue to support young people, whose existing challenges are exacerbated by the effects of the pandemic. To do so we worked with current funders to re-purpose funding and direct it to core funding for our new Power2 Rediscover programme as well as bidding successfully to new funding sources that emerged as funders launched emergency funds to support organisations and individuals affected by the pandemic. We also took reasonable and prudent steps to access the Government's furlough scheme and reviewed our cost structure. Furlough has allowed us to retain key staff and be in a position to resume our work when schools re-open. We took the decision in March 2020 to top up furloughed staff salaries to 100%.

#### **Financial review and KPIs**

Power2 had an income of £1,191,146 (2021: £1,215,100). Power2 had a surplus of £48,131 for the year to February 2022 (2021: surplus of £64,170).



### **Future Developments**

We have been able to attract new and exciting partnerships and now have a healthy cash flow with 60% of income secured for our next financial year (YE Feb 2023).

We renegotiated our tenancy agreement with our landlord the Psychosynthesis Trust which involved a rent reduction and an exit from the premises on 31 March 2021 without penalties. We have taken space at lower cost on the Coram Foundation Campus in Bloomsbury from 1 May 2021. This has reduced our overhead costs significantly.

### **Investment powers and policy**

The operating management, taking into account the liquidity requirements of operations, have kept available funds in an interest-bearing deposit account and seek to maximise the interest rate on deposits. Nonetheless the rate we can achieve remains very low due to external market conditions.

### **Reserves Policy**

Power2 must ensure its long-term sustainability, viability, and success. In determining the reserves policy the trustees have considered the current economic conditions and the risks to key funding sources. The trustees have also considered the organisation's core financial responsibilities. The Trustees have agreed that the Charity's objective is to have free cash reserves of no less than 3 months and no more than 6 months normal operating expenditure in order to continue to operate programmes. Normal operating expenditure, for this purpose excludes expenditure which is covered by restricted reserves. Unrestricted reserves held at 28 February 2022 are £252,541 (2021: £204,410). The Trustees are satisfied that the level of reserves falls within these parameters. There were no restricted reserves at 28 February 2022.

The Trustees recognize the difficult conditions for the Charity, the level of free reserves and the challenging environment of the Charity sector. The Trustees have no material concerns relating to the ability of Power2 to continue to operate as a going concern.

In setting its budgets, level of charges for services and in negotiating the level of funding for grants, Power2 takes account of the need to maintain adequate reserves. The Board of Directors and the Finance Committee continually monitor whether the level of income is appropriate to establish and maintain reserves in line with this policy through the processes of annual budgeting, periodic management accounts and cash flow reporting. This policy will be reviewed at least annually.

### **Reference and administrative details**

Charity number: 1099782  
Company number: 4001308  
Principal & Registered Office: 26A Warrington Street, Ashton-under-Lyne, Tameside, OL6 6AS

### **Directors and Trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair Marc St John (resigned 3 February 2022)



	Nicci Russell (appointed as Chair 3 February 2022)
Trustees	Anthony Clinch (resigned 30 July 2021) Edward Scully (resigned 30 July 2021) Gemma Carroll Georgia Hart Jane Hinchliffe (resigned 29 October 2021) Reena Gogna James Potter Alex Reppold (appointed 2 July 2021) Kim Rihal (appointed 2 July 2021) Mohamed Abdallah (appointed 2 July 2021) Nicci Russell (appointed 2 July 2021) Aisha'lee Aminu (appointed 24 September 2021) Amira Shariif Ali (appointed 24 September 2021) Nina Ma (appointed 24 September 2021) Chris Mulrooney (resigned 30 April 2021)
Company Secretary	Julie Randles
Chief Executive	Julie Randles
Auditors	MHA MacIntyre Hudson 6 <sup>th</sup> Floor, 2 London Wall Place, London, EC2Y 5AU
Bankers	Barclays Bank plc, Borough High Street, London, SE1 1LY
Senior Management Team	Paul Hopkins – Director of Operations & Finance Abigail Moss – Director of Income and Engagement Samantha Marcus – Director of Services
Registered Office	26A Warrington Street Ashton-under-Lyne Tameside OL6 6AS

### **Fundraising**

The Charity does not use any professional fundraisers other than those individuals employed by the Charity. During the financial year 2021/22 the charity paid due regard to its fundraising practices in line with the guidelines set out by the Fundraising Regulator's Fundraising Code of Practice. There were no complaints made against the charity regarding fundraising practices. Fundraising is monitored by the Trustees.



## **Structure, Governance and Management**

### ***Governing Document***

Power2 Ltd is a company limited by guarantee governed by its Memorandum and Articles of Association dated May 2000. It is registered as a charity with the Charity Commission.

### ***Trustee induction and training***

Normally new trustees receive an induction pack and undergo an orientation day to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. They also visit one of our programmes in action.

Successive lockdowns in the financial year meant we were unable to run trustee induction days; instead, our new trustees had a number of briefing sessions with our Chair and key employees, and attended a virtual session where several of our young people spoke about themselves .

### ***Organisation***

The board of trustees administers the charity. The board normally meets five times per year and there are sub-committees for finance and audit (Finance Committee), programmes and impact measurement (Programmes and Impact Committee), and safeguarding (Safeguarding Committee). A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and to delegate through the Senior Management Team (SMT).

### ***Related parties and co-operation with other organisations***

None of our trustees receive remuneration or other benefit from their work with the charity.

### ***Indemnity Insurance***

Professional indemnity insurance is paid on behalf of the Trustees to protect them from claims arising from negligent acts, errors, or omissions while on charity business.

### ***Pay policy for senior staff***

The directors consider that the board of directors, who are the Charity's trustees, the Chief Executive and the senior management team, comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. The pay of the Chief Executive is reviewed annually by the Remuneration Committee (2 trustees) with approval by the Finance Committee and increased in accordance with average earnings, where relevant, and benchmarked against other similar charities. The pay of other key management is reviewed by the Finance Committee.

### ***Risk management***

The trustees have a risk management strategy which comprises:

- a risk register which is reviewed by the full Board at each meeting along with a list of changes since the previous Board meeting.
- an annual review of the principal risks and uncertainties that the charity is subject to by the main Trustee Board.



- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.
- a Finance and Risk Committee comprising at least 3 trustees which meets separately from the main Board to review financial forecast and risks in detail.

The principal risks of the Charity identified by the Trustees include the availability of funding for projects and the safeguarding risks arising in relation to the teenagers and young children involved in the projects. These risks are mitigated by active financial management and by robust policies and procedures in respect of selection and training of staff working with young people.

### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 (FRS 102);
- make judgements and 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 charity will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



### **Disclosure of information to the auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board

Nicci Russell

By order of the board of trustees  
Nicci Russell

Date 12 July 2022



## **Independent Auditor's Report to the Members of Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited)**

### **Opinion**

We have audited the financial statements of Power2 Ltd (the 'charitable company') for the year ended 28 February 2022 which comprise the Statement of financial Activities (incorporating the income and Expenditure account), the Balance Sheet, the Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2022, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the Charity's ability to continue to adopt the going concern basis of accounting included the review of charity forecasts and financial performance post year end.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability



to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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



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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:



- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Brendan Sharkey FCA  
Senior Statutory Auditor  
For and on behalf of MHA MacIntyre Hudson  
Statutory Auditors

6<sup>th</sup> Floor  
2 London Wall Place  
London EC2Y 5AU

12.07.2022



Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited).					
<b>STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT</b>					
<b>FOR THE YEAR ENDED 28 February 2022</b>					
		<b>2022</b>	<b>2022</b>	<b>2022</b>	2021
		<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	Total
	<b>Notes</b>	<b>Funds</b>	<b>Funds</b>	<b>Total</b>	Total
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<u>Income and endowments from:</u>					
Grants	1	61,705	755,561	817,265	757,446
Sale of services	1	-	235,137	235,137	64,494
Interest	1	24	-	24	181
Donations, events and CJRS	1	45,510	93,209	138,720	392,979
<b>Total Income and endowments</b>		<b>107,239</b>	<b>1,083,907</b>	<b>1,191,146</b>	<b>1,215,100</b>
<b>RESOURCES EXPENDED</b>					
Raising Funds	5	107,239	136,977	244,216	271,861
Charitable activities	3	-	898,799	898,799	879,069
<b>Total expenditure</b>		<b>107,239</b>	<b>1,035,776</b>	<b>1,143,015</b>	<b>1,150,930</b>
<b>Surplus</b>		<b>0</b>	<b>48,131</b>	<b>48,131</b>	<b>64,170</b>
<b>Transfers between funds</b>	11	48,131	(48,131)	-	-
<b>NET INCOMING/(OUTGOINGS) RESOURCES FOR THE YEAR</b>		<b>48,131</b>	<b>-</b>	<b>48,131</b>	<b>64,170</b>
Reconciliation of funds					
Total funds brought forward		204,410	-	204,410	140,240
<b>Balances carried forward at the end of the period</b>		<b>252,541</b>	<b>-</b>	<b>252,541</b>	<b>204,410</b>
All income and expenditure derive from continuing activities					

The notes on pages 17 to 24 form part of these financial statements



Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited).					
<b>BALANCE SHEET</b>					
<b>YEAR ENDED 28 February 2022</b>					
		2022		2021	
	Notes	£	£	£	£
<b>CURRENT ASSETS</b>					
Debtors	8	44,152		45,814	
Cash at bank and in hand		420,771		534,282	
		464,924		580,096	
Grants					
<b>CREDITORS: Amounts falling due within one year</b>	9	135,674		273,697	
<b>NET CURRENT ASSETS</b>			329,250		306,399
<b>Loans falling due after more than one year</b>	12		76,709		101,988
<b>NET ASSETS</b>			<b>252,541</b>		<b>204,411</b>
<b>FUNDS</b>					
Unrestricted General fund	11		252,541		204,410
			<b>252,541</b>		<b>204,410</b>

The Financial Statements were approved and authorised for issue by the Board on xxx 2022.

Signed on behalf of the Board of Trustees

Nicci Russell (Chair)

12 July 2022

The notes on pages 17 to 24 form part of these financial statements



<b>Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited).</b>				
<b>STATEMENT OF CASH FLOWS</b>				
<b>YEAR ENDED 28 February 2022</b>				
			<b>2022</b>	<b>2021</b>
	<b>Notes</b>		<b>£</b>	<b>£</b>
Cash flow from operating activities	17		(113,534)	164,060
Net cash flow from operating activities			(113,534)	164,060
Cash flow from investing activities				
Interest received			24	181
Loan			-	101,988
Net cash flow from investing activities			24	102,169
Net increase / (decrease) in cash and cash equivalents			(113,511)	266,229
Cash and cash equivalents brought forward at 1 March			534,282	268,052
<b>Cash and cash equivalents carried forward at 28 February</b>			<b>420,771</b>	<b>534,281</b>

The notes on pages 17 to 24 form part of these financial statements



## Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited)

### Note 1 Summary of significant accounting policies

#### (a) General information and basis preparation

Power2 is a charitable company limited by guarantee incorporated in England and Wales. On 9 May 2018 the Charity changed its name to Teens and Toddlers Trading as Power2 Ltd. 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. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are to foster and support the education, health, opportunity and development of children and young people. We run programmes where teenagers mentor young children, and build the life skills and self-belief they need to succeed at school, in work and in the community. There have been no changes to the Charity's objectives during this year.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Funds

Unrestricted funds 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 cost 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.



### **(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donations and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities, assets and professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities, assets and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are accounted for under the accruals model as permitted by FRS102. The deferred element of the grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

Investment income is earned through holding assets for investment purposes. It includes interest and interest income is recognised using the effective interest method and included when receivable.

### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it



is probable that the settlement will be required and that amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes fundraisers' salaries and costs associated with applying for funds
- Power2 does not capitalise assets with monetary value of less than £1,000. As such, capital purchases of less than this amount are recognised through the Statement of Financial Activities and Income and Expenditure Account
- Expenditure on charitable activities includes delivery costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have allocated to cost of raising funds and expenditures on charitable activities on a basis consistent with use of the resources. Overheads have been allocated as detailed in note 3.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 5.

**(f) Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(g) Financial Instruments**

The charity has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(i) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.



**(j) Employee pensions and benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Where employees are informed of redundancies by balance sheet date, provisions are included in the financial statements.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable in accordance with the rules of the scheme.

**(k) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(l) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(m) Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material, adjustment to the carrying amounts of assets and liabilities within the next financial year include the valuation of deferred income in creditors. The trustees have reviewed the deferred income and are satisfied that this is valued in accordance with the accounting policies.



Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited).					
NOTES TO THE FINANCIAL STATEMENTS					
YEAR ENDED 28 February 2022					
1	INCOMING RESOURCES	2022 £	Restricted Funds £	Total 2022 £	2021 £
	Grants	61,705	755,561	817,265	757,446
	Income from commissioned services		235,137	235,137	64,494
	Bank interest receivable	24	-	24	181
	Donations, events and CJRS	45,510	93,209	138,720	392,979
		<b>107,239</b>	<b>1,083,907</b>	<b>1,191,146</b>	<b>1,215,100</b>
	£93,209 was received in the year under the Government's Coronavirus Job Retention Scheme (CJRS) and is included in donations, events and CJRS.				
2	RESOURCES EXPENDED			2022 £	2021 £
	<b>Costs directly attributable to activities</b>				
	Salary Costs			599,837	645,771
	Project materials			16,191	2,349
	Other delivery costs			51,107	21,164
	Postage and Freight			707	68
	Travel			14,342	2,243
	Training Quality Assurance and Accreditation (inc salaries)			5,478	1,471
	Research and Evaluation (inc salaries)			32,892	31,707
	Youth Events (inc salaries)			86,903	94,403
				<b>807,458</b>	<b>799,177</b>
	<b>Support costs allocated to activities</b>				
	Bank charges and loan interest			2,778	447
	Building, and utility costs			2,670	2,424
	Equipment hire and purchase			9,045	1,275
	Insurance			1,302	1,735
	Recruitment			500	2,750
	IT software and web development			36,527	32,526
	Legal and professional fees			7,504	6,328
	Other			2,464	2,688
	Postage, printing and stationery			1,796	1,097
	Rent and rates			31,383	55,570
	Telephone			12,479	13,472
	Audit			12,140	10,960
				<b>120,588</b>	<b>131,273</b>
	<b>Raising Funds</b>				
				204,763	217,452
	Communications and PR			2,151	2,606
	Donor Costs			8,055	423
	Event Costs			-	-
				<b>214,969</b>	<b>220,480</b>
	<b>TOTAL RESOURCES EXPENDED</b>			<b>1,143,015</b>	<b>1,150,930</b>



Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited).						
<b>NOTES TO THE FINANCIAL STATEMENTS</b>						
<b>YEAR ENDED 28 February 2022</b>						
<b>3</b>	<b>Analysis of Expenditure on charitable activities</b>					
		<b>Activities undertaken directly</b>	<b>Grant funded Activities</b>	<b>Costs directly attributable to activities</b>	<b>Support costs</b>	<b>Total 2022</b>
	<b>Costs directly attributable to activities</b>					
	Delivery	258,178	564,405	822,583	76,216	898,799
	Training and evaluation	-	-	-	-	-
		<b>258,178</b>	<b>564,405</b>	<b>822,583</b>	<b>76,216</b>	<b>898,799</b>
<b>4</b>	<b>Allocation of Support costs</b>					
				<b>Raising Funds</b>	<b>Delivery</b>	<b>Total 2022</b>
	Governance - audit			2,594	9,546	12,140
	Office costs			8,512	31,327	39,839
	Information Technology			8,427	31,014	39,441
	Other			1,176	4,328	5,505
				<b>20,709</b>	<b>76,216</b>	<b>96,925</b>
	Fees paid to the auditors for the audit of the Charity's annual accounts £9,450 (2021: £10,960).					
<b>5</b>	<b>Raising Funds</b>					<b>2022</b>
						<b>£</b>
	Costs directly attributable					223,507
	Support costs					20,709
						<b>244,216</b>
<b>6</b>	<b>Staff costs and employee benefits</b>					<b>2022</b>
						<b>£</b>
	Wages and Salaries					814,248
	Social Security Costs					75,101
	Defined contribution pension costs					35,047
	Total staff wages and salaries					<b>924,395</b>
	In the period no redundancy costs were incurred (2021: £29,401). In 2021 these costs were included in salaries.					
	The emoluments of the higher paid employees fell within the ranges indicated below. These emoluments include salary, and other benefits but exclude pension contributions.					
						<b>2022</b>
	£60,000 to £69,999					1
	£70,000 to £79,999					
	£80,000 to £89,999					1
	Retirement benefits are accruing under defined contribution pension schemes in respect of these employees. Contributions paid amounted to £7,180 (2021: £9,378)					
	The average number of employees, calculated on a full-time equivalent basis, analysed by function was:					
						<b>2022</b>
	Raising Funds					4.4
	Charitable activities					21.8
						<b>26.2</b>
	The key management personnel of the charity comprised the trustees of the charity, who received no remuneration, and the Chief Executive and senior management team. Their combined salaries and pensions totalled £293,024 (2021: £222,941)					



Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited).					
NOTES TO THE FINANCIAL STATEMENTS (continued)					
YEAR ENDED 298 February 2022					
<b>7 DIRECTORS' AND OFFICERS' REMUNERATION AND EXPENSES</b>					
No trustee received remuneration or expenses from the Charity for their services as a trustee (2021: none)					
<b>8 DEBTORS</b>					
			<b>2022</b>		<b>2021</b>
			£		£
Trade debtors			10,195		5,785
Other debtors			3,600		3,410
Prepayments and accrued income			30,357		36,619
			<b>44,152</b>		<b>45,814</b>
<b>9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>					
			<b>2022</b>		<b>2021</b>
			£		£
Trade creditors			6,689		18,573
Accruals and provisions			21,037		33,121
Other taxation and social security			25,470		32,670
Deferred income			57,199		181,322
Other loans			25,279		8,012
			<b>135,674</b>		<b>273,697</b>
The amount of £25,279 represents a Coronavirus Business Interruption Loan, secured by the government, repayable by instalments which commenced in November 2021.					
<b>10 Deferred Income</b>					
			<b>2022</b>		<b>2021</b>
At start of period (1 March)			181,322		82,722
Released to income during the year			(181,322)		(82,722)
Additions during the year			57,199		181,322
At end date 28 February			<b>57,199</b>		<b>181,322</b>
Deferred income comprises grant income received in advance of delivery.					
<b>11 RESTRICTED &amp; UNRESTRICTED FUNDS</b>					
	Opening Balance 1 March 2021	Net Incoming resources	Charitable Expenditure	Transfers Between Funds	Closing Balance 28 February 2022
Unrestricted Funds	204,410	107,239	(107,239)	48,131	252,541
Restricted Funds	-	1,083,907	(1,035,776)	(48,131) -	0
<b>Total Reserves - all unrestricted</b>	<b>204,410</b>	<b>1,191,146</b>	<b>(1,143,015)</b>	<b>-</b>	<b>252,541</b>
All of the restricted funds represent monies received that have been given specifically towards the advancement of Power2 programmes.					
<b>Transfers between funds</b>					
All surpluses on grants relating to projects in specific areas that have come to an end and where all conditions in respect of the grant have been met have been transferred to unrestricted funds. Grants where there are no longer any conditions for their specific use have been transferred to unrestricted funds accordingly. Deficits on completed projects are funded by transfers from unrestricted funds.					
<b>Analysis of net assets between funds</b>					
		Unrestricted	Restricted	Total 2022	2021
Cash at bank and in hand		363,573	57,199	420,771	534,282
Deferred income		-	(57,199)	(57,199)	(181,322)
Other net current assets		(111,032)		(111,032)	(148,550)
<b>Total</b>		<b>252,541</b>	<b>-</b>	<b>252,541</b>	<b>204,410</b>
<b>Analysis of changes in Net Debt</b>					
		At 1 March 2021	Operating cash flow plus bank interest	Coronavirus Business Interruption Loan	At 28 Feb 2022
Cash and Cash Equivalents		534,281	(113,510)	-	420,771
<b>Total net debt</b>		<b>534,281</b>	<b>(113,510)</b>	<b>-</b>	<b>420,771</b>



