



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 25th 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 25th 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. 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
		Funds £	Funds £	Total £	£
<u>Income and endowments from:</u>					
Grants and Legacies					
Grants	1	199,361	629,252	828,613	923,893
Donations and events	1	99,586	-	99,586	96,536
		298,947	629,252	928,199	1,020,429
Charitable activities					
Income from commissioned services	1	1,444,636	-	1,444,636	1,335,406
Investments					
Bank interest receivable	1	9,701	-	9,701	3,986
Total Income and endowments		1,753,284	629,252	2,382,536	2,359,821
RESOURCES EXPENDED					
Raising Funds	5	216,185	-	216,185	231,094
Charitable activities	3	1,486,980	644,146	2,131,125	2,038,568
Total expenditure		1,703,164	644,146	2,347,310	2,269,662
Surplus		50,119	(14,893)	35,226	90,159
Transfers between funds	11	-	-	-	-
NET INCOMING/(OUTGOINGS) RESOURCES FOR THE YEAR		50,119	(14,893)	35,226	90,159
Reconciliation of funds					
Total funds brought forward		256,340	200,373	456,713	366,554
Balances carried forward at the end of the period		306,459	185,480	491,939	456,713

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

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

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

			12 Months to July 2025	12 Months to July 2024
	Notes		£	£
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)
Net cash flow from operating activities			189,818	(79,339)
Cash flow from investing activities				
Purchase of tangible assets			(15,111)	(11,748)
Interest received			9,701	3,986
Net cash flow from investing activities			(5,410)	(7,762)
Cash flows from financing activities				
New loan advance				236,900
Repayment of loans			(62,441)	(26,717)
Interest paid			(21,081)	(11,206)
Net cash from financing activities			(83,522)	198,977
Net increase / (decrease) in cash and cash equivalents			100,886	111,876
Cash and cash equivalents brought forward at beginning of period			541,248	429,372
Cash and cash equivalents carried forward at end of period			642,134	541,248

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 £
	Grants and Legacies				
	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
	Charitable activities				
	Income from commissioned services	1,444,636		1,444,636	1,335,406
	Investments				
	Bank interest receivable	9,701	-	9,701	3,986
		1,753,284	629,252	2,382,536	2,359,821
	In the prior period income of £2,359,821 comprised £683,439 restricted and £1,676,382 unrestricted				
2	RESOURCES EXPENDED				
	Costs directly attributable to activities				
	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
				1,899,009	1,813,714
	Support costs allocated to activities				
	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
				249,254	240,205
	Total Cost of Charitable Activities			2,148,262	2,053,919
	Raising Funds				
	Salary costs			198,263	210,648
	Communications and PR			785	5,095
	Donor Costs			-	-
				199,048	215,743
	TOTAL RESOURCES EXPENDED			2,347,310	2,269,662



Power2 Ltd

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

3	Analysis of Expenditure on charitable activities					
		Costs directly attributable to activities	Support costs	12 Months to July 2025		2024
	Costs directly attributable to activities					
	Delivery	1,977,670	153,456	2,131,126		2,038,569
		1,977,670	153,456	2,131,126		2,038,569
4	Allocation of Support costs					
		Raising Funds	Delivery	12 Months to July 2025		2024
	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
		17,137	153,456	170,593		136,287
	Fees paid to the auditors for the audit of the Charity's annual accounts £12,600 (2024: £18,528).					
5	Raising Funds			12 Months to July 2025		2024
				£		£
	Costs directly attributable			199,048		215,744
	Support costs			17,137		15,350
				216,185		231,094
6	Staff costs and employee benefits			12 Months to July 2025		2024
				£		£
	Wages and Salaries			1,558,452		1,551,776
	Social Security Costs			144,430		132,653
	Defined contribution pension costs			116,434		99,010
	Total staff wages and salaries			1,819,315		1,783,439
	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.					
				12 Months to July 2025		2024
	£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:					
				Calculated on a Head Count basis		
				12 Months to July 2025		2024
	Raising Funds			5.0		4.3
	Charitable activities			58.4		54.5
				63.4		58.8
	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

7	FIXED ASSETS - COMPUTER EQUIPMENT				£
	Cost or Valuation				
	Brought forward 1 August 2024				41,040
	Additions in the period				15,111
	Carried forward 31 July 2025				56,151
	Depreciation				
	Brought forward 1 August 2024				17,956
	Additions in the period				14,118
	Carried forward 31 July 2025				32,074
	Net book value	b/f 1 August 2024			23,084
		c/f 31 July 2025			24,077
8	DEBTORS		At 31 July 2025	At 31 July 2024	
			£	£	
	Trade debtors		115,759	249,696	
	Other debtors		3,275	1,839	
	Prepayments and accrued income		45,880	84,927	
			164,914	336,462	
9	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR				
			At 31 July 2025	At 31 July 2024	
			£	£	
	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	
			168,476	210,931	
	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).				
10	Deferred Income				
			At 31 July 2025	At 31 July 2024	
	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		27,139	57,760	
	Deferred income comprises income received in advance of delivery.				



Power2 Ltd

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

11	RESTRICTED & UNRESTRICTED FUNDS				
	Fund Name	Fund Balances b/f	Income	Expenditure	Fund Balances c/f
		£	£	£	£
	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
	Total Restricted Funds	200,373	629,252	(644,146)	185,480
	Total Unrestricted Funds	256,340	1,753,284	(1,703,164)	306,459
	Total All Funds	456,713	2,382,536	(2,347,310)	491,939
	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				
		Unrestricted	Restricted	At 31 July 2025	At 31 July 2024
	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)
	Total	306,460	185,480	491,939	456,713
11a	RESTRICTED & UNRESTRICTED FUNDS for the 12 MONTH PERIOD TO JULY 31 2024				
		Opening Balance 1 Aug 2023	Net Incoming Resources	Charitable Expenditure	Closng Balance 31 July 2024
	Restricted Funds	119,400	683,439	(602,466)	200,373
	Unrestricted Funds	247,154	1,676,382	(1,667,196)	256,340
	Total Reserves	366,554	2,359,821	(2,269,662)	456,713



Power2 Ltd

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

12	LOANS				At 31 July 2025	At 31 July 2024
					£	£
	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				231,377	275,799
	Amounts falling due after year 1 (£57,835 plus £112,875) amount to £170,710 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 2025 the Charity had the following annual commitments under non-cancellable operating leases:					
					Rent & Equipment	Rent & Equipment
					At 31 July 2025	At 31 July 2024
					£	
	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
					87,662	74,506
	Operating lease costs in the 12 months to 31 July 2025 were £22,310 (2024: £29,389)					
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 2024	Cash Flow	At 31 July 2025
	Cash at bank			541,248	100,886	642,134
	Debt falling due within one year			(42,648)	(18,019)	(60,667)
	Debt falling due within more than one year			(233,151)	62,441	(170,710)
				265,449	145,308	410,757
18	DIRECTORS' AND OFFICERS' REMUNERATION AND EXPENSES					
	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)					