

XLP

England & Wales · Charity number 1101095

Details

Other names THE X L PROJECT

Status Registered

Legal form Charitable company

Company number [04959458](#)

Registered 2003-12-09

Register [View on the Charity Commission register](#)

Contact

Address X L P
83 London Wall
London
EC2M 5ND

Phone 02072566240

Email info@xlp.org.uk

Website www.xlp.org.uk

Activities

Objects: THE ADVANCEMENT AND PROVISION OF EDUCATION AND TRAINING FOR THE BENEFIT OF THE PUBLIC AND ESPECIALLY FOR THE BENEFIT OF CHILDREN AND YOUNG ADULTS TO INCLUDE:(1) EDUCATION AND TRAINING OF A GENERAL NATURE;(2) EDUCATION AND TRAINING IN THE APPRECIATION AND PRACTICE AND PERFORMANCE OF THE ARTS;(3) EDUCATION AND TRAINING TO PROMOTE CHRISTIAN VALUES; AND(4) PROVISION OF FACILITIES FOR ALL SUCH EDUCATION AND TRAINING.3.2 THE RELIEF OF POVERTY, HARDSHIP, SICKNESS AND DISTRESS AMONG PEOPLES IN ANY PART OF THE WORLD3.3 THE PROMOTION, ADVANCEMENT AND MAINTENANCE OF THE CHRISTIAN FAITH AND THE UPHOLDING OF CHRISTIAN VALUES AMONG PEOPLES IN ANY PART OF THE WORLD. 3.4 THE PROMOTION, ADVANCEMENT AND MAINTENANCE OF CHARITABLE ACTIVITIES FOR THE BENEFIT OF THE PUBLIC, AND ESPECIALLY FOR THE BENEFIT OF CHILDREN AND YOUNG ADULTS, WHICH LEAD TO THE IMPROVEMENT OF LIFE IN URBAN OR RURAL COMMUNITIES TO INCLUDE:(1) THE RELIEF OF POVERTY, SICKNESS AND FINANCIAL AND OTHER HARDSHIP; AND(2) TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES FOR RECREATION OR OTHER LEISURE TIME OCCUPATION IN THE INTERESTS OF SOCIAL WELFARE AND OF A CHARITABLE NATURE FOR THE PUBLIC AT LARGE OR THOSE WHO BY REASON OF THEIR YOUTH, AGE, INFIRMITY OR DISABLEMENT, FINANCIAL HARDSHIP OR SOCIAL AND ECONOMIC CIRCUMSTANCES, HAVE NEED OF SUCH FACILITIES.

Activities: Across 9 boroughs of inner London, XLP provides support for disadvantaged young people aged 10-21 including:In-class support, literacy and numeracy,clubs in schools and PRU's;Support on estates through 3 Community double decker buses, mobile recording studios and sports and fitness programmes ;A Performing Arts programmes for young people;Mentoring and Ready for Work programmes

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Arts/culture/heritage/science, Amateur Sport, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** WORLDWIDE
- Camden
- City Of London
- Greenwich
- Hackney
- Islington
- Lambeth
- Lewisham
- Newham
- Southwark
- Tower Hamlets

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£2,539,978	£2,834,115	£1,001,053	57
2024-08-31	£2,469,619	£2,834,189	£1,295,190	65
2023-08-31	£2,437,468	£2,436,139	£1,584,760	59
2022-08-31	£2,319,325	£1,939,404	£1,583,431	49
2021-08-31	£2,044,636	£1,501,011	£1,203,510	40
2020-08-31	£1,844,527	£1,493,948	£659,885	40

Trustees

Name	Role	Appointed
EDDIE DONALDSON	Chair	2012-06-08
Elizabeth Yentumi		2020-01-22
Hannah Williams		2024-05-08
Nicholas Charles Benton		2020-01-22
Nicholas Turner		2026-01-20
Suru Douglas		2021-07-06

XLP

England & Wales - Charity number 1101095

Accounts



Annual Report and Accounts
For Year Ended 31st August 2025



XLP, All Hallows-on-the-Wall, 83, London Wall, EC2M 5ND

XLP is a company limited by guarantee, registered in England,
number 4959458 and a registered charity number 1101095

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DETAILS OF THE CHARITY, TRUSTEES AND ADVISORS

Status

XLP is a charitable company limited by guarantee, registered in England, and incorporated in 2003. The company was registered as a charity in 2003.

XLP is also historically known as “The X L Project”.

Registered Charity Number	1101095
Registered Company Number	4959458
Registered Office	All Hallows-on-the-Wall 83 London Wall London EC2M 5ND
Trustees	Mr E F C Donaldson OBE Mr N C Benton Miss E Yentumi Mrs S Douglas Mr K Brese (until 15/05/2025) Miss H Williams Mr N Turner (appointed 20/01/2026)
Chair	Mr E F C Donaldson OBE
Treasurer	Mr N C Benton
Secretary	Mr P J Wood
Chief Executive	Mr L O Watson
Bankers	HSBC Bank PLC 28 Borough High Street Southwark London SE1 1YB
Auditor	Edmund Carr LLP 146 New London Road Chelmsford Essex CM2 0AW

WELCOME FROM THE CHIEF EXECUTIVE OFFICER

In 1996, in response to a stabbing in a school playground in South-East London, XLP was born. Thirty years on, and XLP has grown to a nine-borough charity working with thousands of young people each year. Young people who continue to be affected by knife crime and serious youth violence, and who are growing up in unbelievably difficult circumstances. We are very proud of the work we have done over those 30 years and want to celebrate that work and the young people whose lives have been transformed in 2026, and indeed in this set of accounts before you.

2026 also sees the launch of the Government’s Youth Matters, the first National Youth Strategy in over twenty years. It lays out the steep challenges facing young people who have grown up through austerity, political turbulence and a global pandemic, and who are navigating a world that is increasingly moving online. It was co-produced by over 14,000 young people, sharing stories of what life is like for them, and it sets out two very clear ambitions:

In 10 years, we want to have:

- halved the gap in who gets to do enriching activities between disadvantaged young people and their peers
- half a million more young people with access to an adult who can listen to and support them outside of their home

Youth Matters, DCMS, December 2025

This new focus on young people is really encouraging, particularly given the cuts to youth services over the past 15 years. The strategy explicitly recognises the role of youth workers in meeting these objectives, and as we know well at XLP, good youth work leads to improved engagement at school, reduced crime and anti-social behaviour, greater safety and improved social skills.

As you read these accounts, you will see evidence of the impact XLP has had over the past year. Young people whose lives have been transformed by youth workers and volunteers investing their time and energy, week in, week out, and journeying with young people as they navigate modern life.

You will also see the considerable effect of the rise in Employer National Insurance Contributions, introduced a year ago. In a recent Charity Finance Group survey, 77% of charities reported being in a worse financial position than a year ago, and we too have had difficult decisions to make during the year. Moreover, the young people and their families, many of whom rely on services provided by charities, are disproportionately affected by a difficult financial landscape and the rising cost of living.

As I reflect on the year, I am struck again by the incredible work that the team does each week with young Londoners and their families. I hope in these accounts you will not only find numbers, but also see the impact those numbers have had. At XLP, we work hard to deliver cost-effective, but more importantly, genuinely impactful youth work. Youth work that leads to long-term, sustained and tangible differences in young people’s lives.

And I am hugely grateful to all those who support us. We simply couldn’t do what we do without the support, encouragement and generosity of individuals, churches, trusts, foundations, companies and local government, and I am indebted as ever to all the staff and volunteers at XLP who enable us to keep delivering life-changing youth work across London.

Luke Watson, Chief Executive Officer

OBJECTIVES AND ACTIVITIES

XLP was founded in 1996. Its charitable objects are set out in its governing document and these underpin its operational objectives. The trustees have paid due regard to the Charity Commission's guidance on public benefit when determining the activities of the charity.

At XLP, we believe that every young person should start adult life with the same opportunities, and we exist to help young people break negative cycles caused by inequality, and in doing so, bring about community transformation. Through consistent, intentional and dedicated youth work, we show young people that we care, and that they are known and seen. We build long-term, positive relationships between trusted adults and young people, and provide support, positive activities, fun, opportunities and safe spaces, ensuring projects are shaped by young people and embedded within local communities.

XLP engages in long-term relationships to empower young people from the most disadvantaged backgrounds to complete their education and avoid anti-social behaviour, gangs and criminality, and ultimately to become positive contributors to their communities. We work to create positive futures for young people living in our inner cities and to make a serious and sustainable impact upon poverty and educational failure.

The charity seeks to serve children and young people (approx. 10-20 years of age), primarily from inner-London estate communities, who are experiencing a range of life challenges and/or behavioural and educational difficulties. It does this through a mixture of prevention, intervention and diversionary projects that are focussed on delivering the following outcomes:

- Children and young people with a raised sense of self-worth, self-esteem and increased educational achievement that helps them confidently and positively contribute to society;
- Children and young people with fresh goals and the desire to work hard to achieve them, with the ability to make wise lifestyle choices; and,
- Children and young people with positive attitudes and behaviour towards their communities: their families, peers, local residents, teachers and the police.

XLP works principally in the London boroughs of Camden, Islington, Newham, Tower Hamlets, Hackney, Lewisham, Greenwich, Southwark, Lambeth and the City of London.

Over the past 12 months, we have worked with over 3,000 young people and their families on a one-to-one and small group basis, concentrating on building long-term, positive, trusted relationships.

It is these relationships that produce trust with young people, which in turn allows a belief that positive change is possible in what are very often difficult life circumstances. This progression of **Trust → Believe → Change** is foundational to what we do.

It takes time to foster trust. It takes a skilled youth worker to know when to encourage and when to challenge. It takes time for a young person to change their mind-set and begin to believe in themselves. It needs that trust and belief to be in place for sustained change to happen.

We believe in building these relationships with young people, and creating multiple contexts and opportunities to deepen our engagement with them. Our theory of change is centred on such relationships. Regular and consistent engagement is not only shown to be the most effective strategy in long-term change, but also necessary for young people with multiple levels of disadvantage.

Our work through the year has continued to comprise a wide range of programmes including:

- A Communities Programme carrying out ‘detached’ youth work on estates, including community bus drop-in sessions, sports and life-skills training, two mobile recording studios working with so-called ‘hard-to-reach’ young people, and an arts project that trains in life skills and artistic performance
 - The Communities Programme is comprised of:
 - Bus Project
 - Arts Project
 - Sports Project
- A Schools Programme providing educational support, mentoring, specialist lessons and clubs
 - The Schools Programme is comprised of:
 - Exclusion Reduction Project (ERP)
 - Literacy and Numeracy Project (LAN)
- A Mentoring Programme for those on the verge of exclusion or involvement in gangs
- An Employability Programme that supports young people into apprenticeships and further education by improving their work-readiness
 - The Employability Programme is comprised of:
 - Ready to Work Project
 - Young Leaders Project
 - Apprenticeship Project
- Within all the Programmes above we provide new experiences and opportunities for young people, that they otherwise wouldn’t be able to access, through trips, summer camps, residential breaks and other outings

XLP aims to provide multiple contact points with children and young people, working with them in their schools, their communities and with their families. In this way, robust long-term relationships can be established between XLP youth workers and the children and young people they work with.

ACHIEVEMENTS AND PERFORMANCE

Overview

Outputs

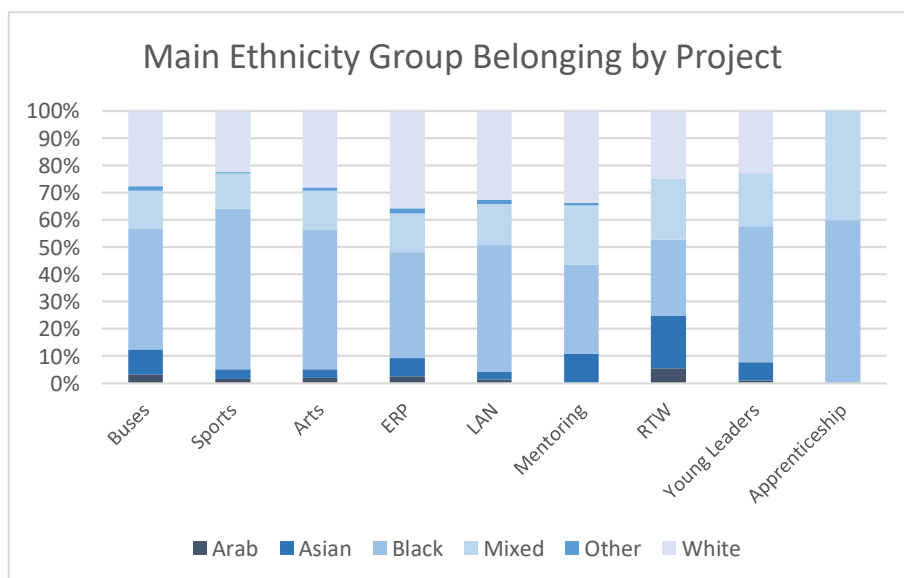
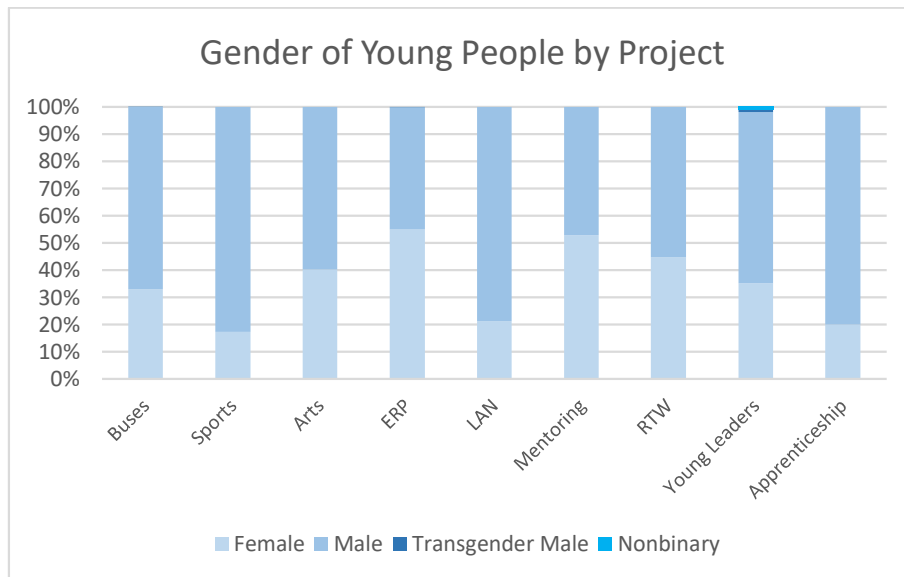
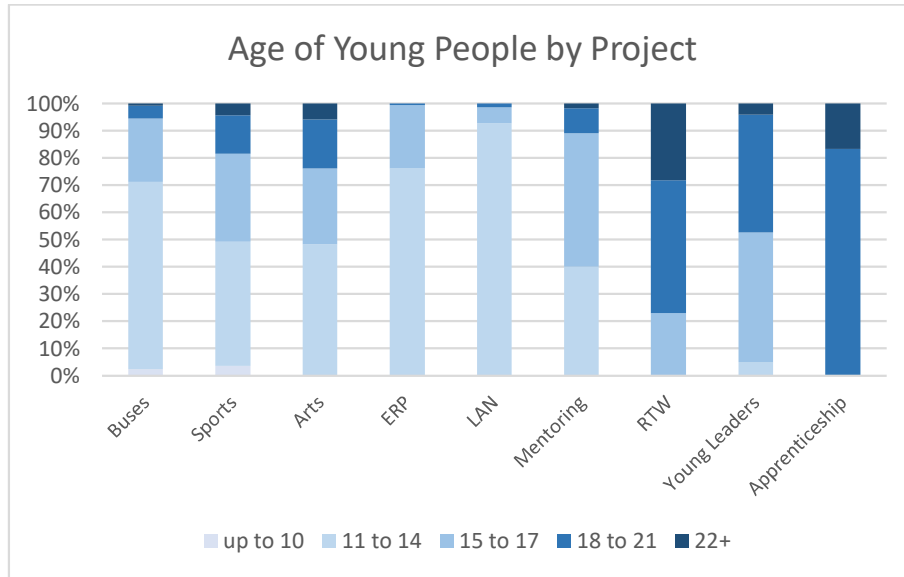
	2024/25
Boroughs where we work	10
Estate communities where we work	24
Schools and Pupil Referral Units where we work	34
Total Young People (one-to-ones and small groups)	3,284
Regular Young People (one-to-ones and small groups)	1,198

The table below shows activities carried out during the year across the projects.

Project	Total Attendees	Regular Attendees	1-1 Sessions	Group Sessions	Total Sessions*
Open Access/Buses	2,074	688	126	722	929
Arts	181	65	452	111	581
Sports	974	468	134	388	550
Exclusion Reduction	372	269	2,394	644	3,050
Literacy & Numeracy	152	120	196	627	824
1-1 Mentoring	110	54	676	3	692
Ready to Work	38	36	186	42	249
Young Leaders	101	39	265	77	362

* includes: 165 Trips; 14 Residentials; 17 Events and Bespoke External Support

Demographic Engagement



Achievements against key goals for 2024/2025

To continue to build the infrastructure and fundraising capacity in preparation for the future

- In June 2025, we appointed a new Director of Operations to better enable the Chief Executive Officer to develop XLP’s external presence whilst continuing to build the organisational infrastructure needed.

To ensure consistent delivery of excellent youth work across the organisation

- In February 2025, we appointed a new Director of Youth Work and created a Deputy Director of Youth Work role. Together, these roles have enabled us to review and improve our delivery model. We have developed a quality improvement plan and are working towards the London Youth Quality Mark, which is widely recognised within the sector.

To ensure all staff understand XLP’s expectations and policies (particularly around safeguarding), as well as their role responsibilities, and are held accountable

- We significantly invested in our safeguarding function, recognising that this is and will continue to be one of the primary risks of the organisation. This included new internal and external training, cultural investment, and greater focus on Safer Recruitment.

To develop greater diversity and inclusion at senior level

- The diversity of the Senior Management Team moved from 40% female to 50% and remained at 30% global majority heritage. There is always more to do to develop equity, inclusion and belonging alongside diversity, and the Equity, Diversity and Inclusion Steering Group meets monthly to make such improvements.

To ensure managers have clear and accessible evidence to make good decisions

- The major Salesforce overhaul was a technical, operational and cultural challenge, but has enabled us to get much more robust data (reliable, timely and accurate), that can be analysed for patterns and insights. The first phase focussed on delivery, where phase two –which started towards the end of the 2024/25 financial year – will give better fundraising and finance data. 2025/26 will also bring in new finance and HR software for better visibility and decision-making.

To maintain our free reserves above the three-month level as costs increase

- We saw a decrease in the value of our free reserves from £704,698 to £602,167, which equates to 2.8 months of charitable expenditure (down from 3.2 months of free reserves at the end of 2023/24).

YOUTH WORK DELIVERY

XLP work puts young people first. The following pages outline how we work through different programmes and projects to bring about change. Whilst there are clear differences between each, there is a common thread; to build trusted adult relationships, remain hyper local and provide long term support where needed.

During 2024-25, XLP continued to deliver high-quality, relational youth work across London, supporting over 3,000 young people facing complex social, educational, and personal challenges. Despite financial pressures and staffing changes across the youth work sector, the organisation remained focused on consistency, safety, and impact.

- Across 10 operating Boroughs, 3,284 young people engaged with XLP programmes delivered in school, the local communities and partner hubs.
- Young people were supported through weekly sessions, 1-to-1 mentoring, group work, outreach, and residential experiences. They were also enabled to access new experiences and opportunities, through trips and visits.
- Programmes focused on school exclusion reduction, promoting positive emotional and mental wellbeing, creativity and self-expression, employability, leadership, advocacy and academic confidence.
- Young people attending our residential trips tell us:
 - 97.1% have enjoyed themselves; 94.1 have learned something new; 91.2% felt safe; 85.3% felt supported by staff when they need; 82.4% have learn something new about themselves

Engagement:

- XLP’s work this year prioritised depth over volume, ensuring that young people received sustained, meaningful support.
- 372 young people were supported through Schools / Exclusion Reduction work.
- 152 young people accessed targeted Literacy & Numeracy or tutoring support.
- 110 young people engaged in long-term 1-to-1 mentoring, with almost 700 mentoring sessions delivered.
- 101 young people participated in Young Leaders provision.
- 38 young people completed the Ready to Work programme, with 90% progressing into education, employment, or training.
- 40% young people attending our voluntary open access delivery are regulars.

Community-Based Delivery:

- XLP continued to meet young people where they are, delivering support and opportunities to them directly in their local communities or schools.
- 21 weekly sessions delivered through XLP double decker buses, equipped youth work vans, and community venues.
- Outreach and engagement across estates, schools, Churches, partner organisations, community festivals, and youth spaces.
- Investment in vehicle maintenance reduced session cancellations and improved consistency.

- Strong local partnerships supported delivery, including food provision and helped to break down experienced barriers to local community assets.

Creative and Personal Development:

- Creative expression and personal growth remained central to XLP’s approach.
- 15 young people performed original work at The Vault arts showcases based at the Stratford Hub.
- Youth-produced EPs released, reflecting growth in confidence and technical skill.
- Residentials and trips provided horizon-broadening experiences, strengthening healthy relationships, confidence, independence and resilience.
- Safe spaces enabled young people to explore identity, leadership, and access emotional and mental wellbeing support.



Arts Project

The Arts Project continued to provide young people with a creative and supportive environment to explore self-expression, develop skills, and build confidence through music, poetry, dance, and visual arts. Throughout the year, the programme offered a vital outlet for young people to process experiences, tell their stories, and connect with others in positive and affirming ways.

A major highlight was the continued success of The Vault, with two live showcase events delivered during the year. Fifteen young people performed original work to audiences of around fifty friends, family members, and community supporters. For many, this marked their first experience of performing publicly, representing a significant step in confidence, self-belief, and artistic identity. These events not only celebrated creativity but also reinforced the value of young people’s voices within their communities.

Alongside live performance, several young people released their own EPs, demonstrating clear growth in technical ability, creative ambition, and commitment to their craft. While the project faced challenges, including periods of limited resources that slowed delivery, the resilience of both staff and participants ensured strong outcomes.

In January 2025 XLP’s North Lewisham Girls Youth Theatre was relaunched and attended by 13 local young people. Using drama techniques and applied theatre skills to deliver targeted girls' youth work, addressing matters affecting lives of young people, personally and widely – a space creative space to explore and process identity and belonging.

Looking ahead, the Arts Project aims to expand participation, increase performance opportunities, and build new partnerships, continuing to use creativity as a powerful tool for youth development.

Community Bus Programme

The Bus Programme experienced a year of consolidation and growth, with improved reach, reliability, and community engagement. A key milestone was the successful launch of a new double decker bus, strengthening the ability to deliver consistent youth work directly within local neighbourhoods.

Across the year, the programme delivered 21 weekly sessions using the double decker buses, youth work vans, and community venues, including Stratford Hub, Chobham Academy, and St John Devine Church. These sessions provided accessible, safe spaces for young people, particularly in areas with limited youth provision. Outreach activity also included attendance at the Focus Church Festival in July, where the team engaged with new young people and promoted XLP’s wider work.

Significant improvements were made to vehicle maintenance and upkeep, reducing breakdowns and minimising youth work session cancellations. Local partnerships continued to play an important role, with several North London projects working alongside pizza restaurants who provided free food for young people attending sessions.

Looking ahead to 2025–26, with all three buses operational alongside the youth work vans and funding secured for an additional van, the programme aims to expand delivery to 25 weekly sessions, further embedding youth work within local communities.

Exclusion Reduction Project

The Schools Exclusion Reduction Project continued to support young people at risk of permanent exclusion across both mainstream and alternative education settings. The programme focused on improving emotional wellbeing, strengthening social skills, and helping young people remain engaged in education.

During the year, the Schools Team worked in over 30 schools across nine boroughs, supporting 372 young people. This included some of the most vulnerable students within their school communities. A key development was the creation of the XLP Mentoring Framework for

Schools, grounded in trauma-informed and solution-focused practice, providing a clear structure for young people’s mentoring journeys.

Strong links between schools and our wider community provision enabled young people to access multiple forms of support, including community bus sessions, residentials, and horizon-broadening opportunities and experiences. This holistic approach ensured that interventions reflected the full context of young people’s lives, not just their behaviour in school.

Looking ahead, we aim to refine our group work delivery within schools, recognising the power of peer-based interventions. There is also a focus on strengthening impact reporting, enabling schools to clearly see student progress against goals and the benefit to wider school priorities.

Literacy & Numeracy (LAN) and Tutoring Project

The Literacy and Numeracy (LAN) continued to support young people who had experienced gaps in learning and low confidence in education. The project focused on rebuilding foundational literacy and numeracy skills while helping young people develop a more positive relationship with learning.

The project worked in six schools, supporting 152 young people, 140 of those young people engaged in specific literacy and numeracy provision and 12 received tutoring support. We experienced some challenges with the recruitment and retention of volunteer tutors, as well as reaching some young people who were avoiding school or had difficult negative educational experiences.

Feedback from partner schools highlighted that young people showed increased confidence in their learning, improvements in reading ages, and greater independence when working through literacy and numeracy materials. For many, this progress represented an important shift in how they viewed their own abilities.

Mentoring Programme

The Mentoring Programme continued to offer consistent, trusted 1-to-1 support for young people facing a range of personal, social, and emotional challenges. Through weekly sessions, provided over 12 months, with trained volunteer mentors, young people were provided with a safe space to reflect, build confidence, and develop a sense of direction.

Over the course of the year, 110 young people accessed mentoring support, with just under 700 mentoring sessions delivered. Two residential weekends also took place, offering volunteer mentors and mentees the opportunity to strengthen relationships and build trust, try new activities, and step outside of their comfort zones. These experiences continued to be a powerful element of the programme, contributing to increased confidence and resilience.

A challenge during the year was the recruitment of two new Mentoring Specialists at the beginning of 2025, delays temporarily slowed the creation of new mentor/mentee matches.

However, both new team members quickly became strong contributors, helping stabilise and strengthen delivery.

Looking ahead, the programme aims to grow to 80 active mentor/mentee matches across London, strengthen volunteer recruitment partnerships, and design and implement a cohort-based programme model to support long-term sustainability and impact.



Ready to Work Project

The Ready to Work Project delivered a 12-week employability programme for young people aged 16–25 who face barriers to education, employment, or training. Using a trauma-informed and holistic approach, the programme focused on confidence-building, mind-set development, and practical employability skills.

This year, the team shifted focus from internal recruitment to building stronger external referral pathways, working closely with Job Centres, charities and organisations supporting young people at risk. Partnerships were expanded across industries including hospitality, construction, architecture, and the creative sectors, helping diversify opportunities available to programme participants.

As a result, the programme successfully supported 39 young people, achieving 100% completion and a 90% progression rate into education, employment, or training. These outcomes reflected the effectiveness of both the programme design and the strengthened referral and industry partnerships developed throughout the year.

Looking ahead to 2025–26, the project aims to increase cohort sizes, to offer more young people support, and deliver provision from the Stratford Hub, creating a central, safe, and accessible space where young people can prepare for their next steps with confidence.

Young Leaders Programme

The Young Leaders Programme continued to provide trauma-informed mentoring, leadership development, and advocacy opportunities for young people across London. The programme combined peer support, experiential learning, and tailored 1-to-1 guidance to help young people build confidence and a positive sense of identity.

During the year, nine active cohorts met monthly in local community centres, Churches, and schools, engaging a total of 101 young people. In addition, 15 young people attended regular weekly safer-space sessions focused on leadership skills, life skills, and personal development.

Reduced staffing capacity impacted youth workers ability to deliver some planned sessions which resulted in occasional cancellations. Despite this, engagement with young people remained strong, and they continued to benefit from consistent, trusted adult relationships and coached opportunities to develop their leadership potential.

From 2025–26, the Young Leaders Programme will be centralised at our Stratford Hub, with bi-weekly sessions. The programme also plans to collaborate with specialist youth organisations to deliver workshops on positive emotional and mental health, youth advocacy, and youth identity, strengthening both impact and consistency and coaching and steering Young Leaders to a more co-productive and social action-orientated model, while maintaining its foundations in supporting young people with next steps.

Apprenticeship Programme

Five youth work apprentices were recruited and employed by XLP. The apprentices were engaged in weekly training sessions which focussed around trauma informed youth work, safeguarding, reflective practice, understanding young people’s needs and delivering tailored youth work support. The apprentices emotional and mental health support needs were high and so each received tailored support to promote positive emotional and mental health. In the final term the apprentices were also supported with job readiness employability sessions focussed on CV writing, job searches, completing job applications, interview skills and confident communication.

All five apprentices completed their Level 2 Youth Work qualification, awarded through National Youth Agency. Three apprentices found employment within the youth work sector following completion of their apprenticeship. Four of the apprentices also completed an alternative work placement as part of their apprenticeship.

Whilst the apprentices were representative of the communities we seek to support all the young people were male of Afro-Caribbean heritage and so as we consider future apprenticeship opportunities we are reflecting on how to diversify programme interest and take up.

FINANCIAL AND RISK REVIEW

Income and Expenditure

Total income received for the year was £2,539,978, £70,359 (3%) higher than £2,469,619 for 2024. Whilst small, this increase is a good result in light of the challenges facing the charity sector around raising funds in the current economic environment.

The main sources of voluntary income for the period are set out in Note 2. The charity is hugely grateful to all its donors.

Expenditure of £2,834,115 showed a slight decrease of £74 (0%) from £2,834,189 for 2024. This decrease reflects decisions that were made through the year to ensure that the charity was able to operate within its resources by making appropriate savings where possible. This expenditure enabled us to deliver our services in 34 schools this year (2024: 34) and on 24 estates (2024: 34). This allowed us to deliver 7,237 youth work sessions throughout the year, up 2% (2024: 7,103).

This performance resulted in restricted funds decreasing to £165,984 (2024: £343,821) and free reserves decreasing to £602,167 (2024: £704,698). The decrease in restricted funds results from targeting our fundraising activities to ensure we were able to use funds that had been held over from previous years.

Overall donations and legacies of £2,492,056 increased by 5% (2024: £2,371,557). This included a decrease on non-bus grants of £31,018 (3%) to £1,195k (2024: £1,226k) and a decrease on donations from businesses of £217,007 (45%) to £267k (2024: £484k). Other donations increased by £107,890 (39%) to £382k (2024: £274k) and income from events increased by £66,981 (37%) to £250k (2024: £183k); this increase reflects the success of our annual dinner and partnerships with companies to run fund-raising events. Grants for the running of the bus project increased by £134,705 (73%) to £320k (2024: £185k). We did not seek any new capital funding for buses this year (2024: nil) but did receive a capital grant of £51k for a new van that was converted into a smaller mobile youth centre.

XLP does not use a professional fundraising service and has not received any complaints from donors regarding our fundraising activities.

Our principal expenditure is staff costs. In the last twelve months, these decreased by 1%, primarily as a result of having a slightly smaller staff team through the year. As expected, Social Security costs increased following the changes to the Employers’ National Insurance rate and threshold from April 2025.

Our fundraising ratio increased to 10% of the total of voluntary income and activities for generating funds (2024: 7%). This was expected, as we increased the size of our fundraising team to provide more capacity to secure funding in the current economic circumstances. Support costs decreased by 12% as set out in Note 8.

Balance Sheet

Fixed assets decreased to £232,902 (from £246,671), due to depreciation exceeding the value of new assets added during the year.

Current assets largely comprise cash on deposit. Debtors relate to a combination of tax recoverable under the Gift Aid scheme, prepayments for services received after the year end and invoices/grants for services provided during the year where payment was received after the year end. The main “creditor” is deferred income of £269,777 representing grants given in 2024/25 for work that will take place in the next financial year.

Reserves Policy

The policy aims to establish free reserves at a level to cover at least three months of charitable expenditure. Free reserves comprise unrestricted funds not represented by fixed assets. At year-end, free reserves of £602,167 represented 2.8 months of cover, a decrease from 2024 (£704,698; 3.2 months). For the coming year, we will seek to reduce costs and secure income in order to increase the value of free reserves back above the three-month reserve position.

In addition to the free reserves, the charity also holds restricted funds of £165,984 and a fixed asset fund of £232,902, giving total funds of £1,001,053 at 31 August 2025.

Going Concern

The trustees have reviewed the outturn for the year noting the progress made against the approved budget for 2025/26. Following this and the review of our funding position going forward, the trustees have a reasonable expectation that the charity will have sufficient resources to meet its liabilities as they fall due for the foreseeable future. The trustees therefore consider it appropriate for the accounts to be signed on a going concern basis.

Risk Review

The trustees conduct an annual review of the major risks to which the charity is exposed and the controls established to mitigate those risks. The trustees consider that the most significant current risks to XLP relate to safeguarding, lack of sufficient funding, loss of key personnel or lack of staff capacity, and adverse publicity.

The Safeguarding policy and procedures of the Charity, including Safer Recruitment are reviewed by trustees, the Chief Executive Officer, the Director of Youth Work, the Director of Operations and the Head of Safeguarding. Trustees all complete trustee specific safeguarding training and are updated regularly at Board meetings on safeguarding matters. All staff are trained annually in safeguarding and training is provided for sessional workers and volunteers.

The charity’s funding strategy encourages a diversification of funding sources whilst continuing to expand the funding base for the charity. Funding is received from charitable trusts, major private and corporate donors, fundraising events and donations from churches and individuals.

The Executive and Senior Management teams cover the core areas of the organisation (youth work, operations, safeguarding, impact, finance and fundraising) and work closely to provide cross organisational insight and business continuity.

PLANS FOR FUTURE PERIODS

The charity plans to continue its present activities in future years, and to add activities as resources permit. Our focus during 2025/26 will remain on the activities in our existing boroughs with young people, whilst strengthening our fundraising capacity and delving deeper into impact management and youth work quality standards.

Key goals for 2025/26 are:

- To build on the capacity afforded by a new Executive Team and release the Chief Executive Officer to develop XLP’s external presence
- To develop XLP’s youth work using new insights (derived from the investment in our database) together with best practice and external research
- To invest in healthy team and retain good people
- To improve Management Information, enabled by timely reporting and free flow of data between teams
- To rebuild and maintain our free reserves above the three-month level

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was established under a Memorandum of Association and is governed under its Articles of Association.

Trustees

Trustees are appointed with reference to relevant skills, diversity and XLP’s values. Under the Articles, new trustees are appointed by the Board of Trustees and one third of the members of the Board (the longest serving) retire each year, but are eligible to be re-appointed if still qualified.

New trustees go through an induction process and receive trustee training as appropriate.

The trustees schedule four quarterly meetings a year and hold further meetings during the year as required. During the financial period, the trustees met as a Board five times.

Organisational Structure

The organisation is led by the Board of Trustees, which oversees and monitors the work of XLP and makes decisions on overarching issues such as vision and long-term strategy, and agrees the budget in conjunction with the Chief Executive (CEO).

The oversight of the day-to-day work of XLP is delegated to the senior leaders and led by the CEO. The trustees appoint a small committee of trustees to agree the remuneration of the CEO and other senior staff. Delivery (youth work) and Core (operations and fundraising) teams meet regularly and take responsibility for XLP’s day-to-day operations and service delivery.

Co-operation with Other Organisations

XLP works in association and partnership with a number of local organisations, in furtherance of its charitable purposes. These include schools, Pupil Referral Units and other Alternative Provision establishments, London Borough Councils, Youth Offending Teams, various Housing and Tenants’ Associations, the Police, Police Community Support Officers, and Safer Neighbourhood Teams, together with other local charities. XLP also works with a number of youth work organisations and Churches across London.

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The trustees (who are also directors of XLP for the purposes of company law) are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity’s governing document, the Charities Act 2011 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 published on 16 July 2014.

**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2025**

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

Approved by the Trustees on 14th April 2026 and signed on their behalf by:

Edward Donaldson

Mr E F C Donaldson OBE (Chair)

Opinion

We have audited the financial statements of XLP (the ‘charitable company’) for the year ended 31 August 2025 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 August 2025, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 trustees’ annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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; 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 set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We 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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows;

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by;

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud
- Considering the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

**XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP
FOR THE YEAR ENDED 31ST AUGUST 2025**

- Agreeing financial statement disclosures to underlying supporting documentation
- Reading the minutes of meetings of those charged with governance
- Enquiring of management as to actual and potential litigation and claims.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP
FOR THE YEAR ENDED 31ST AUGUST 2025**

Use of our report

This report is made solely to the charitable company’s trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company’s trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Edmund Carr LLP

EDMUND CARR LLP

Statutory Auditor

146 New London Road

Chelmsford

Essex

CM2 0AW

Date: 16 April 2026

Edmund Carr LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**XLP – STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST AUGUST 2025
STATEMENT OF FINANCIAL ACTIVITIES**

		Unrestricted	Restricted	2024/25	2023/24
	Note	£	£	Total	Total
				£	£
Income from:					
Donations and legacies	2	973,487	1,518,569	2,492,056	2,371,557
Charitable Activities	3a	227	-	227	1,130
Other trading activities	3b	39,512	8,183	47,695	96,932
Total Income		1,013,226	1,526,752	2,539,978	2,469,619
Expenditure on:					
Raising Funds	6	255,595	-	255,595	178,735
Charitable Activities	7,8,9	926,300	1,652,220	2,578,520	2,655,454
Total Expenditure		1,181,895	1,652,220	2,834,115	2,834,189
Net income/(expenditure)		(168,669)	(125,468)	(294,137)	(364,570)
Transfers between funds	14	52,369	(52,369)	-	-
Net movement in funds		(116,300)	(177,837)	(294,137)	(364,570)
Reconciliation of Funds					
Total Funds brought forward		951,369	343,821	1,295,190	1,659,760
Total Funds carried forward		835,069	165,984	1,001,053	1,295,190

The statement of financial activities includes all gains and losses in the year.