Power2 Ltd (formerly Teens and Toddlers trading as Power2 Limited).				
NOTES TO THE FINANCIAL STATEMENTS (continued)				
YEAR ENDED 28 February 2022				
<b>12</b>	<b>CREDITORS DUE AFTER MORE THAN ONE YEAR</b>		<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
	Other loans		76,709	101,988
	The amount of £76,709 represents a Coronavirus Business Interruption Loan, secured by the government, repayable by instalments which commenced in November 2021 and ending in October 2025.			
<b>13</b>	<b>RELATED PARTY TRANSACTIONS</b>			
	Until 31 March 2021 Power2 rented its registered office from Psychosynthesis Trust under an arms length contract and shares some services on a commercial basis.			
	A number of the trustees of the charity are also involved as supporters and trustees of other charities and not for profit organisations which may provide grants to Power2. These trustees do not participate in any decisions in relation to these transactions.			
<b>14</b>	<b>COMMITMENTS</b>			
	<b>OPERATING LEASES</b>			
	At 28 February 2022 the Charity had the following annual commitments under non-cancellable operating leases:			
			<b>Land &amp; Buildings</b>	<b>Equipment, Land &amp; Buildings</b>
			<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
	Operating leases which expire:			
	Within one year		20,000	10,012
	Within one to two years			25,279
	Within two to five years			76,709
			<b>20,000</b>	<b>112,000</b>
	Operating lease costs in the year to 28 February were £10,651 (2021: £10,502)			
<b>15</b>	<b>COMPANY LIMITED BY GUARANTEE</b>			
	Each member of the Charity has guaranteed to contribute up to £1 in the event of a winding up.			
<b>16</b>	<b>FUTURE INCOME AND THE CURRENT ECONOMIC CLIMATE</b>			
	The Trustees consider that the income stream of the Charity will continue as forecast and unplanned expenditure would be minimal. The going concern basis is therefore considered to be appropriate as a basis of accounting.			
<b>17</b>	<b>RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>2022</b>	<b>2021</b>
			<b>£</b>	<b>£</b>
	Net income/expenditure for the year		48,131	64,170
	Interest receivable		(24)	(181)
	<b>Operating income</b>		<b>48,107</b>	<b>63,990</b>
	Decrease in debtors		1,662	4,277
	Decrease in creditors		(163,303)	95,793
	<b>Net cash flow from operating activities</b>		<b>(113,534)</b>	<b>164,060</b>

**POWER2 LTD**

England & Wales - Charity number 1099782

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# Accounts

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Teens and Toddlers Trading as Power2 Limited

Formerly Teens and Toddlers

FINANCIAL STATEMENTS

YEAR ENDED 28 February 2021

REGISTERED CHARITY NUMBER: 1099782 (England and Wales)

COMPANY NUMBER: 4001308



## **Teens and Toddlers Trading as Power2 Limited (Formerly Teens and Toddlers Ltd)**

I arrived at Power2 on January 6<sup>th</sup> 2020, the day after the World Health Organisation published its first Disease Outbreak news briefing on a new disease which was subsequently named COVID-19. This set the scene for the whole of our financial year with our new strategy development running in tandem with our response to the crisis.

As the UK went into lockdown in March 2020 our immediate concern was for the young people we work with. We carried out extensive outreach to support them, in some cases having daily calls, and moved our support online where needed. We introduced a new COVID-19 response programme, Power2 Rediscover, which provides 1:1 emotional and practical support to young people as they deal with the impact of the pandemic and lockdown, and includes support for wellbeing and school engagement. Many of our funders agreed to re-purpose their funding to support this new programme, and we were successful in securing new funding. We are delivering Power2 Rediscover widely, and we expect it to become a core part of our programme portfolio.

The pandemic brought big changes to the way we worked during the year. We closed our offices in London and Manchester in line with government guidelines in March 2020, and office-based staff have largely worked from home since. We have moved our IT infrastructure to the Cloud, with help from generous tech donations from two of our corporate partners. Staff who work in schools have continued to do so where necessary, and we are grateful for their categorisation as key workers. The vulnerable young people we work with have in many cases been attending school throughout the pandemic, and others have been brought into school for the day by their teachers so that we can work with them; a great endorsement of the importance and value of face-to-face work. We have delivered online to other young people which has extended our geographical reach from Cumbria to the Isle of Wight, and we plan to continue to use this route to reach young people in need of our services in future.

We have also made sure that the voices of our young people have been captured and amplified. In spring we launched a national young people survey and recorded interviews with young people, their teachers and support workers to inform our first youth voice campaign. A short film about our support for young people was made by the Daily Mirror and our Young Leaders spoke at many external events. These included the Northern Powerhouse's Education, Employment and Skills Summit where they were in conversation with Mayor of Greater Manchester, Andy Burnham, and Channel 4 News talking about the effect of the pandemic on children and young people's mental health. Our first youth-led in-conversation event, Look Back to the Future, ran in November 2020.

We recruited new Ambassadors including Angela Rayner MP, Lord Jim Knight, actress Jane Asher, Moss Side ambassador Kemoy Walker, and young adult author Dan Freedman. Our Ambassadors have supported our campaigns and increased our visibility, and we look forward to working more with them in the future.

My priority for the financial year was to refocus on income, to ensure we recovered from the deficit of FY 19/20 because of some pauses in funding. A new team, structure and strategy paid dividends, and thank you to all our donors for your invaluable support. Our revenue increased substantially over the previous year, in part due to a new Income and Engagement team, structure and strategy



and new (to us) funding sources such as the Big Give. We also took advantage of the government Coronavirus Job Retention Scheme to retain delivery staff and took out a Coronavirus Business Interruption Loan to protect us against short term cash flow issues which may arise due to school closures and delays in the resumption of our work in schools. The surplus in the year, contrasting with the deficit of the previous year, is largely due to careful cost management; we restructured the organisation with the unfortunate loss to redundancy of two members of staff, and were able to negotiate a substantial rent reduction with our landlord, for which we were very grateful. We also made a substantial saving in travel costs since most of our programmatic work was delivered online.

Our future plans focus on the recommencement of our Teens and Toddlers programme, expected from September and for which we already have a number of schools signed up. The external evaluation of Power2 Rediscover will be delivered in spring, after which we will be able to make any changes needed to take it into our core portfolio. We will also be piloting Power2 Progress, which uses key principles for Teens and Toddlers to support children through the all-important transition from primary to secondary school. We will be testing the market for a Train the Trainer model for our programmes, enabling them to be delivered by schools and other third sector organisations, and we will be exploring new commissions. The changes we have made to the organisation and our infrastructure over the year mean that we are now much more nimble, able to scale up as needed to deliver large contracts.

COVID-19 has impacted millions of people and we are not alone. We have had to be extremely nimble and responsive as an organisation, and the speed which we have been able to adapt will stand us in good stead in the future. As an organisation we are stronger than before the pandemic. The young people we work with, though, have been disproportionately affected by the crisis and we are extremely concerned about their mental wellbeing and the impact of lockdown on their learning and future life chances. We are here to support them – and support their schools in supporting them – for as long as it takes.

I'm very proud of everything the Power2 team has achieved in extremely difficult circumstances, all of which has put us in a strong position as vaccines allow us to look to a post-pandemic world and, most importantly, make a difference to the young people we work with.

