



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. 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

		12 Months Ending July 2024			17 Months to July 2023
		Unrestricted Funds	Restricted Funds	Total	Total
	Notes	£	£	£	£
Income and endowments from:					
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
Total Income and endowments		1,676,382	683,439	2,359,821	2,313,877
RESOURCES EXPENDED					
Raising Funds	5	231,094	-	231,094	354,997
Charitable activities	3	1,436,102	602,466	2,038,568	1,891,871
Total expenditure		1,667,196	602,466	2,269,662	2,246,868
Surplus		9,186	80,973	90,159	67,009
Transfers between funds	11	-	-	-	-
NET INCOMING/(OUTGOINGS) RESOURCES FOR THE YEAR		9,186	80,973	90,159	67,009
Reconciliation of funds					
Total funds brought forward		247,154	119,400	366,554	299,545
Balances carried forward at the end of the period		256,340	200,373	456,713	366,554
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

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

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

			12 Months to July 2024	17 Months to July 2023
	Notes		£	£
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
Net cash flow from operating activities			(79,339)	82,298
Cash flow from investing activities				
Purchase of tangible assets			(11,748)	(29,292)
Interest received			3,986	740
Net cash flow from investing activities			(7,762)	(28,552)
Cash flows from financing activities				
New loan advance			236,900	-
Repayment of loans			(26,717)	(36,270)
Interest paid			(11,206)	(8,876)
Net cash from financing activities			198,977	(45,146)
Net increase / (decrease) in cash and cash equivalents			111,876	8,600
Cash and cash equivalents brought forward at beginning of period			429,372	420,772
Cash and cash equivalents carried forward at end of period			541,248	429,372

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	INCOMING RESOURCES	Unrestricted Funds	Restricted Funds	12 Months to 31 July 2024	17 Months to 31 July 2023
		£	£	£	£
	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
		1,676,382	683,439	2,359,821	2,313,877
	In the prior period income of £2,313,877 comprised £145,527 unrestricted and £2,168,349 restricted.				
2	RESOURCES EXPENDED				
	Costs directly attributable to activities				
	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
				1,813,714	1,703,958
	* Prior period adjusted to reflect current classification methodology, No change to total figures				
	Support costs allocated to activities				
	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
				240,205	208,606
	Total Cost of Charitable Activities			2,053,919	1,912,564
	Raising Funds				
	Salary costs			210,648	328,492
	Communications and PR			5,095	5,506
	Donor Costs			-	306
				215,743	334,304
	TOTAL RESOURCES EXPENDED			2,269,662	2,246,868



Power2 Ltd

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

3	Analysis of Expenditure on charitable activities					
		Costs directly attributable to activities	Support costs	12 Months to July 2024	17 Months to July 2023	
	Costs directly attributable to activities					
	Delivery	1,917,632	120,937	2,038,569	1,891,871	
		1,917,632	120,937	2,038,569	1,891,871	
4	Allocation of Support costs					
		Raising Funds	Delivery	12 Months to July 2024	17 Months to July 2023	
	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	
		15,350	120,937	136,287	118,918	
	Fees paid to the auditors for the audit of the Charity's annual accounts £18,528 (2023: £12,228).					
5	Raising Funds			12 Months to July 2024	17 Months to July 2023	
				£	£	
	Costs directly attributable			215,744	334,304	
	Support costs			15,350	20,693	
				231,094	354,997	
6	Staff costs and employee benefits			12 Months to July 2024	17 Months to July 2023	
				£	£	
	Wages and Salaries			1,551,776	1,588,830	
	Social Security Costs			132,653	142,824	
	Defined contribution pension costs			99,010	105,761	
	Total staff wages and salaries			1,783,439	1,837,415	
	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.					
				12 Months to July 2024	17 Months to July 2023	
	£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:					
				Calculated on a Head Count basis		
				12 Months to July 2024	17 Months to July 2023	
	Raising Funds			4.3	5.4	
	Charitable activities			54.5	37.5	
				58.8	42.9	
	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

7	FIXED ASSETS - COMPUTER EQUIPMENT				£
	Cost or Valuation				
	Brought forward 1 August 2023				29,292
	Additions in the period				11,748
	Carried forward 31 July 2024				41,040
	Depreciation				
	Brought forward 1 August 2023				6,100
	Additions in the period				11,856
	Carried forward 31 July 2024				17,956
	Net book value	b/f 1 August 2023			23,192
		c/f 31 July 2024			23,084
8	DEBTORS		At 31 July 2024	At 31 July 2023	
			£	£	
	Trade debtors		249,696	27,499	
	Other debtors		1,839	2,430	
	Prepayments and accrued income		84,927	149,820	
			336,462	179,749	
9	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		At 31 July 2024	At 31 July 2023	
			£	£	
	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	
			210,931	228,033	
	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).				
10	Deferred Income				
			At 31 July 2024	At 31 July 2023	
	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	
	Carried forward 31 July		57,760	134,159	
	Deferred income comprises income received in advance of delivery.				



Power2 Ltd

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

11 RESTRICTED & UNRESTRICTED FUNDS						
	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
	Total Restricted Funds	119,400	683,439	(602,466)	-	200,373
	Total Unrestricted Funds	247,154	1,676,382	(1,667,196)	-	256,340
	Total All Funds	366,554	2,359,821	(2,269,662)	-	456,713
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)
	Total		256,340	200,373	456,713	366,554
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
	Total Reserves	299,545	2,313,877	(2,246,868)	-	366,554



Power2 Ltd

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

12	LOANS				At 31 July 2024 £	At 31 July 2023 £
	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				275,799	65,617
	Amounts falling due after year 1 (£60,906 plus £172,245) amount to £233,150 as disclosed in the Balance sheet on page 15					
13	RELATED PARTY TRANSACTIONS					
	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.					
14	COMMITMENTS					
	OPERATING LEASES					
	At 31 July 2024 the Charity had the following annual commitments under non-cancellable operating leases:					
					Rent & Equipment At 31 July 2024 £	Rent & Equipment At 31 July 2023
	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
					74,506	56,918
	Operating lease costs in the 12 months to 31 July 2024 were £29,389 (2023: £22,119)					
15	COMPANY LIMITED BY GUARANTEE					
	Each member of the Charity has guaranteed to contribute up to £1 in the event of a winding up.					
16	FUTURE INCOME AND THE CURRENT ECONOMIC CLIMATE					
	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.					
17	Analysis of net debt			At 31 July 2023	Cash Flow	At 31 July 2024
	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)
				363,755	(98,306)	265,449
18	DIRECTORS' AND OFFICERS' REMUNERATION AND EXPENSES					
	During the year ending 31 July 2024, no Trustee expenses have been incurred (2023: Nil)					