**XLP – BALANCE SHEET
AS AT 31ST AUGUST 2025**

BALANCE SHEET

			31st August 2025	31st August 2024
	Note	£	£	£
Fixed Assets				
Tangible Assets	11		232,902	246,671
Current Assets				
Stock		-	-	
Debtors	12	201,930	402,250	
Cash at bank and in hand		956,957	1,130,550	
		<u>1,158,887</u>	<u>1,532,800</u>	
Current Liabilities				
Creditors: amounts falling due within one year	13	390,736	484,281	
		<u></u>	<u></u>	
Net Current Assets			768,151	1,048,519
Net Assets			<u>1,001,053</u>	<u>1,295,190</u>
Funds of the Charity				
Restricted Income Funds	14		165,984	343,821
Unrestricted General Funds	15		602,167	704,698
Unrestricted Fixed Asset Funds	15		232,902	246,671
			<u></u>	<u></u>
Total Charity Funds			<u>1,001,053</u>	<u>1,295,190</u>

For the year ending 31st August 2025 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

Approved by the board on 14th April 2026 and signed on its behalf by

Edward Donaldson

Mr E F C Donaldson OBE (Chair)
Company Registration no. 4959458

**XLP – STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2025**

STATEMENT OF CASH FLOWS

	2024/25	2023/24
	£	£
<u>Cash flows from operating activities</u>		
Net cash provided by (used in) operating activities (Note 1)	(98,012)	(107,860)
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	(75,581)	(110,590)
Net cash provided by (used in) investing activities	(75,581)	(110,590)
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	(173,593)	(218,450)
Cash and cash equivalents at the beginning of the reporting period	1,130,550	1,349,000
Cash and cash equivalents at the end of the reporting period (Note 2)	956,957	1,130,550
<u>Note 1</u>		
Net income/(expenditure) for the reporting period	(294,137)	(364,570)
Adjustments for:		
Depreciation	89,275	74,685
Loss on disposal of fixed assets	75	530
(Increase)/decrease in stocks	-	2,242
(Increase)/decrease in debtors	200,320	59,410
Increase/(decrease) in creditors	(93,545)	119,843
Net cash provided by (used in) operating activities	(98,012)	(107,860)
<u>Note 2</u>		
Analysis cash and cash equivalents		
Cash in hand	675,530	861,928
Notice deposits	281,427	268,622
Total cash and cash equivalents	956,957	1,130,550

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014; the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102); the Charities Act 2011; and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity constitutes a public benefit entity as defined by FRS102.

b) Going concern

The Charity is funded from a diverse number of sources, including charitable trusts, major private and corporate donors, fundraising events and donations from individuals, churches, and other local organisations. As such, it is not reliant upon one source of income. Taking this into account together with the strength of the balance sheet and their review of performance against plan to date, the Trustees believe that, while uncertainty exists, there is no material uncertainty regarding the Charity's ability to continue as a going concern and consequently consider that the financial statements are appropriately prepared on such a basis.

c) Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is more likely than not that the charity will receive the resources and the monetary value can be measured with sufficient reliability.

d) Incoming resources

Donations and grants are included in the accounts when the general income criteria are met. When donors specify they are to be used for a future accounting period they are treated as deferred income. Fees received for courses commencing after the period end are also recognised as deferred income. Contributions, fees and tax recoverable from the Inland Revenue under the Gift Aid scheme are recognised on an accruals basis when there is a valid declaration from the donor.

e) Resources Expended

Expenditure is accounted for on an accruals basis, inclusive of VAT, which cannot be recovered. The majority of costs are attributable to specific charitable activities. Support costs include central functions and are allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by the time spent and other costs by their usage. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

f) Capitalisation and Depreciation

All fixed assets are initially recorded at cost. Tangible fixed assets costing more than £500 are capitalised in the accounts. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment – computers 50% straight line, other equipment 25% straight line

Motor Vehicles – 20% straight line

Fixtures & Fittings – 10% straight line

g) **Stocks**

Stocks held for resale are measured at the lower of cost or net realisable value.

h) **Pensions**

XLP contributes to a defined contribution pension scheme on behalf of employees the cost of which is disclosed in note 4 below.

i) **Funds accounting**

Funds held by the charitable company are:

Unrestricted general funds – funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Fixed Asset funds – funds committed to fixed assets as set out in note 15.

Restricted funds – funds that can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The nature and purpose of each fund is explained further in the notes to the financial statements.

j) **Operating Leases**

Rentals under operating leases are charged on a straight-line basis over the lease term.

k) **Taxation**

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) **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

m) **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.

n) **Donated goods and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items, they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

2. DONATIONS AND LEGACIES

	2024/25		
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	74,664	4,592	79,256
Donations from businesses	136,816	130,288	267,104
Other Donations	374,941	6,693	381,634
Grants for bus project	-	269,065	269,065
Capital Grants	-	50,500	50,500
Other grants	137,300	1,057,431	1,194,731
Total Donations and grants	723,721	1,518,569	2,242,290
Income from events	249,766	-	249,766
	<u>973,487</u>	<u>1,518,569</u>	<u>2,492,056</u>

Government grants totalled £465,024 of income; of this, £383,965 is included within “Other grants” above whilst £81,059 is included within “Grants for bus project”.

2023/24 comparative figures:

	2023/24		
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	10,382	9,926	20,308
Donations from businesses	158,604	325,507	484,111
Other Donations	271,977	1,767	273,744
Grants for bus project	-	184,860	184,860
Capital Grants	-	-	-
Other grants	105,403	1,120,346	1,225,749
Total Donations and grants	546,366	1,642,406	2,188,772
Income from events	182,785	-	182,785
	<u>729,151</u>	<u>1,642,406</u>	<u>2,371,557</u>

Government grants totalled £382,998 of income; of this, £360,592 is included within restricted “Other grants” above whilst £22,406 is included within restricted “Grants for bus project”.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2025**

3.

a) INCOME FROM CHARITABLE ACTIVITIES

	2024/25		
	Unrestricted	Restricted	Total
	£	£	£
Training Fees	227	-	227
	<u>227</u>	<u>-</u>	<u>227</u>

2023/24 comparative figures:

	2023/24		
	Unrestricted	Restricted	Total
	£	£	£
Training Fees	650	480	1,130
	<u>650</u>	<u>480</u>	<u>1,130</u>

b) INCOME FROM TRADING ACTIVITIES

	2024/25		
	Unrestricted	Restricted	Total
	£	£	£
Speaking engagements	10	-	10
Sales & other contributions to costs	437	8,183	8,620
Rental income	26,185	-	26,185
Bank credit interest	12,805	-	12,805
Sale of assets	75	-	75
	<u>39,512</u>	<u>8,183</u>	<u>47,695</u>

2023/24 comparative figures:

	2023/24		
	Unrestricted	Restricted	Total
	£	£	£
Speaking engagements	-	-	-
Sales & other contributions to costs	6,596	4,259	10,855
Rental income	26,890	-	26,890
Bank credit interest	12,167	-	12,167
Sale of assets	47,020	-	47,020
	<u>92,673</u>	<u>4,259</u>	<u>96,932</u>

4. STAFF COSTS

a) Employment Costs

2024/25

**Total
£**

Gross Pay	1,780,709
Pensions Contributions	39,235
Social Security costs (Employers National Insurance)	180,982
Other employee benefits	13,985
	<u>2,014,911</u>

- b) An average of 57 people were employed by the company during the year of which 6 were part-time.
- c) One employee received remuneration benefits of between £80,000 and £90,000. Total earnings of key management personnel was £90,541.
- d) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to £12.
- e) Total termination payments amount to £13,985 (2024 - £5,271) and related to statutory redundancy pay for six members of staff.

2023/24 comparative figures:

f) Employment Costs

2023/24

**Total
£**

Gross Pay	1,828,049
Pensions Contributions	38,526
Social Security costs (Employers National Insurance)	168,153
Other employee benefits	5,271
	<u>2,039,999</u>

- g) An average of 65 people were employed by the company during the year of which 8 were part-time.
- h) One employee received remuneration benefits of between £70,000 and £80,000. Total earnings of key management personnel was £86,326.
- i) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.
- j) Total termination payments amount to £5,271 (2023 - £5,000) and related to statutory redundancy pay for two members of staff and compensation for termination of employment of one member of staff.

5. TAXATION

As a registered charity, the entity is entitled to those reliefs from taxation which are available to charities.

6. RAISING FUNDS

	Unrestricted	Restricted	2024/25
	£	£	£
Costs of generating donations			
Salaries	186,894	-	186,894
Other costs	14,121	-	14,121
	201,015	-	201,015
Fundraising event costs	54,580	-	54,580
	255,595	-	255,595

2023/24 comparative figures:

	Unrestricted	Restricted	2023/24
	£	£	£
Costs of generating donations			
Salaries	128,680	-	128,680
Other costs	14,272	-	14,272
	142,952	-	142,952
Fundraising event costs	35,783	-	35,783
	178,735	-	178,735

7. ANALYSIS OF COSTS OF CHARITABLE ACTIVITIES

	Community Projects	Training	Borough and other outreach work	2024/25
	£	£	£	£
Salaries	333,242	-	1,266,084	1,599,326
Bus and transport costs	50,312	-	98,337	148,649
Direct Project Costs	65,093	-	167,284	232,377
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	117,224	-	356,257	473,481
Governance Costs (note 9)	30,922	-	93,765	124,687
	596,793	-	1,981,727	2,578,520

2023/24 comparative figures:

	Community Projects	Training	Borough and other outreach work	2023/24
	£	£	£	£
Salaries	286,868	-	1,377,113	1,663,981
Bus and transport costs	60,426	-	79,369	139,795
Direct Project Costs	53,350	-	195,973	249,323
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	114,722	-	426,274	540,996
Governance Costs (note 9)	13,008	-	48,351	61,359
	528,374	-	2,127,080	2,655,454

8. SUPPORT COSTS

	Community Projects	Training	Borough and other outreach work	2024/25
	£	£	£	£
Salaries	52,079	-	158,274	210,353
Office Accommodation	18,414	-	55,961	74,375
IT Equipment and support	22,424	-	68,151	90,575
Office and admin costs	24,307	-	73,871	98,178
	117,224	-	356,257	473,481

2023/24 comparative figures:

	Community Projects	Training	Borough and other outreach work	2023/24
	£	£	£	£
Salaries	48,750	-	181,128	229,878
Office Accommodation	18,866	-	70,094	88,960
IT Equipment and support	30,684	-	114,035	144,719
Office and admin costs	16,422	-	61,017	77,439
	114,722	-	426,274	540,996

9. GOVERNANCE COSTS

	2024/25	2023/24
	£	£
Fees payable to auditor (note 10)	20,903	20,678
Legal Fees	35,034	1,381
Salaries	18,338	17,460
Consultancy Fees	50,400	21,840
Trustee Expenses	12	-
	124,687	61,359

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2025**

10. NET INCOME FOR THE PERIOD

	2024/25	2023/24
	£	£
This is stated after charging:		
Depreciation	89,275	74,685
Operating lease rentals	10,751	12,064
	100,026	86,749
Fee payable to auditor:		
Audit	13,500	12,800
Payroll Services	7,403	7,878
	20,903	20,678

11. TANGIBLE FIXED ASSETS

	Furniture & Fixtures	Motor Vehicles	Equipment	Total
	£	£	£	£
COST				
At 1 September 2024	16,224	473,654	110,228	600,106
Additions	-	73,801	1,780	75,581
Disposals	-	(26,604)	(823)	(27,427)
At 31 August 2025	16,224	520,851	111,185	648,260
DEPRECIATION				
At 1 September 2024	9,599	244,539	99,297	353,435
Charge for the year	1,622	79,242	8,411	89,275
Eliminated on disposal	-	(26,604)	(748)	(27,352)
At 31 August 2025	11,221	297,177	106,960	415,358
NET BOOK VALUE				
At 1 September 2024	6,625	229,115	10,931	246,671
At 31 August 2025	5,003	223,674	4,225	232,902

12. DEBTORS

	2024/25	2023/24
	£	£
Income tax recoverable under gift aid scheme	65,409	86,155
Other debtors	91,730	141,521
Prepayments and accrued income	44,791	174,574
	201,930	402,250

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2025**

13. CREDITORS: amounts falling due within one year

	2024/25	2023/24
	£	£
PAYE and Social Security	45,658	37,710
Other creditors	54,033	86,170
Accruals and deferred income	291,045	360,401
	390,736	484,281

Accruals and deferred income includes deferred income of £269,777 all of which arose in the year (2023/24 - deferred income of £347,801). The income has been deferred at year end on the basis that money received in the current year relates to projects to be undertaken in future years.

14. RESTRICTED FUNDS

	1st September 2024	Income	Expenditure	Transfers between funds	Transfer to/(from) Unrestricted Fund	31st August 2025
	£	£	£	£	£	£
1 Bus project funds	-	267,159	267,159	-	-	-
2 Vehicle Capital Fund	6,304	50,500	-	-	52,369	4,435
3 Exclusion Reduction Programme	-	525,477	525,477	-	-	-
4 Mentoring funds	80,499	258,702	323,783	-	-	15,418
5 Arts funds	39,511	50,724	90,235	-	-	-
6 Employability funds	188,269	186,206	245,428	-	-	129,047
7 Sports funds	-	42,353	42,353	-	-	-
8 Literacy & Numeracy	13,549	50,140	63,689	-	-	-
9 Impact Project (Capacity)	-	38,000	38,000	-	-	-
10 Youth First Legacy Project	-	40,000	40,000	-	-	-
11 Other funds	15,689	17,491	16,096	-	-	17,084
	343,821	1,526,752	1,652,220	-	52,369	165,984

1. Bus project funds include a number of grants from trusts, companies, local authorities, and local community organisations given for periods of up to three years for the operation of the Community Bus project. Larger donors to this work included the City Bridge Foundation, the Royal Docks Trust, the United St. Saviour's Fund, the London Borough of Lambeth, the Greenwich Healthier Communities Fund, and the National Lottery Community Fund.
2. The Vehicle Capital Fund relates to funds used for vehicle purchases and conversion to mobile youth centres. In this year, a grant from The Story of Christmas enabled the purchase and conversion of a van for use in places our buses cannot access. The transfer of £52,369 to the fixed asset fund relates to the

- costs of this purchase and conversion, as well as the design and provision of external graphics on a minibus purchased in the previous year.
3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches, and individuals, given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects. Larger donors this year included The Charity of Sir Richard Whittington, The Stewarts Foundation, The MAPP Charitable Foundation, and the National Lottery Community Fund.
 4. Mentoring – includes both one-off and multi-year grants for the operation of the Mentoring programme, from organisations including the Greater London Authority, the Sisters of the Holy Cross Charitable Trust, Man Group, and the Souter Charitable Trust.
 5. Arts Funds – funding from the National Lottery Community Fund, the Benefact Trust, the Mayor of London, and others, for projects that promote the practice and expression of performing arts, including our mobile recording studio.
 6. Employability Funds – towards our Ready to Work, Young Leaders, Job Creation, and Youth Advisory Group programmes, including grants from the Horlock Educational Trust, the National Citizen Service Trust, Landsec, the John Lewis Partnership Foundation, and others.
 7. Sports Funds – to support sports projects including football sessions, gym sessions, a running club, and a cycling club. Larger donors this year included the National Lottery Community Fund, Transport for London, the HS2 Community and Environment Fund, and the Greenwich Healthier Communities Fund.
 8. Literacy & Numeracy – grants from trusts and companies including The Charity of Sir Richard Whittington, the JJ Charitable Trust, and the Mayor of London, towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
 9. Impact Project (Capacity) – the funding received and expended this year relates to the major overhaul of our impact recording database.
 10. Youth First Legacy Project – this grant was received for youth work in the London Borough of Lewisham and was used to support young people through the Exclusion Reduction Programme, the Literacy and Numeracy project, Sports activities and the Bus project across the borough.
 11. Other Funds – includes funding received specifically for the core running costs of the charity from The Charity of Sir Richard Whittington as well as other smaller projects.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2025**

2023/24 comparative figures:

	1st September 2023	Income	Expenditure	Transfers between funds	Transfer to/(from) Unrestricted Fund	31st August 2024
	£	£	£	£	£	£
1 Bus project funds	-	186,260	186,260	-	-	-
2 Vehicle Capital Fund	87,043	-	-	-	80,739	6,304
3 Exclusion Reduction Programme	15,000	475,127	490,127	-	-	-
4 Mentoring funds	126,931	280,252	326,684	-	-	80,499
5 Arts funds	46,711	126,373	133,573	-	-	39,511
6 Employability funds	179,023	304,302	295,056	-	-	188,269
7 Sports funds	21,667	29,111	50,778	-	-	-
8 Literacy & Numeracy	83,849	103,040	173,340	-	-	13,549
9 Impact Project (Capacity)	-	112,000	112,000	-	-	-
10 Other funds	14,029	30,680	29,020	-	-	15,689
	574,253	1,647,145	1,796,838	-	80,739	343,821

1. Bus project funds include a number of grants from trusts, companies, local authorities, and local community organisations given for periods of up to three years for the operation of the Community Bus project. Larger donors to this work included the City Bridge Foundation, the Garfield Weston Foundation, the Royal Docks Trust, the United St. Saviour's Fund, and the National Lottery Community Fund.
2. The Vehicle Capital Fund relates primarily to funds given in the previous year by FINHUMF and HSBC UK towards the conversion of a new community bus which entered service during the year. The transfer of £80,739 to the fixed asset fund relates to the costs of this conversion.
3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches, and individuals, given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects. Larger donors this year included The Charity of Sir Richard Whittington, The Haberdashers' Company, The Stewarts Foundation, The MAPP Charitable Foundation, and the National Lottery Community Fund.
4. Mentoring – includes both one-off and multi-year grants for the operation of the Mentoring programme, from organisations including the Greater London Authority, the Lighthouse London Community Trust, the Sisters of the Holy Cross Charitable Trust, and Compass Wellbeing CIC.
5. Arts Funds – funding from Universal Music, the Backstage Trust, the National Lottery Community Fund, the Benefact Trust, and others, for projects that promote the practice and expression of performing arts, including our mobile recording studio.
6. Employability Funds – towards our Ready to Work, Young Leaders, Job Creation, and Youth Advisory Group programmes, including grants from the Citi Foundation, the Horlock Educational Trust, the City of London Corporation, the National Citizen Service Trust, Landsec, and others.
7. Sports Funds – to support sports projects including football sessions, gym sessions, a running club, and a cycling club. Larger donors this year included the National Lottery Community Fund, National Grid, Sport England, and Transport for London.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2025**

8. Literacy & Numeracy – grants from trusts and companies including the Constable Educational Trust, The Charity of Sir Richard Whittington, and the JJ Charitable Trust towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
9. Impact Project (Capacity) – the funding received and expended this year relates to the major overhaul of our impact recording database.
10. Other Funds – includes funding received specifically for the core running costs of the charity from The Charity of Sir Richard Whittington as well as other smaller projects.

15. UNRESTRICTED FUNDS

	1st September 2024	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	Transfer from General Fund	31st August 2025
	£	£	£	£	£	£
General Funds	704,698	-	(154,900)	52,369	-	602,167
Fixed Asset Funds	246,671	75,581	(89,350)	-	-	232,902
	<u>951,369</u>	<u>75,581</u>	<u>(244,250)</u>	<u>52,369</u>	<u>-</u>	<u>835,069</u>

The Fixed Asset Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles (including its community buses), fixtures and fittings, and office equipment. The funds are carried at the net book value of the fixed assets. There are no outstanding loans, or endowment funds used to finance their acquisition.

2023/24 comparative figures:

	1st September 2023	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	Transfer from General Fund	31st August 2024
	£	£	£	£	£	£
General Funds	874,210	-	(250,251)	80,739	-	704,698
Fixed Asset Funds	211,297	110,590	(75,216)	-	-	246,671
	<u>1,085,507</u>	<u>110,590</u>	<u>(325,467)</u>	<u>80,739</u>	<u>-</u>	<u>951,369</u>

The Fixed Asset Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles (including its community buses), fixtures and fittings, and office equipment. The funds are carried at the net book value of the fixed assets. There are no outstanding loans, or endowment funds used to finance their acquisition.

16. COMMITMENTS UNDER OPERATING LEASES

At the year end, the charity had total commitments under non-cancellable operating leases as set out below.

	Total 2025	Total 2024
	£	£
Not later than 1 year	10,751	10,751
Later than 1 and not later than 5 years	22,397	33,148
Later than 5 years	-	-
	33,148	43,899

17. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	2024/25 Total
	£	£	£
Restricted	-	165,984	165,984
Unrestricted			
- General Fund	-	602,167	602,167
- Fixed Asset Fund	232,902	-	232,902
	232,902	768,151	1,001,053

2023/24 comparative figures:

	Tangible fixed assets	Other net assets	2023/24 Total
	£	£	£
Restricted	-	343,821	343,821
Unrestricted			
- General Fund	-	704,698	704,698
- Designated Fund	246,671	-	246,671
	246,671	1,048,519	1,295,190

18. RELATED PARTIES

The charity received donations without conditions from Trustees in the year of £33,184 (2024: £9,210). There were no other related party transactions that require disclosure under FRS102.

19. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

20. CONTROL

The Company is controlled by its members.

21. EVENTS AFTER THE REPORTING PERIOD

On 26th January 2026, the charity entered into a licence under faculty for rent of £20,000 per annum for a period of ten years with the option to terminate the agreement on 31st December 2030.

XLP

England & Wales - Charity number 1101095

Accounts



Annual Report and Accounts
For Year Ended 31st August 2024



XLP, All Hallows-on-the-Wall, 83, London Wall, EC2M 5ND

XLP is a company limited by guarantee, registered in England,
number 4959458 and a registered charity number 1101095

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**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2024**

DETAILS OF THE CHARITY, TRUSTEES AND ADVISORS

Status

XLP is a charitable company limited by guarantee, registered in England, and incorporated in 2003. The company was registered as a charity in 2003.

XLP is also historically known as “The X L Project”.

Registered Charity Number	1101095
Registered Company Number	4959458
Registered Office	All Hallows-on-the-Wall 83 London Wall London EC2M 5ND
Trustees	Mr E F C Donaldson OBE Mr N C Benton Miss E Yentumi Mrs S Douglas Mr K Brese Miss H Williams (appointed 08/05/2024)
Chair	Mr E F C Donaldson OBE
Treasurer	Mr N C Benton
Secretary	Mr P J Wood
Chief Executive	Mr L O Watson
Bankers	HSBC Bank PLC 28 Borough High Street Southwark London SE1 1YB
Auditor	Edmund Carr LLP 146 New London Road Chelmsford Essex CM2 0AW

WELCOME FROM THE CHIEF EXECUTIVE OFFICER

A lot has changed since our last Annual Report: a new government, who’ve brought in a new budget, and a new National Youth Strategy, both of which will have an impact on our work ahead. What hasn’t changed is the economic outlook, or if it has changed, it has worsened. Poor economic growth coupled with higher National Insurance contributions have left many funders unable to commit to charitable giving as they have in the past. We are seeing more trusts and foundations pausing their giving – or closing altogether – at a time where there is inevitably more need for both funding and services. Alongside many other charities, we lobbied government (unsuccessfully) for an exemption from the increased National Insurance obligations, which it is estimated will cost the charity sector over £1 billion in the year ahead – money that will either need to be raised as income or cut from expenditure. At XLP, it will equate to at least two full time youth workers’ salaries.

On the other hand, we are encouraged by the reintroduction of a National Youth Strategy – the first for more than a decade – and hopeful that it indicates a commitment to helping young people and a priority for the new administration. Whilst positive, the funding remains far below the cuts that have been made over the past decade, and at present it is unclear how the funds will be spent.

As we move towards our 30-year anniversary, it is clear that good youth work is needed as much now as when we began. Young Londoners face a widening economic gap in society – which is mirrored by a widening opportunity gap and the divergence of life outcomes between rich and poor – and as ever, it is the poorest in society who are suffering the most from the ongoing cost-of-living crisis and economic outlook. As funds decrease, the need increases, and the youth sector (and charity sector more broadly) is facing an uncertain future. Indeed, while writing this we heard the sad news that YMCA George Williams College would be closing after 55 years of youth work and training, joining the likes of the British Youth Council, Children England, NCS Trust, the Centre for Youth Impact, the Centre for Education and Youth, and over half the youth clubs across the country after more than a decade of drastic funding cuts.

And yet we hang on to hope. Improved school engagement, reduced crime and anti-social behaviour, and improved social skills and safety are the markers of effective youth work practice. We have spent the past year digging into what really works as an organisation and ensuring we replicate that in all the spaces we operate, and have grown our youth work in the nine boroughs where we work. We are offering opportunities to more young people than we ever have before, ensuring we work more intensively and intentionally with those we already work with. XLP makes a tangible and sustained difference in thousands of young Londoners’ lives every year.

To all those who support us, a huge thank you. As a charity that was formed in response to a stabbing in 1996, we are now a 60-strong team, and we simply couldn’t do what we do without the support, encouragement and generosity of individuals, churches, trusts, foundations, companies and local government, and I am indebted as ever to all the staff and volunteers at XLP who enable us to keep delivering life-changing youth work across London.

Luke Watson, Chief Executive Officer

OBJECTIVES AND ACTIVITIES

XLP was founded in 1996. Its charitable objects are set out in its governing document and these underpin its operational objectives. The trustees have paid due regard to the Charity Commission's guidance on public benefit when determining the activities of the charity.

At XLP, we believe that every young person should start adult life with the same opportunities, and we exist to help young people break negative cycles caused by inequality, and in doing so, bring about community transformation. Through consistent, intentional and dedicated youth work, we show young people that we care, and that they are known and seen. We build long-term, positive relationships between trusted adults and young people, and provide support, positive activities, fun, opportunities and safe spaces, ensuring projects are shaped by young people and embedded within local communities.

XLP engages in long-term relationships to empower young people from the most disadvantaged backgrounds to complete their education and avoid anti-social behaviour, gangs and criminality, and ultimately to become positive contributors to their communities. We work to create positive futures for young people living in our inner cities and to make a serious and sustainable impact upon poverty and educational failure.

The charity seeks to serve children and young people (approx. 10-20 years of age), primarily from inner-London estate communities, who are experiencing a range of life challenges and/or behavioural and educational difficulties. It does this through a mixture of prevention, intervention and diversionary projects that are focussed on delivering the following outcomes:

- Children and young people with a raised sense of self-worth, self-esteem and increased educational achievement that helps them confidently and positively contribute to society;
- Children and young people with fresh goals and the desire to work hard to achieve them, with the ability to make wise lifestyle choices; and,
- Children and young people with positive attitudes and behaviour towards their communities: their families, peers, local residents, teachers and the police.

XLP works principally in the London boroughs of Camden, Islington, Newham, Tower Hamlets, Hackney, Lewisham, Greenwich, Southwark, Lambeth and the City of London.

Over the past 12 months, we have worked with over 3,765 young people and their families on a one-to-one and small group basis, concentrating on building long-term, positive, trusted relationships. Over 800 young people went on trips with XLP.

It is these relationships that produce trust with young people, which in turn allows a belief that positive change is possible in what are very often difficult life circumstances. This progression of **Trust → Believe → Change** is foundational to what we do.

It takes time to foster trust. It takes a skilled youth worker to know when to encourage and when to challenge. It takes time for a young person to change their mindset and begin to believe in themselves. It needs that trust and belief to be in place for sustained change to happen.

**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2024**

We believe in building these relationships with young people, and creating multiple contexts and opportunities to deepen our engagement with them. Our theory of change is centred on such relationships. Regular and consistent engagement is not only shown to be the most effective strategy in long-term change, but also necessary for young people with multiple levels of disadvantage.

Our work through the year has continued to comprise a wide range of programmes including:

- A Communities Programme carrying out ‘detached’ youth work on estates, including community bus drop-in sessions, sports and life-skills training, two mobile recording studios working with so-called ‘hard-to-reach’ young people, and an arts project that trains in life skills and artistic performance
 - The Communities Programme is comprised of:
 - Bus Project
 - Arts Project
 - Sports Project
- A Schools Programme providing educational support, mentoring, specialist lessons and clubs
 - The Schools Programme is comprised of:
 - Exclusion Reduction Project (ERP)
 - Literacy and Numeracy Project (LAN)
- A Mentoring Programme for those on the verge of exclusion or involvement in gangs
- An Employability Programme that supports young people into apprenticeships and further education by improving their work-readiness
 - The Employability Programme is comprised of:
 - Ready to Work Project
 - Young Leaders Project
 - Apprenticeship Project
- Within all the Programmes above exist various trips, summer camps, residentials and other outings

XLP aims to provide multiple contact points with children and young people, working with them in their schools, their communities and with their families. In this way, robust long-term relationships can be established between XLP youth workers and the children and young people they work with.

ACHIEVEMENTS AND PERFORMANCE

Overview

Outputs

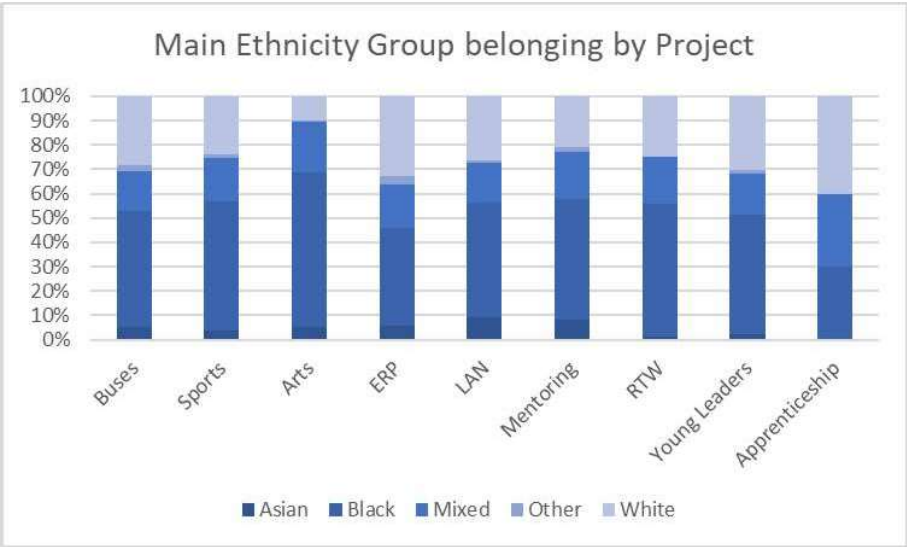
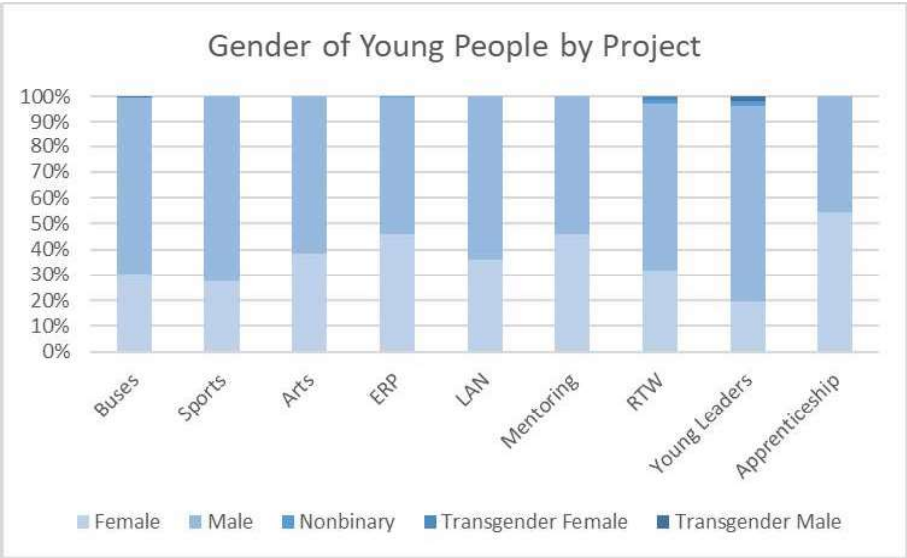
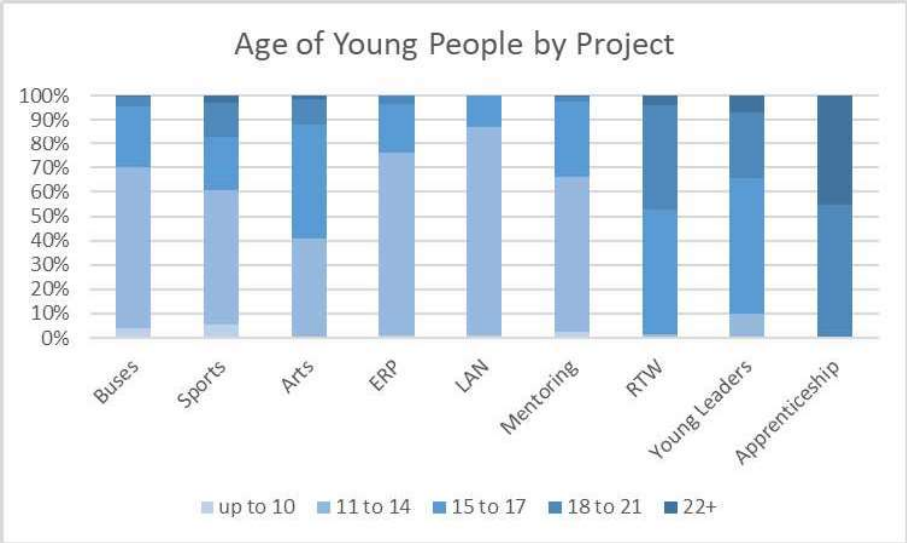
	2023/24
Boroughs where we work	10
Estate communities where we work	34
Schools and Pupil Referral Units where we work	34
Total Young People (one-to-ones and small groups)	3,765
Regular Young People (one-to-ones and small groups)	1,630

The table below shows activities carried out during the year across the projects.

Project	Total Attendees	Regular Attendees	1-1 Sessions	Group Sessions	Total Sessions
Buses	2,019	630	225	766	991
Arts	465	132	178	144	322
Sports	1,138	386	127	449	576
Exclusion Reduction	542	217	2,099	346	2,445
Literacy & Numeracy	260	193	325	971	1,296
1-1 Mentoring	209	79	1,075	20	1,095
Ready to Work	74	35	128	76	204
Young Leaders	116	34	95	79	174



Demographic Engagement



**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2024**

Achievements against key goals for 2023/2024

To build the infrastructure of the organisation as we begin to plan to scale and grow

- We made progress in building up our fundraising team in order to reach our target of four full-time staff by the end of 2024. The improved database (see below) and new governance of the building and church from which we operate are important steps in laying the platform for the future.

To continue to grow the youth work towards the stated goal of every project operating in every borough

- In 2023/24, we had 92% coverage of projects across the boroughs.

To develop greater diversity within the senior leadership

- Across the organisation, the proportion of global majority heritage was 53%, with 39% female. The gender diversity of the Senior Management Team remained at 40% female and 30% global majority heritage. We recognise that there remains room for improvement and are pleased to have made further progress since the year end.

To continue to develop our impact management and measurement

- The Salesforce Administrator joined the team at the start of the year and made significant inroads into our ability to measure our inputs, outputs and outcomes. She was joined soon afterwards by the Head of Impact, and together, they have worked tirelessly on building a new Salesforce database alongside two external consultancies. This has been a hugely challenging undertaking, both in the design and build, and in training the team, and at the time of writing, we are now at the stage of improving the user experience to enable real-time data entry during project sessions. The system is already proving to be much more robust, enabling better measurement, which in turn enables better management.

To maintain our free reserves above the three-month level as activity and expenditure increase

- Whilst we have seen a decrease in the value of our free reserves from £874,210 to £704,698, we have maintained the level above the three-month target at 3.2 months of charitable expenditure (2023: 4.6 months).

YOUTH WORK

XLP revolves around young people. The following pages outline how we work through different programmes and projects to bring about change. Whilst there are clear differences between each, common elements include consistency of presence, long-term relationships and using different interests and settings to offer activities, opportunities and support.

Communities Programme

Bus Project

The Bus Project worked in 23 underserved communities last year, operating outside schools and in the heart of local housing estates, with the agility to move to the areas of most pressing need. Of the 23 weekly sessions, 10 were developed in partnership with local stakeholders in the community, including churches, community partners and housing associations. There were over 10,000 attendances on bus sessions by 2,019 young people, of which 31% were regular attenders, highlighting the demand for and importance of such open-access, detached youth work.

This past year also saw the successful launch of our newest bus, further strengthening our ability to connect with young people in their communities. Given the importance of consistency, we have made key improvements to the fleet of buses, helping to extend their lifespan and reduce session cancellations.

Our North London projects have fostered strong local relationships, including partnerships with a pizza restaurant and fish and chip shop that generously provide free food for young people at our sessions. These collaborations create a welcoming and supportive environment, strengthening our community presence and encouraging engagement.

With expanded capacity, enhanced resources and growing community support, the Bus Project continues to play a vital role in reaching young people where they are, building trust, and offering consistent support and opportunities.

Arts Project

The Arts project plays a crucial role in developing young people’s creativity and expression, allowing them to explore further opportunities within the arts sector. We have two main studios: our mobile recording studio housed in a large Iveco van, and the Vault, built in the old HSBC bank vault at the XLP Youth Hub in Stratford. Together, these provide a platform for individuals to express the issues they see in their communities and work towards a better future through music.

In addition to the advice, training and free studio time provided, the Arts team also run showcase events for young people, together with a weekly drop-in for 45 young people (on average) who practice a range of art forms.

In the South East quad, XLP delivered targeted, trauma-informed Drama workshops for girls, focussing on identity, belonging and healthy relationships. Developing skills such as screenplay

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writing and performance techniques was complemented by trips to West End shows, and the project culminated with a public performance of their creation in July 2024.

In total, over 13 industry-specific trips took place during the year, including a group visit to the iconic Abbey Road Studios, where the young people spent the weekend developing their music and soaking up the atmosphere, all made possible through our partnership with Universal Music.

Sports Project

The Sports Project continues to grow, not only as a programme, but as a thriving community where young people experience the transformational effect of sport. Last year, we averaged 145 attendees across the weekly two-hour football training sessions, tournaments, showcase matches and opportunities against professional academies. Through these strands of provision, we provide a platform for young people to develop their skills, build confidence and foster a sense of belonging. We also offer targeted one-to-one mentoring and weekend matches with the XLP 11-a-side team, ensuring consistent support for those who need it most.

Our commitment also extends beyond football. This past year, we ran half-term trips, a bike club and two weekly gym sessions. Through our running club in collaboration with the Outrunners Youth Charity, two members of staff and two young people completed the 2024 London Marathon.

A core element of the Sports Project is young people leading change. Those towards the end of XLP’s Journey of Change (Trust → Believe → Change → Contribute) have played a crucial role in strengthening the team. Their dedication and leadership have helped us expand our reach, introducing peer mentoring and creating a welcoming environment for new participants. In doing so, they are also developing their own skills and confidence.

Sport is an excellent tool to help young people make new friendship groups, grow in confidence and aspiration, and develop new skills – both sport-related and life skills. The Sports sessions are popular and well attended, representing over 20% of our overall attendance across XLP. Indeed, some of the young people who join the sessions have been with XLP for many years now and are being encouraged to become future volunteers and trainers, providing peer support and acting as role models for younger members.

Schools Programme

Exclusion Reduction Project

The Exclusion Reduction Project takes young people at risk of school exclusion through a course of 1-1 and/or group mentoring sessions that aim to help them grow in confidence and motivation for their education. In doing so, it increases the likelihood that they will stay in school. Exclusion from education increases the chances of involvement in crime and serious youth violence, and in many cases leads to unemployment or custodial sentences.

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Last year, we worked in 34 schools across London (29 mainstream comprehensive secondary schools, three Pupil Referral Units and two SEN Schools) and supported 542 young people at risk of exclusion, of which 87% stayed in education. XLP has also excelled in deepening relationships with schools: our growing relationships have enabled us to remain agile in adapting to both internal and external changes as they arise, and has provided a stronger framework for delivering impactful work across diverse contexts, ensuring that we can continue to meet the evolving needs of young people at a crucial stage of their development.