Julie Randles  
Chief Executive  
**Teens and Toddlers Trading as Power2 Ltd**



## **Report of the Trustees for the year ending 28 February 2021**

The trustees are pleased to present their annual Trustees' report together with the audited financial statements of the charity for the year ending 28 February 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

### **Our purposes and activities**

The purpose of the charity is to foster and support the education, health, opportunity and development of children and young people. We believe there is no greater cost to society than unfulfilled potential. We support children and young people at key transition points to achieve their potential by developing crucial life skills, boosting confidence and improving self-esteem. Our main programmes are the award-winning Teens & Toddlers programme, the Young Leaders programme, and, currently, Power2 Rediscover, our COVID-19 crisis response programme. There have been no changes to the Charity's objectives during the year. The Charity is a public benefit entity. The Trustees have had regard to the Charity Commission's guidance on public benefit.

### **Strategic Report - Achievements and performance**

In the year to February 2021, we worked in 21 local authorities, 55 secondary schools and 58 primary schools. Our reach was badly affected by school closures due to COVID-19 so we were reduced to 260 starters on Teens and Toddlers programmes (803 in 2020). None of these programmes were completed due to successive lockdowns and government guidelines on social distancing. We delivered our Power2 Rediscover programme from autumn 2020, reaching 157 young people.

A further 173 young people participated in our other programmes (Young Leaders and Power2 Advance).

### **COVID-19 related challenges and our programmes**

We were badly hit by the COVID-19 pandemic; all delivery of our flagship programme, Teens and Toddlers, ceased in March 2020 as schools closed, and we lost revenue as a result. In May 2020 almost £500,000 of bids that were in process were lost or withdrawn as funders adjusted to the COVID-19 situation. This was due to loss of revenue from schools, grants being withdrawn altogether and decisions being delayed.

As a frontline service provider we were determined to continue to support young people, whose existing challenges are exacerbated by the effects of the pandemic. To do so we worked with current funders to re-purpose funding and direct it to core funding for our new Power2 Rediscover programme as well as bidding successfully to new funding sources that emerged as funders launched emergency funds to support organisations and individuals affected by the pandemic. We also took reasonable and prudent steps to access the Government's furlough scheme and reviewed our cost structure. Furlough has allowed us to retain key staff and be in a position to resume our work when schools re-open. We took the decision in March 2020 to top up furloughed staff salaries to 100%.



### **Financial review**

Power2 had a surplus of £64,170 for the year to February 2021 (2020: deficit of £265,062). This was an exceptional year because of a funding halt due to a change in CEO. The new CEO, Julie Randles started in January 2020. Soon after the COVID-19 crisis began, which closed schools and brought our work on school sites to a standstill. A review by the new CEO and a change in our fundraising approach led to an improved success rate in the 12 months to February 2021 and a return to surplus.

As already referenced almost £500,000 of bids that were in process were lost or withdrawn as funders adjusted to the COVID-19 situation. This was due to loss of revenue from schools, grants being withdrawn altogether and decisions being delayed.

However, whilst we worked with current funders to re-purpose funding as core or for our new Power2 Rediscover programme we also found new funding sources emerging as major funders created emergency funds to support those who were suffering from the effects of COVID-19.

As a result 2021 revenue has increased by £175k compared to the previous year. Due to COVID-19 we saw a reduction in schools revenue of £100k. However, this was offset by an increase in grants from Trust and Corporates and the Big Give campaign, and by Coronavirus Job Retention Scheme (furlough) grants. For the next financial year we expect to sustain revenue at its current level with the reduction in furlough income being taken up by the resumption of schools revenues and grants from Trust and Corporates.

We have been able to attract new and exciting partnerships and now have a healthy cash flow with 60% of income secured for our next financial year (YE Feb 2022).

We renegotiated our tenancy agreement with our landlord the Psychosynthesis Trust which involved a rent reduction and an exit from the premises on 31 March 2021 without penalties. We have taken space at lower cost on the Coram Foundation Campus in Bloomsbury from 1 May 2021. This has reduced our overhead costs significantly.

### **Investment powers and policy**

The operating management, taking into account the liquidity requirements of operations, have kept available funds in an interest-bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation as measured by the retail prices index. Due to wider economic circumstances deposit rates have been depressed and so this aim was not achieved in the year.

### **Reserves Policy**

Power2 must ensure its long-term sustainability, viability, and success. In determining the reserves policy the trustees have considered the current economic conditions and the risks to key funding sources. The trustees have also considered the organisation's core financial responsibilities. The Trustees have agreed that the Charity's objective is to have free cash reserves of no less than 3 months and no more than 6 months normal operating expenditure in order to continue to operate programmes. Normal operating expenditure, for this purpose excludes expenditure which is covered by restricted reserves. Unrestricted reserves held at 28 February 2021 are £204,410 (2020:



£140,240). The Trustees are satisfied with the level of unrestricted reserves. There were no restricted reserves at 28 February 2021.

The Trustees recognize the difficult conditions for the Charity, the level of free reserves and the challenging environment of the Charity sector. The Trustees have no material concerns relating to the ability of Power2 to continue to operate as a going concern.

In setting its budgets, level of charges for services and in negotiating the level of funding for grants, Power2 takes account of the need to maintain adequate reserves. The Board of Directors and the Finance Committee continually monitor whether the level of income is appropriate to establish and maintain reserves in line with this policy through the processes of annual budgeting, periodic management accounts and cash flow reporting. This policy will be reviewed at least annually.

### Reference and administrative details

Charity number: 1099782  
Company number: 4001308  
Principal & Registered Office: 92 Tooley Street, London Bridge, SE1 2TH

### Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Chair	Marc St John
Trustees	Anthony Clinch Chris Mulrooney (resigned 30 April 2021) Edward Scully Gemma Carroll Georgia Hart Jane Hinchliffe Reena Gogna (appointed 1 June 2020) Karen Tyerman (resigned 21 August 2020) James Potter (appointed 21 January 2021)

James Potter joined the Power2 Board in January 2021. In Autumn 2020 in his role as Investment Director at Big Issue Invest James acted on behalf of the Social Investment Business in preparing a Power2 application for a Coronavirus Business Interruption Loan from the Resilience and Recovery Loan Fund. This fund is managed by the Social Investment Business (SIB). Big Issue Invest no longer acts as an agent for SIB in relation to the CBILS loan to Power2, nor was it acting as an agent at the time James was appointed.

Company Secretary	Julie Randles
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Chief Executive	Julie Randles
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Auditors	MHA MacIntyre Hudson 6 <sup>th</sup> Floor, 2 London Wall Place, London, EC2Y 5AU
Bankers	Barclays Bank plc, Borough High Street, London, SE1 1LY
Senior Management Team	Paul Hopkins – Director of Operations & Finance Abigail Moss – Director of Income and Engagement Samantha Marcus – Head of Programme Delivery Will Cole – Head of Programme Development

### **Fundraising**

The Charity does not use any professional fundraisers other than those individuals employed by the Charity. During the financial year 2020/21 the charity paid due regard to its fundraising practices in line with the guidelines set out by the Fundraising Regulator’s Fundraising Code of Practice. There were no complaints made against the charity regarding fundraising practices. Fundraising is monitored by the Trustees.