Many young people develop their identity, aspirations and sense of belonging in schools. At XLP, we recognise the transformative impact of engaging with young people in their schools, alongside their communities and homes. Our school-based engagement is part of a holistic approach, enabling us to empower young people, foster resilience and create lasting change in their lives.

Literacy and Numeracy Project

The Literacy and Numeracy (LAN) project worked in 11 schools with some 260 young people over the year. There are two main elements to the project:

1. Group and one-to-one tutoring within schools for young people in years 7 to 9 using the SAFMEDS (Say-All-Fast-Minute-Every-Day-Shuffled) approach. This precision teaching tool helps us to identify weaknesses in a child’s learning and support them in different areas.
2. One-to-one tutoring led by trained volunteers who are matched with young people. These young people receive one hour of tuition per week with the goal of helping them to raise their predicted grades and pass their GCSE’s. The young people fit into four main groups:
 - a. those working towards resitting exams between September and December
 - b. those studying for their mock exams
 - c. those studying towards summer GCSE’s
 - d. summer tuition for those preparing to start their GCSE year

All the young people in the LAN Project faced some level of disadvantage, including special education needs (SEN/SEND/SEMH and neurodiversity), English as an Additional Language (EAL), and others with Education Health Care Plans (EHCP). Of the 260 young people we supported, we observed an improvement in the skills acquired by an average of 83%. This included:

Young people with diagnosed dyslexia:	53% improvement
Young people with ADHD:	100% improvement
Young people with EAL:	91% improvement

The LAN project has also played an active role in empowering young people to gain broader confidence in school and social contexts, as evidenced by schools and family members, who have shared their impressions of the difference this project has made.

The engagement of young people in the LAN Project often goes beyond school time, and their relationships with trusted youth workers encourage them to participate in wider XLP activities, such as the Sports, Arts, Bus and Mentoring Projects.

Mentoring Programme

Mentoring provides a consistent adult supporter, advisor and role model who can give relational, tailored support to young people, based on the barriers they face. We were able to grow the programme significantly in 2023/24 in large part due to the continued support of the Greater London Authority (Propel Fund).

The programme works to match trained volunteers with young people – referred by schools, statutory services and health services – who meet for weekly mentoring sessions throughout the year. Sessions consist of visiting local cafés, parks and local attractions – to have fun, build connection, support their education and expand their worldview. Once a year, mentors and mentees go away for a weekend residential to help cement their relationships and this is often a place of real breakthrough, with many young people leaving London for the first time (see Residential Trips and Summer Camps below).

In the past year, we received over 205 referrals from statutory services (60% of referrals), the NHS and schools, reinforcing the importance of XLP’s work in preventing and alleviating crises, particularly in light of the long waiting lists for mental health and wellbeing services experienced by young people in London. Recognising the diverse needs of young people, we introduced a second yearly mentoring residential: a smaller, alternative trip specifically designed for young people experiencing high levels of anxiety, those with neurodiversity needs, or any young person who might find larger residential trips overwhelming.

We continue to train other organisations, sharing our expertise and experience with others around the country, including a new mentoring partnership with CHIPS in Lambeth, training their volunteers and connecting them with young people in need of support.

Employability Programme

The Employability Programme has three distinct projects helping young people who are – or are at risk of becoming – NEET (Not in Education, Employment, or Training):

1. Ready to Work Project, working with those who are currently NEET
2. Young Leaders Project, working with 16-18 year-olds at risk of becoming NEET
3. Apprenticeship Project, training young people who would otherwise be NEET

Ready to Work

The Ready to Work Project starts with a six-week course, offering employability support and guidance to young people who are NEET, followed by a year of support for each young person. The project helps young people develop the mindset, resources and skills needed to take their next steps, and this year we successfully delivered four cohorts (September, January, March and July) to 74 young people, 91% of whom completed the programme. One highlight of the year was the Summer 2024 cohort, where 100% of young people completed the six-week course, and 92% of participants moved into education or employment.

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This year saw the expansion of XLP’s network of company partnerships, offering young people unique insights and experiences across industries such as music, creative arts, construction, architecture and finance. Helping young people to overcome the anxiety they feel around travel to these visits has become a significant aspect of the project and is clearly an important step in becoming work-ready.

Young Leaders

In 2023/24, nine active cohorts of small groups met regularly in community centres, churches, schools and other relevant places known to the young people, close where they live or attend other XLP projects. These monthly sessions – focussing on life skills, leadership skills, and developing the competencies and opportunities needed to gain employment – are consolidated through regular one-to-one meetings between each young leader and their youth worker. One important tenet of the project is the co-design of activities where young people are encouraged to design their own sessions, trips and the annual residential trip.

XLP Apprenticeship

In 2023/24 we trained our largest cohort of apprentices to date: 11 young people, eight of whom were already known to XLP, having come through various projects as young people, including six through the Young Leaders Project. All apprentices have a passion to work with young people and to find a way to contribute to their communities, and as part of the year, they complete a level 2 youth work qualification. To date, ten of the apprentices continue to work in the youth work sector, of which two work as XLP Youth Workers.

Other

Residential Trips and Summer Camps

An incredible 803 young people attended 174 trips and 21 residential (overnight trips). This comprised almost 50% of the regular young people who attended XLP projects. Some trips and residential are project specific, others are area specific, whilst others are open to all. The destinations are often decided by and with the young people.

These opportunities are highly prized by young people and their families, as they help to broaden horizons, and enable young people to visit new places and create life-long memories. These opportunities further build the positive relationships with youth workers and volunteers and create new friendships with other young people from different areas of London with different backgrounds and cultures. It is often on such trips that transformational moments are seen, with real breakthrough across the ages.

Youth Advisory Group

The Youth Advisory Group consists of young people who have grown up as beneficiaries of XLP. New members are selected by the group annually, with older members leaving to make space for them. The aim of the group is to amplify the voice of young people and shape the direction of the charity. They meet monthly to discuss XLP and offer feedback and suggestions for improvements to projects and the work of XLP.

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Each member receives group and individual leadership training and mentoring support throughout their time on the YAG, and members regularly volunteer across XLP projects and trips, becoming true ambassadors of XLP, and of youth work more broadly. The group is also actively involved in the recruitment process for new youth work staff and represents XLP at corporate and fundraising events.



FINANCIAL AND RISK REVIEW

Income and Expenditure

Total Income received for the year was £2,469,619, £42,849 (2%) lower than £2,512,468 for 2023. Despite showing this slight decrease, this is a good result in light of the complexity of raising funds in the current environment, with the demand for charity funding continually increasing.

The main sources of voluntary income for the period are set out in Note 2. The charity is hugely grateful to all its donors.

Expenditure of £2,834,189 showed a significant increase of £398,050 (16%) from £2,436,139 for 2023. This is a smaller increase than the previous year, and reflects both an increase in the size of our team and the increase in costs of running projects within the current economic environment. This expenditure enabled us to deliver our services in 34 schools this year (2023: 38) and on 34 estates (2023: 34). This allowed us to deliver 7,103 youth work sessions throughout the year, up 28% (2023: 5,537). We also invested significantly in redeveloping our impact measurement system, having secured funding for this.

This performance resulted in restricted funds decreasing to £343,821 (2023: £574,253) and free reserves decreasing to £704,698 (2023: £874,210). The decrease in restricted funds results from strategically growing our activity and targeting our fundraising to ensure we were again able to use funds that had been held over from previous years.

Overall donations and legacies of £2,371,557 decreased by 4% (2023: £2,470,276). This included a decrease on non-bus grants of £26,541 (2%) to £1,226k (2023: £1,252k) and a decrease on donations from businesses of £85,211 (15%) to £484k (2023: £569k). Other donations decreased by £123,148 (31%) to £274k (2023: £397k) but income from events increased by £152,974 (513%) to £183k (2023: £30k); this is a significant increase on the previous year and reflects the success of our annual dinner and use of online giving platforms. Grants for the running of the bus project increased by £33,242 (22%) to £185k (2023: £152k), and the use of capital funds carried over from 2023 enabled our newest bus to be equipped and enter service this year. We did not seek any new capital funding for this (2023: £50k).

XLP does not use a professional fundraising service and has not received any complaints from donors regarding our fundraising activities.

Our principal expenditure is staff costs. In the last twelve months, these increased by nearly 14%, through a combination of increased team size and significant increases in both the London Living Wage and Apprentice Minimum Wage. In setting salaries at the start of the year, the organisation was also attentive to the continued increases in the cost of living. Staff costs are expected to rise further over the next 12 months with the increased costs of employment following the increase to the Employers’ National Insurance rate from April 2025.

The costs of running our projects continued to increase this year through a combination of the economic climate and our increased capacity to deliver more youth work due to having a larger staff team.

Our fundraising ratio remained at 7% of the total of voluntary income and activities for generating funds. This will increase next year, as we have increased the size of our fundraising team to provide more capacity to secure funding in the current economic circumstances. Support costs increased by less than 2% as set out in Note 8.

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Balance Sheet

Fixed assets increased to £246,671 (from £211,297), as we equipped our latest bus ready for project use and replaced our minibus.

Current assets largely comprise cash on deposit. Debtors largely relate to accrued income that related to the financial year but was received post year-end. The main “creditor” is deferred income of £347,801 representing grants given in 2023/24 for work that will take place in the next financial year.

Reserves Policy

The policy aims to establish free reserves at a level to cover at least three months of charitable expenditure. Free reserves comprise unrestricted funds not represented by fixed assets. At year-end, free reserves of £704,698 represented 3.2 months of cover, a decrease from 2023 (£874,210; 4.6 months). As the costs of running the charity’s activities continue to increase, we will seek to increase the value of free reserves in the coming year in order to maintain the three-month reserve position.

In addition to the free reserves, the charity also holds restricted funds of £343,821 and a fixed asset fund of £246,671, giving total funds of £1,295,190 at 31 August 2024.

Going Concern

The trustees have reviewed the outturn for the year noting the progress made against the approved budget for 2024/25. Following this and the review of our funding position going forward, the trustees have a reasonable expectation that the charity will have sufficient resources to meet its liabilities as they fall due for the foreseeable future. The trustees therefore consider it appropriate for the accounts to be signed on a going concern basis.

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Risk Review

The trustees conduct an annual review of the major risks to which the charity is exposed and the controls established to mitigate those risks. The trustees consider that the most significant current risks to XLP relate to safeguarding recognising the challenging environments in which we operate, lack of sufficient funding recognising the current economic climate, and loss of key personnel / lack of staff capacity recognising the general lack of trained youth workers.

The safeguarding policy and procedures of the Charity are reviewed by trustees, the Chief Executive Officer, the Director of Youth Work and the Head of Safeguarding. Trustees all complete relevant safeguarding training and are updated regularly at Board meetings on safeguarding matters. All staff are trained annually in safeguarding and training is provided for mentors and other volunteers including Trustees.

The charity’s funding strategy encourages a diversification of funding sources whilst continuing to expand the funding base for the charity. Funding is received from charitable trusts, major private and corporate donors, fundraising events and donations from churches and individuals.

The Executive and Senior Management teams cover the core areas of the organisation (youth work, safeguarding, impact, culture, finances and fundraising) and provide continuity in times of absence.

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PLANS FOR FUTURE PERIODS

The charity plans to continue its present activities in future years, and to add activities as resources permit. Our focus during 2024/25 will remain on the activities in our existing boroughs with young people, whilst delving deeper into impact management and preparing for growth.

Key goals for 2024/25 are:

- To continue to build the infrastructure and fundraising capacity in preparation for the future
- To ensure consistent delivery of excellent youth work across the organisation
- To ensure all staff understand XLP’s expectations and policies (particularly around safeguarding), as well as their role responsibilities, and are held accountable
- To develop greater diversity and inclusion at senior level
- To ensure managers have clear and accessible evidence to make good decisions
- To maintain our free reserves above the three-month level as costs increase

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was established under a Memorandum of Association and is governed under its Articles of Association.

Trustees

Trustees are appointed with reference to relevant skills, diversity and XLP’s values. Under the Articles, new trustees are appointed by the Board of Trustees and one third of the members of the Board (the longest serving) retire each year, but are eligible to be re-appointed if still qualified.

New trustees go through an induction process and receive trustee training as appropriate.

The trustees schedule four quarterly meetings a year and hold further meetings during the year as required. During the financial period, the trustees met as a Board six times.

Organisational Structure

The organisation is led by the Board of Trustees, which oversees and monitors the work of XLP and makes decisions on overarching issues such as vision and long-term strategy, and agrees the budget in conjunction with the Chief Executive (CEO).

The oversight of the day-to-day work of XLP is delegated to the senior managers and led by the CEO. The trustees appoint a small committee of trustees to agree the remuneration of the CEO and other senior staff. Operations (youth work) and Support Services (office) teams meet regularly and take responsibility for XLP’s day-to-day operations and service delivery.

Co-operation with Other Organisations

XLP works in association and partnership with a number of local organisations, in furtherance of its charitable purposes. These include schools, Pupil Referral Units and other Alternative Provision establishments, London Borough Councils, Youth Offending Teams, various Housing and Tenants’ Associations, the Police, Police Community Support Officers, and Safer Neighbourhood Teams, together with other local charities. XLP also works with a number of youth work organisations and churches across London.

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The trustees (who are also directors of XLP for the purposes of company law) are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity’s governing document, the Charities Act 2011 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 published on 16 July 2014.

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

Approved by the Trustees on 9th April 2025 and signed on their behalf by:

Edward Donaldson

Mr E F C Donaldson OBE (Chair)

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2024

Opinion

We have audited the financial statements of XLP (the ‘charitable company’) for the year ended 31 August 2024 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 August 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 trustees’ annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2024

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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; 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 set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We 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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by;

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud
- Considering the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

**XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP
FOR THE YEAR ENDED 31ST AUGUST 2024**

- Agreeing financial statement disclosures to underlying supporting documentation
- Reading the minutes of meetings of those charged with governance
- Enquiring of management as to actual and potential litigation and claims.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP
FOR THE YEAR ENDED 31ST AUGUST 2024**

Use of our report

This report is made solely to the charitable company’s trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company’s trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Edmund Carr LLP

EDMUND CARR LLP

Statutory Auditor

146 New London Road

Chelmsford

Essex

CM2 0AW

Date: 10 April 2025

Edmund Carr LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

XLP – STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST AUGUST 2024
STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted	Restricted	2023/24	2022/23
				Total	Total
	Note	£	£	£	(restated) £
Income from:					
Donations and legacies	2	729,151	1,642,406	2,371,557	2,470,276
Charitable Activities	3a	650	480	1,130	236
Other trading activities	3b	92,673	4,259	96,932	41,956
Total Income		822,474	1,647,145	2,469,619	2,512,468
Expenditure on:					
Raising Funds	6	178,735	-	178,735	161,880
Charitable Activities	7,8,9	858,616	1,796,838	2,655,454	2,274,259
Total Expenditure		1,037,351	1,796,838	2,834,189	2,436,139
Net income/(expenditure)		(214,877)	(149,693)	(364,570)	76,329
Transfers between funds	14	80,739	(80,739)	-	-
Net movement in funds		(134,138)	(230,432)	(364,570)	76,329
Reconciliation of Funds					
Total Funds brought forward		1,085,507	574,253	1,659,760	1,583,431
Total Funds carried forward		951,369	343,821	1,295,190	1,659,760

The statement of financial activities includes all gains and losses in the year.

**XLP – BALANCE SHEET
AS AT 31ST AUGUST 2024**

BALANCE SHEET

			31st August 2024	31st August 2023 (restated)
	Note	£	£	£
Fixed Assets				
Tangible Assets	11		246,671	211,297
Current Assets				
Stock		-		2,242
Debtors	12	402,250		461,659
Cash at bank and in hand		1,130,550		1,349,000
		<u>1,532,800</u>		<u>1,812,901</u>
Current Liabilities				
Creditors: amounts falling due within one year	13	484,281		364,438
		<u></u>	<u></u>	<u></u>
Net Current Assets			1,048,519	1,448,463
Net Assets			<u>1,295,190</u>	<u>1,659,760</u>
Funds of the Charity				
Restricted Income Funds	14		343,821	574,253
Unrestricted General Funds	15		704,698	874,210
Unrestricted Fixed Asset Funds	15		246,671	211,297
			<u></u>	<u></u>
Total Charity Funds			<u>1,295,190</u>	<u>1,659,760</u>

For the year ending 31st August 2024 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

Approved by the board on 9th April 2025 and signed on its behalf by

Edward Donaldson

Mr E F C Donaldson OBE (Chair)
Company Registration no. 4959458

**XLP – STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2024**

STATEMENT OF CASH FLOWS

	2023/24	2022/23
	£	(restated)
	£	£
<u>Cash flows from operating activities</u>		
Net cash provided by (used in) operating activities (Note 1)	(107,860)	(158,616)
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	(110,590)	(47,570)
Net cash provided by (used in) investing activities	(110,590)	(47,570)
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	(218,450)	(206,186)
Cash and cash equivalents at the beginning of the reporting period	1,349,000	1,555,186
Cash and cash equivalents at the end of the reporting period (Note 2)	1,130,550	1,349,000
<u>Note 1</u>		
Net income/(expenditure) for the reporting period	(364,570)	76,329
Adjustments for:		
Depreciation	74,685	81,992
Loss on disposal of fixed assets	530	-
(Increase)/decrease in stocks	2,242	-
(Increase)/decrease in debtors	59,410	(349,181)
Increase/(decrease) in creditors	119,843	32,244
Net cash provided by (used in) operating activities	(107,860)	(158,616)
<u>Note 2</u>		
Analysis cash and cash equivalents		
Cash in hand	861,928	1,092,545
Notice deposits	268,622	256,455
Total cash and cash equivalents	1,130,550	1,349,000

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014; the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102); the Charities Act 2011; and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity constitutes a public benefit entity as defined by FRS102.

b) Going concern

The Charity is funded from a diverse number of sources, including charitable trusts, major private and corporate donors, fundraising events and donations from individuals, churches, and other local organisations. As such, it is not reliant upon one source of income. Taking this into account together with the strength of the balance sheet and their review of performance against plan to date, the Trustees believe that, while uncertainty exists, there is no material uncertainty regarding the Charity's ability to continue as a going concern and consequently consider that the financial statements are appropriately prepared on such a basis.

c) Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is more likely than not that the charity will receive the resources and the monetary value can be measured with sufficient reliability.

d) Incoming resources

Donations and grants are included in the accounts when the general income criteria are met. When donors specify they are to be used for a future accounting period they are treated as deferred income. Fees received for courses commencing after the period end are also recognised as deferred income. Contributions, fees and tax recoverable from the Inland Revenue under the Gift Aid scheme are recognised on an accruals basis when there is a valid declaration from the donor.

e) Resources Expended

Expenditure is accounted for on an accruals basis, inclusive of VAT, which cannot be recovered. The majority of costs are attributable to specific charitable activities. Support costs include central functions and are allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by the time spent and other costs by their usage. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

f) Capitalisation and Depreciation

All fixed assets are initially recorded at cost. Tangible fixed assets costing more than £500 are capitalised in the accounts. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office Equipment – computers 50% straight line, other equipment 25% straight line

Motor Vehicles – 20% straight line

Fixtures & Fittings – 10% straight line

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

g) **Stocks**

Stocks held for resale are measured at the lower of cost or net realisable value.

h) **Pensions**

XLP contributes to a defined contribution pension scheme on behalf of employees the cost of which is disclosed in note 4 below.

i) **Funds accounting**

Funds held by the charitable company are:

Unrestricted general funds – funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Fixed Asset funds – funds committed to fixed assets as set out in note 15.

Restricted funds – funds that can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The nature and purpose of each fund is explained further in the notes to the financial statements.

j) **Operating Leases**

Rentals under operating leases are charged on a straight-line basis over the lease term.

k) **Taxation**

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) **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

m) **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.

n) **Donated goods and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'.

Where it is impractical to fair value the items due to the volume of low value items, they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

2. DONATIONS AND LEGACIES

			2023/24
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	10,382	9,926	20,308
Donations from businesses	158,604	325,507	484,111
Other Donations	271,977	1,767	273,744
Grants for bus project	-	184,860	184,860
Capital Grants	-	-	-
Other grants	105,403	1,120,346	1,225,749
Total Donations and grants	546,366	1,642,406	2,188,772
Income from events	182,785	-	182,785
	<u>729,151</u>	<u>1,642,406</u>	<u>2,371,557</u>

Government grants totalled £382,998 of income; of this, £360,592 is included within restricted “Other grants” above whilst £22,406 is included within restricted “Grants for bus project”.

2022/23 comparative figures (restated):

			2022/23
	Unrestricted (restated)	Restricted	Total (restated)
	£	£	£
Donations from churches	14,703	5,640	20,343
Donations from businesses	267,097	302,225	569,322
Other Donations	386,462	10,430	396,892
Grants for bus project	-	151,618	151,618
Capital Grants	-	50,000	50,000
Other grants	108,017	1,144,273	1,252,290
Total Donations and grants	776,279	1,664,186	2,440,465
Income from events	29,811	-	29,811
	<u>806,090</u>	<u>1,664,186</u>	<u>2,470,276</u>

Government grants totalled £446,130 of income; of this, £383,464 is included within restricted “Other grants” above whilst £62,666 is included within restricted “Grants for bus project”.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

3.

a) INCOME FROM CHARITABLE ACTIVITIES

	2023/24	
	Unrestricted	Restricted
	£	£
Training Fees	650	480
	<u>650</u>	<u>480</u>
	<u><u>650</u></u>	<u><u>480</u></u>

2022/23 comparative figures:

	2022/23	
	Unrestricted	Restricted
	£	£
Training Fees	-	236
	<u>-</u>	<u>236</u>
	<u><u>-</u></u>	<u><u>236</u></u>

b) INCOME FROM TRADING ACTIVITIES

	2023/24	
	Unrestricted	Restricted
	£	£
Speaking engagements	-	-
Sales & other contributions to costs	6,596	4,259
Rental income	26,890	-
Bank credit interest	12,167	-
Sale of assets	47,020	-
	<u>92,673</u>	<u>4,259</u>
	<u><u>92,673</u></u>	<u><u>4,259</u></u>

2022/23 comparative figures:

	2022/23	
	Unrestricted	Restricted
	£	£
Speaking engagements	-	-
Sales & other contributions to costs	12,207	2,701
Rental Income	27,048	-
	<u>39,255</u>	<u>2,701</u>
	<u><u>39,255</u></u>	<u><u>2,701</u></u>

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

4. STAFF COSTS

a) Employment Costs

2023/24

Total

£

Gross Pay	1,828,049
Pensions Contributions	38,526
Social Security costs (Employers National Insurance)	168,153
Other employee benefits	5,271

2,039,999

- b) An average of 65 people were employed by the company during the year of which 8 were part-time.
- c) One employee received remuneration benefits of between £70,000 and £80,000. Total earnings of key management personnel was £86,326.
- d) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.
- e) Total termination payments amount to £5,271 (2023 - £5,000) and related to statutory redundancy pay for two members of staff and compensation for termination of employment of one member of staff.

2022/23 comparative figures:

f) Employment Costs

2022/23

Total

£

Gross Pay	1,607,577
Pensions Contributions	32,889
Social Security costs (Employers National Insurance)	150,236
Other employee benefits	5,000

1,795,702

- g) An average of 59 people were employed by the company during the year of which 7 were part-time.
- h) One employee received remuneration benefits of between £70,000 and £80,000. Total earnings of key management personnel was £82,783.
- i) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.
- j) Total termination payments amount to £5,000 (2022 - £Nil) and related to compensation for termination of employment of one member of staff.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

5. TAXATION

As a registered charity, the entity is entitled to those reliefs from taxation which are available to charities.

6. RAISING FUNDS

	Unrestricted	Restricted	2023/24
	£	£	£
Costs of generating donations			
Salaries	128,680	-	128,680
Other costs	14,272	-	14,272
	142,952	-	142,952
Fundraising event costs	35,783	-	35,783
	178,735	-	178,735

2022/23 comparative figures:

	Unrestricted	Restricted	2022/23
	£	£	£
Costs of generating donations			
Salaries	87,769	30,000	117,769
Other costs	17,915	-	17,915
	105,684	30,000	135,684
Fundraising event costs	26,196	-	26,196
	131,880	30,000	161,880

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

7. ANALYSIS OF COSTS OF CHARITABLE ACTIVITIES

	Community Projects	Training	Borough and other outreach work	2023/24
	£	£	£	£
Salaries	286,868	-	1,377,113	1,663,981
Bus and transport costs	60,426	-	79,369	139,795
Direct Project Costs	53,350	-	195,973	249,323
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	114,722	-	426,274	540,996
Governance Costs (note 9)	13,008	-	48,351	61,359
	528,374	-	2,127,080	2,655,454

2022/23 comparative figures:

	Community Projects	Training	Borough and other outreach work	2022/23
	£	£	£	£
Salaries	208,950	-	1,208,549	1,417,499
Bus and transport costs	53,726	-	82,606	136,332
Direct Project Costs	48,404	-	178,098	226,502
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	78,963	-	359,721	438,684
Governance Costs (note 9)	9,944	-	45,298	55,242
	399,987	-	1,874,272	2,274,259

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

8. SUPPORT COSTS

	Community Projects	Training	Borough and other outreach work	2023/24
	£	£	£	£
Salaries	48,750	-	181,128	229,878
Office Accommodation	18,866	-	70,094	88,960
IT Equipment and support	30,684	-	114,035	144,719
Office and admin costs	16,422	-	61,017	77,439
	114,722	-	426,274	540,996

2022/23 comparative figures:

	Community Projects	Training	Borough and other outreach work	2022/23
	£	£	£	£
Salaries	42,990	-	195,848	238,838
Office Accommodation	12,336	-	56,196	68,532
IT Equipment and support	9,424	-	42,930	52,354
Office and admin costs	14,213	-	64,747	78,960
	78,963	-	359,721	438,684

9. GOVERNANCE COSTS

	2023/24	2022/23
	£	£
Fees payable to auditor (note 10)	20,678	16,940
Legal Fees	1,381	1,906
Salaries	17,460	16,596
Consultancy Fees	21,840	19,800
	61,359	55,242

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

10. NET INCOME FOR THE PERIOD

	2023/24	2022/23
	£	£
This is stated after charging:		
Depreciation	74,685	81,992
Operating lease rentals	12,064	4,621
	86,749	86,613
Fee payable to auditor:		
Audit	12,800	10,450
Payroll Services	7,878	6,490
	20,678	16,940

11. TANGIBLE FIXED ASSETS

	Furniture & Fixtures	Motor Vehicles	Equipment	Total
	£	£	£	£
COST				
At 1 September 2023	16,224	493,083	107,325	616,632
Additions	-	105,367	5,223	110,590
Disposals	-	(124,796)	(2,320)	(127,116)
At 31 August 2024	16,224	473,654	110,228	600,106
DEPRECIATION				
At 1 September 2023	7,976	309,812	87,547	405,335
Charge for the year	1,623	58,992	14,070	74,685
Eliminated on disposal	-	(124,265)	(2,320)	(126,585)
At 31 August 2024	9,599	244,539	99,297	353,435
NET BOOK VALUE				
At 1 September 2023	8,248	183,271	19,778	211,297
At 31 August 2024	6,625	229,115	10,931	246,671

12. DEBTORS

	2023/24	2022/23 (restated)
	£	£
Income tax recoverable under gift aid scheme	86,155	54,257
Other debtors	141,521	89,367
Prepayments and accrued income	174,574	318,035
	402,250	461,659

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

13. CREDITORS: amounts falling due within one year

	2023/24	2022/23
	£	£
PAYE and Social Security	37,710	39,181
Other creditors	86,170	33,422
Accruals and deferred income	360,401	291,835
	484,281	364,438

Accruals and deferred income includes deferred income of £347,801 all of which arose in the year (2022/23 - deferred income of £281,835). The income has been deferred at year end on the basis that money received in the current year relates to projects to be undertaken in future years.

14. RESTRICTED FUNDS

	1st September 2023	Income	Expenditure	Transfers between funds	Transfer to/(from) Unrestricted Fund	31st August 2024
	£	£	£	£	£	£
1 Bus project funds	-	186,260	186,260	-	-	-
2 Vehicle Capital Fund	87,043	-	-	-	80,739	6,304
3 Exclusion Reduction Programme	15,000	475,127	490,127	-	-	-
4 Mentoring funds	126,931	280,252	326,684	-	-	80,499
5 Arts funds	46,711	126,373	133,573	-	-	39,511
6 Employability funds	179,023	304,302	295,056	-	-	188,269
7 Sports funds	21,667	29,111	50,778	-	-	-
8 Literacy & Numeracy	83,849	103,040	173,340	-	-	13,549
9 Impact Project (Capacity)	-	112,000	112,000	-	-	-
10 Other funds	14,029	30,680	29,020	-	-	15,689
	574,253	1,647,145	1,796,838	-	80,739	343,821

1. Bus project funds include a number of grants from trusts, companies, local authorities, and local community organisations given for periods of up to three years for the operation of the Community Bus project. Larger donors to this work included the City Bridge Foundation, the Garfield Weston Foundation, the Royal Docks Trust, the United St. Saviour's Fund, and the National Lottery Community Fund.
2. The Vehicle Capital Fund relates primarily to funds given in the previous year by FINHUMF and HSBC UK towards the conversion of a new community bus which entered service during the year. The transfer of £80,739 to the fixed asset fund relates to the costs of this conversion.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches, and individuals, given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects. Larger donors this year included The Charity of Sir Richard Whittington, The Haberdashers' Company, The Stewarts Foundation, The MAPP Charitable Foundation, and the National Lottery Community Fund.
4. Mentoring – includes both one-off and multi-year grants for the operation of the Mentoring programme, from organisations including the Greater London Authority, the Lighthouse London Community Trust, the Sisters of the Holy Cross Charitable Trust, and Compass Wellbeing CIC.
5. Arts Funds – funding from Universal Music, the Backstage Trust, the National Lottery Community Fund, the Benefact Trust, and others, for projects that promote the practice and expression of performing arts, including our mobile recording studio.
6. Employability Funds – towards our Ready to Work, Young Leaders, Job Creation, and Youth Advisory Group programmes, including grants from the Citi Foundation, the Horlock Educational Trust, the City of London Corporation, the National Citizen Service Trust, Landsec, and others.
7. Sports Funds – to support sports projects including football sessions, gym sessions, a running club, and a cycling club. Larger donors this year included the National Lottery Community Fund, National Grid, Sport England, and Transport for London.
8. Literacy & Numeracy – grants from trusts and companies including the Constable Educational Trust, The Charity of Sir Richard Whittington, and the JJ Charitable Trust towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
9. Impact Project (Capacity) – the funding received and expended this year relates to the major overhaul of our impact recording database.
10. Other Funds – includes funding received specifically for the core running costs of the charity from The Charity of Sir Richard Whittington as well as other smaller projects.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

2022/23 comparative figures:

	1st September 2022	Income	Expenditure	Transfers between funds	Transfer to/(from) Unrestricted Fund	31st August 2023
	£	£	£	£	£	£
1 Bus project funds	-	180,768	180,768	-	-	-
2 Vehicle Capital Fund	23,100	99,943	-	-	36,000	87,043
3 Exclusion Reduction Programme	173,153	460,864	625,439	6,422	-	15,000
4 Mentoring funds	43,355	307,007	223,431	-	-	126,931
5 X-Mobile	47,247	-	-	(47,247)	-	-
6 Arts funds	72,253	74,622	143,638	47,247	3,773	46,711
7 Employability funds	259,550	198,773	286,198	6,898	-	179,023
8 Sports funds	36,218	123,620	138,171	-	-	21,667
9 Literacy & Numeracy	89,024	140,350	145,525	-	-	83,849
10 Impact Project (Capacity)	-	20,000	20,000	-	-	-
11 Other funds	25,450	61,176	59,277	(13,320)	-	14,029
	769,350	1,667,123	1,822,447	-	39,773	574,253

1. Bus project funds include a number of grants from trusts, companies, local authorities, and local community organisations given for periods of up to three years for the operation of the Community Bus project. Larger donors to this work included the Garfield Weston Foundation, the London Borough of Newham/MOPAC, the National Lottery Community Fund, and Tritax.
2. The Vehicle Capital Fund relates primarily to funds given by FINHUMF and HSBC UK towards the purchase and conversion of a new community bus during the year. The transfer of £36,000 to the fixed asset fund relates to the purchase of a bus due to enter service during 2023/24 (note 15).
3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches, and individuals, given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects. Larger donors this year included the National Lottery Community Fund, The Charity of Sir Richard Whittington, The Haberdashers' Company, Vanguard, The Stewarts Foundation, and The Portal Trust.
4. Mentoring – includes both one-off and multi-year grants for the operation of the Mentoring programme, from organisations including the Greater London Authority, The Henry Smith Charity, the Lighthouse London Community Trust, and the Sisters of the Holy Cross Charitable Trust.
5. X-Mobile – the X-Mobile project has always been closely linked to the Arts project, and it was decided to merge X-Mobile into Arts as the year began. Therefore the remaining funds were transferred to Arts, but continued to be restricted to the specific work of the X-Mobile van.
6. Arts Funds – funding from Universal Music, the London & Quadrant Housing Trust, the London Borough of Newham, and others, for projects that promote the practice and expression of performing arts.
7. Employability funds – towards our Ready to Work, Young Leaders, Job Creation, and Youth Advisory Group programmes, including grants from the Citi Foundation, the Horlock Educational Trust, the City of London Corporation, and others.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

8. Sports Funds – to support sports projects including football sessions, gym sessions, a running club, and a cycling club. Larger donors this year included StreetGames UK, the London Marathon Foundation, the London Borough of Newham/MOPAC, and Fight for Peace.
9. Literacy & Numeracy – grants from trusts and companies including the Constable Educational Trust and The Charity of Sir Richard Whittington towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
10. Impact Project (Capacity) – the funding received and expended this year relates to the beginning of the overhaul of our impact recording database.
11. Other Funds – the transfers from this fund to the Exclusion Reduction Programme and Employability projects relate to a re-structuring of the camps. Snow Camp provides an opportunity for young people to receive training and pursue a career in winter sports training, so has been transferred to Employability. The other residential trips and camps are overseen by the youth workers within the Exclusion Reduction team.

15. UNRESTRICTED FUNDS

	1st September 2023	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	Transfer from General Fund	31st August 2024
	£	£	£	£	£	£
General Funds	874,210	-	(250,251)	80,739	-	704,698
Fixed Asset Funds	211,297	110,590	(75,216)	-	-	246,671
	<u>1,085,507</u>	<u>110,590</u>	<u>(325,467)</u>	<u>80,739</u>	<u>-</u>	<u>951,369</u>

The Fixed Asset Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles (including its community buses), fixtures and fittings, and office equipment. The funds are carried at the net book value of the fixed assets. There are no outstanding loans, or endowment funds used to finance their acquisition.

2022/23 comparative figures (restated):

	1st September 2022	Resources to fund fixed assets	Net Resources Generated/ (Utilised) (restated)	Transfer from Restricted Fund	Transfer from General Fund	31st August 2023 (restated)
	£	£	£	£	£	£
General Funds	568,362	-	266,075	39,773	-	874,210
Fixed Asset Funds	245,719	47,570	(81,992)	-	-	211,297
	<u>814,081</u>	<u>47,570</u>	<u>184,083</u>	<u>39,773</u>	<u>-</u>	<u>1,085,507</u>

The Fixed Asset Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles (including its community buses), fixtures and fittings, and office equipment. The funds are carried at the net book value of the fixed assets. There are no outstanding loans, or endowment funds used to finance their acquisition.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

16. COMMITMENTS UNDER OPERATING LEASES

At the year end, the charity had total commitments under non-cancellable operating leases as set out below.

	Total 2024	Total 2023
	£	£
Not later than 1 year	10,751	4,289
Later than 1 and not later than 5 years	33,148	9,371
Later than 5 years	-	-
	43,899	13,660

The charity has entered into agreements with the Church of England for the use of All Hallows on the Wall, London Wall. A formal lease agreement has not yet been completed.

17. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	2023/24 Total
	£	£	£
Restricted	-	343,821	343,821
Unrestricted			
- General Fund	-	704,698	704,698
- Fixed Asset Fund	246,671	-	246,671
	246,671	1,048,519	1,295,190

2022/23 comparative figures (restated):

	Tangible fixed assets	Other net assets (restated)	2022/23 Total (restated)
	£	£	£
Restricted	-	574,253	574,253
Unrestricted			
- General Fund	-	874,210	874,210
- Designated Fund	211,297	-	211,297
	211,297	1,448,463	1,659,760

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2024**

18. RELATED PARTIES

The charity received donations without conditions from Trustees in the year of £9,210 (2023: £13,046). There were no other related party transactions that require disclosure under FRS102.

19. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

20. CONTROL

The Company is controlled by its members.

21. RESTATEMENT OF PRIOR PERIOD BALANCES

Restatement of prior period balances have taken place; adjustments have been made as a result of an under provision of income from corporate donations in the Year Ended 31 August 2023. As a result, in the comparative figures, corporate donations and accrued income have increased by £75,000 which has resulted in an increase in unrestricted general funds at 31 August 2023 of £75,000.

XLP

England & Wales - Charity number 1101095

Accounts



Annual Report and Accounts
For Year ended 31st August 2023

XLP, All Hallows-on-the-Wall, 83, London Wall, EC2M 5ND

XLP is a company limited by guarantee, registered in England,
number 4959458 and a registered charity number 1101095

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**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2023**

DETAILS OF THE CHARITY, TRUSTEES AND ADVISORS

Status

XLP is a charitable company limited by guarantee, registered in England, and incorporated in 2003. The company was registered as a charity in 2003.

XLP is also historically known as “The X L Project”.

Registered Charity Number	1101095
Registered Company Number	4959458
Registered Office	All Hallows-on-the-Wall 83 London Wall London EC2M 5ND
Trustees	Mr E F C Donaldson OBE Mr N C Benton Miss E Yentumi Mrs S Douglas Mr K Brese Miss H Bourazza (appointed 08/05/2024)
Chair	Mr E F C Donaldson OBE
Treasurer	Mr N C Benton
Secretary	Mr P J Wood
Chief Executive	Mr L O Watson
Bankers	HSBC Bank PLC 28 Borough High Street Southwark London SE1 1YB
Auditor	Edmund Carr LLP 146 New London Road Chelmsford Essex CM2 0AW

WELCOME FROM THE CHIEF EXECUTIVE OFFICER

As we move closer towards our 30-year anniversary, I am struck by how little has changed for young Londoners who feel that the system is rigged against them. A lot has changed over the past few years, but the situation has worsened for many of the young people we work with. We see the gap between the rich and poor getting wider, and in particular we have seen an unprecedented drop in the amount spent on youth services in the past ten years.

Good youth work leads to improved engagement with school and education, reduced crime and anti-social behaviour, improved social skills and safety – all of which are more effectively addressed early in life. And yet, the nine boroughs where XLP works have seen a 69% reduction in spending on youth services over the past 12 years, with some boroughs losing as much as 90%. These cuts have been devastating for young people, and for the youth sector more widely, which finds itself struggling to recruit and fund youth workers to meet the ever-growing needs of young people.