### **Structure, Governance and Management**

#### ***Governing Document***

Teens and Toddlers Trading as Power2 is a company limited by guarantee governed by its Memorandum and Articles of Association dated May 2000. It is registered as a charity with the Charity Commission.

#### ***Trustee induction and training***

Normally new trustees receive an induction pack and undergo an orientation day to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. They also visit one of our programmes in action.

Successive lockdowns in the financial year meant we were unable to run trustee induction days; instead, our new trustees had a number of briefing sessions with our Chair and key employees, and attended a virtual session where several of our young people spoke about themselves .

#### ***Organisation***

The board of trustees administers the charity. The board normally meets six times per year and there are sub-committees for finance and audit (Finance Committee) and impact measurement (Impact Committee). A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity and to delegate through the Senior Management Team (SMT).

#### ***Related parties and co-operation with other organisations***

None of our trustees receive remuneration or other benefit from their work with the charity.



### ***Indemnity Insurance***

Professional indemnity insurance is paid on behalf of the Trustees to protect them from claims arising from negligent acts, errors, or omissions while on charity business.

### ***Pay policy for senior staff***

The directors consider that the board of directors, who are the Charity's trustees, the Chief Executive and the senior management team, comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All directors give of their time freely and no director received remuneration in the year. The pay of senior staff is reviewed annually by the Remuneration Committee (2 trustees) with approval by the Finance Committee and increased in accordance with average earnings, where relevant, and benchmarked against other similar charities.

### ***Risk management***

The trustees have a risk management strategy which comprises:

- a risk register which is reviewed by the full Board at each meeting along with a list of changes since the previous Board meeting.
- an annual review of the principal risks and uncertainties that the charity is subject to by the main Trustee Board.
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.
- a Finance Committee comprising at least 3 trustees which meets separately from the main Board to review financial forecast in detail.

The principal risks of the Charity identified by the Trustees include the availability of funding for projects and the safeguarding risks arising in relation to the teenagers and young children involved in the projects. These risks are mitigated by active financial management and by robust policies and procedures in respect of selection and training of staff working with young people.

### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 (FRS 102);
- make judgements and 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 charity will continue in business.



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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Disclosure of information to the auditors**

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

On behalf of the board

By order of the board of trustees  
Marc St John

Date 25 June 2021



## **Independent Auditor's Report to the Members of Teens and Toddlers Trading as Power2 Ltd (formerly Teens and Toddlers Ltd)**

### **Opinion**

We have audited the financial statements of Teens and Toddlers Trading as Power2 Ltd (the 'charitable company') for the year ended 28 February 2021 which comprise the Statement of financial Activities (incorporating the income and Expenditure account), the Balance Sheet, the Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2021, 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the Charity's ability to continue to adopt the going concern basis of accounting included the review of charity forecasts and financial performance post year end.



Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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



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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 8 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:



- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Brendan Sharkey FCA  
Senior Statutory Auditor  
For and on behalf of MHA MacIntyre Hudson  
Statutory Auditors

6<sup>th</sup> Floor  
2 London Wall Place  
London EC2Y 5AU

01 July 2021



Teens and Toddlers Trading as Power2 Limited (formerly Teens and Toddlers Ltd)					
STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT					
FOR THE YEAR ENDED 28 February 2021					
		2021	2021	2021	2020
		Unrestricted	Restricted	Total	Total
	Notes	Funds	Funds	Total	Total
		£	£	£	£
<b>Income and endowments from:</b>					
Grants	1	370,330	387,115	757,446	787,478
Sale of services	1	-	64,494	64,494	157,324
Interest	1	181	-	181	819
Donations, events and CJRS	1	90,948	302,031	392,979	94,535
<b>Total Income and endowments</b>		<b>461,460</b>	<b>753,640</b>	<b>1,215,100</b>	<b>1,040,157</b>
<b>RESOURCES EXPENDED</b>					
Raising Funds	5	271,861		271,861	213,492
Charitable activities	3	189,599	689,470	879,069	1,091,727
<b>Total expenditure</b>		<b>461,460</b>	<b>689,470</b>	<b>1,150,930</b>	<b>1,305,219</b>
<b>Surplus 2021 / (Deficit) 2020</b>		<b>(0)</b>	<b>64,170</b>	<b>64,170</b>	<b>(265,062)</b>
<b>Transfers between funds</b>	11	64,170	(64,170)	-	-
<b>NET INCOMING/(OUTGOINGS) RESOURCES FOR THE YEAR</b>		<b>64,170</b>	<b>-</b>	<b>64,170</b>	<b>(265,062)</b>
Reconciliation of funds					
Total funds brought forward		140,240	-	140,240	405,302
<b>Balances carried forward at the end of the period</b>		<b>204,410</b>	<b>-</b>	<b>204,410</b>	<b>140,240</b>
All income and expenditure derive from continuing activities					

The notes on pages 17 to 24 form part of these financial statements



Teens and Toddlers Trading as Power2 Limited (formerly Teens and Toddlers Ltd)					
<b>BALANCE SHEET</b>					
<b>YEAR ENDED 28 February 2021</b>					
		2021		2020	
	Notes	£	£	£	£
<b>CURRENT ASSETS</b>					
Debtors	8	45,814		50,091	
Cash at bank and in hand		<u>534,282</u>		<u>268,053</u>	
		580,095		318,144	
<b>CREDITORS: Amounts falling due within one year</b>					
	9	<u>273,697</u>		<u>177,904</u>	
<b>NET CURRENT ASSETS</b>			306,398		140,240
<b>Loans falling due after more than one year</b>	12		101,988		
<b>NET ASSETS</b>			<u>204,410</u>		<u>140,240</u>
<b>FUNDS</b>					
Unrestricted General fund	11		204,410		140,240
			<u>204,410</u>		<u>140,240</u>

The Financial Statements were approved and authorised for issue by the Board on 25 June 2021.

Signed on behalf of the Board of Trustees

Marc St John (Chair)

25 June 2021

The notes on pages 17 to 24 form part of these financial statements



Teens and Toddlers Trading as Power2 Limited (formerly Teens and Toddlers Ltd)				
<b>STATEMENT OF CASH FLOWS</b>				
<b>YEAR ENDED 28 February 2021</b>				
			<b>2021</b>	<b>2020</b>
	<b>Notes</b>		<b>£</b>	<b>£</b>
Cash flow from operating activities	<b>17</b>		164,060	(94,300)
Net cash flow from operating activities			164,060	(94,300)
Cash flow from investing activities				
Interest received			181	819
Loan			101,988	
Net cash flow from investing activities			102,169	819
Net increase / (decrease) in cash and cash equivalents			266,229	(93,481)
Cash and cash equivalents brought forward at 1 March			268,053	361,534
<b>Cash and cash equivalents carried forward at 28 February</b>			<b>534,282</b>	<b>268,053</b>

The notes on pages 17 to 24 form part of these financial statements



## Teens and Toddlers Trading as Power2 Ltd (formerly Teens and Toddlers Ltd)

### Note 1 Summary of significant accounting policies

#### (a) General information and basis preparation

Power2 is a charitable company limited by guarantee incorporated in England and Wales. On 9 May 2018 the Charity changed its name to Teens and Toddlers Trading as Power2 Ltd. 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. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are to foster and support the education, health, opportunity and development of children and young people. We run programmes where teenagers mentor young children, and build the life skills and self-belief they need to succeed at school, in work and in the community. There have been no changes to the Charity's objectives during this year.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the companies Act 2006 and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### (b) Funds

Unrestricted funds 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 cost 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.