There have been a series of cuts since the 2008 recession, and the current recession only threatens to worsen the funds available for this vital, future-proofing work. Moreover, as the funds decrease, the need increases. It is the poorest in society who suffer most, and the cost-of-living crisis is forcing more families into poverty, with very real consequences on the ground.

And yet there is hope. XLP has grown over the last year and is now able to offer more opportunities to more young people, whilst going deeper with those we already work with, and we continue to make a long-term difference in the lives of thousands of young Londoners. Where “impact” is often assumed to be a numbers exercise or set of metrics for funders, true impact is seeing lives changed ten, twenty years down the line. It is seen in thriving adults contributing to society through their passions, jobs and volunteering activities, adults who had been written off or who themselves had low expectations. We remain a long way from a society where all people start with the same opportunity in life, but XLP continues to bridge the gaps and reduce the barriers that so many young people in London face.

To all those who have and continue to support us, we are enormously grateful and can tangibly see the difference you are making to the young people on the ground. From responding to a stabbing in Southwark in 1996 to a 60-strong team in nine boroughs around London, we simply couldn’t have done what we’ve done without the support, encouragement and generosity of individuals, churches, trusts, foundations, companies, and local government, and I am indebted as ever to all the staff at XLP who enable us to keep delivering life-changing youth work across London.

Luke Watson, Chief Executive Officer

OBJECTIVES AND ACTIVITIES

XLP was founded in 1996. Its charitable objects are set out in its governing document and these underpin its operational objectives. The trustees have paid due regard to the Charity Commission's guidance on public benefit when determining the activities of the charity.

XLP engages in long-term relationships to empower young people from the most disadvantaged backgrounds to complete their education and avoid anti-social behaviour, gangs and criminality, and ultimately to become positive contributors to their communities. We are working to create positive futures for young people living in our inner cities and to make a serious and sustainable impact upon poverty and educational failure.

The charity seeks to serve children and young people (approx. 10-20 years of age), primarily from inner-London estate communities, who are experiencing a range of life challenges and/or behavioural and educational difficulties. It does this through a portfolio of prevention, intervention and diversionary projects that are focussed on delivering the following outcomes:

- Children and young people with a raised sense of self-worth, self-esteem and increased educational achievement that helps them confidently and positively contribute to society;
- Children and young people with fresh goals and the desire to work hard to achieve them, with the ability to make wise lifestyle choices; and,
- Children and young people with positive attitudes and behaviour towards their communities: their families, peers, local residents, teachers and the police.

XLP works principally in the London boroughs of Southwark, Lewisham, Lambeth, Greenwich, Newham, Tower Hamlets, Islington, Camden and Hackney.

Over the past 12 months, we have worked with over 4,000 young people and their families on a one-to-one and small group basis, concentrating on building long-term, positive, trusted relationships. Over 700 young people went on trips with XLP.

It is these relationships that produce trust with young people, which in turn allows a belief that positive change is possible in what are very often difficult life circumstances. This progression of **Trust → Believe → Change** is foundational to what we do.

It takes time to foster trust. It takes a skilled youth worker to know when to encourage and when to challenge. It takes time for a young person to change their mindset and begin to believe in themselves. It needs that trust and belief to be in place for sustained change to happen.

We believe in building these relationships with young people, and creating multiple contexts and opportunities to deepen our engagement with them. Our theory of change is centred on such relationships. Regular and consistent engagement is not only shown to be the most

**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2023**

effective strategy in long-term change, but also necessary for young people with multiple levels of disadvantage.

Our work through the year has continued to comprise a wide range of programmes including:

- A Schools Programme providing educational support, mentoring, specialist lessons and clubs, and a Literacy and Numeracy (LAN) project
- A Communities Programme carrying out ‘detached’ youth work on estates, including community bus drop-in sessions, sports and life-skills training, two mobile recording studios working with so-called ‘hard-to-reach’ young people, and an arts project that trains in life skills and artistic performance
- A Mentoring Programme for those on the verge of exclusion or involvement in gangs
- An Employability Programme that supports young people into apprenticeships and further education by improving their work-readiness
- Summer camps and other outings

XLP aims to provide multiple contact points with children and young people, working with them in their schools, their communities, and with their families. In this way, robust long-term relationships can be established between XLP youth workers and the children and young people they serve.

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FOR THE YEAR ENDED 31ST AUGUST 2023**

ACHIEVEMENTS AND PERFORMANCE

Overview

Outputs

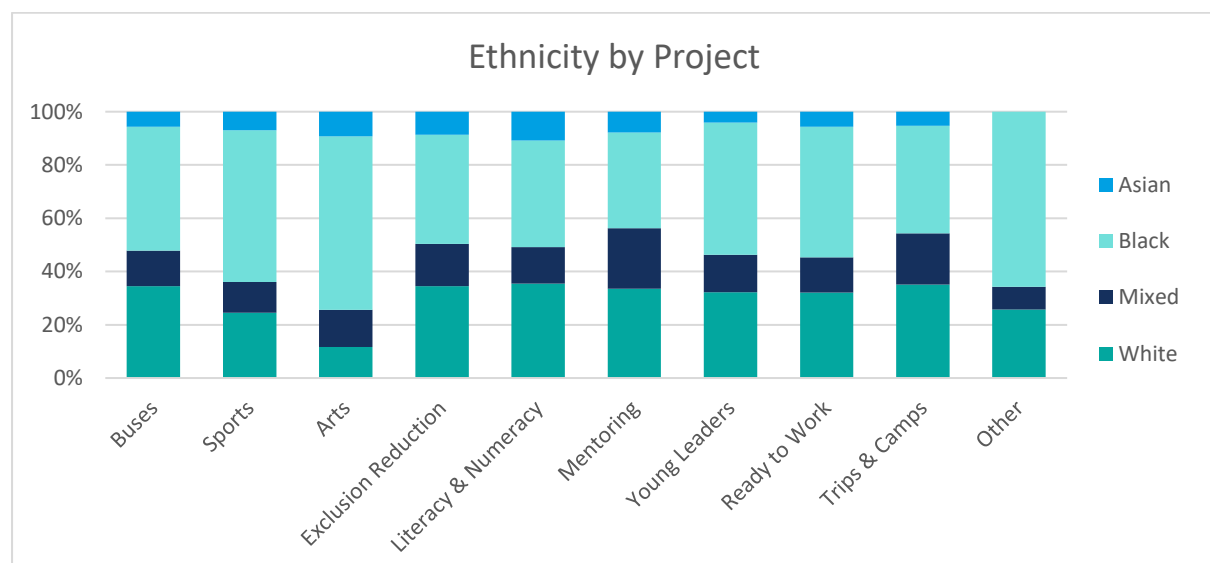
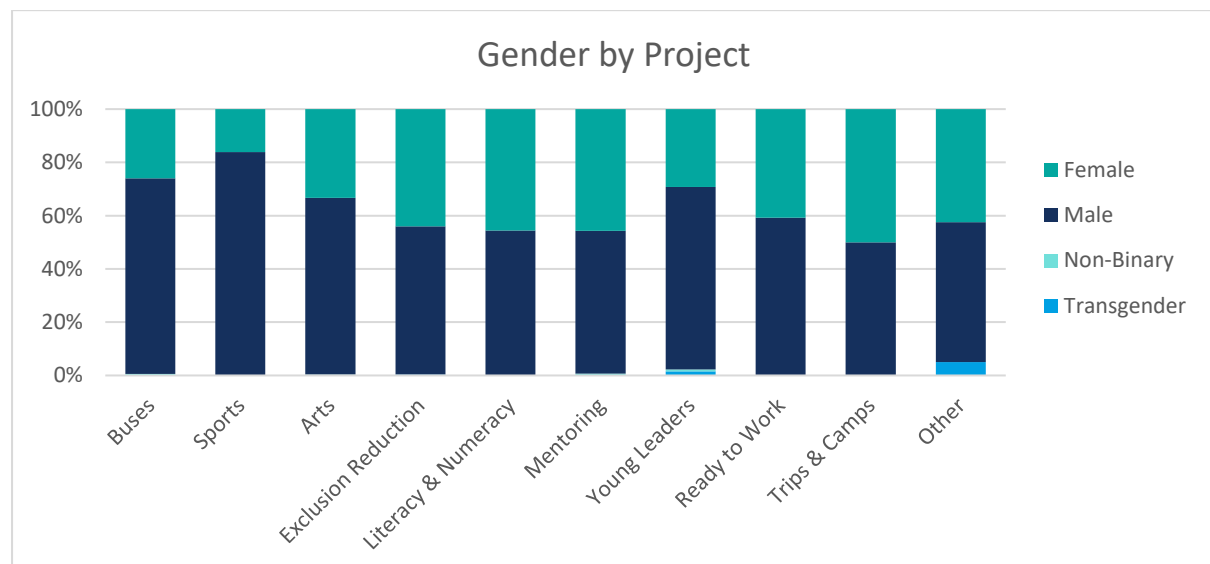
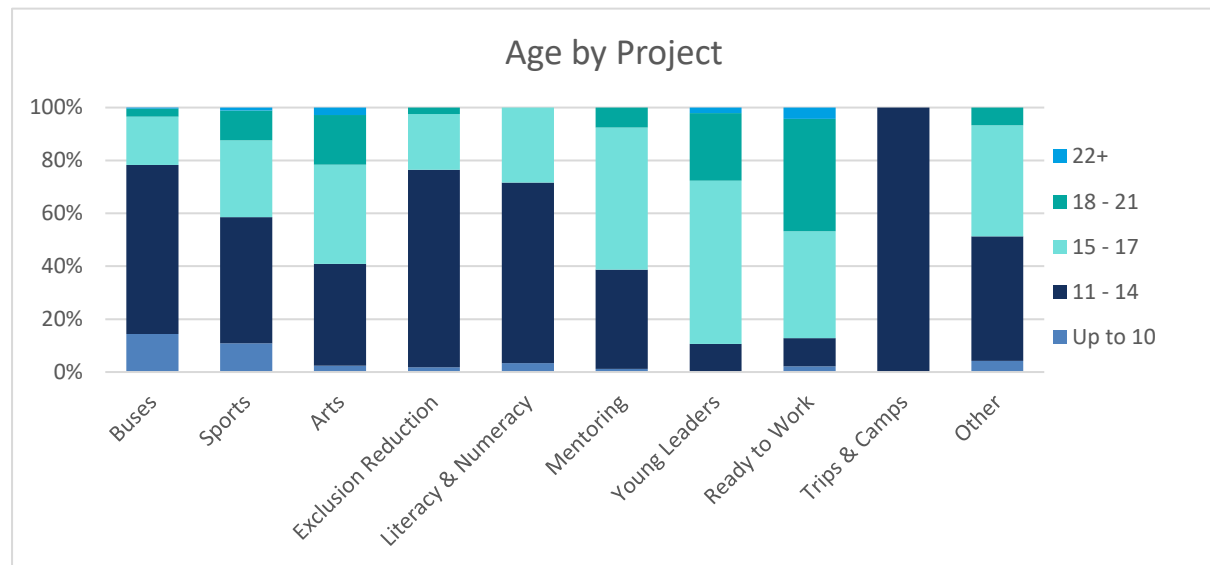
	2022/23
Boroughs where we work	9
Estate communities where we work	34
Schools and Pupil Referral Units where we work	38
Total Young People (one-to-ones and small groups)	4,270
Regular Young People (one-to-ones and small groups)	1,357

The table below shows activities carried out during the year across the projects.

Project	Total Attendees	Regular Attendees	1-1 Sessions	Group Sessions	Total Sessions
Buses	2046	505	115	669	784
Sports	1145	262	107	415	522
Arts	886	162	98	169	267
Exclusion Reduction	448	188	1850	310	2160
Literacy & Numeracy	199	147	54	604	658
1-1 Mentoring	210	53	785	10	795
Ready to Work	91	34	88	38	126
Young Leaders	156	75	134	91	225

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Demographic Engagement



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Achievements against key goals for 2022/2023

To grow the youth work towards the stated goal of every project operating in every borough

- We have grown two projects in particular: the Literacy and Numeracy project and the Mentoring project, and now have 83% coverage of projects across the boroughs.

To develop greater diversity within the senior leadership

- We were delighted to welcome our first non-white Director at XLP, followed by our first female Director. The gender diversity of the Senior Management Team increased to 40% female. We recognise that there remains room for improvement but are pleased to be making progress.

To build the infrastructure of the organisation as we begin to plan to scale and grow

- We increased our HR function considerably, both in number of staff and previous expertise, whilst a new member of the fundraising team has enabled us to continue our growth trajectory.

To continue to develop our impact management and measurement, ensuring that good output, outcome and impact data are available going forwards, in particular with an overhaul of our database using the lessons learned from the last few years

- The most significant movement was the separation of Impact and database management, making excellent hires in both. Our Head of Impact brings a level of expertise in quantitative and – crucially, given the importance of capturing young people’s stories – qualitative analysis, whilst the Salesforce Administrator brings a skillset that is rare within the charity sector, particularly to have in-house. In addition, we worked with an external consultant, Lancia, to start the database overhaul and the wider change management needs as we go forwards.

To increase our fundraising events, which had largely had to stop since the start of the pandemic

- We ran a very successful annual dinner at the Goldsmiths Hall, together with various smaller events through the year, bringing in approximately £120,000 of new income.

To increase the value of our free reserves to maintain our free reserves above the three-month level as activity and expenditure increase, in order to give us a sustainable platform for future growth and increase our resilience in times of economic uncertainty

- We were able to increase the value of our free reserves from £568,362 to £799,210, increasing the level to 4.2 months of charitable expenditure (2022: 3.7 months).

YOUTH WORK

XLP revolves around young people. The following pages outline how we work through different programmes and projects to bring about change. Whilst there are clear differences between each, the common thread is about a consistent presence, building long-term relationships and using different interests and settings to offer activities, opportunities and support.

Communities Programme

Bus Project

Our custom-built mobile youth centres – three double decker buses and two vans equipped with games consoles, recording studios, craft and play areas, kitchen facilities and more – serve as beacons of hope for many young people, giving them a safe space to make new friends and build trusted relationships with a team of skilled youth workers. Using mobile youth centres instead of building-based ones enables us to go where the need is greatest and offer provision in areas where it is otherwise missing or in need of more.

Over the past year, the bus project has served 23 communities a week, and through improved maintenance, we have been able to keep the vehicles on the road for longer periods during the year. Having added a third bus last year, we will replace the oldest bus in the year ahead, and we anticipate the new one will attract more young people and contribute to the growth of our projects. We also plan to grow our volunteer numbers and are working with community groups to increase awareness of our services and recruit volunteers.

Sports Project

The sports project delivers weekly two-hour football training sessions, together with additional tournaments, targeted one-to-one mentoring, and additional matches with the XLP 11-a-side team (created to support young people struggling to find further sporting opportunities, or facing unemployment and educational failure). We also run half-term trips and activities, a bike club, two weekly gym sessions, and a running club in conjunction with Outrunners youth charity, through which two staff and two young people completed the 2023 London Marathon. New partnerships with St Dunstan’s College and corporate sponsors have enabled us to provide match day and training kits for young people (which have unified the group and created a positive sense of belonging) and develop a girls’ football project (which has long been a hope for the charity).

Sport is an excellent tool to help young people make new friendship groups, grow in confidence and aspiration, and develop new skills – both sport-related and life skills. Some of

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the young people who join the sessions have been with XLP for over four years now; they are being encouraged to become future volunteers and trainers, providing peer support and acting as role models for new members.

Arts Project

The Arts project plays a crucial role in developing young people's creativity and expression, and allowing them to explore further opportunities within the arts sector. We have two main studios: our mobile recording studio (X-Mobile) and the Vault, which is built into the old HSBC bank vault at the XLP Youth Hub in Stratford. These provide a platform for individuals to express the issues they see in their communities and work towards a better future through music. The Arts team help aspiring young people who are trying to record and release musical content by offering advice, training and free studio time.

The project also runs showcase events for young people, together with a weekly drop-in for 60-80 young people, who are engaged and trained in many different art forms. Our team combine excellent youth work skills with specific music production and technical competency.

A highlight of the year was taking a group of young people to the iconic Abbey Road Studios, where they spent the weekend developing their music and soaking up the atmosphere, all made possible through our partnership with Universal Music.

Schools Programme

Exclusion Reduction Project

The Exclusion Reduction Project takes young people at risk of school exclusion through a course of 1-1 and/or group mentoring sessions that aim to help them grow in confidence and motivation for their education. In doing so, it increases the likelihood that they will stay in school. Exclusion from education increases the chances of involvement in crime and serious youth violence, and in many cases leads to unemployment or custodial sentences.

Last year, the project supported 448 young people at risk of exclusion, of whom 75% stayed in education. We are especially proud of this achievement in light of the schools strikes that occurred during the year.

School is an incredibly formative time and place for so many young people, and it is part of the XLP approach to try to see young people in multiple settings, including their community, their home and their place of education.

Literacy and Numeracy Project

The Literacy and Numeracy (LAN) project worked in nine schools with some 199 young people over the year, with 85% displaying tangible personal growth. There are two main elements to the project:

1. Group tutoring lessons led by XLP youth workers within schools for young people in years 7 to 9 using our SAFMEDS (Say-All-Fast-Minute-Every-Day-Shuffled) approach. This precision teaching tool helps us to identify weaknesses in a child's learning and support them in different areas.
2. One-to-one tutoring led by trained volunteer tutors who are matched with young people, who receive one hour of tuition per week with the goal of helping them to raise their predicted grades and pass their GCSE's. The young people fit into four cohorts:
 - i. those working towards resitting exams between September and December
 - ii. those studying for their Mock exams
 - iii. those studying towards summer GCSE's; and
 - iv. summer tuition for those preparing to start their GCSE year.

Two specific highlights include improving the reading age of one student from age 6 to age 11, and another pupil from a reading age of 6 to age 12. More generally, we have seen several students who were at risk of exclusion from mainstream education staying in their schools.

Mentoring Programme

Mentoring provides a consistent adult supporter, advisor and role model who can give relational, tailored support to young people, depending on the barriers they face.

The programme works to match trained volunteers with young people – referred by schools, statutory services and health services – who meet for weekly mentoring sessions throughout the year. Sessions consist of visiting local cafés, parks and local attractions – to have fun, build connection, support their education and expand their worldview. Once a year, mentors and mentees go away for a weekend residential to help cement their relationships and this is often a place of real breakthrough, with many young people leaving London for the first time.

In 2023, we secured funding to expand to two new boroughs, and the project will continue to grow in the year ahead, enabling us to work with more young people, more families and more volunteers. We have codified our processes, which will facilitate that growth and also pave the way for other projects at XLP to do the same.

Employability Programme

The employability project has three strands that revolve around those who are, or are at risk of, becoming NEET (Not in Education, Employment, or Training):

1. Young Leaders project, working with 16-18 year-olds at risk of becoming NEET
2. Ready to Work, working with those who are currently NEET
3. An apprenticeship, working with young people who would otherwise be NEET

Young Leaders

The Young Leaders Project ran monthly small groups across London, focussing on life skills, leadership skills, and developing the competencies and opportunities needed to gain employment. The project also ran seven school holiday activity weeks offering young people the opportunity to learn about and experience different careers. This year, the project was trialled in two schools with the aim over the next year to further this work by adding three new weekly groups and increasing the number of work experience and other opportunities available to the young people.

Ready to Work

XLP’s ‘Ready to Work’ project has completed four cohorts over the past year. Our biggest cohort was in the summer after A-Level exams, with 17 young people attending. The project runs over six weeks offering employability support and guidance to young people who are NEET, with support for up to a year for each young person. Young people have been supported into a number of job roles and university as a result of completing the project.

Apprenticeship

The apprenticeship training year trains up young people who have been through the XLP projects and who have a passion to work with young people and give back to their communities. In 2022/23, seven young people completed the apprenticeship year, all gaining a Level 2 in youth work, and receiving on-the-job training together with a wide variety of learning opportunities, including Football Association coaching qualifications, mental health first aid, first aid and other specific qualifications. Two apprentices went on to become members of staff at XLP, one went to university to study youth work, and four took roles externally in youth work. We hope to grow the number of apprentices to ten or more in 2023/24.

Other

Residential Trips and Summer Camps

Last year, we ran 20 residential trips for 189 young people. These trips help young people to broaden their horizons, visit new places and create life-long memories. They build strong and positive relationships with trusted youth workers and volunteers, and create new friendships with young people from different areas of London with different backgrounds and cultures. It is often on such trips that transformational moments are seen, with real breakthrough across the ages.

In our surveys, young people often emphasise the importance of these trips and express their desire to see us running them more often and with more young people.

Youth Advisory Group

The Youth Advisory Group (YAG) is made up of past and current participants from across XLP, aged 16 upwards. New members are selected by the group annually, with old members leaving to make space for new. The aim of the group is to amplify the voice of young people broadly, but also in shaping the direction of the charity. They meet monthly to discuss XLP and offer feedback and suggestions for improvements to projects and the work of XLP. The group is actively involved in recruitment processes for new youth work staff and represents XLP at corporate and fundraising events. Some act as mentors to the CEO and XLP Directors ('reverse mentoring'), helping them to experience and understand life from a young person's perspective. The young people receive leadership training and mentoring support throughout their time on the YAG.

FINANCIAL AND RISK REVIEW

Income and Expenditure

Total Income received for the year was £2,437,468, £118,143 (5%) higher than £2,319,325 for 2022. This is a good result in light of the complexity of raising funds in the current environment, with the demand for charity funding continually increasing.

The main sources of voluntary income for the period are set out in Note 2. The charity is hugely grateful to all its donors.

Expenditure of £2,436,139 showed a significant increase of £496,735 (26%) from £1,939,404 for 2022. This increase reflects an increase in the size of our team by 20% for the second successive year and enabled us to deliver our services in 38 schools this year (27 in 2022) and on 34 estates (19 in 2022). This allowed us to deliver 5,537 youth work sessions throughout the year, up 24% from 4,473 in 2022. We also invested in our impact measurement systems by expanding our impact team to two roles.

This performance resulted in restricted funds decreasing to £574,253 (2022: £769,350) but free reserves increasing to £799,210 (2022: £568,362). The decrease in restricted funds results from strategically growing our activity and thus being able to use funds that had been held over from previous years. We also received some funds late in the year that will be carried over and utilised in the coming year.

Donations and legacies of £2,395,276 increased by 5% from £2,289,682 in 2022. Non-bus grants decreased by £183,201 (from £1,435k to £1,252k) but donations from businesses increased by £159,645 (from £335k to £494k). Other donations increased by £146,682 (from £250k to £397k); this is a significant increase even on the previous year and reflects the success of our annual dinner and use of online giving platforms, and is partially the result of taking on an Events and Individual Giving Manager. Grants for the running of the bus project increased by £65,900, and a capital grant of £50,000 along with a corporate donation allowed us to purchase a new bus that will be equipped and enter service during 2023/24. Donations from churches were down by £21,735 but income from events increased by £17,304.

XLP does not use a professional fundraising service and has not received any complaints from donors regarding our fundraising activities.

Our principal expenditure is staff costs. In the last twelve months, these increased by nearly 25%, in line with the planned increase in the size of the staff team through the year. We also became a Living Wage employer during the year, with all our non-apprentice staff now earning at least the London Living Wage. Staff also benefited from pay rises based on a benchmarking exercise across the sector, and with the organisation being attentive to the increasing cost of living. We expect staff costs to continue to rise over the next 12 months but at a slower rate as we continue to grow our team to increase project delivery.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2023

The costs of running our projects also increased significantly this year through a combination of the economic climate and our increased capacity to deliver more youth work due to having a larger staff team.

Our fundraising ratio increased to 7% of the total of voluntary income and activities for generating funds, as we had expected with the addition of a member of our fundraising team. Support costs increased by 41% as set out in Note 8, as we added more capacity to our back-office staff team with a focus on improving our impact and HR systems to support our growing youth work team and activities.

Balance Sheet

Fixed assets decreased slightly to £211,297, as we made fewer additions to our assets than in recent years. Each of the vehicles owned has a continuing useful life and the carrying value is therefore considered by the trustees to be prudent.

Current assets largely comprise cash on deposit. Debtors largely relate to accrued income that related to the financial year but was received post year-end. The main “creditor” is deferred income of £281,835 representing grants given in 2022/23 for work that will take place in the next financial year.

Reserves Policy

The policy aims to establish free reserves at a level to cover at least three months of charitable expenditure. Free reserves comprise unrestricted funds not represented by fixed assets. At year-end, free reserves of £799,210 represented 4.2 months of cover, an increased level from 2022 (£568,362; 3.7 months). As the charity continues to increase its activity (and thus expenditure), we will seek to maintain the value of free reserves in the coming year in order to maintain the three-month reserve position.

In addition to the free reserves, the charity also holds restricted funds of £574,253 and a fixed asset fund of £211,297, giving total funds of £1,584,760 at 31 August 2023.

Going Concern

The trustees have reviewed the outturn for the year particularly noting the increased level of unrestricted reserves, along with the progress made against the approved budget for 2023/24. Following this and the review of our funding position going forward, the trustees have a reasonable expectation that the charity will have sufficient resources to meet its liabilities as they fall due for the foreseeable future. The trustees therefore consider it appropriate for the accounts to be signed on a going concern basis.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2023

Risk Review

The trustees conduct an annual review of the major risks to which the charity is exposed and the controls established to mitigate those risks. The trustees consider that the most significant current risks to XLP relate to safeguarding, lack of sufficient funding, loss of key personnel / lack of staff capacity and adverse publicity.

The safeguarding policy and procedures of the Charity are reviewed by trustees, the Chief Executive Officer and the Senior Management Team. Trustees all complete relevant safeguarding training and are updated regularly at Board meetings on safeguarding matters. All staff are trained annually in safeguarding and training is provided for mentors and other volunteers including Trustees.

The charity’s funding strategy encourages a diversification of funding sources whilst continuing to expand the funding base for the charity. Funding is received from charitable trusts, major private and corporate donors, fundraising events and donations from churches and individuals.

Senior managers cover the core areas of the organisation (youth work, safeguarding, impact, culture, finances and fundraising) and provide support to the Chief Executive Officer as well as continuity in times of absence.

PLANS FOR FUTURE PERIODS

The charity plans to continue its present activities in future years, and to add activities as resources permit. Our focus during 2023/24 will remain on the activities in our existing boroughs with young people, whilst delving deeper into impact management and preparing for growth.

Key goals for 2023/24 are:

- To build the infrastructure of the organisation as we begin to plan to scale and grow
- To continue to grow the youth work towards the stated goal of every project operating in every borough
- To develop greater diversity and inclusion across the organisation
- To continue to develop our impact management and measurement
- To maintain our free reserves above the three-month level as activity and expenditure increase

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was established under a Memorandum of Association and is governed under its Articles of Association.

Trustees

Trustees are appointed with reference to relevant skills, diversity and XLP's values. Under the Articles, new trustees are appointed by the Board of Trustees and one third of the members of the Board (the longest serving) retire each year, but are eligible to be re-appointed if still qualified.

New trustees go through an induction process and receive trustee training as appropriate.

The trustees schedule four quarterly meetings a year and hold further meetings during the year as required. During the financial period, the trustees met as a Board seven times.

Organisational Structure

The organisation is led by the Board of Trustees, which oversees and monitors the work of XLP and makes decisions on overarching issues such as vision and long-term strategy, and agrees the budget in conjunction with the Chief Executive (CEO).

The oversight of the day-to-day work of XLP is delegated to the senior managers and led by the CEO. The trustees appoint a small committee of trustees to agree the remuneration of the CEO and other senior staff. Operations (youth work) and Support Services (office) teams meet regularly and take responsibility for XLP's day-to-day operations and service delivery.

Co-operation with Other Organisations

XLP works in association and partnership with a number of local organisations, in furtherance of its charitable purposes. These include schools, Pupil Referral Units and other Alternative Provision establishments, London Borough Councils, Youth Offending Teams, various Housing and Tenants' Associations, the Police, Police Community Support Officers, and Safer Neighbourhood Teams, together with other local charities. XLP also works with a number of youth work organisations and churches across London.

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The trustees (who are also directors of XLP for the purposes of company law) are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity’s governing document, the Charities Act 2011 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 published on 16 July 2014.

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

**XLP – TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2023**

Approved by the Trustees on 8th May 2024 and signed on their behalf by:

Edward Donaldson

Mr E F C Donaldson OBE (Chair)

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2023

Opinion

We have audited the financial statements of XLP (the ‘charitable company’) for the year ended 31 August 2023 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 August 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 trustees’ annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2023

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require 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; 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 set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We 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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows;

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by;

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud
- Considering the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2023

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation
- Reading the minutes of meetings of those charged with governance
- Enquiring of management as to actual and potential litigation and claims.

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

[As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP
FOR THE YEAR ENDED 31ST AUGUST 2023**

Use of our report

This report is made solely to the charitable company’s trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company’s trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Edmund Carr LLP

EDMUND CARR LLP

Statutory Auditor

146 New London Road

Chelmsford

Essex

CM2 0AW

Date: 14 May 2024

Edmund Carr LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**XLP – STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST AUGUST 2023**

STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted	Restricted	2022/23 Total	2021/22 Total
	Note	£	£	£	£
Income from:					
Donations and legacies	2	731,090	1,664,186	2,395,276	2,289,682
Charitable Activities	3a	-	236	236	3,270
Other trading activities	3b	39,255	2,701	41,956	26,373
Total Income		770,345	1,667,123	2,437,468	2,319,325
Expenditure on:					
Raising Funds	6	131,880	30,000	161,880	111,072
Charitable Activities	7,8,9	481,812	1,792,447	2,274,259	1,828,332
Total Expenditure		613,692	1,822,447	2,436,139	1,939,404
Net income/(expenditure)		156,653	(155,324)	1,329	379,921
Transfers between funds	14	39,773	(39,773)	-	-
Net movement in funds		196,426	(195,097)	1,329	379,921
Reconciliation of Funds					
Total Funds brought forward		814,081	769,350	1,583,431	1,203,510
Total Funds carried forward		1,010,507	574,253	1,584,760	1,583,431

The statement of financial activities includes all gains and losses in the year.

**XLP – BALANCE SHEET
AS AT 31ST AUGUST 2023**

BALANCE SHEET

			31st August 2023	31st August 2022
	Note	£	£	£
Fixed Assets				
Tangible Assets	11		211,297	245,719
Current Assets				
Stock		2,242	2,242	
Debtors	12	386,659	112,478	
Cash at bank and in hand		1,349,000	1,555,186	
		<u>1,737,901</u>	<u>1,669,906</u>	
Current Liabilities				
Creditors: amounts falling due within one year	13	364,438	332,194	
		<u></u>	<u></u>	
Net Current Assets			1,373,463	1,337,712
Net Assets			<u>1,584,760</u>	<u>1,583,431</u>
Funds of the Charity				
Restricted Income Funds	14		574,253	769,350
Unrestricted General Funds	15		799,210	568,362
Unrestricted Fixed Asset Funds	15		211,297	245,719
			<u></u>	<u></u>
Total Charity Funds			<u>1,584,760</u>	<u>1,583,431</u>

For the year ending 31st August 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

Approved by the board on 8th May 2024 and signed on its behalf by

Edward Donaldson

Mr E F C Donaldson OBE (Chair)
Company Registration no. 4959458

**XLP – STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2023**

STATEMENT OF CASH FLOWS

	2022/23	2021/22
	£	£
<u>Cash flows from operating activities</u>		
Net cash provided by (used in) operating activities (Note 1)	<u>(158,616)</u>	<u>462,395</u>
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	(47,570)	(102,340)
Net cash provided by (used in) investing activities	<u>(47,570)</u>	<u>(102,340)</u>
Net cash provided by (used in) financing activities	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period	(206,186)	360,055
Cash and cash equivalents at the beginning of the reporting period	1,555,186	1,195,131
Cash and cash equivalents at the end of the reporting period (Note 2)	<u>1,349,000</u>	<u>1,555,186</u>
<u>Note 1</u>		
Net income/(expenditure) for the reporting period	1,329	379,921
Adjustments for:		
Depreciation	81,992	82,423
Loss on disposal of fixed assets	-	-
(Increase)/decrease in stocks	-	14
(Increase)/decrease in debtors	(274,181)	46,136
Increase/(decrease) in creditors	32,244	(46,099)
Net cash provided by (used in) operating activities	<u>(158,616)</u>	<u>462,395</u>
<u>Note 2</u>		
Analysis cash and cash equivalents		
Cash in hand	1,092,545	1,548,731
Notice deposits	256,455	6,455
Total cash and cash equivalents	<u>1,349,000</u>	<u>1,555,186</u>

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014; the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102); the Charities Act 2011; and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity constitutes a public benefit entity as defined by FRS102.

b) Going concern

The Charity is funded from a diverse number of sources, including charitable trusts, major private and corporate donors, fundraising events and donations from individuals, churches and other local organisations. As such, it is not reliant upon one source of income. Taking this into account together with the strength of the balance sheet and their review of performance against plan to date, the Trustees believe that, while uncertainty exists, there is no material uncertainty regarding the Charity's ability to continue as a going concern and consequently consider that the financial statements are appropriately prepared on such a basis.

c) Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is more likely than not that the charity will receive the resources and the monetary value can be measured with sufficient reliability.

d) Incoming resources

Donations and grants are included in the accounts when the general income criteria are met. When donors specify they are to be used for a future accounting period they are treated as deferred income. Fees received for courses commencing after the period end are also recognised as deferred income. Contributions, fees and tax recoverable from the Inland Revenue under the Gift Aid scheme are recognised on an accruals basis when there is a valid declaration from the donor.

e) Resources Expended

Expenditure is accounted for on an accruals basis, inclusive of VAT, which cannot be recovered. The majority of costs are attributable to specific charitable activities. Support costs include central functions and are allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by the time spent and other costs by their usage. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

f) Capitalisation and Depreciation

All fixed assets are initially recorded at cost.

Tangible fixed assets costing more than £500 are capitalised in the accounts.

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

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

Office Equipment – computers 50% straight line, other equipment 25% straight line

Motor Vehicles – 20% straight line

Fixtures & Fittings – 10% straight line

g) **Stocks**

Stocks held for resale are measured at the lower of cost or net realisable value.

h) **Pensions**

XLP contributes to a defined contribution pension scheme on behalf of employees the cost of which is disclosed in note 4 below.

i) **Funds accounting**

Funds held by the charitable company are:

Unrestricted general funds – funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Fixed Asset funds – funds committed to fixed assets as set out in note 15.

Restricted funds – funds that can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The nature and purpose of each fund is explained further in the notes to the financial statements.

j) **Operating Leases**

Rentals under operating leases are charged on a straight-line basis over the lease term.

k) **Taxation**

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) **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

m) **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.

n) **Donated goods and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

activities'. Where it is impractical to fair value the items due to the volume of low value items, they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

2. DONATIONS AND LEGACIES

	2022/23		
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	14,703	5,640	20,343
Donations from businesses	192,097	302,225	494,322
Other Donations	386,462	10,430	396,892
Grants for bus project	-	151,618	151,618
Capital Grants	-	50,000	50,000
Other grants	108,017	1,144,273	1,252,290
Total Donations and grants	<u>701,279</u>	<u>1,664,186</u>	<u>2,365,465</u>
Income from events	29,811	-	29,811
	<u><u>731,090</u></u>	<u><u>1,664,186</u></u>	<u><u>2,395,276</u></u>

Government grants totalled £446,130 of income; of this, £383,464 is included within restricted "Other grants" above whilst £62,666 is included within restricted "Grants for bus project".

2021/22 comparative figures:

	2021/22		
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	17,200	24,878	42,078
Donations from businesses	194,301	140,376	334,677
Other Donations	224,477	25,733	250,210
Grants for bus project	-	85,718	85,718
Capital Grants	-	129,000	129,000
Other grants	103,291	1,332,201	1,435,492
Total Donations and grants	<u>539,269</u>	<u>1,737,906</u>	<u>2,277,175</u>
Income from events	12,507	-	12,507
	<u><u>551,776</u></u>	<u><u>1,737,906</u></u>	<u><u>2,289,682</u></u>

Government grants totalled £189,628 of income; of this, £162,058 is included within restricted "Other grants" above and £1,800 is included within unrestricted "Other grants", whilst £25,770 is included within restricted "Grants for bus project".

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

3.

a) **INCOME FROM CHARITABLE ACTIVITIES**

			2022/23
	Unrestricted	Restricted	Total
	£	£	£
Training Fees	-	236	236
	<u>-</u>	<u>236</u>	<u>236</u>

2021/22 comparative figures:

			2021/22
	Unrestricted	Restricted	Total
	£	£	£
Training Fees	2,510	760	3,270
	<u>2,510</u>	<u>760</u>	<u>3,270</u>

b) **INCOME FROM TRADING ACTIVITIES**

			2022/23
	Unrestricted	Restricted	Total
	£	£	£
Speaking engagements	-	-	-
Sales & other contributions to costs	12,207	2,701	14,908
Rental Income	27,048	-	27,048
	<u>39,255</u>	<u>2,701</u>	<u>41,956</u>

2021/22 comparative figures:

			2021/22
	Unrestricted	Restricted	Total
	£	£	£
Speaking engagements	80	50	130
Sales & other contributions to costs	1,490	1,788	3,278
Rental Income	15,285	7,680	22,965
	<u>16,855</u>	<u>9,518</u>	<u>26,373</u>

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

4. STAFF COSTS

a) Employment Costs

2022/23

**Total
£**

Gross Pay	1,607,577
Pensions Contributions	32,889
Social Security costs (Employers National Insurance)	150,236
Other employee benefits	5,000
	<u>1,795,702</u>

- b) An average of 59 people were employed by the company during the year of which 7 were part-time.
- c) One employee received remuneration benefits of between £70,000 and £80,000. Total earnings of key management personnel was £82,783.
- d) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.
- e) Total termination payments amount to £5,000 (2022 - £Nil) and related to compensation for termination of employment of one member of staff.

2021/22 comparative figures:

f) Employment Costs

2021/22

**Total
£**

Gross Pay	1,287,432
Pensions Contributions	28,361
Social Security costs (Employers National Insurance)	122,757
	<u>1,438,550</u>

- g) An average of 49 people were employed by the company during the year of which 5 were part-time.
- h) One employee received remuneration benefits of between £60,000 and £70,000. Total earnings of key management personnel was £77,456.
- i) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

5. TAXATION

As a registered charity, the entity is entitled to those reliefs from taxation which are available to charities.

6. RAISING FUNDS

	Unrestricted	Restricted	2022/23
	£	£	£
Costs of generating donations			
Salaries	87,769	30,000	117,769
Other costs	17,915	-	17,915
	105,684	30,000	135,684
Fundraising event costs	26,196	-	26,196
	131,880	30,000	161,880

2021/22 comparative figures:

	Unrestricted	Restricted	2021/22
	£	£	£
Costs of generating donations			
Salaries	89,095	-	89,095
Other costs	12,763	-	12,763
	101,858		101,858
Fundraising event costs	9,214	-	9,214
	111,072		111,072

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

7. ANALYSIS OF COSTS OF CHARITABLE ACTIVITIES

	Community Projects	Training	Borough and other outreach work	2022/23
	£	£	£	£
Salaries	208,950	-	1,208,549	1,417,499
Bus and transport costs	58,712	-	82,606	141,318
Direct Project Costs	43,418	-	178,098	221,516
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	78,963	-	359,721	438,684
Governance Costs (note 9)	9,944	-	45,298	55,242
	399,987	-	1,874,272	2,274,259

2021/22 comparative figures:

	Community Projects	Training	Borough and other outreach work	2021/22
	£	£	£	£
Salaries	283,673	-	931,246	1,214,919
Bus and transport costs	49,006	-	69,218	118,224
Direct Project Costs	44,276	-	107,854	152,130
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	77,574	-	232,720	310,294
Governance Costs (note 9)	8,191	-	24,574	32,765
	462,720	-	1,365,612	1,828,332

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

8. SUPPORT COSTS

	Community Projects	Training	Borough and other outreach work	2022/23
	£	£	£	£
Salaries	42,990	-	195,848	238,838
Office Accommodation	12,336	-	56,196	68,532
IT Equipment and support	9,424	-	42,930	52,354
Office and admin costs	14,213	-	64,747	78,960
	78,963	-	359,721	438,684

2021/22 comparative figures:

	Community Projects	Training	Borough and other outreach work	2021/22
	£	£	£	£
Salaries	29,338	-	88,013	117,351
Office Accommodation	16,567	-	49,699	66,266
IT Equipment and support	11,717	-	35,152	46,869
Office and admin costs	19,952	-	59,856	79,808
	77,574	-	232,720	310,294

9. GOVERNANCE COSTS

	2022/23	2021/22
	£	£
Fees payable to auditor (note 10)	16,940	14,199
Legal Fees	1,906	1,381
Salaries	16,596	17,185
Consultancy Fees	19,800	-
	55,242	32,765

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

10. NET INCOME FOR THE PERIOD

	2022/23	2021/22
	£	£
This is stated after charging:		
Depreciation	81,992	82,423
Operating lease rentals	4,621	2,401
	86,613	84,824
Fee payable to auditor:		
Audit	10,450	9,000
Payroll Services	6,490	5,199
	16,940	14,199

11. TANGIBLE FIXED ASSETS

	Furniture & Fixtures	Motor Vehicles	Equipment	Total
	£	£	£	£
COST				
At 1 September 2022	16,224	457,083	108,035	581,342
Additions	-	36,000	11,570	47,570
Disposals	-	-	(12,280)	(12,280)
At 31 August 2023	16,224	493,083	107,325	616,632
DEPRECIATION				
At 1 September 2022	6,354	255,773	73,496	335,623
Charge for the year	1,622	54,039	26,331	81,992
Eliminated on disposal	-	-	(12,280)	(12,280)
At 31 August 2023	7,976	309,812	87,547	405,335
NET BOOK VALUE				
At 1 September 2022	9,870	201,310	34,539	245,719
At 31 August 2023	8,248	183,271	19,778	211,297

12. DEBTORS

	2022/23	2021/22
	£	£
Income tax recoverable under gift aid scheme	54,257	33,260
Other debtors	89,367	12,178
Prepayments and accrued income	243,035	67,040
	386,659	112,478

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

13. CREDITORS: amounts falling due within one year

	2022/23	2021/22
	£	£
PAYE and Social Security	39,181	32,817
Other creditors	33,422	36,793
Accruals and deferred income	291,835	262,584
	<u>364,438</u>	<u>332,194</u>

Accruals and deferred income includes deferred income of £281,835 all of which arose in the year (2021/22 - deferred income of £253,584). The income has been deferred at year end on the basis that money received in the current year relates to projects to be undertaken in future years.

14. RESTRICTED FUNDS

	1st September 2022	Income	Expenditure	Transfers between funds	Transfer to/(from) Unrestricted Fund	31st August 2023
	£	£	£	£	£	£
1 Bus project funds	-	180,768	180,768	-	-	-
2 Vehicle Capital Fund	23,100	99,943	-	-	36,000	87,043
3 Exclusion Reduction Programme	173,153	460,864	625,439	6,422	-	15,000
4 Mentoring funds	43,355	307,007	223,431	-	-	126,931
5 X-Mobile	47,247	-	-	(47,247)	-	-
6 Arts funds	72,253	74,622	143,638	47,247	3,773	46,711
7 Employability funds	259,550	198,773	286,198	6,898	-	179,023
8 Sports funds	36,218	123,620	138,171	-	-	21,667
9 Literacy & Numeracy	89,024	140,350	145,525	-	-	83,849
10 Impact Project (Capacity)	-	20,000	20,000	-	-	-
11 Other funds	25,450	61,176	59,277	(13,320)	-	14,029
	<u>769,350</u>	<u>1,667,123</u>	<u>1,822,447</u>	<u>-</u>	<u>39,773</u>	<u>574,253</u>

1. Bus project funds include a number of grants from trusts, companies, local authorities and local community organisations given for periods of up to three years for the operation of the Community Bus project. Larger donors to this work included the Garfield Weston Foundation, the London Borough of Newham/MOPAC, the National Lottery Community Fund and Tritax.

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2023

2. The Vehicle Capital Fund relates primarily to funds given by FINHUMF and HSBC UK towards the purchase and conversion of a new community bus during the year. The transfer of £36,000 to the fixed asset fund relates to the purchase of a bus due to enter service during 2023/24 (note 15).
3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches and individuals given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects. Larger donors this year included the National Lottery Community Fund, The Charity of Sir Richard Whittington, The Habdardashers' Company, Vanguard, The Stewarts Foundation and The Portal Trust.
4. Mentoring – includes both one-off and multi-year grants for the operation of the Mentoring programme, from organisations including the Greater London Authority, The Henry Smith Charity, the Lighthouse London Community Trust and the Sisters of the Holy Cross Charitable Trust.
5. X-Mobile – the X-Mobile project has always been closely linked to the Arts project, and it was decided to merge X-Mobile into Arts as the year began. Therefore the remaining funds were transferred to Arts, but continued to be restricted to the specific work of the X-Mobile van.
6. Arts Funds - funding from Universal Music, the London & Quadrant Housing Trust, the London Borough of Newham and others for projects that promote the practice and expression of performing arts.
7. Employability funds – towards our Ready to Work, Young Leaders, Job Creation and Youth Advisory Group programmes, including grants from the Citi Foundation, the Horlock Educational Trust, the City of London Corporation and others.
8. Sports Funds – to support sports projects including football sessions, gym sessions, a running club and a cycling club. Larger donors this year included StreetGames UK, the London Marathon Foundation, the London Borough of Newham/MOPAC and Fight for Peace.
9. Literacy & Numeracy – grants from trusts and companies including the Constable Educational Trust and The Charity of Sir Richard Whittington towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
10. Impact Project (Capacity) – the funding received and expended this year relates to the beginning of the overhaul of our impact recording database.
11. Other Funds – the transfers from this fund to the Exclusion Reduction Programme and Employability projects relate to a re-structuring of the camps. Snow Camp provides an opportunity for young people to receive training and pursue a career in winter sports training, so has been transferred to Employability. The other residential trips and camps are overseen by the youth workers within the Exclusion Reduction team.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

2021/22 comparative figures:

	1st September 2021	Income	Expenditure	Transfer to/(from) Unrestricted Funds	31st August 2022
	£	£	£	£	£
1 Bus project funds	-	163,957	163,957	-	-
2 Vehicle Capital Fund	750	129,000	-	106,650	23,100
3 Exclusion Reduction Programme	239,452	507,456	573,176	579	173,153
4 XL-Mentoring funds	3,355	224,436	184,436	-	43,355
5 X-Mobile	36,110	94,623	82,587	899	47,247
6 Arts funds	77,883	73,500	75,455	3,675	72,253
7 Employability funds	145,462	265,596	151,508	-	259,550
8 Sports funds	63,140	118,538	145,460	-	36,218
9 Literacy & Numeracy	30,026	130,569	71,571	-	89,024
10 Impact Project (Capacity)	-	-	-	-	-
11 Other funds	23,205	40,509	38,264	-	25,450
	619,383	1,748,184	1,486,414	111,803	769,350

1. Bus project funds include a number of grants from trusts, companies, local authorities and local community organisations given for periods of up to three years for the operation of the Community Bus project.
2. The Vehicle Capital Fund relates primarily to funds given towards the purchase and conversion of a new community bus during the year. The transfer of £106,650 to the fixed asset fund relates to the capitalisation of this expenditure (note 15).
3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches and individuals given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects.
4. Mentoring – includes both one-off and multi-year grants for the operation of the Mentoring programme, from organisations including The Henry Smith Charity, the Jerusalem Trust, The Hampstead and Wells Campden Trust, The Livingbridge Foundation and the Diocese of London.
5. X-Mobile - funding for the support of the X-Mobile project in London Boroughs, including from Universal Music, Vivendi, World Traders, Benefact Trust and the Ford Britain Trust.
6. Arts Funds - funding from Youth Music, Vivendi, Benefact Trust, the London Borough of Newham and others for projects that promote the practice and expression of performing arts.
7. Employability funds – towards our Ready to Work, Young Leaders, Job Creation and Youth Advisory Group programmes, including a significant three-year grant from the Citi Foundation and grants from the Horlock Educational Trust and the London Borough of Newham.
8. Sports Funds – including grants from Comic Relief, BBC Children in Need, London Youth and Fight for Peace, as well as a grant for a sports internship from the Jack Petchey Foundation.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

9. Literacy & Numeracy – grants from trusts and companies including the Constable Educational Trust and The Charity of Sir Richard Whittington towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
10. Impact Project (Capacity) – a project to develop increased capacity for recording and reporting on the impact of the work across the organisation. Whilst there were no funds received this year, this project will resume during the 2022/23 financial year.
11. Other Funds – includes funding towards other smaller projects including summer camps and Snow Camp.

15. UNRESTRICTED FUNDS

	1st September 2022	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	Transfer from General Fund	31st August 2023
	£	£	£	£	£	£
General Funds	568,362	-	191,075	39,773	-	799,210
Fixed Asset Funds	245,719	47,570	(81,992)	-	-	211,297
	<u>814,081</u>	<u>47,570</u>	<u>109,083</u>	<u>39,773</u>	<u>-</u>	<u>1,010,507</u>

The Fixed Asset Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles (including its community buses), fixtures and fittings, and office equipment. The funds are carried at the net book value of the fixed assets. There are no outstanding loans, or endowment funds used to finance their acquisition.

2021/22 comparative figures:

	1st September 2021	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	Transfer from General Fund	31st August 2022
	£	£	£	£	£	£
General Funds	405,705	-	98,234	111,803	(47,380)	568,362
Fixed Asset Funds	178,422	102,340	(82,423)	-	47,380	245,719
	<u>584,127</u>	<u>102,340</u>	<u>15,811</u>	<u>111,803</u>	<u>-</u>	<u>814,081</u>

The Fixed Asset Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles (including its community buses), fixtures and fittings, and office equipment. The funds are carried at the net book value of the fixed assets. There are no outstanding loans, or endowment funds used to finance their acquisition. The transfer from the General Fund to the Fixed Asset Fund represents the value at 1st September 2021 of non-vehicle assets that were transferred to this fund.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

16. COMMITMENTS UNDER OPERATING LEASES

At the year end, the charity had total commitments under non-cancellable operating leases as set out below.

	Total 2023	Total 2022
	£	£
Not later than 1 year	4,289	4,289
Later than 1 and not later than 5 years	9,371	11,467
Later than 5 years	-	2,193
	13,660	17,949

The charity has entered into agreements with the Church of England for the use of All Hallows on the Wall, London Wall. A formal lease agreement has not yet been completed.

17. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	2022/23 Total
	£	£	£
Restricted	-	574,253	574,253
Unrestricted			
- General Fund	-	799,210	799,210
- Fixed Asset Fund	211,297	-	211,297
	211,297	1,373,463	1,584,760

2021/22 comparative figures:

	Tangible fixed assets	Other net assets	2021/22 Total
	£	£	£
Restricted	-	769,350	769,350
Unrestricted			
- General Fund	-	568,362	568,362
- Designated Fund	245,719	-	245,719
	245,719	1,337,712	1,583,431

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2023**

18. RELATED PARTIES

The charity received donations without conditions from Trustees in the year of £13,046 (2022: £6,931). There were no other related party transactions that require disclosure under FRS102.

19. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

20. CONTROL

The Company is controlled by its members.

XLP

England & Wales - Charity number 1101095

Accounts



Annual Report and Accounts
For Year ended 31st August 2022

XLP, All Hallows-on-the-Wall, 83, London Wall, EC2M 5ND

XLP is a company limited by guarantee, registered in England,
number 4959458 and a registered charity number 1101095

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**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2022**

DETAILS OF THE CHARITY, TRUSTEES AND ADVISORS

Status

XLP is a charitable company limited by guarantee, registered in England, and incorporated in 2003. The company was registered as a charity in 2003.

XLP is also historically known as “The X L Project”.

Registered Charity Number	1101095
Registered Company Number	4959458
Registered Office	All Hallows-on-the-Wall 83 London Wall London EC2M 5ND
Trustees	Mr E F C Donaldson OBE Mr A D W Millar (until 06/07/2022) Mr N C Benton Miss E Yentumi Mrs S Douglas Mr K Brese (appointed 13/10/2021)
Chair	Mr E F C Donaldson OBE
Treasurer	Mr N C Benton
Secretary	Mr P J Wood
Chief Executive	Mr L O Watson
Bankers	HSBC Bank PLC 47 Rye Lane Peckham London SE15 5ET
Auditor	Edmund Carr LLP 146 New London Road Chelmsford Essex CM2 0AW

WELCOME FROM THE CHIEF EXECUTIVE OFFICER

It was heralded as the end of the pandemic, and yet the virus kept rearing its head. Moreover, it's clear that the social impacts of the pandemic will carry on for many years to come. Most noticeably, we see mental health challenges and thousands of young people having missed out on important schooling, who are now struggling to catch up. This was the impetus to launch our Tutoring project, aimed at helping young people catch up on missed literacy and numeracy skills. Indeed, it was the pandemic that helped us learn to be agile again and again.

Somewhere in amongst the restrictions that changed month on month, XLP marked its 25th anniversary; 25 years of standing with young people and communities who are often overlooked in society; 25 years of love, patience and consistency; 25 years of relational, trust-based, locally-focussed youth work. We are proud to have weathered the pandemic and other storms during that time, but we are prouder still of the changes we've seen in young people. Young people who will start without the privilege, networks and opportunities that many reading these accounts will have had. We believe in a world where all young people should start with the same opportunity, and yet we know that we are a long way off that as a society, so we focus on bridging those gaps and reducing the barriers that so many young people in London face.

As we look forward, we know the need for what we do will continue to grow. We see that as the cost of living crisis forces more families into poverty, and as financial crashes lead to spending cuts within the sector. For this very reason, we need to grow. Our ambition is to grow the number of young people we work with, grow the number of communities and schools we serve, and grow the impact we have in those spaces. The challenge as we scale will be to hang onto the hyper-local, personal, relational approach that is so important to success: understanding the context on the ground, knowing how different communities interact, being known and trusted in those communities.

I hope not to be talking about the pandemic this time next year. Rather, I hope we will be talking about the increased awareness of young people's struggles, of a narrowing educational opportunity gap, of more money being spent on London's youth. But whatever we might hope for, I know I will be talking of young people rising up with resilience, determination and conviction – often against the odds – and towards a better future.

To all those who have supported us in our 25 years and enabled these changes, we are enormously grateful. From the small beginnings in a church in Southwark to the 50-strong team in nine boroughs around London, we simply couldn't have done what we've done without the support, encouragement and generosity of individuals, churches, trusts, foundations, companies, and local government, and I am indebted as ever to all the staff at XLP who enable us to keep delivering life-changing youth work across London.

Luke Watson, Chief Executive Officer

OBJECTIVES AND ACTIVITIES

XLP was founded in 1996. Its charitable objects are set out in its governing document and these underpin its operational objectives. The trustees have paid due regard to the Charity Commission's guidance on public benefit when determining the activities of the charity.

XLP engages in long-term relationships to empower young people from the most disadvantaged backgrounds to complete their education and avoid anti-social behaviour, gangs and criminality, and ultimately to become positive contributors to their communities. We are working to create positive futures for young people living in our inner cities and to make a serious and sustainable impact upon poverty and educational failure.

The charity seeks to serve children and young people (approx. 10-20 years of age), primarily from inner-London estate communities, who are experiencing a range of life challenges and/or behavioural and educational difficulties. It does this through a portfolio of prevention, intervention and diversionary projects that are focussed on delivering the following outcomes:

- Children and young people with a raised sense of self-worth, self-esteem and increased educational achievement that helps them confidently and positively contribute to society;
- Children and young people with fresh goals and the desire to work hard to achieve them, with the ability to make wise lifestyle choices; and,
- Children and young people with positive attitudes and behaviour towards their communities: their families, peers, local residents, teachers and the police.

XLP works principally in the London boroughs of Southwark, Lewisham, Lambeth, Greenwich, Newham, Tower Hamlets, Islington, Camden and Hackney.

Over the past 12 months, we have worked with over 4,000 young people and their families on a one-to-one and small group basis, concentrating on building long-term, positive, trusted relationships.

It is these relationships that produce trust with young people, which in turn allows a belief that positive change is possible in what are very often difficult life circumstances. This progression of **Trust → Believe → Change** is foundational to what we do.

It takes time to foster trust. It takes a skilled youth worker to know when to encourage and when to challenge. It takes time for a young person to change their mindset and begin to believe in themselves. It needs that trust and belief to be in place for sustained change to happen.

We believe in building these relationships with young people, and creating multiple contexts and opportunities to deepen our engagement with them. Our theory of change is centred on such relationships. Regular and consistent engagement is not only shown to be the most

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2022

effective strategy in long term change, but also necessary for young people with multiple levels of disadvantage.

Our work through the year has continued to comprise a wide range of programmes including:

- A schools programme providing educational support, mentoring, specialist lessons and clubs, and a Literacy and Numeracy (LAN) project
- A communities programme carrying out ‘detached’ youth work on estates, including community bus drop-in sessions, sports and life-skills training, two mobile recording studios working with so called ‘hard-to-reach’ young people, and an arts project that trains in life skills and artistic performance
- A mentoring programme for those on the verge of exclusion or involvement in gangs
- An employability programme that supports young people into apprenticeships and further education by improving their work-readiness
- Summer camps and other outings
- Online youth work in response to restrictions surrounding the COVID crisis

XLP aims to provide multiple contact points with children and young people, working with them in their schools, their communities, and with their families. In this way, robust long-term relationships can be established between XLP youth workers and the children and young people they serve.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE

Overview

Outputs

	2021/22
Boroughs where we work	9
Estate communities where we work	19
Schools and Pupil Referral Units where we work	27
Total Young People (one-to-ones and small groups)	4,280
Regular Young People (one-to-ones and small groups)	1,334

- **94% of regular young people were involved in more than one XLP project**
- **52% of regular young people went on a trip with XLP**
- **76% sustained or improved their social and emotional skills**

Target Population and Indication of Need

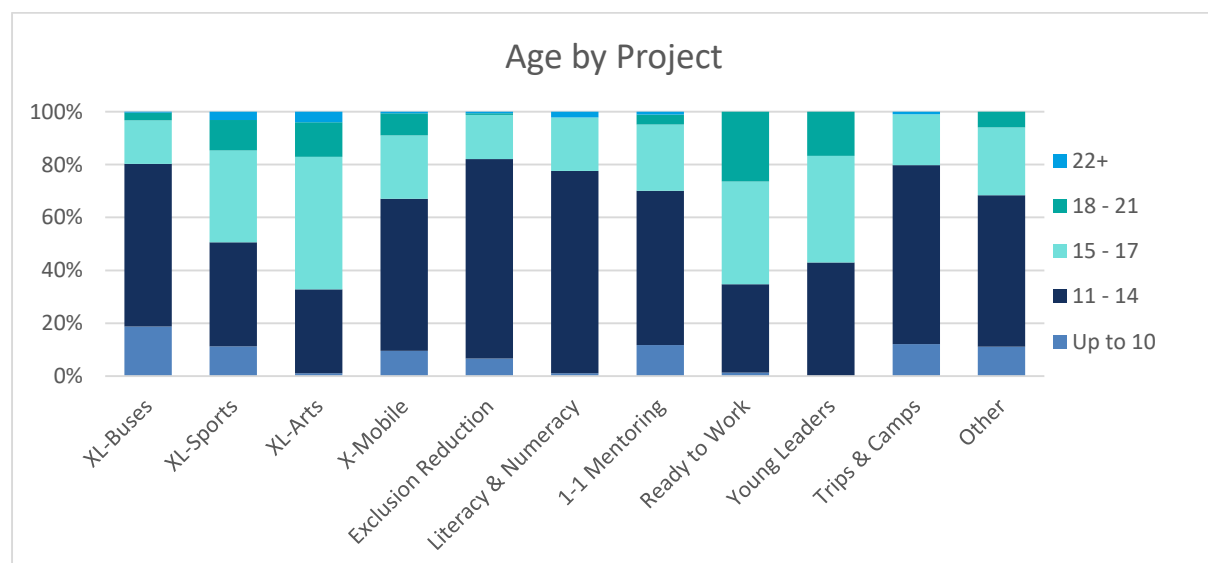
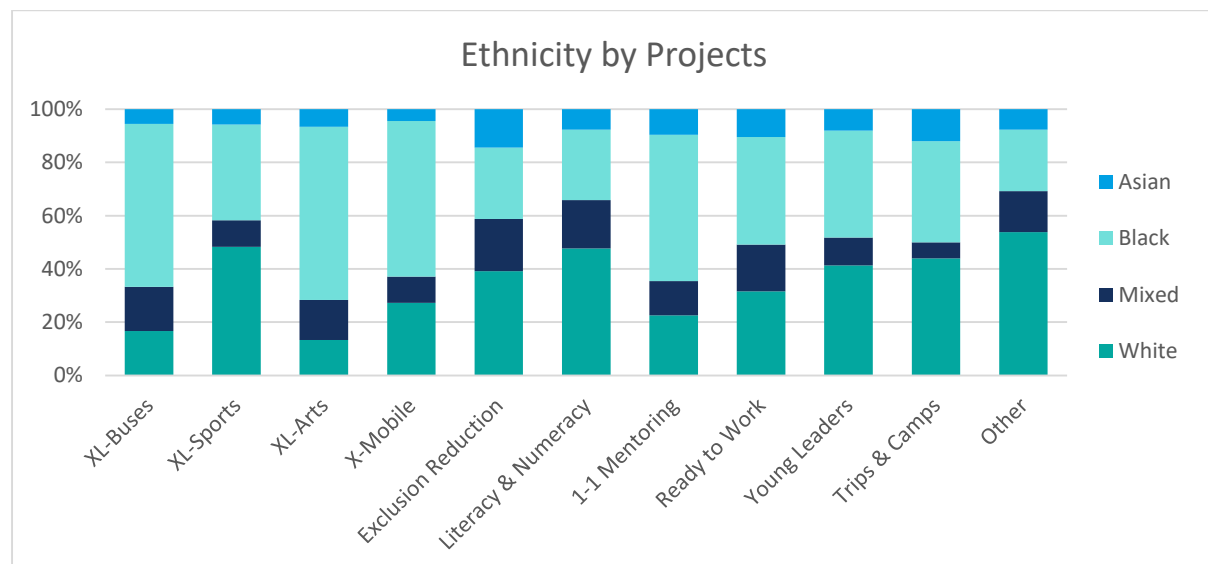
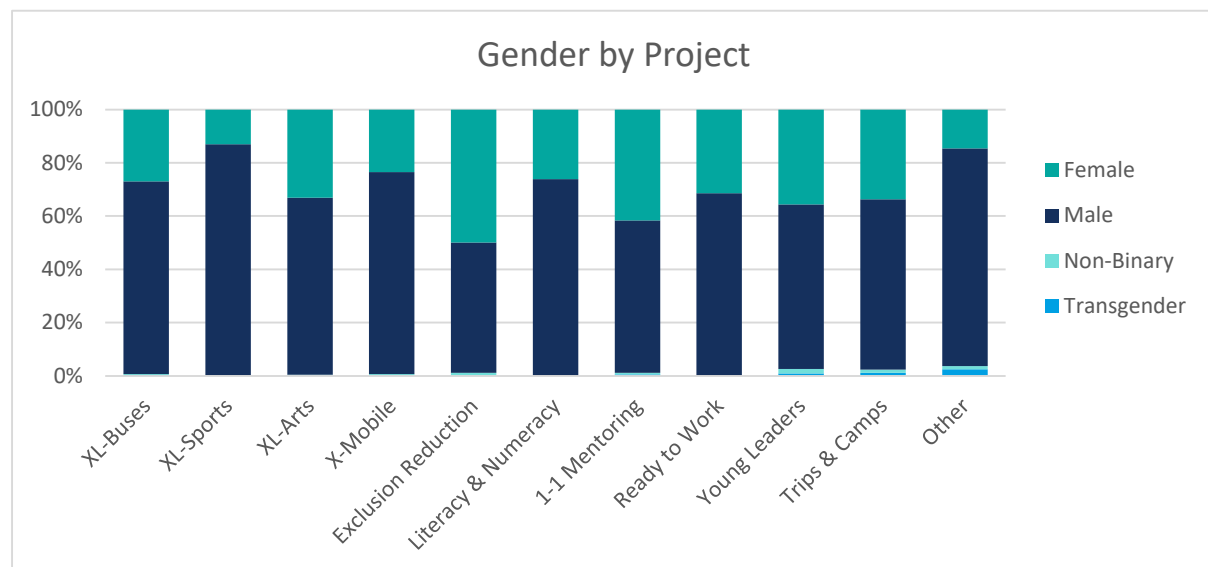
It is well documented that poverty, crime and insufficient access to education lead to worse outcomes for young people. Of course, there are exceptions, and at XLP's heart is a desire to create such exceptions in the lives of those we work with. The government compiles 'indices of multiple deprivation' for all postcodes in the UK every few years using various metrics. Whilst the indices are not designed to identify how deprived individuals are, they give an indication of the areas that the young people are living in, and as such, some of the challenges they are facing. By combining the data collected for young people that XLP works with and the government indices, we saw that:

- 77% are in the poorest 30% of areas
- 74% are in the worst 40% of areas affected by crime
- 64% are in the lowest 50% of access to education

In short, the majority of young people we work with come from areas of higher and highest need.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2022

Demographic Engagement



Achievements against key goals for 2021/2022

To rebuild the youth work capacity of the team as COVID restrictions are eased

- Some areas took longer to rebuild than others, but all are now beyond the capacity they were pre-pandemic. One of the challenges that has emerged from the pandemic is the need now to increase the number of volunteers again, as these dropped off during the two previous years.

To maximise opportunities under COVID restrictions to support young people and their communities

- XLP remained agile, innovative and committed throughout the pandemic and was able to continue all work in one way or another. There were also new opportunities that arose, such as the development of new outdoor projects, including a cycling and running club, that might not have happened without the enforced restrictions of the pandemic.

To build the infrastructure of the organisation as we begin to plan to scale and grow

- Fundraising, HR, Operations and Finance have all grown and seen important changes to processes and systems. We hired a Director of Operations as a new role, building capacity to manage these changes.

To continue to develop our impact management and measurement, ensuring that good output, outcome and impact data are available going forwards

- There were some significant wins, most notably the development of the database to ensure all activities were monitored within the one system. This is a considerable improvement on the status several years ago, when each project had one or more systems to capture data, and no way of communicating with one another. Not only are we able to gain new insight and data (for example, discovering that 94% of regular young people were involved in more than one project, and other facts listed above), but it also encourages projects to collaborate internally and provide a better service to young people. Another significant milestone was being invited to apply for funding specifically to build capacity in this area, which will be invaluable if successful as there remains plenty to be done.

To increase the value of our free reserves in order to maintain our free reserves above the three-month level as activity and expenditure increase, in order to give us a sustainable platform for future growth and increase our resilience in times of economic uncertainty

- We were able to increase the value of our free reserves from £358,325 to £568,362, representing an increase from 3.1 months to 3.7 months of charitable expenditure. This growth was significant in the light of the effects of COVID on the charity sector.

**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2022**

Report on Activities for the year

The Coronavirus pandemic and its restrictions were far fewer in the year 2021 to 2022, but a continued commitment to making quick decisions, learning from previous restrictions, and to doing whatever we could to keep the work going with young people ensured we were able to keep working with those considered most vulnerable. This year did not see as strict lockdown recommendations as the previous year, although there was an ongoing balance required to decide between the physical, mental and emotional needs of the young people and their communities generally and the specific risks associated with Covid and proximity to others.

The table below shows activities carried out during the year across the projects, which were impacted by lockdown restrictions to differing degrees. As noted last year, we now measure regular attendees as a more meaningful reflection of those with whom we have an impact.

Project	Total Attendees	Regular Attendees	1-1 Sessions	Group Sessions	Total Sessions
Buses	1659	400	119	528	647
Sports	1640	357	218	658	876
Arts	855	139	75	112	187
X-Mobile	220	44	42	106	148
Exclusion Reduction	437	189	1026	317	1343
Literacy & Numeracy	145	89	50	160	210
1-1 Mentoring	200	41	657	17	674
Ready to Work	99	30	120	66	186
Young Leaders	121	45	135	67	202

Communities Programme

Bus Project

We have a fleet of three custom built double decker buses and two vans that have been converted to create bespoke mobile youth centres with games consoles, recording studios, craft and play areas, kitchen facilities and more to help engage and build relationship with young people aged 11-18. These vehicles enable detached youth work where the team delivers high-quality relationship-focused youth work connecting to some of the hardest to reach young people in London. This year, we added a third bus with modern facilities that have helped us reach more young people and give them a sense of ownership and a safe space to meet peers and adults. By using mobile youth centres over building-based ones allows us to go where the need is greatest and offer provision in areas where it is otherwise missing or in need of more.

In the year ahead, we hope to grow from 19 to 22 projects, helping us reach and build relationships with more young people and offer an environment that young people want to come to, engage in and find hope through trusted relationships. We also hope to build our volunteer team particularly now COVID restrictions are over, to ensure consistency of relationship and open up even greater diversity of opportunity for young people.

Sports Project

The sports project delivers weekly two-hour football training sessions to groups of young people, together with additional tournaments, targeted one-to-one mentoring, and additional matches with the XLP 11-a-side team (created to support young people struggling to find further sporting opportunities, or facing unemployment and educational failure).

The sessions aim to challenge attitudes and behaviours, encourage working positively with others, help set goals (with guidance on how to achieve them), and create an alternative to gangs, crime and anti-social behaviour. A further aim is to help young people to train as FA Level 1 Coaches, and encourage them to volunteer as coaches or sessional youth workers with XLP. Last year’s 20-year-old football coach went on to get a job as first team coach for a semi-professional team.

Arts Project

The Arts project is focused on discovering, developing and delivering artistic talent with a wide range of young people, through a variety of art forms and groups as well using our fixed studio space and mobile studio (X-mobile) vans. It requires excellent youth work skills combined with specific music production technical competency. On a given afternoon, a youth worker might be helping a young person to express themselves by recording the lyrics in a recording booth to seeing over 100 people join an open mic session where young people are performing and experimenting with new material they have produced.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2022

As we look forwards, we hope to create more career opportunities for young people, to develop a pool of young professionals who can train other young people in schools and communities, and to explore more art forms, such as fashion, art, film, theatre and dance.

Schools Programme

Exclusion Reduction Project

The XLP schools team works in over 27 schools and alternative provision establishments. We engage with students on the verge of exclusion, faced with complex external pressures such as the effects of poverty, broken relationships, domestic violence, peer pressure, mental health, abuse, gangs, and a lack of self-value. These issues are tackled through a trauma-informed approach and by delivering exclusion reduction sessions, both individually and in a group context. Alongside this, we prioritise journeying with schools for the long term with the aim of being embedded in a school's culture and foundation. School is such a formative place and stage for so many young people, and it is part of the XLP approach to try to see young people in multiple settings, including their community, their home and their place of education.

Literacy and Numeracy Project

The Literacy and Numeracy (LAN) project currently works in five schools, with the aim to grow to 12 schools in the year ahead. There are two main elements to the project:

1. Group tutoring lessons led by XLP youth workers within schools for young people in years 7 to 9 using our SAFMEDS (Say-All-Fast-Minute-Every-Day-Shuffled) approach. This precision teaching tool helps us to identify weaknesses in a child's learning and support them in different areas.
2. One-to-one tutoring led by trained volunteer tutors who are matched with young people working towards their GCSE's. These young people fit into four cohorts: those working towards resitting exams between September and December; those studying for their Mock exams; those studying towards summer GCSE's; and summer tuition for those preparing to start their GCSE year. Young people receive one hour of tuitions per week with the goal of helping them to raise their predicted grades and pass their GCSE's.

Mentoring Programme

Mentoring provides young people with a consistent adult supporter, advisor and role model. One-to-one mentoring provides relational, tailored support to young people who are disengaged from education, who struggle with their confidence and wellbeing, and who want help making positive choices for their future. Over the last year, as we've come out of the pandemic, we have worked with a greater number of young people with anxiety concerns

that have been exacerbated by lockdowns and disruption. Mentoring has helped to rebuild their confidence, enabling them to re-engage with education, with society, and attend activities and build friendships.

Young people are referred to XLP’s community mentoring programme through schools, statutory services and health services. We have capacity to match 80 young people a year with a volunteer mentor from their local community, who offers weekly support for the year. Mentoring sessions usually consist of visiting local cafés, parks and local attractions – to have fun, build connection, support their education and expand their worldview. Once a year, all mentors and mentees go away for a weekend residential to help cement their relationships and this is often a place of real breakthrough.

Employability Programme

The employability project is made up of two distinct projects, both with the objective of reducing the number of NEET (not in education, employment or training) young people:

1. Young Leaders

This project focusses on those still in education (or who should be) and are at risk of becoming NEET when they turn 16. Given the nature of the young people we work with and some of those who will be furthest from the job market and will struggle to find work when they are older, it is not enough to start such projects at 18. As such, the Young Leaders groups are aimed at building life skills and supporting young people to improve their chances of staying in school and/or getting and keeping employment. Many of these skills gained are so-called soft skills (e.g., confidence, self-awareness, teamwork), whilst others revolve around the very tangible things required to get into work (e.g., phone credit, a CV, suitable clothing for interviews).

2. Ready to Work

The project runs over six weeks and aims to build similar skills to the Young Leaders project. After the initial course, young people receive support for up to a year.

Apprentices

XLP also runs an apprenticeship training year focussed on urban youth and community work, together with project-specific training. It sits within the Employability Programme as it is aimed at young people we have engaged previously to gain the skills needed to enter employment after the year of training. Apprentices work towards a level 2 youth work qualification and are aged between 18 and 25; they would otherwise be NEET.

The year not only helps young people as they enter the job market, but also enables them to use their skills, experience and cultural cachet with the young people just a few years younger.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2022

It is noticeable how much their younger peers look up to them, and how much this in itself can transform their own attitudes and sense of identity and confidence to work. The year has the added benefit of creating a pipeline of youth workers as we hope that some will be interested and competent enough at the end of the year to apply for a job with XLP.

In 2021/22, four apprentices joined the XLP team, together with two staff through the Government’s Kickstart scheme and one through Jack Petchey’s internship programme. To date, apprentices have typically joined the Sports or Arts projects, but we hope to grow the project to ten apprentices in 2022/23 covering a wider breadth of projects.

Other

Summer camps and outings

During 2021-22 we ran 11 residential trips for 148 young people. These trips help young people to broaden their horizons, visit new places and create lifelong memories, whilst also giving building strong and positive relationships with trusted youth workers. It is often on such trips that transformational moments are seen, with real breakthrough across the ages.

A survey of young people we work with highlighted the importance of these trips and showed it to be the main thing they would like to see us doing more.

Training

In addition, XLP participates in three-year degree programmes providing qualifications in Theology and Youth Ministry. The XLP degree students on these programmes fulfilled the practical parts of their courses by working on XLP projects that also provide additional continuity within the teams.

Youth Advisory Group

This group is made up of past and current beneficiaries from across XLP, aged from 16 upwards. New members are selected by the group annually, with old members leaving to make space for new. It meets monthly to discuss XLP and offer feedback and suggestions for improvements of projects and make a significant contribution to the work of XLP. The group receives leadership training and mentoring support to develop confidence and listening skills.

FINANCIAL AND RISK REVIEW

Income and Expenditure

Total Income received for the year was £2,319,325, £274,689 (13%) higher than £2,044,636 for 2021 despite once again cancelling our fundraising dinner in the light of ongoing COVID risks.

The main sources of voluntary income for the period are set out in Note 2. The charity is hugely grateful to all its donors.

Expenditure of £1,939,404 showed a significant increase of £438,393 (29%) from £1,501,011 for 2021. This increase reflects both our ability to return to much of our normal levels of activity and that we were able to increase the size of our team by 20% across the year, restarting work in some areas that we had stopped whilst also filling some gaps in teams that had been left empty due to the limits on activity during the pandemic.

This performance resulted in restricted funds increasing to £769,350 (2021: £619,383) and free reserves increasing to £568,362 (2021: £358,325). The increase in restricted funds primarily results from success in funding our Employability projects, including funding to increase the number of young people able to join our apprenticeship programme. We also received some funds late in the year that will be carried over and utilised in the coming year.

Donations and other fundraised income of £2,289,682 increased by 18% from £1,933,724 in 2021. Non-bus grants increased by £164,344 (from £1,271k to £1,435k) and donations from businesses increased by £29,230 (from £305k to £335k). Other donations increased by £86,534 (from £164k to £250k); this is a significant reversal of the £137k decrease of the previous year and reflects our use of new online giving platforms and an increased ability for supporters to take part in sponsored events. Grants for the running of the bus project decreased by £36,361, however capital grants of £129,000 allowed us to complete the conversion of a new bus during the year, which was launched in August 2022. Donations from churches and were down by £6,834 and income from events was reduced by £3,455.

XLP does not use a professional fundraising service and has not received any complaints from donors regarding our fundraising activities.

Our principal expenditure is staff costs. In the last twelve months these increased by nearly 25%, in line with the planned increases in the size of the staff team through the year. We expect staff costs to continue to rise over the next 12 months at a similar rate as we continue to grow our team to increase project delivery in line with expected increased income.

The costs of running our projects also increased significantly this year through a combination of the ending of most COVID restrictions and our capacity to deliver more youth work. The costs of running our community vehicles increased as we were able to fully utilise our buses once more.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2022

Our fundraising ratio remained at 5% of the total of voluntary income and activities for generating funds. We expect this to return to 7-10% in future years. Support costs increased by 10% as set out in Note 8.