### **(c) Income recognition**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised, the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donations and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities, assets and professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities, assets and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants are accounted for under the accruals model as permitted by FRS102. The deferred element of the grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

Investment income is earned through holding assets for investment purposes. It includes interest and interest income is recognised using the effective interest method and included when receivable.

### **(d) Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it



is probable that the settlement will be required and that amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes fundraisers' salaries and costs associated with applying for funds
- Power2 does not capitalise assets with monetary value of less than £1,000. As such, capital purchases of less than this amount are recognised through the Statement of Financial Activities and Income and Expenditure Account
- Expenditure on charitable activities includes delivery costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have allocated to cost of raising funds and expenditures on charitable activities on a basis consistent with use of the resources. Overheads have been allocated as detailed in note 3.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 5.

**(f) Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(g) Financial Instruments**

The charity has only financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at settlement value.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(i) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.



**(j) Employee pensions and benefits**

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Where employees are informed of redundancies by balance sheet date, provisions are included in the financial statements.

The charity operates a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable in accordance with the rules of the scheme.

**(k) Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

**(l) Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**(m) Judgements and key sources of estimation uncertainty**

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material, adjustment to the carrying amounts of assets and liabilities within the next financial year include the valuation of deferred income in creditors. The trustees have reviewed the deferred income and are satisfied that this is valued in accordance with the accounting policies.



<b>Teens and Toddlers Trading as Power2 Limited (formerly Teens and Toddlers Ltd)</b>					
<b>NOTES TO THE FINANCIAL STATEMENTS</b>					
<b>YEAR ENDED 28 February 2021</b>					
<b>1</b>	<b>INCOMING RESOURCES</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Grants	370,330	387,115	757,446	787,478
	Income from commissioned services		64,494	64,494	157,324
	Bank interest receivable	181	-	181	819
	Donations, events and CJRS	90,948	302,031	392,979	94,535
		<b>461,460</b>	<b>753,640</b>	<b>1,215,100</b>	<b>1,040,157</b>
	£302,029 was received in the year under the Government's Coronavirus Job Retention Scheme (CJRS) and is included in donations, events and CJRS.				
<b>2</b>	<b>RESOURCES EXPENDED</b>				
	<b>Costs directly attributable to activities</b>				
	Salary Costs			645,771	705,343
	Self Employed facilitators			-	27,222
	Project materials			2,349	10,006
	Other delivery costs			21,164	18,062
	Postage and Freight			68	132
	Travel			2,243	52,076
	Training Quality Assurance and Accreditation (inc salaries)			1,471	3,380
	Research and Evaluation (inc salaries)			31,707	53,369
	Youth Events (inc salaries)			94,403	66,383
				<b>799,177</b>	<b>935,973</b>
	<b>Support costs allocated to activities</b>				
	Bank charges			447	479
	Building, and utility costs			2,424	12,035
	Equipment hire and purchase			1,275	770
	Insurance			1,735	1,813
	Recruitment			2,750	25,974
	IT software and web development			32,526	28,028
	Legal and professional fees			6,328	6,183
	Other			2,688	1,525
	Postage, printing and stationery			1,097	3,141
	Rent and rates			55,570	80,437
	Telephone			13,472	17,679
	Audit			10,960	8,790
				<b>131,273</b>	<b>186,855</b>
	<b>Raising Funds</b>				
	Salary Costs			217,452	171,197
	Communications and PR			2,606	8,951
	Donor Costs			423	407
	Event Costs			-	1,837
				<b>220,480</b>	<b>182,391</b>
	<b>TOTAL RESOURCES EXPENDED</b>			<b>1,150,930</b>	<b>1,305,219</b>

Teens and Toddlers Trading as Power2 Limited (formerly Teens and Toddlers Ltd)						
NOTES TO THE FINANCIAL STATEMENTS						
YEAR ENDED 28 February 2021						
<b>3</b>	<b>Analysis of Expenditure on charitable activities</b>					
		<b>Activities undertaken directly</b>	<b>Grant funded Activities</b>	<b>Costs directly attributable to activities</b>	<b>Support costs</b>	<b>Total 2021</b>
						<b>2020</b>
	<b>Costs directly attributable to activities</b>					
	Delivery	279,126	462,263	741,389	100,427	841,816
	Training and evaluation	12,352	20,456	32,809	4,444	37,253
		<b>291,478</b>	<b>482,720</b>	<b>774,198</b>	<b>104,871</b>	<b>879,069</b>
						<b>1,091,727</b>
<b>4</b>	<b>Allocation of Support costs</b>					
			<b>Raising Funds</b>	<b>Delivery</b>	<b>Training and Evaluation</b>	<b>Total 2021</b>
						<b>2020</b>
	Governance - audit		2,589	8,016	355	10,960
	Office costs		14,848	45,978	2,035	62,861
	Information Technology		7,294	22,587	1,000	30,881
	Other		7,701	23,846	1,055	32,602
			<b>32,432</b>	<b>100,427</b>	<b>4,444</b>	<b>137,304</b>
						<b>158,289</b>
	Fees paid to the auditors for the audit of the Charity's annual accounts £10,960 (2020: £8,790).					
<b>5</b>	<b>Raising Funds</b>					<b>2021</b>
						<b>2020</b>
						<b>£</b>
	Costs directly attributable					239,428
	Support costs					32,432
						<b>271,861</b>
						<b>213,492</b>
<b>6</b>	<b>Staff costs and employee benefits</b>					<b>2021</b>
						<b>2020</b>
						<b>£</b>
	Wages and Salaries					877,028
	Social Security Costs					76,593
	Defined contribution pension costs					35,712
	Total staff wages and salaries					<b>989,333</b>
						<b>999,183</b>
	In the period £29,401 of redundancy costs were incurred (2020 nil). These costs are included in salaries. There were no outstanding balances at 28 February 2021					
	The emoluments of the higher paid employees fell within the ranges indicated below. These emoluments include salary, and other benefits but exclude pension contributions.					
						<b>2021</b>
						<b>2020</b>
	£60,000 to £69,999					2
	£70,000 to £79,999					
	£80,000 to £89,999					1
	Retirement benefits are accruing under defined contribution pension schemes in respect of these employees. Contributions paid amounted to ££9,378 (2020: £4,812)					
	The average number of employees, calculated on a full-time equivalent basis, analysed by function was:					
						<b>2021</b>
						<b>2020</b>
	Raising Funds					4.7
	Charitable activities					21.2
						<b>25.9</b>
						<b>23.7</b>
						<b>28.1</b>
	The key management personnel of the charity comprised the trustees of the charity, who received no remuneration, and the Chief Executive and senior management team. Their combined salaries and pensions totalled £222,941 (2020: £198,176)					