Balance Sheet

Fixed assets increased slightly to £245,719, as a result of the conversion of our newest community bus. Each of the other vehicles owned has a continuing useful life and the carrying value is therefore considered by the trustees to be prudent.

Current assets largely comprise cash on deposit. As the base rate has now risen, we are taking steps to ensure we achieve an appropriate interest rate on deposited cash. Debtors largely relate to accrued income that related to the financial year but was received post year-end. The main “creditor” is deferred income of £253,584 representing grants given in 2021/22 for work that will take place in the next financial year.

Reserves Policy

The policy aims to establish free reserves at a level to cover at least three months of charitable expenditure. At year end, free reserves of £568,362 represented 3.7 months of cover, an increase from 3.1 months in 2021. This is a continuation of the growth that has taken place since 2019 despite challenging circumstances, and as the charity continues to increase its activity (and thus expenditure), we will seek to grow the value of free reserves in the coming year in order to maintain the three-month reserve position.

In addition to the free reserves, the charity also holds restricted funds of £769,350 and a fixed asset fund of £245,719, giving total funds of £1,583,431 at 31 August 2022.

Going Concern

The trustees have reviewed the outturn for the year particularly noting the increased levels of both restricted and unrestricted reserves, along with the progress made against the approved budget for 2022/23. Following this and the review of our funding position going forward, the trustees have a reasonable expectation that the charity will have sufficient resources to meet its liabilities as they fall due for the foreseeable future. The trustees therefore consider it appropriate for the accounts to be signed on a going concern basis.

**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2022**

Risk Review

The trustees conduct an annual review of the major risks to which the charity is exposed and the controls established to mitigate those risks. In addition to the risks associated with the impact of COVID, the trustees consider that the most significant current risks to XLP relate to lack of funding, loss of key personnel and safeguarding with the attendant reputational risks.

The charity's funding strategy encourages a diversification of funding sources whilst continuing to expand the funding base for the charity. Funding is received from charitable trusts, major private and corporate donors, fundraising events and donations from churches and individuals, and during this period, from the Government through the furloughing scheme.

Senior managers cover the core areas of the organisation (youth work, safeguarding, impact, culture, finances and fundraising) and provide support to the Chief Executive Officer as well as continuity in times of absence.

The safeguarding policy and procedures of the Charity are reviewed by the trustees, senior management and the Chief Executive Officer. Trustees are updated regularly at Board meetings on safeguarding matters. All staff are trained annually in safeguarding and training is provided for mentors and other volunteers including Trustees.

PLANS FOR FUTURE PERIODS

The charity plans to continue its present activities in future years, and to add activities as resources permit. Our focus during 2022/23 will remain upon the activities in our existing boroughs with young people, whilst delving deeper into impact management and preparing for growth.

Key goals for 2022/23 are:

- To grow the youth work towards the stated goal of every project operating in every borough
- To develop greater diversity within the senior leadership
- To build the infrastructure of the organisation as we begin to plan to scale and grow
- To continue to develop our impact management and measurement, ensuring that good output, outcome and impact data are available going forwards, in particular with an overhaul of our database using the lessons learned from the last few years
- To increase our fundraising events, which had largely had to stop since the start of the pandemic
- To increase the value of our free reserves to maintain our free reserves above the three-month level as activity and expenditure increase, in order to give us a sustainable platform for future growth and increase our resilience in times of economic uncertainty

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was established under a Memorandum of Association and is governed under its Articles of Association.

Trustees

Trustees are appointed with reference to relevant skills, diversity and XLP's values. Under the Articles, new trustees are appointed by the Board of Trustees and one third of the members of the Board (the longest serving) retire each year, but are eligible to be re-appointed if still qualified.

New trustees go through an induction process and receive trustee training as appropriate.

The trustees schedule four quarterly meetings a year and hold further meetings during the year as required. During the financial period, the trustees met as a Board seven times.

Organisational Structure

The organisation is led by the Board of Trustees, which oversees and monitors the work of XLP and makes decisions on overarching issues such as vision and long-term strategy, and agrees the budget in conjunction with the Chief Executive (CEO).

The oversight of the day-to-day work of XLP is delegated to the senior managers and led by the CEO. The trustees appoint a small committee of trustees to agree the remuneration of the CEO and other senior staff. Operations (youth work) and Support Services (office) teams meet regularly and take responsibility for XLP's day-to-day operations and service delivery.

Co-operation with Other Organisations

XLP works in association and partnership with a number of local organisations, in furtherance of its charitable purposes. These include schools, Pupil Referral Units and other Alternative Provision establishments, London Borough Councils, Youth Offending Teams, various Housing and Tenants' Associations, the Police, Police Community Support Officers, Safer Neighbourhood Teams, together with other local charities. XLP also works with a number of youth work organisations and churches across London.

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The trustees (who are also directors of XLP for the purposes of company law) are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments 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 assume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity’s governing document, the Charities Act 2011 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 published on 16 July 2014.

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

**XLP – TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2022**

Approved by the Trustees on 24th May 2023 and signed on their behalf by:

Edward Donaldson

Mr E F C Donaldson OBE (Chair)

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2022

Opinion

We have audited the financial statements of XLP (the ‘charitable company’) for the year ended 31 August 2022 which comprise the Statement of Financial Activities, Balance Sheet Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 trustees’ 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

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2022

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees’ report; or
- the charitable company has not kept adequate accounting records; 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 set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2022

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows;

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We assessed the susceptibility of the company’s financial statements to material misstatement, including obtaining an understanding of how fraud might occur by;

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud
- Considering the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation
- Reading the minutes of meetings of those charged with governance
- Enquiring of management as to actual and potential litigation and claims.

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2022

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

**XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP
FOR THE YEAR ENDED 31ST AUGUST 2022**

by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Edmund Carr LLP

EDMUND CARR LLP

Statutory Auditor

146 New London Road

Chelmsford

Essex

CM2 0AW

Date: 24 May 2023

Edmund Carr LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**XLP – STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST AUGUST 2022**

STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted	Restricted	2021/22 Total	2020/21 Total
	Note	£	£	£	£
Income from:					
Donations and other fundraised income	2	551,776	1,737,906	2,289,682	1,933,724
Investment income – bank interest		-	-	-	6
Charitable Activities	3a	2,510	760	3,270	615
Other trading activities	3b	16,855	9,518	26,373	26,077
HMRC Job Retention Scheme		-	-	-	84,214
Total Income		571,141	1,748,184	2,319,325	2,044,636
Expenditure on:					
Raising Funds	6	111,072	-	111,072	101,148
Charitable Activities	7,8,9	341,918	1,486,414	1,828,332	1,399,863
Total Expenditure		452,990	1,486,414	1,939,404	1,501,011
Net income/(expenditure)		118,151	261,770	379,921	543,625
Transfers between funds	14	111,803	(111,803)	-	-
Net movement in funds		229,954	149,967	379,921	543,625
Reconciliation of Funds					
Total Funds brought forward		584,127	619,383	1,203,510	659,885
Total Funds carried forward		814,081	769,350	1,583,431	1,203,510

The statement of financial activities includes all gains and losses in the year.

**XLP – BALANCE SHEET
AS AT 31ST AUGUST 2022**

BALANCE SHEET

			31st August 2022	31st August 2021
	Note	£	£	£
Fixed Assets				
Tangible Assets	11		245,719	225,802
Current Assets				
Stock		2,242		2,256
Debtors	12	112,478		158,614
Cash at bank and in hand		1,555,186		1,195,131
		<u>1,669,906</u>		<u>1,356,001</u>
Current Liabilities				
Creditors: amounts falling due within one year	13	332,194		378,293
		<u></u>		<u></u>
Net Current Assets			<u>1,337,712</u>	<u>977,708</u>
Net Assets			<u>1,583,431</u>	<u>1,203,510</u>
Funds of the Charity				
Restricted Income Funds	14		769,350	619,383
Unrestricted General Funds	15		568,362	405,705
Unrestricted Fixed Asset Funds	15		245,719	178,422
Total Charity Funds			<u>1,583,431</u>	<u>1,203,510</u>

For the year ending 31st August 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the board on 24th May 2023 and signed on its behalf by

Edward Donaldson

Mr E F C Donaldson OBE (Chair)

Company Registration no. 4959458

**XLP – STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2022**

STATEMENT OF CASH FLOWS

	2021/22	2020/21
	£	£
<u>Cash flows from operating activities</u>		
Net cash provided by (used in) operating activities (Note 1)	462,395	538,597
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	(102,340)	(190,212)
Net cash provided by (used in) investing activities	(102,340)	(190,212)
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	360,055	348,385
Cash and cash equivalents at the beginning of the reporting period	1,195,131	846,746
Cash and cash equivalents at the end of the reporting period (Note 2)	1,555,186	1,195,131
<u>Note 1</u>		
Net income/(expenditure) for the reporting period	379,921	543,625
Adjustments for:		
Depreciation	82,423	59,214
Loss on disposal of fixed assets	-	-
(Increase)/decrease in stocks	14	28
(Increase)/decrease in debtors	46,136	(67,918)
Increase/(decrease) in creditors	(46,099)	3,648
Net cash provided by (used in) operating activities	462,395	538,597
<u>Note 2</u>		
Analysis cash and cash equivalents		
Cash in hand	1,548,731	1,188,676
Notice deposits	6,455	6,455
Total cash and cash equivalents	1,555,186	1,195,131

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014; the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102); the Charities Act 2011; and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity constitutes a public benefit entity as defined by FRS102.

b) Going concern

The Charity is funded from a diverse number of sources, including charitable trusts, major private and corporate donors, fundraising events and donations from individuals, churches and other local organisations. As such it is not reliant upon one source of income. Taking this into account together with the strength of the balance sheet and their review of performance against plan to date, the Trustees believe that, while uncertainty exists, there is no material uncertainty regarding the Charity's ability to continue as a going concern and consequently consider that the financial statements are appropriately prepared on such a basis.

c) Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is more likely than not that the charity will receive the resources and the monetary value can be measured with sufficient reliability.

d) Incoming resources

Donations and grants are included in the accounts when the general income criteria are met. When donors specify they are to be used for a future accounting period they are treated as deferred income. Fees received for courses commencing after the period end are also recognised as deferred income. Contributions, fees and tax recoverable from the Inland Revenue under the Gift Aid scheme are recognised on an accruals basis when there is a valid declaration from the donor.

e) Resources Expended

Expenditure is accounted for on an accruals basis, inclusive of VAT, which cannot be recovered. The majority of costs are attributable to specific charitable activities. Support costs include central functions and are allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by the time spent and other costs by their usage. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

f) Capitalisation and Depreciation

All fixed assets are initially recorded at cost.

Tangible fixed assets costing more than £500 are capitalised in the accounts.

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

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

Office Equipment – computers 50% straight line, other equipment 25% straight line

Motor Vehicles – 20% straight line

Fixtures & Fittings – 10% straight line

g) **Stocks**

Stocks held for resale are measured at the lower of cost or net realisable value.

h) **Pensions**

XLP contributes to a defined contribution pension scheme on behalf of employees the cost of which is disclosed in note 4 below.

i) **Funds accounting**

Funds held by the charitable company are:

Unrestricted general funds – funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Fixed Asset funds – funds committed to fixed assets as set out in note 15.

Restricted funds – funds that can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The nature and purpose of each fund is explained further in the notes to the financial statements.

j) **Operating Leases**

Rentals under operating leases are charged on a straight-line basis over the lease term.

k) **Taxation**

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.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

2. DONATIONS AND OTHER FUNDRAISED INCOME

			2021/22
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	17,200	24,878	42,078
Donations from businesses	194,301	140,376	334,677
Other Donations	224,477	25,733	250,210
Grants for bus project	-	85,718	85,718
Capital Grants	-	129,000	129,000
Other grants	103,291	1,332,201	1,435,492
Total Donations and grants	<u>539,269</u>	<u>1,737,906</u>	<u>2,277,175</u>
Income from events	12,507	-	12,507
	<u><u>551,776</u></u>	<u><u>1,737,906</u></u>	<u><u>2,289,682</u></u>

Government grants totalled £189,628 of income; of this, £162,058 is included within restricted “Other grants” above and £1,800 is included within unrestricted “Other grants”, whilst £25,770 is included within restricted “Grants for bus project”.

2020/21 comparative figures:

			2020/21
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	15,001	33,911	48,912
Donations from businesses	143,501	161,946	305,447
Other Donations	157,103	6,573	163,676
Grants for bus project	-	122,079	122,079
Capital Grants	-	6,500	6,500
Other grants	197,526	1,073,622	1,271,148
Total Donations and grants	<u>513,131</u>	<u>1,404,631</u>	<u>1,917,762</u>
Income from events	15,962	-	15,962
	<u><u>529,093</u></u>	<u><u>1,404,631</u></u>	<u><u>1,933,724</u></u>

Government grants totalled £209,981 of restricted income; of this, £122,108 is included within “Other grants” above, whilst £87,873 is included within “Grants for bus project”.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

3.

a) INCOME FROM CHARITABLE ACTIVITIES

			2021/22
	Unrestricted	Restricted	Total
	£	£	£
Training Fees	2,510	760	3,270
	<u>2,510</u>	<u>760</u>	<u>3,270</u>

2020/21 comparative figures:

			2020/21
	Unrestricted	Restricted	Total
	£	£	£
Training Fees	219	396	615
	<u>219</u>	<u>396</u>	<u>615</u>

b) INCOME FROM TRADING ACTIVITIES

			2021/22
	Unrestricted	Restricted	Total
	£	£	£
Speaking engagements	80	50	130
Sales & other contributions to costs	1,490	1,788	3,278
Rental Income	15,285	7,680	22,965
	<u>16,855</u>	<u>9,518</u>	<u>26,373</u>

2020/21 comparative figures:

			2020/21
	Unrestricted	Restricted	Total
	£	£	£
Speaking engagements	50	-	50
Sales & other contributions to costs	24,578	249	24,827
Rental Income	1,200	-	1,200
	<u>25,828</u>	<u>249</u>	<u>26,077</u>

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

4. STAFF COSTS

a) Employment Costs

2021/22

**Total
£**

Gross Pay	1,287,432
Pensions Contributions	28,361
Social Security costs (Employers National Insurance)	122,757
	<u>1,438,550</u>

- b) An average of 49 people were employed by the company during the year of which 5 were part-time.
- c) One employee received remuneration benefits of between £60,000 and £70,000. Total earnings of key management personnel was £77,456.
- d) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.

2020/21 comparative figures:

e) Employment Costs

2020/21

**Total
£**

Gross Pay	1,033,885
Pensions Contributions	22,601
Social Security costs (Employers National Insurance)	95,843
	<u>1,152,329</u>

- f) An average of 40 people were employed by the company during the year of which 7 were part-time.
- g) One employee received remuneration benefits of between £60,000 and £70,000. Total earnings of key management personnel was £75,208.
- h) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

5. TAXATION

As a registered charity, the entity is entitled to those reliefs from taxation which are available to charities.

6. RAISING FUNDS

	Unrestricted	Restricted	2021/22
	£	£	£
Costs of generating donations			
Salaries	89,095	-	89,095
Other costs	12,763	-	12,763
	101,858		101,858
Fundraising event costs	9,214	-	9,214
	111,072		111,072

2020/21 comparative figures:

	Unrestricted	Restricted	2020/21
	£	£	£
Costs of generating donations			
Salaries	95,923	-	95,923
Other costs	4,925	-	4,925
	100,848		100,848
Fundraising event costs	300	-	300
	101,148		101,148

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

7. ANALYSIS OF COSTS OF CHARITABLE ACTIVITIES

	Community Projects	Training	Borough and other outreach work	2021/22
	£	£	£	£
Salaries	283,673	-	931,246	1,214,919
Bus and transport costs	49,006	-	69,218	118,224
Direct Project Costs	44,276	-	107,854	152,130
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	77,574	-	232,720	310,294
Governance Costs (note 9)	8,191	-	24,574	32,765
	462,720	-	1,365,612	1,828,332

2020/21 comparative figures:

	Community Projects	Training	Borough and other outreach work	2020/21
	£	£	£	£
Salaries	111,101	-	759,127	870,228
Bus and transport costs	34,260	3,000	59,296	96,556
Direct Project Costs	28,183	2,902	85,949	117,034
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	45,288	1,540	236,003	282,831
Governance Costs (note 9)	5,318	181	27,715	33,214
	224,150	7,623	1,168,090	1,399,863

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

8. SUPPORT COSTS

	Community Projects	Training	Borough and other outreach work	2021/22
	£	£	£	£
Salaries	29,338	-	88,013	117,351
Office Accommodation	16,567	-	49,699	66,266
IT Equipment and support	11,717	-	35,152	46,869
Office and admin costs	19,952	-	59,856	79,808
	77,574	-	232,720	310,294

2020/21 comparative figures:

	Community Projects	Training	Borough and other outreach work	2020/21
	£	£	£	£
Salaries	27,199	925	141,742	169,866
Office Accommodation	8,127	276	42,350	50,753
IT Equipment and support	2,705	92	14,095	16,892
Office and admin costs	7,257	247	37,816	45,320
	45,288	1,540	236,003	282,831

9. GOVERNANCE COSTS

	2021/22	2020/21
	£	£
Fees payable to auditor (note 10)	14,199	16,890
Legal Fees	1,381	13
Salaries	17,185	16,311
	32,765	33,214

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

10. NET INCOME FOR THE PERIOD

	2021/22	2020/21
	£	£
This is stated after charging:		
Depreciation	82,423	59,214
Fee payable to auditor:		
Audit	9,000	8,800
Payroll Services	5,199	8,090
	14,199	16,890

11. TANGIBLE FIXED ASSETS

	Furniture & Fixtures	Motor Vehicles	Equipment	Total
	£	£	£	£
COST				
At 1 September 2021	16,224	381,669	105,510	503,403
Additions	-	75,414	26,926	102,340
Disposals	-	-	(24,401)	(24,401)
At 31 August 2022	16,224	457,083	108,035	581,342
DEPRECIATION				
At 1 September 2021	4,732	203,247	69,622	277,601
Charge for the year	1,622	52,526	28,275	82,423
Eliminated on disposal	-	-	(24,401)	(24,401)
At 31 August 2022	6,354	255,773	73,496	335,623
NET BOOK VALUE				
At 1 September 2021	11,492	178,422	35,888	225,802
At 31 August 2022	9,870	201,310	34,539	245,719

12. DEBTORS

	2021/22	2020/21
	£	£
Income tax recoverable under gift aid scheme	33,260	11,731
Other debtors	12,178	11,716
Prepayments and accrued income	67,040	135,167
	112,478	158,614

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

13. CREDITORS: amounts falling due within one year

	2021/22	2020/21
	£	£
PAYE and Social Security	32,817	28,406
Other creditors	36,793	45,824
Accruals and deferred income	262,584	304,063
	<u>332,194</u>	<u>378,293</u>

Accruals and deferred income includes deferred income of £253,584 all of which arose in the year (2020/21 - deferred income of £295,063).

14. RESTRICTED FUNDS

	1st September 2021	Income	Expenditure	Transfer to/(from) Unrestricted Fund	31st August 2022
	£	£	£	£	£
1 Bus project funds	-	163,957	163,957	-	-
2 Vehicle Capital Fund	750	129,000	-	106,650	23,100
3 Exclusion Reduction Programme	239,452	507,456	573,176	579	173,153
4 Mentoring funds	3,355	224,436	184,436	-	43,355
5 X-Mobile	36,110	94,623	82,587	899	47,247
6 Arts funds	77,883	73,500	75,455	3,675	72,253
7 Employability funds	145,462	265,596	151,508	-	259,550
8 Sports funds	63,140	118,538	145,460	-	36,218
9 Literacy & Numeracy	30,026	130,569	71,571	-	89,024
10 Impact Project (Capacity)	-	-	-	-	-
11 Other funds	23,205	40,509	38,264	-	25,450
	<u>619,383</u>	<u>1,748,184</u>	<u>1,486,414</u>	<u>111,803</u>	<u>769,350</u>

1. Bus project funds include a number of grants from trusts, companies, local authorities and local community organisations given for periods of up to three years for the operation of the Community Bus project.
2. The Vehicle Capital Fund relates primarily to funds given towards the purchase and conversion of a new community bus during the year. The transfer of £106,650 to the fixed asset fund relates to the capitalisation of this expenditure (note 15).

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches and individuals given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects.
4. Mentoring – includes both one-off and multi-year grants for the operation of the Mentoring programme, from organisations including The Henry Smith Charity, the Jerusalem Trust, The Hampstead and Wells Campden Trust, The Livingbridge Foundation and the Diocese of London.
5. X-Mobile - funding for the support of the X-Mobile project in London Boroughs, including from Universal Music, Vivendi, World Traders, Benefact Trust and the Ford Britain Trust.
6. Arts Funds - funding from Youth Music, Vivendi, Benefact Trust, the London Borough of Newham and others for projects that promote the practice and expression of performing arts.
7. Employability funds – towards our Ready to Work, Young Leaders, Job Creation and Youth Advisory Group programmes, including a significant three-year grant from the Citi Foundation and grants from the Horlock Educational Trust and the London Borough of Newham.
8. Sports Funds – including grants from Comic Relief, BBC Children in Need, London Youth and Fight for Peace, as well as a grant for a sports internship from the Jack Petchey Foundation.
9. Literacy & Numeracy – grants from trusts and companies including the Constable Educational Trust and The Charity of Sir Richard Whittington towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
10. Impact Project (Capacity) – a project to develop increased capacity for recording and reporting on the impact of the work across the organisation. Whilst there were no funds received this year, this project will resume during the 2022/23 financial year.
11. Other Funds – includes funding towards other smaller projects including summer camps and Snow Camp.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

2020/21 comparative figures:

	1st September 2020	Income	Expenditure	Transfer to/(from) Unrestricted Fund	31st August 2021
	£	£	£	£	£
1 Bus project funds	-	147,752	147,752	-	-
2 Vehicle Capital Fund	120,496	6,500	-	126,246	750
3 Exclusion Reduction Programme	59,203	494,557	314,308	-	239,452
4 XL-Mentoring funds	-	129,871	126,516	-	3,355
5 X-Mobile	12,256	86,308	62,454	-	36,110
6 Arts funds	40,646	80,783	43,546	-	77,883
7 Employability funds	57,564	206,400	118,502	-	145,462
8 Sports funds	-	153,538	90,398	-	63,140
9 Literacy & Numeracy	-	62,195	32,169	-	30,026
10 Impact Project (Capacity)	1,530	17,807	19,337	-	-
11 Other funds	25,742	19,565	20,319	1,783	23,205
	317,437	1,405,276	975,301	128,029	619,383

1. Bus project funds include a number of grants from trusts, companies, local authorities and local community organisations given for periods of up to three years for the operation of the XL-R8 Community Bus project.
2. The Vehicle Capital Fund relates primarily to remaining funds given by The Story of Christmas towards the purchase of a fourth community bus during the year. Income received last year from Allchurches Trust was used to make this bus ULEZ compliant. The transfer of £126,246 to unrestricted funds relates to the purchase of two new buses during the year of which one was fitted out for use and entered service; the expenditure has been capitalised and is now represented by fixed assets in Designated Funds (note 15).
3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches and individuals given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects.
4. XL-Mentoring – includes both one-off and multi-year grants for the operation of the XL-Mentoring programme, from organisations including The Henry Smith Charity, the Jerusalem Trust and The Hampstead and Wells Campden Trust.
5. X-Mobile - funding for the support of the X-Mobile project in London Boroughs, including from Universal Music, Vivendi, the Charles Hayward Foundation, World Traders and the Backstage Trust.
6. Arts Funds - funding from the Big Lottery and others for projects that promote the practice and expression of performing arts.

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2022

7. Employability funds – towards our Ready to Work, Young Leaders and Youth Advisory Group programmes, including a significant three-year grant from the Citi Foundation and grants from the Horlock Educational Trust and London Youth.
8. Sports Funds – including grants from Comic Relief, BBC Children in Need, London Youth and the Mayor of London's Young Londoners Fund, as well as a grant for a sports internship from the Jack Petchey Foundation.
9. Literacy & Numeracy – grants from the trusts and companies towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
10. Impact Project (Capacity) – a one-year grant from the Youth Endowment Fund towards the development of increased capacity for recording and reporting on the impact of the work across the organisation.
11. Other Funds – includes funding towards other smaller projects including the Jack Petchey Foundation for awards made to young people, and funds for summer camps and Snow Camp.

In addition to these specific funds, the Charity again received a number of grants targeted towards continuing work whilst under the changing restrictions around coronavirus, including from the London Community Response Funds, the National Lottery Community Fund, BBC Children in Need, the Barclays 100 x 100 awards and a number of other trusts and foundations. Most of these funds have been recorded as income and utilised amongst the various project funds listed above as required. Remaining funds have been carried over within the Exclusion Reduction Programme funds, due to their primary aim of supporting our work to keep young people in mainstream education, whilst in some cases also available for use within the wider range of youth work that enables us to identify and support young people who face the risk of exclusion.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

15. UNRESTRICTED FUNDS

	1st September 2021	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	Transfer from General Fund	31st August 2022
	£	£	£	£	£	£
General Funds	405,705	-	98,234	111,803	(47,380)	568,362
Fixed Asset Funds	178,422	102,340	(82,423)	-	47,380	245,719
	<u>584,127</u>	<u>102,340</u>	<u>15,811</u>	<u>111,803</u>	<u>-</u>	<u>814,081</u>

The Fixed Asset Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles (including its community buses), fixtures and fittings, and office equipment. The funds are carried at the net book value of the fixed assets. There are no outstanding loans, or endowment funds used to finance their acquisition. The transfer from the General Fund to the Fixed Asset Fund represents the value at 1st September 2021 of non-vehicle assets that were transferred to this fund.

2020/21 comparative figures:

	1st September 2020	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	31st August 2021
	£	£	£	£	£
General Funds	270,649	-	7,027	128,029	405,705
Designated Fund - Vehicles	71,799	156,939	(50,316)	-	178,422
	<u>342,448</u>	<u>156,939</u>	<u>(43,289)</u>	<u>128,029</u>	<u>584,127</u>

16. COMMITMENTS UNDER OPERATING LEASES

At the year end, the charity had total commitments under non-cancellable operating leases as set out below.

	Total 2022	Total 2021
	£	£
Not later than 1 year	2,393	2,430
Later than 1 and not later than 5 years	9,571	190
Later than 5 years	2,193	-
	<u>14,157</u>	<u>2,620</u>

The charity has entered into agreements with the Church of England for the use of All Hallows on the Wall, London Wall. A formal lease agreement has not yet been completed.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2022**

17. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	2021/22 Total
	£	£	£
Restricted	-	769,350	769,350
Unrestricted			
- General Fund	-	568,362	568,362
- Fixed Asset Fund	245,719	-	245,719
	<u>245,719</u>	<u>1,337,712</u>	<u>1,583,431</u>

2020/21 comparative figures:

	Tangible fixed assets	Other net assets	2020/21 Total
	£	£	£
Restricted	-	619,383	619,383
Unrestricted			
- General Fund	47,380	358,325	405,705
- Designated Fund	178,422	-	178,422
	<u>225,802</u>	<u>977,708</u>	<u>1,203,510</u>

18. RELATED PARTIES

The charity received donations without conditions from Trustees in the year of £6,931 (2021: £2,416). There were no other related party transactions that require disclosure under FRS102.

19. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

20. CONTROL

The Company is controlled by its members.

XLP

England & Wales - Charity number 1101095

Accounts



Annual Report and Accounts
For Year ended 31st August 2021

XLP, All Hallows-on-the-Wall, 83, London Wall, EC2M 5ND

XLP is a company limited by guarantee, registered in England,
number 4959458 and a registered charity number 1101095

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**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2021**

DETAILS OF THE CHARITY, TRUSTEES AND ADVISORS

Status

XLP is a charitable company limited by guarantee, registered in England, and incorporated in 2003. The company was registered as a charity in 2003.

XLP is also historically known as “The X L Project”.

Registered Charity Number	1101095
Registered Company Number	4959458
Registered Office	All Hallows-on-the-Wall 83 London Wall London EC2M 5ND
Trustees	Mr E F C Donaldson OBE Mr A D W Millar Mrs R Nuamah Williams (until 24/08/2021) Mrs A Russell (until 06/07/2021) Mr N Benton Miss E Yentumi Miss E Biddulph (until 07/10/2020) Mrs S Douglas (appointed 06/07/2021) Mr K Brese (appointed 13/10/2021)
Chair	Mr E F C Donaldson OBE (from 07/10/2020) Miss E Biddulph (until 07/10/2020)
Treasurer	Mr N Benton (from 07/10/2020) Mr E F C Donaldson OBE (until 07/10/2020)
Secretary	Mr P J Wood
Chief Executive	Mr L O Watson
Bankers	HSBC Bank PLC 47 Rye Lane Peckham London SE15 5ET
Auditor	Edmund Carr LLP 146 New London Road Chelmsford Essex CM2 0AW

WELCOME FROM THE CHAIR AND CHIEF EXECUTIVE

The global pandemic has continued to have a profound effect on the charity sector, including XLP’s operations and the young people we serve. The restrictions introduced in 2020 continued throughout the year to which these accounts refer, and remain one of the biggest changes we have seen in our 25-year history.

Throughout this, XLP has continued to operate, keeping the services that so many young people rely on in place for them and their communities. This was especially important as these communities saw other provision disappear due to funding cuts and the economic downturn. They were also the communities most impacted by the pandemic, with COVID mortality rates disproportionately affecting deprived communities (23% higher in the 20% most deprived neighbourhoods than in the least deprived neighbourhoods in London).

London’s Poverty Profile (commissioned every year by Trust for London and WPI Economics)¹ further highlighted some of those disparities for Londoners and its most deprived communities:

- London had the highest rate of deaths out of all the English regions
- London had the highest fall in jobs (5%) compared to the rest of England (1.9%)
- More Londoners accessed food banks (128% increase from 2019) compared to the rest of England (56%)

Furthermore, we saw the educational gap between disadvantaged young people and their better off peers increase, and an increase in domestic abuse and grooming. For all that this set of accounts is able to tell of what we have done, it cannot reflect in full the lived experience of many of the young people we work with.

It is in this light that we are particularly proud of the work we have continued to do during this time, and grateful to the team, volunteers, partners and funders for all they have invested in young people. We simply couldn’t do what we do without their hard work and support.

The work is as important as ever, and we are hopeful for what we can achieve through the tireless work of the staff and volunteers. As a charity that is increasing its capacity in impact management in a sector that struggles to do this well, we are also excited for the role we can play in forging a new way to become an evidence-based, continually-learning charity, dedicated to making a difference in the lives of those who need us most.

Eddie Donaldson OBE

Chair

Luke Watson

Chief Executive Officer

¹ <https://www.trustforlondon.org.uk/news/new-poverty-report-shows-london-and-low-income-communities-disproportionally-affected-by-covid-19/>

OBJECTIVES AND ACTIVITIES

XLP was founded in 1996. Its charitable objects are set out in its governing document and these underpin its operational objectives. The trustees have paid due regard to the Charity Commission's guidance on public benefit when determining the activities of the charity.

XLP engages in long-term relationships to empower young people from the most disadvantaged backgrounds to complete their education and avoid anti-social behaviour, gangs and criminality, and ultimately to become positive contributors to their communities. We are working to create positive futures for young people living in our inner cities and to make a serious and sustainable impact upon poverty and educational failure.

The charity seeks to serve children and young people (approx. 10-20 years of age), primarily from inner-London estate communities, who are experiencing a range of life challenges and/or behavioural and educational difficulties. It does this through a portfolio of prevention, intervention and diversionary projects that are focussed on delivering the following outcomes:

- Children and young people with a raised sense of self-worth, self-esteem and increased educational achievement that helps them confidently and positively contribute to society;
- Children and young people with fresh goals and the desire to work hard to achieve them, with the ability to make wise lifestyle choices; and,
- Children and young people with positive attitudes and behaviour towards their communities: their families, peers, local residents, teachers and the police.

XLP works principally in the London boroughs of Southwark, Lewisham, Lambeth, Greenwich, Newham, Tower Hamlets, Islington, Camden and Hackney.

Over the past 12 months, we have worked with over 2,500 young people and their families on a one-to-one and small group basis, concentrating on building long-term, positive, trusted relationships.

It is these relationships that produce trust with young people, which in turn allows a belief that positive change is possible in what are very often difficult life circumstances. This progression of **Trust → Believe → Change** is foundational to what we do.

It takes time to foster trust. It takes a skilled youth worker to know when to encourage and when to challenge. It takes time for a young person to change their mindset and begin to believe in themselves. It needs that trust and belief to be in place for sustained change to happen.

We believe in building these relationships with young people, and creating multiple contexts and opportunities to deepen our engagement with them. Our theory of change is centred on such relationships. Regular and consistent engagement is not only shown to be the most

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effective strategy in long term change, but also necessary for young people with multiple levels of disadvantage.

Our work through the year has continued to comprise a wide range of programmes including:

- A schools programme providing educational support, mentoring, specialist lessons and clubs, and a Literacy and Numeracy (LAN) project
- A communities programme carrying out ‘detached’ youth work on estates, including community bus drop-in sessions, sports and life-skills training, two mobile recording studios working with so called ‘hard-to-reach’ young people, and an arts project that trains in life skills and artistic performance
- A mentoring programme for those on the verge of exclusion or involvement in gangs
- An employability programme that supports young people into apprenticeships and further education by improving their work-readiness
- Summer camps and other outings
- Online youth work in response to restrictions surrounding the COVID crisis

XLP aims to provide multiple contact points with children and young people, working with them in their schools, their communities, and with their families. In this way, robust long-term relationships can be established between XLP youth workers and the children and young people they serve.

ACHIEVEMENTS AND PERFORMANCE

Overview

Outputs

	2020/21
Boroughs where we work	9
Estate communities where we work	36
Schools and Pupil Referral Units where we work	12*
Young People (in one-to-ones and small groups)	2,507*

* As with last year, we were proud to continue our work throughout the pandemic and the various lockdowns that were imposed, and these restrictions continued to mean fewer young people than in previous years, particularly as much work went from group work to one-to-one engagement. In particular, schools work decreased where many schools and PRUs were closed for much of the year.

Communities Programme (Arts, Bus, X-Mobile and Sports projects):

- 77% demonstrated sustained and improved resilience and ownership of their decisions
- 70% demonstrated sustained and improved well-being and self-control
- 69% demonstrated sustained and improved leadership skills and self-awareness
- 61% demonstrated sustained and improved kindness and empathy

Mentoring Programme (one-to-one and group mentoring):

- 76% demonstrated sustained and improved emotional and social capabilities
- 97% demonstrated sustained and improved educational engagement
- 95% of caregivers reported sustained or improved home / family relationships

Schools Programme (Exclusion Reduction Project):

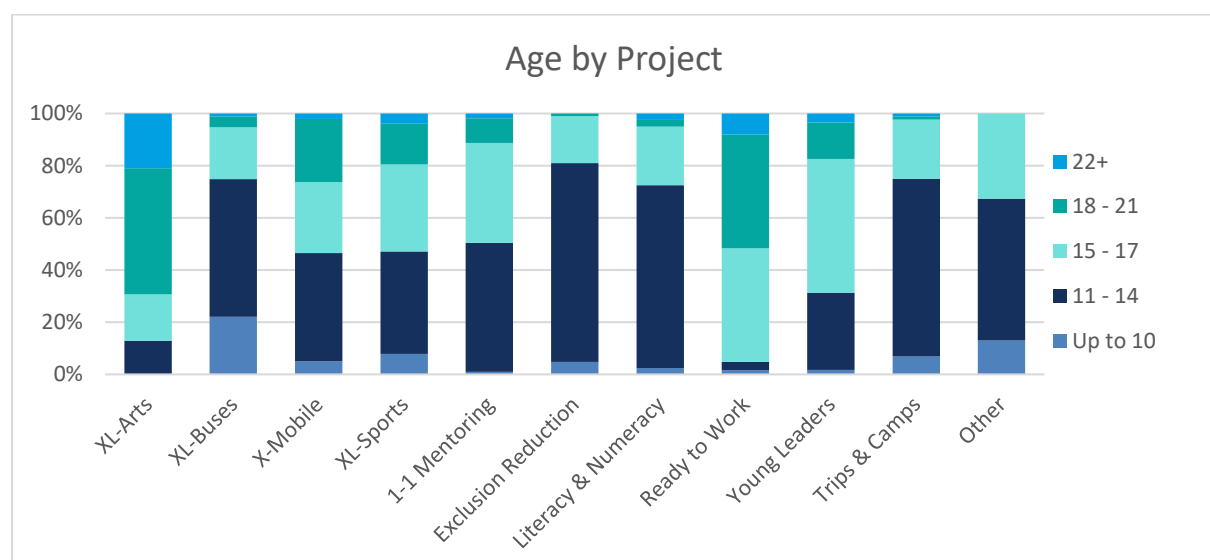
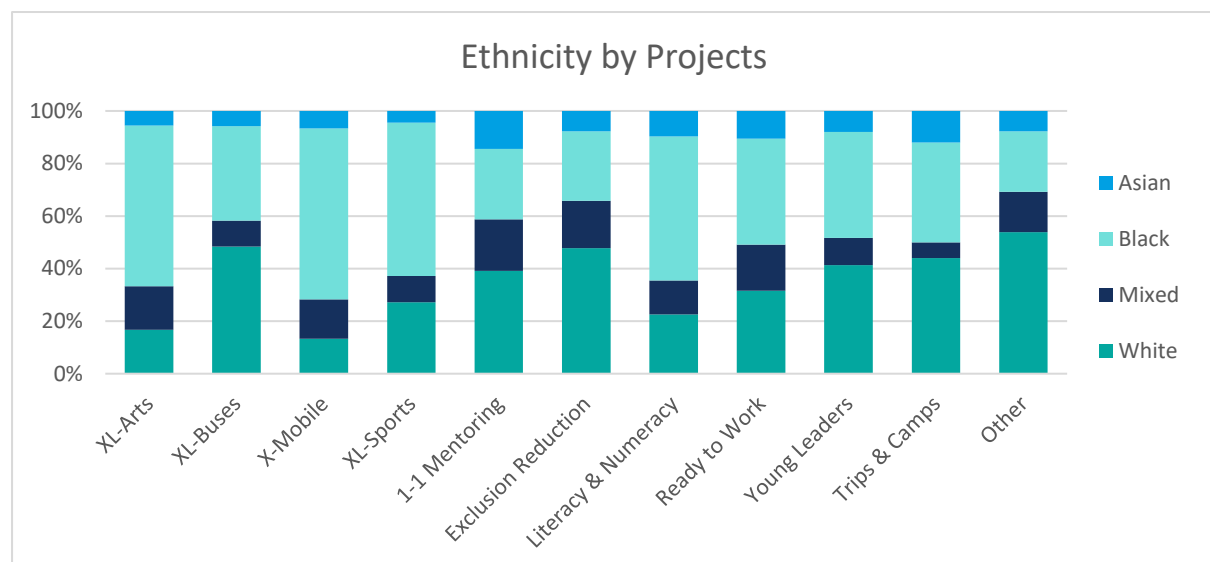
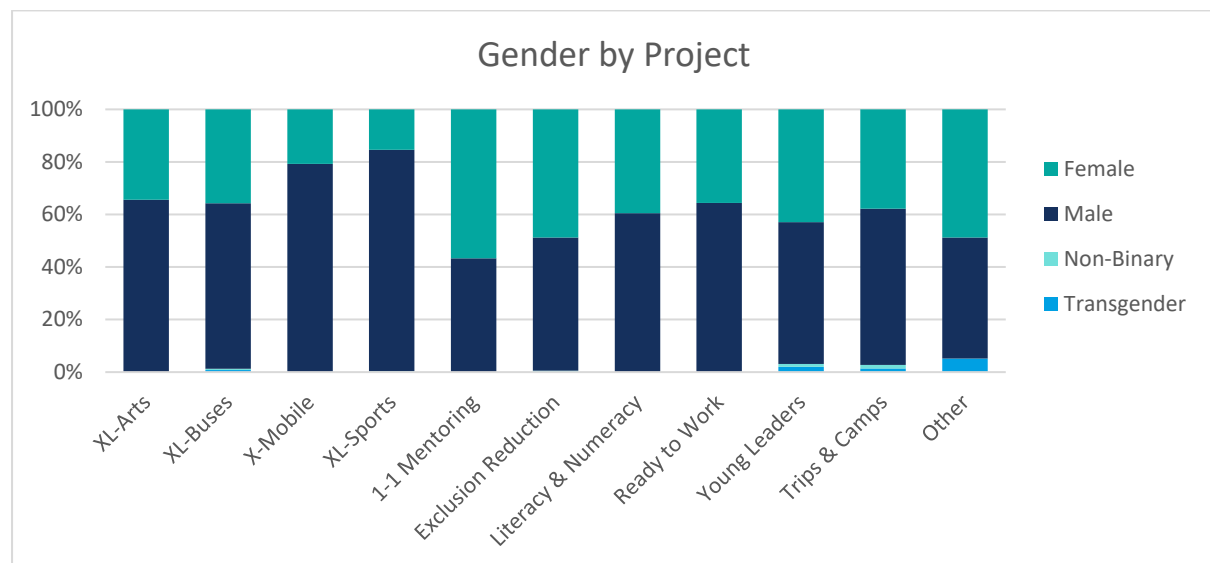
- 92% demonstrated sustained and improved emotional and social capabilities
- 98% of young people demonstrated improvement in literacy and numeracy skills

Employability Programme (Ready to Work, Young Leaders and Future Talent projects):

- 41 course completers across Ready To Work, Future Talent and Young Leaders
- 82% of young people in employment, education or training (EET) 3 months after completing an Employability Project

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Demographic Engagement



Achievements against key goals for 2020/2021

The charity made good progress against its declared key goals for the year.

- **To maximise opportunities under COVID restrictions to support young people and their communities**

The team showed remarkable agility and flexibility, and an incredible capacity to meet young people in new and different ways. Much of this was birthed during the first lockdown the previous year, and of the various new initiatives that started, almost all have become part of our ongoing offer to young people.

- **Within the restrictions, to get back to build up the work again**

Different restrictions affected different projects differently. Schools operated entirely differently to how they had in the past, and in different ways to each other, creating a need for bespoke responses and agility within the XLP Schools Team. The Sports Team on the other hand, largely working outdoors, was for the most part unaffected. And overall the work grew during the year, but we are yet to hit our pre-pandemic levels of engagement. However, we were encouraged that the government recognised the importance of youth work by designating them as key workers and allowing much of the work to continue. In doing so, it recognised that whilst all are vulnerable to COVID, there is a need to continue supporting those in society who are most vulnerable. We know that those from low-income families are disproportionately affected and will be affected for many years to come.

- **To develop the Education programme**

The Education programme consists of an Exclusion Reduction Project and a Literacy and Numeracy Project. Both were set up in response to a problem that we are facing as a society. Exclusions were described as the greatest social injustice currently faced in the UK by the Commons Education Select Committee in 2019, whilst the National Tutoring Programme was set up in 2020 by the government in direct response to the impact of COVID on young people’s education. We consider these two issues as critical to address for young people in our care.

- **To develop our impact management and measurement, ensuring that good output, outcome and impact data are available going forwards**

We have built a comprehensive database using Salesforce that is able to capture the activities, outputs, and outcomes of the young people we work with. Ensuring it is a fully functioning database is both a technical and cultural challenge. Having made a good start, there is plenty more to do, and provides an opportunity to be leaders in our field with regards to impact management.

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- **To explore revenue streams from project delivery as we continue to diversify income streams**

This was hampered by the pandemic and ensuing restrictions. Moreover, it was not the time to start charging for services at a time when many were feeling financial constraints. We still believe there is merit in exploring this, particularly as paying for a service can positively impact the relationship, commitment and buy-in of the organisation paying, but we would want to weigh this up against our long-held ethos of providing free services to those people and institutions that would not be able to afford them otherwise.

- **To continue to build our free reserves to give us a sustainable platform for future growth**

Despite losing the funds we would usually bring in from the Annual Dinner and other fundraising events that could not happen due to COVID restrictions, we have still been able to build our free reserves to a level of 3.1 months. We will look to at least sustain this level as we seek to grow and return to pre-pandemic spending levels over the next year.

Report on Activities for the year

The Coronavirus pandemic continued to impact our activities, with changing government restrictions requiring an agile and nimble approach. Throughout, the government allowed and encouraged youth workers to continue their work, particularly with those considered vulnerable. In the most strict lockdown The National Youth Agency (the national body for youth work) recommended working online, outside, one-to-one or in small groups.

It is encouraging that the government recognised the importance of continuing youth services with the most vulnerable, and this enabled us to continue much of our work. We know that those from low-income families are disproportionately affected and will be affected for many years to come, and that whilst COVID as a virus presents a health risk to many, stopping vital services and breaking the relationships on which they rely presents a very real risk too.

The table on the following page shows activities carried out during the year across the projects, which were impacted by lockdown restrictions to differing degrees. We now measure regular attendees as a more meaningful reflection of those with whom we have an impact.

Project	Regular Attendees	1-1 Sessions	Group Sessions	Total Sessions
Arts	19	16	71	87
Buses	244	64	476	540
X-Mobile	32	68	139	207
Sports	233	250	522	802
Exclusion Reduction	103	874	129	1003
Literacy & Numeracy	67	101	194	295
1-1 Mentoring	43	752	0	752
Ready to Work	26	133	86	219
Young Leaders	30	16	71	87

Communities Programme

Arts Project

The performing arts project operates across nine London boroughs and provides young people with the opportunity to participate in a range of live performance events, specialist coaching and development opportunities, and life-skills and group mentoring sessions. This includes opportunities to record music performance and dance music videos, and the chance to collaborate and learn from industry professionals.

COVID response: this was the project most affected by the pandemic restrictions, and much of the work was scaled down to one-to-one and online sessions. There were no live shows where there would normally be, which would draw large audiences consisting of parents, teachers, peers and local residents. Nevertheless, many of the project’s participants are working towards further training and career development in the arts industry.

Bus Project

The XLP buses and vans act as mobile youth centres that operate in 24 inner-city estate communities in London each week. These communities often lack any youth provision and have been chosen for this very reason. The buses not only provide a safe space for young people, but the long-term and consistent approach taken by the staff and volunteer team enables trusted relationships to develop with young people, which in turn allow for in-depth discussions where young people build their self-confidence, develop the skills needed to become positive members of their communities and realise their potential.

During the year, we replaced one of the two buses we had decommissioned last year with a ULEZ-compliant vehicle and plan to replace the other in 2021/22.

COVID response: in some lockdowns, we stopped using the large double-decker buses due to restrictions, using vans instead to advertise our presence and carry out detached youth work, whilst in others, we were able to keep using them as we would normally. The priority was to keep a consistent presence on the estates where we work.



X-Mobile Project

The X-Mobile recording studio project is focused on beneficiaries classified as ‘hardest to reach’ and operates mainly on housing estates and in Pupil Referral Units (PRUs), working with those who will not engage with statutory agencies for a variety of reasons. Music provides an opportunity to learn new skills, develop confidence and express emotions. Many young people recorded their own musical creations for the first time, and the nature of music production encourages collaboration, which is a useful tool in engaging those involved in gangs or anti-social behaviour.

COVID response: the van normally attracts small to medium groups of young people, and the project was able to continue, using the van to record and produce music, and using this as an engagement activity to bring about change. Online sessions were used as additional support and for those who were unable to join sessions in the community.

Sports Project

The project operates sports sessions at 19 inner-city sites, providing mentoring to at-risk and disadvantaged young people, alongside football, fitness and dance activities. The project has increased trust and built relationships between people from a range of backgrounds within conflicted communities, and provided inclusive activities for socially-isolated young people.

The project also provides a range of additional activities during school holidays to meet the needs of young people who are increasingly susceptible to involvement in youth violence and high-risk behaviours when they are not engaging with school and other key workers. Specific sports drills have been used to help young people from different backgrounds build friendships and relationships, and young people and their families have reported improved relationships, community cohesion, and confidence.

COVID response: the project focussed on one-to-one fitness and training sessions in parks initially, with some online training sessions, but was soon able to continue as before when the government allowed for external sports sessions to continue.

Schools Programme

Exclusion Reduction Project

The charity has strong relationships with schools and Pupil Referral Units in the nine boroughs where we work. The focus is particularly on exclusion reduction, and keeping young people in mainstream education. This is done primarily through educational lesson support and mentoring (one-to-one or in groups), but also through lunch clubs, homework clubs, and after-school activities.

COVID response: where schools were closed, most contact points initially moved online. However, as some schools continued to serve children from disadvantaged backgrounds or whose parents or guardians were key workers, these became hubs where the team would engage with young people.

Literacy and Numeracy Project

The Literacy and Numeracy project works in schools and PRU's to help those struggling in these areas, which has an inevitable knock-on effect on school work, as well as likelihood to stay engaged with education and home life. External tutoring became common-place for many young people due to school provision being so impacted as it was, but this type of input was rarely available to those from disadvantaged backgrounds. As such, we wanted to enable this same catch-up opportunity to pupils whose education has been impacted the most by the pandemic.

COVID response: this project moved all its work online during the first lockdown, and quickly sought to engage volunteers to run online tutoring sessions. The online tutoring was one of the new pilots that arose in direct response to the pandemic and is one that we have grown as the restrictions have lifted.

Mentoring Programme

XLP's Mentoring project targets those young people most at risk: either excluded or on the verge of exclusion, and involved in gangs, crime and anti-social behaviour. The project has worked with young people in one-to-one and group settings, and trains mentors, who are then matched to young people based on location, experience, background and interests. As part of the matching process, mentors are introduced to families, before going on to mentor each young person for a year. Referrals come from schools, Pupil Referral Units, youth and community organisations, and local authority youth and family services. The project sees at-risk young people breaking destructive habits, making wise life choices and positively contributing to their families, communities and society.

COVID response: given that most of the mentoring project takes place in one-to-one settings, this was able to continue relatively undisturbed. Many sessions took place online, as did the mentor training and home visits, but for much of the year, outside one-to-one meetings were allowed and continued.

Employability Programme

Ready to Work Project

Ready to Work is aimed at young people between the ages of 18-24 who are not in education, employment or training (NEET). These young people engage in an intensive eight-week course, consisting of workshops, one-to-one sessions, work experience, volunteering, and job application and interview support. We partner with external organisations and companies to provide specialist career guidance, work experience, work-shadowing experience, interview and CV-writing skills, with most beneficiaries never having had access to such opportunities before. The aim is to train and prepare them to gain, sustain, and progress in employment.

COVID response: on the first day of the first lockdown, all group sessions moved to online sessions using Zoom. As restrictions lifted and changed, so did the project with one-to-one sessions taking place in a variety of settings. As offices opened again, so did opportunities to run company visits and CV workshops with our corporate partners.

Young Leaders Project

This project aims to help young people to improve their work-readiness, and ultimately to prepare them for and keep them in education, employment or training. It includes a work experience element and addresses skills such as communication, problem-solving, self-management, and interpersonal skills. The projects uses a skills building framework that demonstrates to young people what success looks like in each skill, and allows them to target and work towards making improvements. Young people on the project will access company visits, trips and additional broadening experiences, and volunteer experiences. These activities will be important in providing opportunities for young people to use their essential skills, and will encourage them to see the relevance of these skills in addressing real-life problems and challenges.

COVID response: All groups engaged with a mixture of online workshops, face-to-face events, and, when restrictions allowed, group trips. Although volunteering opportunities have been minimised for these young people, we have been able to offer an online work experience programme to those on the project.

Other

Summer camps and outings

Ordinarily, XLP would run dozens of residential trips for young people, either full-week or weekend trips, and take up to 400 young people away. Last year, that number was diminished by COVID, but we were delighted to be able to run 10 overnight camping trips and weekends away this year, together with 87 day trips. These trips offer incredible opportunities for growth for young people who often lack such opportunities. They help young people to broaden their horizons, visit new places and create lifelong memories, whilst also giving building strong and positive relationships with trusted youth workers. It is often on such trips that transformational moments are seen, with real breakthrough across the ages.

Training

XLP provides a yearlong, apprenticeship training programme focused on urban youth and community work, together with project-specific training. The aim is to give young people who have come through the youth work projects an opportunity to learn through experience, as well as receiving targeted training on the job and externally. Apprentices start in September where possible, and typically join the Sports project or X-Mobile project.

In addition, XLP participates in three-year degree programmes providing qualifications in Theology and Youth Ministry. The XLP degree students on these programmes fulfilled the practical parts of their courses by working on XLP projects that also provide additional continuity within the teams.

Laptop Provision

The first lockdown highlighted the digital divide that many of those we work with face. Many do not have access to laptops or tablets, or share them with other family members, and even where such devices do exist, there is often a need for reliable internet. Through the initiative of various key supporters, we received and delivered dozens of laptops last year, and continued this initiative in 2020/21.

Youth Advisory Group

This group is made up of past and current beneficiaries from across XLP, aged from 16 upwards. It meets monthly to discuss XLP and offer feedback and suggestions for improvements of projects and make a significant contribution to the work of XLP. The group receives leadership training and mentoring support to develop confidence and listening skills.

FINANCIAL AND RISK REVIEW

Income and Expenditure

Total Income received for the year was £2,044,636, £200,109 (11%) higher than £1,844,527 for 2020 despite once again needing to cancel our fundraising dinner (approx. £100k) and other fundraising events (approx. £50k) due to ongoing restrictions. We benefitted from Government furlough support of £84,214 (2020: £115,304) where we were unable to utilise staff and were also able to raise income through a number of COVID response and recovery funds.

The main sources of voluntary income for the period are set out in Note 2. The charity is hugely grateful to all its donors.

Expenditure of £1,501,011 showed a slight increase of £7,063 (<1%) from £1,493,948 for 2020. Expenditure remained lower than in earlier years due to continued limitations on our activities caused by the various restrictions and guidelines around COVID-19 which were in place during the year.

This performance resulted in restricted funds increasing to £619,383 (2020: £317,437) and free reserves increasing to £358,325 (2020: £247,644). The increase in restricted funds primarily results from funding received for projects which have been delayed due to the impact of COVID restrictions. We look to reverse this trend in 2021/22 as we expect to return to full delivery of our youth work projects.

Donations and other fundraised income of £1,933,724 increased by 14% from £1,698,985 in 2020. Non-bus grants increased by £352,406 (from £919k to £1,271k) and donations from businesses increased by £156,653 (from £149k to £305k). Other donations decreased by £137,290 (from £301k to £164k); these are mainly from individual donors, and the decrease has been partially caused by the ending of a £60k multi-year donation in 2019-20 and partially by a decrease in medium (£500-£5,000) one-off donations along with the associated reduction in Gift Aid. Donations from churches and grants for the bus project were also down by £42,803 and £39,759, whilst income from events was reduced by £42,218.

XLP does not use a professional fundraising service and has not received any complaints from donors regarding our fundraising activities.

Our principal expenditure is staff costs. In the last twelve months these remained static. We expect staff costs to rise over the next 12 months as we increase project delivery in line with the increased income we expect to receive.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2021

With COVID-19 restrictions continuing to limit the face-to-face work we were able to do through most of the year, the costs of running our projects increased only slightly this year. The costs of running our community vehicles remained low as we used the smaller vans in place of our buses. We were able to bring a new bus into operation in Spring 2021, which was used as the restrictions lifted, and have purchased a further new bus which is expected to enter service around Spring 2022.

Our fundraising ratio was lower than normal (due to timing of staff appointments) at 5% of the total of voluntary income and activities for generating funds. We expect this to return to 7-10% in future years. Support costs remained static as set out in Note 8.

Balance Sheet

Fixed assets increased significantly to £225,802, as a result of purchase of two new buses to replace the vehicles that had been disposed of in the previous year. Each of the other vehicles owned has a continuing useful life and the carrying value is therefore considered by the trustees to be prudent.

Current assets largely comprise cash on deposit. In the current climate, it is extremely difficult for an organisation of our size to achieve reasonable interest rates on this money. However, interest rates are maximised where possible. Debtors largely relate to accrued income that related to the financial year but was received post year-end. The main “creditor” is deferred income of £295,063 representing grants given in 2020/21 for work that will take place in the next or subsequent financial years.

Reserves Policy

The policy aims to establish free reserves at a level to cover at least three months of charitable expenditure. At year end, free reserves of £358,325 represented 3.1 months of cover, an increase from 2.1 months in 2020. This is a continuation of the growth that has taken place since 2019 despite challenging circumstances, and as the charity looks to grow activity (and thus expenditure) back towards pre-pandemic levels and beyond, we will seek to grow the value of free reserves in the coming year in order to maintain the three month reserve position.

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Going Concern

The trustees have reviewed the outturn for the year particularly noting the increased levels of both restricted and unrestricted reserves, along with the progress made against the approved budget for 2021/22 including the assessment of the impact of COVID upon the operation of the Charity. Following this and the review of our funding position going forward, the trustees have a reasonable expectation that the charity will have sufficient resources to meet its liabilities as they fall due for the foreseeable future. The trustees therefore consider it appropriate for the accounts to be signed on a going concern basis.

Risk Review

The trustees continue to recognise that there are remaining uncertainties relating to the impact of COVID and any related restrictions and, together with the CEO and other senior management, continue to monitor the situation.

The trustees conduct an annual review of the major risks to which the charity is exposed and the controls established to mitigate those risks. In addition to the risks associated with the impact of COVID, the trustees consider that the most significant current risks to XLP relate to lack of funding, loss of key personnel and safeguarding with the attendant reputational risks.

The charity’s funding strategy encourages a diversification of funding sources whilst continuing to expand the funding base for the charity. Funding is received from charitable trusts, major private and corporate donors, fundraising events and donations from churches and individuals, and during this period, from the Government through the furloughing scheme.

Senior managers cover the core areas of the organisation (youth work, safeguarding, impact, culture, finances and fundraising) and provide support to the Chief Executive Officer as well as continuity in times of absence.

The safeguarding policy and procedures of the Charity are reviewed by the trustees, senior management and the Chief Executive Officer. Trustees are updated regularly at Board meetings on safeguarding matters. All staff are trained annually in safeguarding and training is provided for mentors and other volunteers including Trustees.

PLANS FOR FUTURE PERIODS

The charity plans to continue its present activities in future years, and to add activities as resources permit. Our focus during 2021/22 will remain upon the activities in our existing boroughs with young people, whilst delving deeper into impact management and preparing for growth.

Key goals for 2021/22 are:

- To rebuild the youth work capacity of the team as COVID restrictions are eased
- To maximise opportunities under COVID restrictions to support young people and their communities
- To build the infrastructure of the organisation as we begin to plan to scale and grow
- To continue to develop our impact management and measurement, ensuring that good output, outcome and impact data are available going forwards
- To increase the value of our free reserves in order to maintain our free reserves above the three-month level as activity and expenditure increase, in order to give us a sustainable platform for future growth and increase our resilience in times of economic uncertainty

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was established under a Memorandum of Association and is governed under its Articles of Association.

Trustees

Trustees are generally recruited through the current trustees, taking note of skill gaps identified by the trustee body. Under the Articles, new trustees are appointed by the Board of Trustees and one third of the members of the Board (the longest serving) retire each year, but are eligible to be re-appointed if still qualified.

New trustees go through an induction process and receive trustee training as appropriate.

The trustees schedule four quarterly meetings a year and hold further meetings during the year as required. During the financial period, the trustees met as a Board seven times.

Organisational Structure

The organisation is led by the Board of Trustees, which oversees and monitors the work of XLP and makes decisions on overarching issues such as vision and long-term strategy, and agrees the budget in conjunction with the Chief Executive (CEO).

The oversight of the day-to-day work of XLP is delegated to the senior managers and led by the CEO. The trustees appoint a small committee of trustees to agree the remuneration of the CEO and other senior staff. Operations (youth work) and Support Services (office) teams meet regularly and take responsibility for XLP’s day-to-day operations and service delivery.

Related Parties

XLP works in association and partnership with a number of local organisations, in furtherance of its charitable purposes. These include schools, Pupil Referral Units and other Alternative Provision establishments, London Borough Councils, Youth Offending Teams, various Housing and Tenants’ Associations, the Police, Police Community Support Officers, Safer Neighbourhood Teams, together with other local charities. XLP also works with a number of youth work organisations and churches across London.

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The trustees (who are also directors of XLP for the purposes of company law) are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments 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 assume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity’s governing document, the Charities Act 2011 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 published on 16 July 2014.

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

**XLP – TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2021**

Approved by the Trustees on 18th May 2022 and signed on their behalf by:

Edward Donaldson

Mr E F C Donaldson OBE (Chair)

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2021

Opinion

We have audited the financial statements of XLP (the ‘charitable company’) for the year ended 31 August 2021 which comprise the Statement of Financial Activities, Balance Sheet Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 August 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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 trustees’ 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

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2021

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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees’ report; or
- the charitable company has not kept adequate accounting records; 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 set out on page 23, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2021

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows;

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We assessed the susceptibility of the company’s financial statements to material misstatement, including obtaining an understanding of how fraud might occur by;

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.
- Considering the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- Performed analytical procedures to identify any unusual or unexpected relationships
- Tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation
- Reading the minutes of meetings of those charged with governance
- Enquiring of management as to actual and potential litigation and claims.

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2021

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

**XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP
FOR THE YEAR ENDED 31ST AUGUST 2021**

by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Edmund Carr LLP

EDMUND CARR LLP

Statutory Auditor

146 New London Road

Chelmsford

Essex

CM2 0AW

Date: 19 May 2022

Edmund Carr LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**XLP – STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST AUGUST 2021**

STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted	Restricted	2020/21 Total	2019/20 Total
	Note	£	£	£	£
Income from:					
Donations and other fundraised income	2	529,093	1,404,631	1,933,724	1,698,985
Investment income – bank interest		6	-	6	28
Charitable Activities	3a	219	396	615	8,179
Other trading activities	3b	25,828	249	26,077	22,031
HMRC Job Retention Scheme		84,214	-	84,214	115,304
Total Income		639,360	1,405,276	2,044,636	1,844,527
Expenditure on:					
Raising Funds	6	101,148	-	101,148	114,469
Charitable Activities	7,8,9	424,562	975,301	1,399,863	1,379,479
Total Expenditure		525,710	975,301	1,501,011	1,493,948
Net income/(expenditure)		113,650	429,975	543,625	350,579
Transfers between funds	14	128,029	(128,029)	-	-
Net movement in funds		241,679	301,946	543,625	350,579
Reconciliation of Funds					
Total Funds brought forward		342,448	317,437	659,885	309,306
Total Funds carried forward		584,127	619,383	1,203,510	659,885

The statement of financial activities includes all gains and losses in the year.

**XLP – BALANCE SHEET
AS AT 31ST AUGUST 2021**

BALANCE SHEET

			31st August 2021	31st August 2020
	Note	£	£	£
Fixed Assets				
Tangible Assets	11		225,802	94,804
Current Assets				
Stock		2,256		2,284
Debtors	12	158,614		90,696
Cash at bank in hand		1,195,131		846,746
		<u>1,356,001</u>		<u>939,726</u>
Current Liabilities				
Creditors: amounts falling due within one year	13	378,293		374,645
		<u></u>		<u></u>
Net Current Assets			977,708	565,081
Net Assets			<u>1,203,510</u>	<u>659,885</u>
Funds of the Charity				
Restricted Income Funds	14		619,383	317,437
Unrestricted Funds	15		584,127	342,448
Total Charity Funds			<u>1,203,510</u>	<u>659,885</u>

For the year ending 31st August 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the board on 18th May 2022

Signed on its behalf by

Edward Donaldson

Mr E F C Donaldson OBE (Chair)
Company Registration no. 4959458

**XLP – STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2021**

STATEMENT OF CASH FLOWS

	2020/21	2019/20
	£	£
<u>Cash flows from operating activities</u>		
Net cash provided by (used in) operating activities (Note 1)	538,597	470,293
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	(190,212)	(13,637)
Net cash provided by (used in) investing activities	(190,212)	(13,637)
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	348,385	456,656
Cash and cash equivalents at the beginning of the reporting period	846,746	390,090
Cash and cash equivalents at the end of the reporting period (Note 2)	1,195,131	846,746
<u>Note 1</u>		
Net income/(expenditure) for the reporting period	543,625	350,579
Adjustments for:		
Depreciation	59,214	51,913
Loss on disposal of fixed assets	-	16,868
(Increase)/decrease in stocks	28	30
(Increase)/decrease in debtors	(67,918)	143,724
Increase/(decrease) in creditors	3,648	(92,821)
Net cash provided by (used in) operating activities	538,597	470,293
<u>Note 2</u>		
Analysis cash and cash equivalents		
Cash in hand	1,188,676	840,298
Notice deposits	6,455	6,448
Total cash and cash equivalents	1,195,131	846,746

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014; the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102); the Charities Act 2011; and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity constitutes a public benefit entity as defined by FRS102.

b) Going concern

The Charity is funded from a diverse number of sources, including charitable trusts, major private and corporate donors, fundraising events and donations from individuals, churches and other local organisations. As such it is not reliant upon one source of income. Taking this into account together with the strength of the balance sheet and their review of performance against plan to date, the Trustees believe that, while uncertainty exists, there is no material uncertainty regarding the Charity's ability to continue as a going concern and consequently consider that the financial statements are appropriately prepared on such a basis.

c) Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is more likely than not that the charity will receive the resources and the monetary value can be measured with sufficient reliability.

d) Incoming resources

Donations and grants are included in the accounts when the general income criteria are met. When donors specify they are to be used for a future accounting period they are treated as deferred income. Fees received for courses commencing after the period end are also recognised as deferred income. Contributions, fees and tax recoverable from the Inland Revenue under the Gift Aid scheme are recognised on an accruals basis when there is a valid declaration from the donor.

e) Resources Expended

Expenditure is accounted for on an accruals basis, inclusive of VAT, which cannot be recovered. The majority of costs are attributable to specific charitable activities. Support costs include central functions and are allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by the time spent and other costs by their usage. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

f) Capitalisation and Depreciation

All fixed assets are initially recorded at cost.

Tangible fixed assets costing more than £500 are capitalised in the accounts.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

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

Office Equipment – computers 50% straight line, other equipment 25% straight line

Motor Vehicles – 20% straight line

Fixtures & Fittings – 10% straight line

g) Stocks

Stocks held for resale are measured at the lower of cost or net realisable value.

h) Pensions

XLP contributes to a defined contribution pension scheme on behalf of employees the cost of which is disclosed in note 4 below.

i) Funds accounting

Funds held by the charitable company are:

Unrestricted general funds – funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Unrestricted designated funds – funds committed to fixed assets as set out in note 15.

Restricted funds – funds that can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The nature and purpose of each fund is explained further in the notes to the financial statements.

j) Operating Leases

Rentals under operating leases are charged on a straight-line basis over the lease term.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

2. DONATIONS AND OTHER FUNDRAISED INCOME

			2020/21
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	15,001	33,911	48,912
Donations from businesses	143,501	161,946	305,447
Other Donations	157,103	6,573	163,676
Grants for bus project	-	122,079	122,079
Capital Grants	-	6,500	6,500
Other grants	197,526	1,073,622	1,271,148
Total Donations and grants	<u>513,131</u>	<u>1,404,631</u>	<u>1,917,762</u>
Income from events	15,962	-	15,962
	<u><u>529,093</u></u>	<u><u>1,404,631</u></u>	<u><u>1,933,724</u></u>

Government grants totalled £209,981 of restricted income; of this, £122,108 is included within “Other grants” above, whilst £87,873 is included within “Grants for bus project”.

2019/20 comparative figures:

			2019/20
	Unrestricted	Restricted	Total
	£	£	£
Donations from churches	41,058	50,657	91,715
Donations from businesses	93,485	55,309	148,794
Other Donations	289,927	11,039	300,966
Grants for bus project	-	161,838	161,838
Capital Grants	-	18,750	18,750
Other grants	72,730	846,012	918,742
Total Donations and grants	<u>497,200</u>	<u>1,143,605</u>	<u>1,640,805</u>
Income from events	48,957	9,223	58,180
	<u><u>546,157</u></u>	<u><u>1,152,828</u></u>	<u><u>1,698,985</u></u>

Government grants totalled £380,796 of restricted income; of this, £265,971 is included within “Other grants” above, whilst £114,825 is included within “Grants for bus project”.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

3.

a) INCOME FROM CHARITABLE ACTIVITIES

			2020/21
	Unrestricted	Restricted	Total
	£	£	£
Training Fees	219	396	615
Reimbursement by gap year volunteers for overseas travel	-	-	-
	<u>219</u>	<u>396</u>	<u>615</u>

2019/20 comparative figures:

			2019/20
	Unrestricted	Restricted	Total
	£	£	£
Training Fees	7,437	742	8,179
Reimbursement by gap year volunteers for overseas travel	-	-	-
	<u>7,437</u>	<u>742</u>	<u>8,179</u>

b) INCOME FROM TRADING ACTIVITIES

			2020/21
	Unrestricted	Restricted	Total
	£	£	£
Speaking engagements	50	-	50
Sales & other contributions to costs	24,578	249	24,827
Rental Income	1,200	-	1,200
	<u>25,828</u>	<u>249</u>	<u>26,077</u>

2019/20 comparative figures:

			2019/20
	Unrestricted	Restricted	Total
	£	£	£
Speaking engagements	205	-	205
Sales & other contributions to costs	4,949	1,862	6,811
Rental Income	15,015	-	15,015
	<u>20,169</u>	<u>1,862</u>	<u>22,031</u>

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

4. STAFF COSTS

a) Employment Costs

2020/21

**Total
£**

Gross Pay	1,033,885
Pensions Contributions	22,601
Social Security costs (Employers National Insurance)	95,843
	<u>1,152,329</u>

- b) An average of 40 people were employed by the company during the year of which 7 were part-time.
- c) One employee earned between £60,000 and £70,000. Total earnings of key management personnel was £75,208.
- d) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.

2019/20 comparative figures:

e) Employment Costs

2019/20

**Total
£**

Gross Pay	1,032,251
Pensions Contributions	22,473
Social Security costs (Employers National Insurance)	90,882
	<u>1,145,606</u>

- f) An average of 40 people were employed by the company during the year of which 8 were part-time.
- g) One employee earned between £60,000 and £70,000. Total earnings of key management personnel was £74,636.
- h) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

5. TAXATION

As a registered charity, the entity is entitled to those reliefs from taxation which are available to charities.

6. RAISING FUNDS

	Unrestricted	Restricted	2020/21
	£	£	£
Costs of generating donations			
Salaries	95,923	-	95,923
Other costs	4,925	-	4,925
	100,848		100,848
Fundraising event costs	300	-	300
	101,148		101,148

2019/20 comparative figures:

	Unrestricted	Restricted	2019/20
	£	£	£
Costs of generating donations			
Salaries	109,910	-	109,910
Other costs	570	200	770
	110,480	200	110,680
Fundraising event costs	3,789	-	3,789
	114,269	200	114,469

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

7. ANALYSIS OF COSTS OF CHARITABLE ACTIVITIES

	Community Projects	Training	Borough and other outreach work	2020/21
	£	£	£	£
Salaries	111,101	-	759,127	870,228
Travel (inc. costs reimbursed) (note 3a above)	-	-	-	-
Training Allowances	-	-	-	-
Bus and transport costs	34,260	3,000	59,296	96,556
Direct Project Costs	28,183	2,902	85,949	117,034
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	45,288	1,540	236,003	282,831
Governance Costs (note 9)	5,318	181	27,715	33,214
	224,150	7,623	1,168,090	1,399,863

2019/20 comparative figures:

	Community Projects	Training	Borough and other outreach work	2019/20
	£	£	£	£
Salaries	221,415	4,118	625,662	851,195
Travel (inc. costs reimbursed) (note 3a above)	-	-	-	-
Training Allowances	-	1,200	-	1,200
Bus and transport costs	42,731	600	66,143	109,474
Direct Project Costs	21,659	9,129	70,072	100,860
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	76,167	4,011	203,042	283,220
Governance Costs (note 9)	9,017	475	24,038	33,530
	370,989	19,533	988,957	1,379,479

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

8. SUPPORT COSTS

	Community Projects	Training	Borough and other outreach work	2020/21
	£	£	£	£
Salaries	27,199	925	141,742	169,866
Office Accommodation	8,127	276	42,350	50,753
IT Equipment and support	2,705	92	14,095	16,892
Office and admin costs	7,257	247	37,816	45,320
	45,288	1,540	236,003	282,831

2019/20 comparative figures:

	Community Projects	Training	Borough and other outreach work	2019/20
	£	£	£	£
Salaries	45,050	2,372	120,092	167,514
Office Accommodation	19,050	1,003	50,782	70,835
IT Equipment and support	3,107	164	8,283	11,554
Office and admin costs	8,960	472	23,885	33,317
	76,167	4,011	203,042	283,220

9. GOVERNANCE COSTS

	2020/21	2019/20
	£	£
Fees payable to auditor (note 10)	16,890	16,230
Legal Fees	13	313
Salaries	16,311	16,987
	33,214	33,530

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

10. NET INCOME FOR THE PERIOD

	2020/21	2019/20
	£	£
This is stated after charging:		
Depreciation	59,214	51,913
Fee payable to auditor:		
Audit	8,800	9,300
Payroll & Bookkeeping Services	8,090	6,930
	16,890	16,230

11. TANGIBLE FIXED ASSETS

	Furniture & Fixtures	Motor Vehicles	Equipment	Total
	£	£	£	£
COST				
At 1 September 2020	16,224	224,730	72,237	313,191
Additions	-	156,939	33,273	190,212
Disposals	-	-	-	-
At 31 August 2021	16,224	381,669	105,510	503,403
DEPRECIATION				
At 1 September 2020	3,110	152,931	62,346	218,387
Charge for the year	1,622	50,316	7,276	59,214
Eliminated on disposal	-	-	-	-
At 31 August 2021	4,732	203,247	69,622	277,601
NET BOOK VALUE				
At 1 September 2020	13,114	71,799	9,891	94,804
At 31 August 2021	11,492	178,422	35,888	225,802

12. DEBTORS

	2020/21	2019/20
	£	£
Income tax recoverable under gift aid scheme	11,731	24,318
Other debtors	11,716	15,988
Prepayments and accrued income	135,167	50,390
	158,614	90,696

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

13. CREDITORS: amounts falling due within one year

	2020/21	2019/20
	£	£
PAYE and Social Security	28,406	23,907
Other creditors	45,824	29,511
Accruals and deferred income	304,063	321,227
	<u>378,293</u>	<u>374,645</u>

Accruals and deferred income includes deferred income of £295,063 all of which arose in the year (2019/20 - deferred income of £312,327).

14. RESTRICTED FUNDS

	1st September 2020	Income	Expenditure	Transfer to/(from) Unrestricted Fund	31st August 2021
	£	£	£	£	£
1 Bus project funds	-	147,752	147,752	-	-
2 Vehicle Capital Fund	120,496	6,500	-	126,246	750
3 Exclusion Reduction Programme	59,203	494,557	314,308	-	239,452
4 XL-Mentoring funds	-	129,871	126,516	-	3,355
5 X-Mobile	12,256	86,308	62,454	-	36,110
6 Arts funds	40,646	80,783	43,546	-	77,883
7 Employability funds	57,564	206,400	118,502	-	145,462
8 Sports funds	-	153,538	90,398	-	63,140
9 Literacy & Numeracy	-	62,195	32,169	-	30,026
10 Impact Project (Capacity)	1,530	17,807	19,337	-	-
11 Other funds	25,742	19,565	20,319	1,783	23,205
	<u>317,437</u>	<u>1,405,276</u>	<u>975,301</u>	<u>128,029</u>	<u>619,383</u>

1. Bus project funds include a number of grants from trusts, companies, local authorities and local community organisations given for periods of up to three years for the operation of the XL-R8 Community Bus project.
2. The Vehicle Capital Fund relates primarily to remaining funds given by The Story of Christmas towards the purchase of a fourth community bus during the year. Income received last year from Allchurches Trust was used to make this bus ULEZ compliant. The transfer of £126,246 to unrestricted funds relates to the purchase of two new buses during the year of which one was fitted

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

out for use and entered service; the expenditure has been capitalised and is now represented by fixed assets in Designated Funds (note 15).

3. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches and individuals given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects.
4. XL-Mentoring – includes both one-off and multi-year grants for the operation of the XL-Mentoring programme, from organisations including The Henry Smith Charity, the Jerusalem Trust and The Hampstead and Wells Campden Trust.
5. X-Mobile - funding for the support of the X-Mobile project in London Boroughs, including from Universal Music, Vivendi, the Charles Hayward Foundation, World Traders and the Backstage Trust.
6. Arts Funds - funding from the Big Lottery and others for projects that promote the practice and expression of performing arts.
7. Employability funds – towards our Ready to Work, Young Leaders and Youth Advisory Group programmes, including a significant three-year grant from the Citi Foundation and grants from the Horlock Educational Trust and London Youth.
8. Sports Funds – including grants from Comic Relief, BBC Children in Need, London Youth and the Mayor of London's Young Londoners Fund, as well as a grant for a sports internship from the Jack Petchey Foundation.
9. Literacy & Numeracy – grants from the trusts and companies towards the promotion of literacy and numeracy skills in schools. This project connects closely with our Exclusion Reduction Programme.
10. Impact Project (Capacity) – a one-year grant from the Youth Endowment Fund towards the development of increased capacity for recording and reporting on the impact of the work across the organisation.
11. Other Funds – includes funding towards other smaller projects including the Jack Petchey Foundation for awards made to young people, and funds for summer camps and Snow Camp.