Teens and Toddlers Trading as Power2 Limited (formerly Teens and Toddlers Ltd)						
<b>NOTES TO THE FINANCIAL STATEMENTS (continued)</b>						
YEAR ENDED 298 February 2021						
<b>7 DIRECTORS' AND OFFICERS' REMUNERATION AND EXPENSES</b>						
No trustee received remuneration or expenses from the Charity for their services as a trustee (2020: none)						
<b>8 DEBTORS</b>						
			<b>2021</b>		2020	
			£		£	
	Trade debtors		5,785		33,405	
	Other debtors		3,410		5,901	
	Prepayments and accrued income		36,619		10,785	
			<b>45,814</b>		<b>50,091</b>	
<b>9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>						
			<b>2021</b>		2020	
			£		£	
	Trade creditors		18,573		34,851	
	Accruals and provisions		33,121		32,642	
	Other taxation and social security		32,670		27,689	
	Deferred income		181,322		82,722	
	Other loans		8,012			
			<b>273,697</b>		<b>177,904</b>	
The amount of £8,012 represents a Coronavirus Business Interruption Loan, secured by the government, repayable by instalments commencing in November 2021 and ending in October 2025.						
<b>10 Deferred Income</b>						
			<b>2021</b>		2020	
	At start of period (1 March)		82,722		35,150	
	Released to income during the year		(82,722)		(35,150)	
	Additions during the year		181,322		82,722	
	At end date 28 February		<b>181,322</b>		<b>82,722</b>	
Deferred income comprises grant income received in advance of delivery.						
<b>11 RESTRICTED &amp; UNRESTRICTED FUNDS</b>						
		Opening Balance 1 March 2020	Net Incoming resources	Charitable Expenditure	Transfers Between Funds	Closing Balance 28 February 2021
	Unrestricted Funds	140,240	461,460	(461,460)	64,170	204,410
	Restricted Funds	-	753,640	(689,470)	(64,170)	-
	<b>Total Reserves - all unrestricted</b>	<b>140,240</b>	<b>1,215,100</b>	<b>(1,150,930)</b>	<b>-</b>	<b>204,410</b>
All of the restricted funds represent monies received that have been given specifically towards the advancement of Power2 programmes.						
<u>Transfers between funds</u>						
All surpluses on grants relating to projects in specific areas that have come to an end and where all conditions in respect of the grant have been met have been transferred to unrestricted funds. Grants where there are no longer any conditions for their specific use have been transferred to unrestricted funds accordingly. Deficits on completed projects are funded by transfers from unrestricted funds.						
<b>Analysis of net assets between funds</b>						
		Unrestricted	Restricted	Total 2021		2020
	Cash at bank and in hand	352,960	181,322	534,282		268,053
	Deferred income	-	(181,322)	(181,322)		(82,722)
	Other net current assets	(148,550)		(148,550)		(310,153)
	<b>Total</b>	<b>204,410</b>	<b>-</b>	<b>204,410</b>		<b>(124,822)</b>
<b>Analysis of Net Debt</b>						
		At 1 March 2020	Operating cash flow plus bank interest	Coronavirus Business Interruption Loan		At 28 Feb 2021
	Cash and Cash Equivalents	268,053	164,241	101,988		534,282
	<b>Total net debt</b>	<b>268,053</b>	<b>164,241</b>	<b>101,988</b>		<b>534,282</b>



Teens and Toddlers Trading as Power2 Limited (formerly Teens and Toddlers Ltd)				
NOTES TO THE FINANCIAL STATEMENTS (continued)				
YEAR ENDED 28 February 2021				
<b>12</b>	<b>CREDITORS DUE AFTER MORE THAN ONE YEAR</b>		<b>2021</b>	<b>2020</b>
			<b>£</b>	<b>£</b>
	Other loans		101,988	-
	The amount of £101,988 represents a Coronavirus Business Interruption Loan, secured by the government, repayable by instalments commencing in November 2021 and ending in October 2025.			
<b>13</b>	<b>RELATED PARTY TRANSACTIONS</b>			
	Certain IT costs for shared facilities were recharged by the charity to the Psychosynthesis Trust. This is a non-related charity which shares a number of facilities with Power2 on a commercial basis.			
	Power2 rents its registered office from Psychosynthesis Trust under an arms length contract and shares some services on a commercial basis. During the previous financial year to February 2020 pension contributions of £15,446 were paid on behalf of the charity Psychosynthesis Trust, by Power2, into a combined work place pension scheme. These amounts were reimbursed by the Psychosynthesis Trust. This is an administrative arrangement and Power 2 received no benefit from these transactions. This pension arrangement was discontinued in January 2020, in the previous financial period. At the balance sheet date no amounts were payable into the pension fund by Power2 under this arrangement (2020 : nil).			
	A number of the trustees of the charity are also involved as supporters and trustees of other charities and not for profit organisations which may provide grants to Power2. These trustees do not participate in any decisions in relation to these transactions.			
<b>14</b>	<b>COMMITMENTS</b>			
	<b>OPERATING LEASES</b>			
	At 28 February 2021 the Charity had the following annual commitments under non-cancellable operating leases:			
		<b>Loan</b>	<b>Land &amp; Buildings</b>	<b>Equipment, Land &amp; Buildings</b>
		<b>2021</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>	<b>£</b>
	Operating leases which expire:			
	Within one year	8,012	2,000	60,061
	Within one to two years	25,279		2,400
	Within two to five years	76,709		
		<b>110,000</b>	<b>2,000</b>	<b>62,461</b>
	Operating lease costs in the year to 28 February 2021 were £10,502 (2020: £13,743)			
<b>15</b>	<b>COMPANY LIMITED BY GUARANTEE</b>			
	Each member of the Charity has guaranteed to contribute up to £1 in the event of a winding up.			
<b>16</b>	<b>FUTURE INCOME AND THE CURRENT ECONOMIC CLIMATE</b>			
	The Trustees consider that the income stream of the Charity will continue as forecast and unplanned expenditure would be minimal. The going concern basis is therefore considered to be appropriate as a basis of accounting.			
<b>17</b>	<b>RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>2021</b>	<b>2020</b>
			<b>£</b>	<b>£</b>
	Net income/expenditure for the year		64,170	(265,062)
	Interest receivable		(181)	(819)
	<b>Operating income</b>		<b>63,990</b>	<b>(265,881)</b>
	Decrease in debtors		4,277	101,569
	Increase in creditors		95,793	70,012
	<b>Net cash flow from operating activities</b>		<b>164,060</b>	<b>(94,300)</b>
<b>18</b>	<b>Related party note</b>			
	During the year unconditional donations were received from one trustee totalling £50,000, (2020 £50,150 from 2 trustees).			