In addition to these specific funds, the Charity again received a number of grants targeted towards continuing work whilst under the changing restrictions around coronavirus, including from the London Community Response Funds, the National Lottery Community Fund, BBC Children in Need, the Barclays 100 x 100 awards and a number of other trusts and foundations. Most of these funds have been recorded as income and utilised amongst the various project funds listed above as required. Remaining funds have been carried over within the Exclusion Reduction Programme funds, due to their primary aim of supporting our work to keep young people in mainstream education, whilst in some cases also available for use within the wider range of youth work that enables us to identify and support young people who face the risk of exclusion.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

2019/20 comparative figures:

	1st September 2019	Income	Expenditure	Transfer to/(from) Unrestricted Fund	31st August 2020
	£	£	£	£	£
1 Big Lottery Fund Grant XLR8	-	109,753	109,753	-	-
2 Other Bus project funds	-	62,750	62,750	-	-
3 Vehicle Capital Fund	101,746	18,750	-	-	120,496
4 Exclusion Reduction Programme	8,143	299,900	248,840	-	59,203
5 XL-Mentoring funds	3,318	160,210	163,528	-	-
6 X-Mobile	-	69,373	57,117	-	12,256
7 Arts funds	-	63,235	22,589	-	40,646
8 Employability funds	18,681	187,211	148,328	-	57,564
9 Sports funds	3,000	66,596	69,596	-	-
10 Literacy & Numeracy	-	32,099	32,099	-	-
11 Impact Project (Capacity)	-	26,238	24,708	-	1,530
12 Other funds	12,953	59,317	46,528	-	25,742
	147,841	1,155,432	985,836	-	317,437

1. Big Lottery Fund Grant – A grant covering 36 months funding the operation of the buses on the XL-R8 Community Bus project commenced in July 2017 and ended this year.
2. Other Bus project funds include a number of grants from trusts, companies, local authorities and local community organisations given for periods of up to three years for the operation of the XL-R8 Community Bus project.
3. The Vehicle Capital Fund relates to remaining funds given by The Story of Christmas towards the future purchase of a fourth community bus. Income was additionally received this year from Allchurches Trust towards making our vehicles ULEZ compliant.
4. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches and individuals given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects.
5. XL-Mentoring – includes a three year grant from the Big Lottery fund for the operation of the XL-Mentoring programme, and grants from The Henry Smith Charity, Children in Need, the Jerusalem Trust and The Pilgrim Trust.
6. X-Mobile - funding for the support of the X-Mobile project in London Boroughs, including from the Universal Music and EMI Sound Foundation, the Vivendi Create Joy Fund and the Charles Hayward Foundation.
7. Arts Funds - funding from the Big Lottery and others for particular arts projects within XLP.

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2021

8. Employability funds – towards our Ready to Work, Young Leaders and Future Talent programmes, including a significant three-year grant from the Citi Foundation and grants from the Parish & Ward church of St Botolph without Bishopsgate and London Youth.
9. Sports Funds – including grants from the Children in Need, London Youth and the Mayor of London's Summer Sports Activities Fund.
10. Literacy & Numeracy – including grants from the Man Charitable Trust.
11. Impact Project (Capacity) – a one-year grant from the Youth Endowment Fund towards the development of increased capacity for recording and reporting on the impact of the work across the organisation.
12. Other Funds – includes funding towards other smaller projects including the Jack Petchey Foundation towards awards to young people and MariaMarina towards SnowCamp.

In addition to these specific funds, the Charity received a number of grants specifically towards continuing work under the constraints of the national response to coronavirus, including from the London Community Response Fund, the National Lottery Community Fund, Sport England, BBC Children in Need, LandAid and a number of individuals through the Big Summer Give. These funds have been utilised as appropriate amongst the specific project funds listed above, with remaining funds carried over within the Exclusion Reduction Programme funds (whilst available for use with the wider range of youth work across all funds).

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

15. UNRESTRICTED FUNDS

	1st September 2020	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	31st August 2021
	£	£	£	£	£
General Funds	270,649	-	7,027	128,029	405,705
Designated Fund - Vehicles	71,799	156,939	(50,316)	-	178,422
	<u>342,448</u>	<u>156,939</u>	<u>(43,289)</u>	<u>128,029</u>	<u>584,127</u>

The Designated Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles including its community buses. The funds are carried at the net book value of the fixed asset motor vehicles. There are no outstanding loans, or endowment funds used to finance their acquisition.

2019/20 comparative figures:

	1st September 2019	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	31st August 2020
	£	£	£	£	£
General Funds	39,385	-	231,264	-	270,649
Designated Fund - Vehicles	122,080	10,593	(60,874)	-	71,799
	<u>161,465</u>	<u>10,593</u>	<u>170,390</u>	<u>-</u>	<u>342,448</u>

16. COMMITMENTS UNDER OPERATING LEASES

At the year end, the charity had total commitments under non-cancellable operating leases as set out below.

	Total 2021	Total 2020
	£	£
Not later than 1 year	2,430	2,430
Later than 1 and not later than 5 years	190	2,620
	<u>2,620</u>	<u>5,050</u>

The charity has entered into agreements with the Church of England for the use of All Hallows on the Wall, London Wall. A formal lease agreement has not yet been completed.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2021**

17. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	Total
	£	£	£
Restricted	-	619,383	619,383
Unrestricted			
- General Fund	47,380	358,325	405,705
- Designated Fund	178,422	-	178,422
	<u>225,802</u>	<u>977,708</u>	<u>1,203,510</u>

18. RELATED PARTIES

The charity received donations without conditions from Trustees in the year of £2,416 (2020: £67,372). There were no other related party transactions that require disclosure under FRS102.

19. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

20. CONTROL

The Company is controlled by its members.

XLP

England & Wales - Charity number 1101095

Accounts



Annual Report and Accounts
For Year ended 31st August 2020

XLP, All Hallows-on-the-Wall, 83, London Wall, EC2M 5ND

XLP is a company limited by guarantee, registered in England,
number 4959458 and a registered charity number 1101095

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FOR THE YEAR ENDED 31ST AUGUST 2020**

DETAILS OF THE CHARITY, TRUSTEES AND ADVISORS

Status

XLP is a charitable company limited by guarantee, registered in England, and incorporated in 2003. The company was registered as a charity in 2003.

XLP is also historically known as “The X L Project”.

Registered Charity Number	1101095
Registered Company Number	4959458
Registered Office	All Hallows-on-the-Wall 83 London Wall London EC2M 5ND
Trustees	Mr E F C Donaldson OBE Mr A D W Millar Mrs R Nuamah Williams Mrs A Russell Mr N Benton (appointed 22/01/2020) Miss E Yentumi (appointed 22/01/2020) Miss E Biddulph (until 07/10/2020) Mr D M Wade (until 22/01/2020)
Chair	Mr E F C Donaldson OBE (from 07/10/2020) Miss E Biddulph (until 07/10/2020)
Treasurer	Mr N Benton (from 07/10/2020) Mr E F C Donaldson OBE (until 07/10/2020)
Secretary	Mr P J Wood
Chief Executive	Mr L O Watson
Bankers	HSBC Bank PLC 47 Rye Lane Peckham London SE15 5ET
Auditor	Edmund Carr LLP 146 New London Road Chelmsford Essex CM2 0AW

WELCOME FROM THE CHAIRMAN AND CHIEF EXECUTIVE

The introduction of lockdown restrictions in March 2020 has seen one of the biggest changes to XLP’s operations in its 25-year history. We are extremely proud of the work we have continued to do during this time and grateful to the team, volunteers, partners and funders for all they have invested in young people.

XLP made a commitment at the start of lockdown to keep as many services going for young people as possible. This involved adapting fast, making quick decisions as restrictions and government guidelines changed, but ultimately, in prioritising support for young people. Trust and relationship are two of the biggest assets that XLP possesses, and shutting services to protect the charity or its finances would not only break trust with the communities we aim to serve, but would hinder any future work either post- or mid-pandemic. Finally, as the country got to grips with the impact that COVID was having, it became clear that those already disadvantaged in society (through poverty, educational failure, institutional racism and more) were being disproportionately affected by the pandemic, and that our work was needed more than ever.

XLP is only as good as its team, and we are hugely grateful to the front line youth workers who have continued to go far beyond expectation in working with some of London’s most disadvantaged young people, together with the back office team that enables them to do so and the trustees for their support through these challenging times. We are also immensely grateful to the many funders – individuals, businesses, trusts and foundations – who have resourced us through this period. Many have given more than they originally committed to give or shown a flexibility that has allowed us to flex and continue to operate within the restrictions.

The work is as important as ever, and we are hopeful about the immediate future and as we approach our 25-year anniversary, are excited about what the next 25 years has in store!

Eddie Donaldson OBE

Chairman

Luke Watson

Chief Executive Officer

OBJECTIVES AND ACTIVITIES

XLP was founded in 1996. Its charitable objects are set out in its governing document and these underpin its operational objectives. The trustees have paid due regard to the Charity Commission's guidance on public benefit when determining the activities of the charity.

XLP engages in long-term relationships to empower young people from the most disadvantaged backgrounds to complete their education and avoid anti-social behaviour, gangs and criminality, and ultimately to become positive contributors to their communities. We are working to create positive futures for young people living in our inner cities and to make a serious and sustainable impact upon poverty and educational failure.

The charity seeks to serve children and young people (approx. 10-20 years of age), primarily from inner-London estate communities, who are experiencing a range of life challenges and/or behavioural and educational difficulties. It does this through a portfolio of prevention, intervention and diversionary projects that are focussed on delivering the following outcomes:

- Children and young people with a raised sense of self-worth, self-esteem and increased educational achievement that helps them confidently and positively contribute to society;
- Children and young people with fresh goals and the desire to work hard to achieve them, with the ability to make wise lifestyle choices; and,
- Children and young people with positive attitudes and behaviour towards their communities: their families, peers, local residents, teachers and the police.

XLP works principally in the London boroughs of Southwark, Lewisham, Lambeth, Greenwich, Newham, Tower Hamlets, Islington, Camden and Hackney.

Over the past 12 months, we have worked with over 2,500 young people and their families on a one-to-one and small group basis, concentrating on building long-term, positive, trusted relationships.

It is these relationships that produce trust with young people, which in turn allows a belief that positive change is possible in what are very often difficult life circumstances. This progression of **Trust → Believe → Change** is foundational to what we do.

It takes time to foster trust. It takes a skilled youth worker to know when to encourage and when to challenge. It takes time for a young person to change their mindset and begin to believe in themselves. It needs that trust and belief to be in place for sustained change to happen.

We believe in building these relationships with young people, and creating multiple contexts and opportunities to deepen our engagement with them. Our theory of change is centred on such relationships. Regular and consistent engagement is not only shown to be the most

**XLP – TRUSTEES’ ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2020**

effective strategy in long term change, but also necessary for young people with multiple levels of disadvantage.

Our work through the year has continued to comprise a wide range of programmes including:

- A schools programme providing educational support, mentoring, specialist lessons and clubs, and a Literacy and Numeracy (LAN) project
- A communities programme doing ‘detached’ youth work on estates, including community bus drop-in sessions, sports and life-skills training, two mobile recording studios working with so called ‘hard-to-reach’ young people, and an arts project that trains in life skills and artistic performance
- A mentoring programme for those on the verge of exclusion or involvement in gangs
- An employability programme that supports young people into apprenticeships and further education by improving their work-readiness
- Summer camps and other outings
- Online youth work in response to restrictions surrounding the COVID crisis

XLP aims to provide multiple contact points with children and young people, working with them in their schools, their communities, and with their families. In this way, robust long-term relationships can be established between XLP youth workers and the children and young people they serve.

ACHIEVEMENTS AND PERFORMANCE

Overview

Outputs

	2019/20
Boroughs where we work	9
Estate communities where we work	29
Schools and Pupil Referral Units where we work	29
Young People (in one-to-ones and small groups)	2,550*

* We were proud to continue our work throughout the pandemic and the various lockdowns that were imposed, but inevitably this led to fewer young people than in previous years, particularly as much work went from group work to one-to-one engagement.

Communities Programme (Arts, Bus, X-Mobile and Sports projects):

- 69% demonstrated sustained and improved resilience and ownership of their decisions
- 73% demonstrated sustained and improved well-being and self-control
- 63% demonstrated sustained and improved leadership skills and self-awareness
- 61% demonstrated sustained and improved kindness and empathy

Mentoring Programme (one-to-one and group mentoring):

- 80% demonstrated sustained and improved emotional and social capabilities
- 78% demonstrated sustained and improved educational engagement
- 77% of caregivers reported improved home / family relationships

Schools Programme (Exclusion Reduction Project):

- 80% demonstrated sustained and improved emotional and social capabilities
- 70% of young people demonstrated improvement in literacy and numeracy skills

Employability Programme (Ready to Work, Young Leaders and Future Talent projects):

- 74 course completers across Ready To Work, Future Talent and Young Leaders
- 65% of young people in employment, education or training (EET) 3 months after completing Ready To Work

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During First Lockdown (March to September 2020):

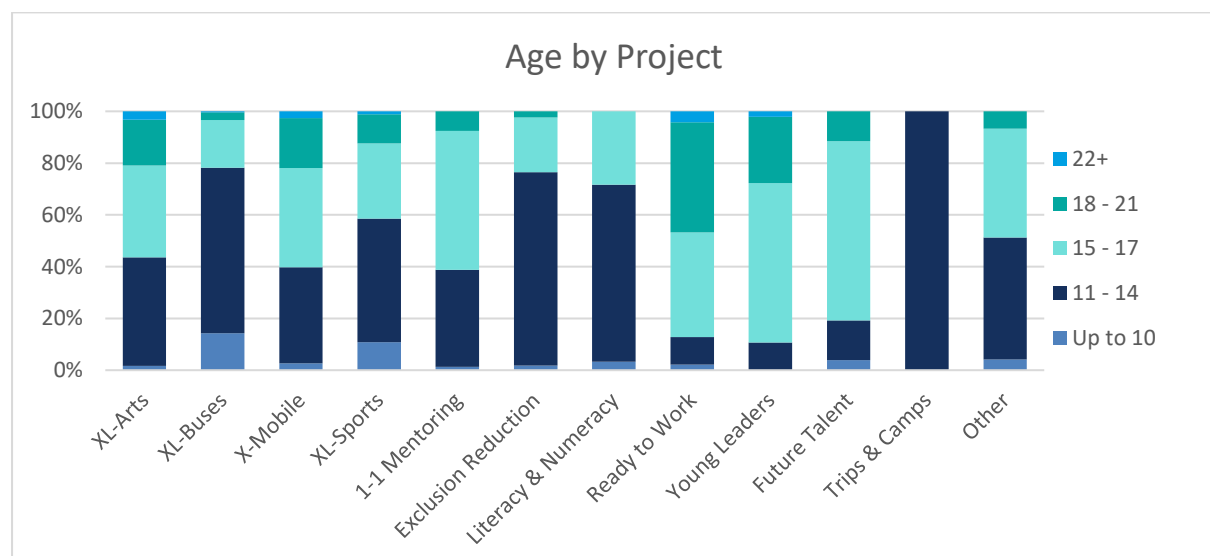
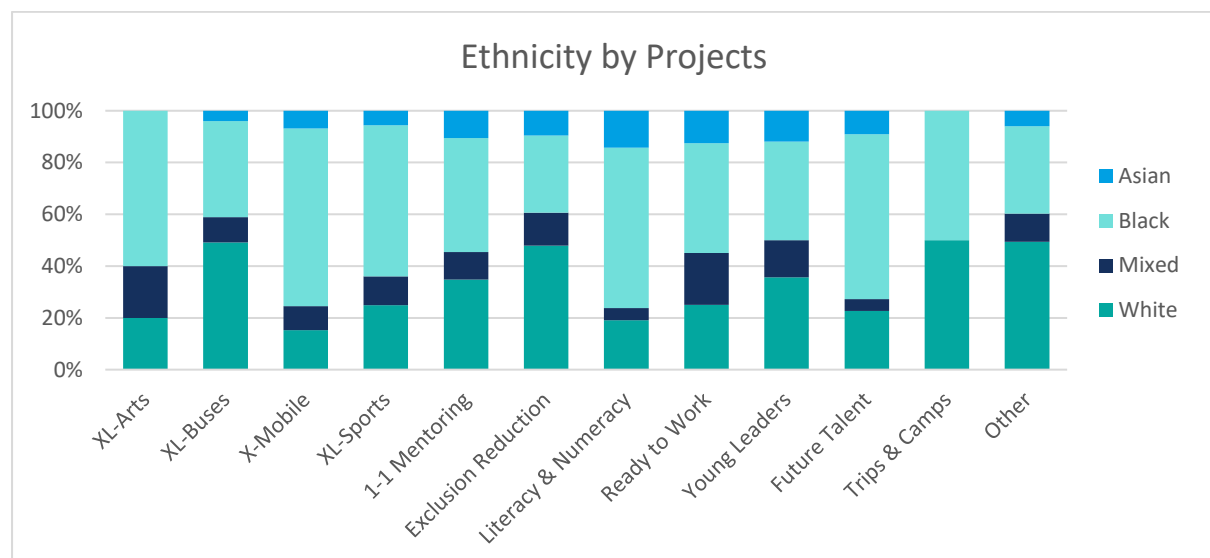
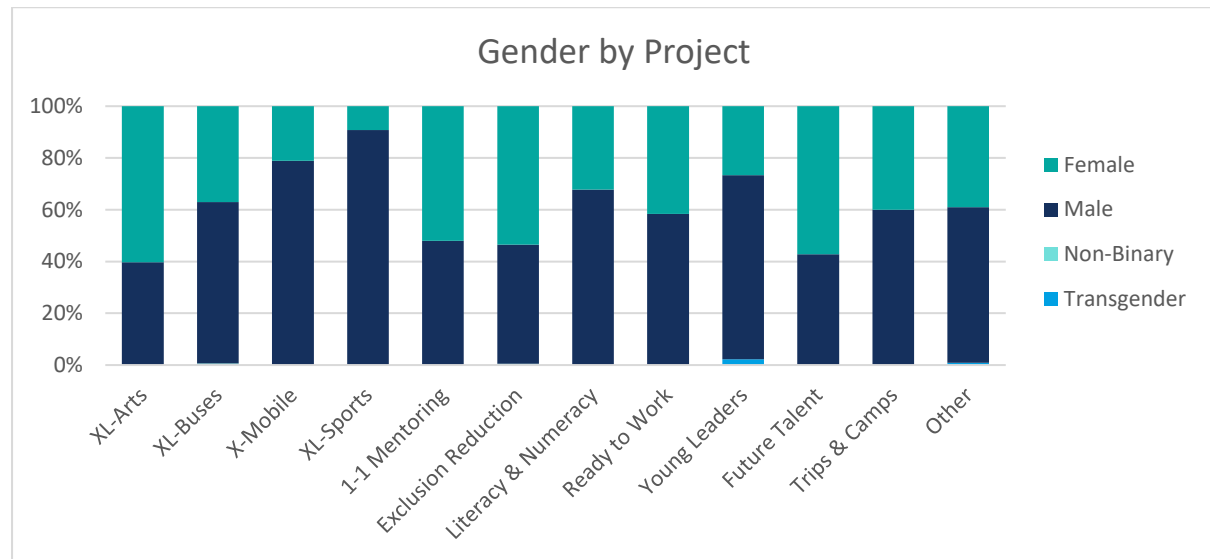
- Supported 597 young people
- 1,810 hours of youth work
- 78% demonstrated sustained or improved educational engagement
- 83% demonstrated sustained or improved healthy use of leisure time
- 78% demonstrated sustained or improved regular exercise routines
- 80% demonstrated sustained or improved home / family relationships

The impact of our work in London has received endorsement from many quarters including senior politicians, the police and many parents, guardians, head teachers, teachers and a variety of community stakeholders, together with various awards. In 2020, XLP was delighted to receive the award for 'Best Youth Voice' from The London Community Foundation, reflecting our emphasis on youth involvement in the work of the charity.

In addition, we have been involved in training others nationally to do similar work in their respective locations, particularly through mentoring.

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Demographic Engagement



Achievements against key goals for 2019/2020

The charity made good progress against its declared key goals for the year.

- **To develop the overall offer by ensuring projects and programmes are interconnected; in particular, to ensure there is a pathway for young people through different XLP projects as they progress through school and into employment**

Through the development of Salesforce and much-improved tracking, we will soon have a much clearer idea of which young people are accessing multiple projects, and how easy it is for them to move to different ones. Due to the relational nature of the youth work, this has always been possible and indeed encouraged, but the tracking allows us to better monitor it and explore barriers should they exist. The employability pilot for those in school (see below) is also important in providing a link between the younger years’ projects and the 16+ employability work.

- **To assess our Literacy and Numeracy (LAN) project and ensure the learnings from the pilot are incorporated into the project; to further build the LAN project into the Schools Programme**

The Literacy and Numeracy project has evolved over the years, and whilst continuing to use the SAFMEDS approach and cards, no longer relies exclusively on these. We have incorporated tutoring into the LAN offer, and particularly during lockdown, worked hard to match young people with volunteers who could tutor them online. Due to schools being closed or not fully functioning during lockdown, we are still in the process of building the LAN project into the Schools Programme.

- **To expand the employability programme to ensure those still in school are ready to transition into employment or further education as they leave; particularly focussing on young people aged 16-18**

With the help of Citi Foundation, we developed and piloted an employability skills development project for young people still in school. Many of these young people are at risk of becoming NEET on leaving school (Not in Education, Employment or Training), and this project not only better prepares them with the non-academic employability skills that they often do not acquire, but also provides a better base from which to join a more traditional 16+ employability project should they then find themselves NEET. The pilot was delayed as a result of the pandemic and closure of schools.

- **To explore revenue streams from project delivery as we continue to diversify income streams**

This was largely hampered by the pandemic and ensuing restrictions. We still believe there is merit in exploring this, although it has always been our intention to provide free services to those people and institutions that would not be able to afford them otherwise.

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- **To build our free reserves and increase the level of unrestricted income in order to increase free reserves**

This was an important goal for the year, and in line with our policy to have three months’ worth of free reserves. The intent was to have the three-month target reached by the end of 2020/21, and through careful financial management, good reporting and strategic fundraising, we were able to achieve the first year’s target and are on track to reach the two-year goal by the end of 2020/21.

Report on Activities for the year

The Coronavirus pandemic impacted youth work across the country, and necessarily led to us restricting our activities. Different lockdowns had different restrictions in place, and it was necessary to be agile and change our activities quickly as they were announced. Throughout, the government allowed and encouraged youth workers to continue their work, particularly with those considered vulnerable. The National Youth Agency (the national body for youth work) gives guidance on what is possible based on government restrictions, and at the most strict lockdown, suggested that only the following activities should be allowed:

- Online and digital youth services
- Detached/outdoor local youth services
- One-to-one sessions with vulnerable young people (indoors)
- Small group work sessions (up to 15 young people) indoors with vulnerable young people (consistent with social distancing guidelines)

It is encouraging that the government has designated youth workers as key workers, as is its recognition that whilst all are vulnerable to COVID, there is a need to continue supporting those in society who are most vulnerable; this has allowed us to continue much of our work. We know that those from low-income families are disproportionately affected and will be affected for many years to come. With the agreement of funders, we are complementing our existing activities with new ones, such as online projects, tutoring for young people and providing laptops. Through these revised activities, we are looking to meet needs now and maintain momentum to build on the foundation of our work for the future.

The table on the following page shows activities carried out during the year across the projects, which were impacted by lockdown restrictions to differing degrees.

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Project	Total Attendees	1-1 Sessions	Group Sessions	Total Sessions	Total Hours
Arts	63	10	22	32	35
Buses	1609	400	501	901	1080
X-Mobile	169	26	188	214	346
Sports	689	250	299	549	738
Exclusion Reduction	256	837	160	997	761
Literacy & Numeracy	92	129	68	197	143
1-1 Mentoring	80	1000	0	1000	1000
Ready to Work	34	152	58	210	232
Future Talent	41	60	22	82	92
Young Leaders	49	75	75	150	188

Communities Programme

Arts Project

The performing arts project operates across nine London boroughs and provides young people with the opportunity to participate in a range of live performance events, specialist coaching and development opportunities, and life-skills and group mentoring sessions. This includes opportunities to record music performance and dance music videos, and the chance to collaborate and learn from industry professionals.

COVID response: this was the project most affected by the pandemic restrictions, and much of the work was scaled down to one-to-one and online sessions. The team still managed to engage some 63 young people this year, but there were no live shows where there would normally be, which would draw large audiences consisting of parents, teachers, peers and local residents. Nevertheless, many of the project’s participants are working towards further training and career development in the arts industry.

Bus Project

The XLP buses and vans act as mobile youth centres that operate in 24 inner-city estate communities in London each week. These communities often lack any youth provision and have been chosen for this very reason. The buses not only provide a safe space for young people, but the long-term and consistent approach taken by the staff and volunteer team enables trusted relationships to develop with young people, which in turn allow for in-depth discussions where young people build their self-confidence, develop the skills needed to become positive members of their communities and realise their potential.

During the year, we decommissioned two buses after many years’ service, and in 2020/21 we shall be replacing it with a new one that is also ULEZ compliant.

COVID response: we stopped using the large double-decker buses, as it would not be possible to run socially distanced sessions on these, but instead used vans to advertise our presence and then organised small group sessions that could be safely run either on the vans or outside. Different restrictions at different times in the year, together with the different seasons, meant changing the approach as necessary.

X-Mobile Project

The X-Mobile recording studio project is focused on beneficiaries classified as ‘hardest to reach’ and operates mainly on housing estates and in Pupil Referral Units (PRUs), working with those who will not engage with statutory agencies for a variety of reasons. Music provides an opportunity to learn new skills, develop confidence and express emotions. Many young people recorded their own musical creations for the first time, and the nature of music production encourages collaboration, which is a useful tool in engaging those involved in gangs or anti-social behaviour.

COVID response: the van normally attracts groups of young people, but other than restricting these to ones and twos, the project was able to continue, using the van to record and produce music, and using this as an engagement activity to bring about change. Online sessions were used as additional support and for those who were unable to join sessions in the community.

Sports Project

The project operates sports sessions at 20 inner-city sites, providing mentoring to at-risk and disadvantaged young people, alongside football, fitness and dance activities. The project has increased trust and built relationships between people from a range of backgrounds within conflicted communities, and provided inclusive activities for socially-isolated young people.

The project also provides a range of additional activities during school holidays to meet the needs of young people who are increasingly susceptible to involvement in youth violence and high-risk behaviours when they are not engaging with school and other key workers. Specific sports drills have been used to help young people from different backgrounds build friendships and relationships, and young people and their families have reported improved relationships, community cohesion, and confidence.

COVID response: in the first lockdown, the government stopped all group sports from taking place. As such, the project focussed on one-to-one fitness and training sessions in parks, online training sessions that young people could take part in from their homes, and one-to-one relationship building in the community.

Schools Programme

Exclusion Reduction Project

The charity has strong relationships with schools and Pupil Referral Units in the nine boroughs where we work. The focus is particularly on exclusion reduction, and keeping young people in mainstream education. This is done primarily through educational lesson support and mentoring (one-to-one or in groups), but also through lunch clubs, homework clubs, and after-school activities.

COVID response: where schools were closed, most contact points initially moved online. However, it became apparent that schools continued to serve children from disadvantaged backgrounds or whose parents or guardians were key workers, which provided opportunities to engage with young people.

Literacy and Numeracy Project

The Literacy and Numeracy project works in schools and PRU's to help those struggling in these areas, which has an inevitable knock-on effect on school work, as well as likelihood to stay engaged with education and home life.

COVID response: this project moved all its work online during the first lockdown, and quickly sought to engage volunteers to run online tutoring sessions due to the interest of wider society, including many who had been furloughed and were looking to use their time productively. The online tutoring is one of the new pilots that we hope to continue when restrictions are lifted.

Mentoring Programme

XLP's Mentoring project targets those young people most at risk: either excluded or on the verge of exclusion, and involved in gangs, crime and anti-social behaviour. The project has worked with young people in one-to-one and group settings, and trains mentors, who are then matched to young people based on location, experience, background and interests. As part of the matching process, mentors are introduced to families, before going on to mentor each young person for a year. Referrals come from schools, Pupil Referral Units, youth and community organisations, and local authority youth and family services. The project sees at-risk young people breaking destructive habits, making wise life choices and positively contributing to their families, communities and society.

COVID response: given that most of the mentoring project takes place in one-to-one settings, this was able to continue relatively undisturbed. Many sessions took place online, as did the mentor training and home visits, but for much of the year, outside one-to-one meetings were allowed.

Employability Programme

Ready to Work Project

Ready to Work is aimed at young people between the ages of 18-24 who are not in education, employment or training (NEET). These young people engage in an intensive eight-week course, consisting of workshops, one-to-one sessions, work experience, volunteering, and job application and interview support. We partner with external organisations and companies to provide specialist career guidance, work experience, work-shadowing experience, interview and CV-writing skills, with most beneficiaries never having had access to such opportunities before. The aim is to train and prepare them to gain, sustain, and progress in employment.

COVID response: on the first day of the first lockdown, all group sessions moved to online sessions using Zoom. One-to-one support was still available in person, albeit outside, which meant that targeted employability support took place online.

Young Leaders Project

This project aims to help young people to improve their work-readiness, and ultimately to prepare them for and keep them in education, employment or training. It includes a work experience element and addresses skills such as communication, problem-solving, self-management, and interpersonal skills. The projects uses a skills building framework that demonstrates to young people what success looks like in each skill, and allows them to target and work towards making improvements. Young people on the project will access company visits, trips and additional broadening experiences, and volunteer experiences. These activities will be important in providing opportunities for young people to use their essential skills, and will encourage them to see the relevance of these skills in addressing real-life problems and challenges.

COVID response: We have launched seven groups of young leaders made up of 16-18 year olds. All these groups have engaged with a mixture of online workshops, face-to-face events, and, when restrictions allowed, group trips. Although volunteering opportunities have been minimised for these young people, we have been able to offer an online work experience programme to those on the project.

Future Talent Project

This is an employability programme for young people aged 14-18, which operates in collaboration with London Youth and has the aims of engaging young people from a BAME background (Black, Asian and Minority Ethnic). It provides opportunities and training to support them with future employment through one-to-one mentoring, group workshops, skills-development training, external talks and presentations, ‘inspire days’, and industry visits. Young people improved their aspirations for future employment, in addition to developing a range of key skills in areas such as communication, teamwork, presenting, and listening.

COVID response: From March until June, we ran a weekly Future Talent group focussing on wellbeing and adjustment to lockdown as well as on the changes for those who would no longer be sitting exams.

Other

Summer camps and outings

Ordinarily, XLP would run dozens of residential trips for young people, either full-week or weekend trips, and take close to 400 young people away. These trips offer incredible opportunities for growth for young people who often lack such opportunities. They help young people to broaden their horizons, visit new places and create lifelong memories, whilst also giving building strong and positive relationships with trusted youth workers. It is often on such trips that transformational moments are seen, with real breakthrough across the ages. This year, due to the pandemic restrictions, we ran seven overnight camping trips and weekends away, and 22 day-trips.

Training

XLP provides a yearlong, apprenticeship training programme focused on urban youth and community work, together with project-specific training. The aim is to give young people who have come through the youth work projects an opportunity to learn through experience, as well as receiving targeted training on the job and externally. Apprentices start in September where possible, and typically join the Sports project or X-Mobile project.

In addition, XLP participates in three-year degree programmes providing qualifications in Theology and Youth Ministry. The XLP degree students on these programmes fulfilled the practical parts of their courses by working on XLP projects that also provide additional continuity within the teams.

Laptop Provision

The first lockdown highlighted the digital divide that many of those we work with face. Many do not have access to laptops or tablets, or share them with other family members, and even where such devices do exist, there is often a need for reliable internet. Through the initiative of various key supporters, we received and delivered dozens of laptops in the latter half of 2019/20, with many more delivered in 2020/21.

Youth Advisory Group

This group is made up of past and current beneficiaries from across XLP, aged from 16 upwards. It meets monthly to discuss XLP and offer feedback and suggestions for improvements of projects and make a significant contribution to the work of XLP. The group receives leadership training and mentoring support to develop confidence and listening skills.

Our ‘Youth Voice’ was recognised by the London Community Fund with their 2020 Youth Voice award, in recognition of the contribution of young people to the shaping of projects and the opportunity to feed into the future shaping of the charity.

FINANCIAL AND RISK REVIEW

Income and Expenditure

Total Income received for the year was £1,844,527 only £54,898 lower than £1,899,425 for 2019 despite the cancellation of our fundraising dinner and other fundraising activities due to the Covid-19 restrictions. This largely resulted from the generous support received from our funders as we adapted our programmes to keep working with our young people wherever possible. We also benefitted from Government furlough support of £115,304 where we were unable to utilise staff.

The main sources of voluntary income for the period are set out in Note 2. The charity is hugely grateful to all its donors.

Expenditure of £1,493,948 showed a reduction of £408,904 from £1,902,852 for 2019 resulting from the action taken at the beginning of the year to reduce the cost base, the reduction in associated costs and expenses resulting from on-line delivery of programmes rather than face to face, and savings on salary costs where staff had to be furloughed.

This performance resulted in restricted funds increasing to £317,437 (2019: £147,841) and unrestricted funds increasing to £342,448 (2019: £161,465).

Donations and other fundraised income of £1,698,985 were down from £1,801,092 in 2019. After the significant increase in other donations last year, these decreased to £300,966 this year (2019: £727,484). Donations from churches and grants for the bus project were also down by £33,434 and £19,695, whilst other grants increased by £443,093 and donations from businesses increased by £43,669. Income from events was significantly reduced to £58,180 from £186,152 in 2019, primarily due to the restrictions in place due to the coronavirus pandemic.

Whilst we were unable to hold our usual events, a “Virtual Annual Dinner” raised £35,744 and we were able to raise £10,056 through the Big Summer Give (which was matched by a further £5,000 in individual donations and £5,000 grant). XLP does not use a professional fundraising service and has not received any complaints from donors regarding our fundraising activities.

Other income is analysed in Note 3. Our main source of other income was hiring out our building to a church, but this ended as the first lockdown began. We also received training fees related to our degree students, but training fee income is lower as we stopped running our gap year programme in July 2019.

Our principal expenditure is staff costs. In the last twelve months these decreased by 14%, through a combination of the redundancy programme that was put in place at the end of the previous year and the reduced salaries paid to staff under the furlough scheme.

With lockdowns restricting face-to-face work we were able to do and our activities changing to support young people online, the costs of running our projects decreased by 20% this year.

XLP – TRUSTEES’ ANNUAL REPORT FOR THE YEAR ENDED 31ST AUGUST 2020

The costs of running our community vehicles decreased as we used the smaller vans in place of our buses. We also retired two of our buses and one mobile recording studio during the year, as we will be bringing a new bus into operation when practical in 2021.

Our fundraising ratio improved this year, with costs of generating voluntary income and fundraising costs standing at 7% of the total of voluntary income and activities for generating funds. Support costs decreased significantly in the year as set out in Note 8.

Balance Sheet

Fixed assets decreased significantly to £94,804, mainly as a result of the depreciation of our community buses and other vehicles which are our principal fixed assets, as well as the disposal of three vehicles that had reached the end of their useful life. Each of the remaining vehicles has a continuing useful life and the carrying value is therefore considered by the trustees to be prudent.

Current assets largely comprise cash on deposit. In the current climate, it is extremely difficult for an organisation of our size to achieve reasonable interest rates on this money. However, interest rates are maximised where possible. Debtors largely relate to accrued income that related to the financial year but was received post year-end. The main “creditor” is deferred income of £312,327 representing grants given in 2019/20 for work that will take place in the next or subsequent financial years.

Reserves Policy

The policy aims to establish free reserves at a level to cover three months of charitable expenditure. At year end free reserves of £247,644 represented 2.1 months of cover. This is a much improved position from 2019 where there was minimal cover, and reflects the reduction in cost base from the action taken at the beginning of the year and careful control of costs against budget throughout the year. The charity maintains its intent to reach the three month target by 30th August 2021.

Going Concern

The trustees have reviewed the outturn for the year particularly noting the increased levels of both restricted and unrestricted reserves, along with the progress made against the approved budget for 2020/21 including the assessment of the impact of COVID upon the operation of the Charity. Following this and the review of our funding position going forward, the trustees have a reasonable expectation that the charity will have sufficient resources to meet its liabilities as they fall due for the foreseeable future. The trustees therefore consider it appropriate for the accounts to be signed on a going concern basis.

Risk Review

The main uncertainty currently facing the charity is the impact of the ongoing global COVID outbreak. The trustees, together with the CEO and senior management, continue to monitor the situation, particularly government advice and potential financial support, and acknowledge that along with many other charities XLP will continue to face a period of uncertainty. It is recognised that this is an evolving situation that limits the ability to accurately quantify the financial impact, but steps have been taken, including furloughing and other cost saving actions, together with careful monitoring of cash flow, to minimise the impact on the charity’s activities.

The trustees conduct an annual review of the major risks to which the charity is exposed and the controls established to mitigate those risks. In addition to the risks associated with the impact of COVID, the trustees consider that the most significant current risks to XLP relate to lack of funding, loss of key personnel and safeguarding with the attendant reputational risks.

The charity’s funding strategy encourages a diversification of funding sources whilst continuing to expand the funding base for the charity. Funding is received from charitable trusts, major private and corporate donors, fundraising events and donations from churches and individuals, and during this period, from the Government through the furloughing scheme.

Senior managers cover the core areas of the organisation (youth work, safeguarding, impact, culture, finances and fundraising) and provides support to the Chief Executive Officer as well as continuity in times of absence.

The safeguarding policy and procedures of the Charity are reviewed by the trustees, senior management and the Chief Executive Officer. Trustees are updated regularly at Board meetings on safeguarding matters. All staff are trained annually in safeguarding and training is provided for mentors and other volunteers.

PLANS FOR FUTURE PERIODS

The charity plans to continue its present activities in future years, and to add activities as resources permit. Our focus during 2020/21 will remain upon the activities in our existing boroughs with young people, whilst delving deeper into impact management.

Key goals for 2020/21 are:

- To maximise opportunities under COVID restrictions to support young people and their communities
- Within the restrictions, to get back to build up the work again
- To develop the Education programme
- To develop our impact management and measurement, ensuring that good output, outcome and impact data are available going forwards
- To explore revenue streams from project delivery as we continue to diversify income streams
- To continue to build our free reserves to give us a sustainable platform for future growth

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The charity was established under a Memorandum of Association and is governed under its Articles of Association.

Trustees

Trustees are generally recruited through the current trustees, taking note of skill gaps identified by the trustee body. Under the Articles, new trustees are appointed by the Board of Trustees and one third of the members of the Board (the longest serving) retire each year, but are eligible to be re-appointed if still qualified.

New trustees go through an induction process and receive trustee training as appropriate.

The trustees schedule four quarterly meetings a year and hold further meetings during the year as required. During the financial period, the trustees met as a Board seven times.

Organisational Structure

The organisation is led by the Board of Trustees, which oversees and monitors the work of XLP and makes decisions on overarching issues such as vision and long-term strategy, and agrees the budget in conjunction with the Chief Executive (CEO).

The oversight of the day-to-day work of XLP is delegated to the senior managers and led by the CEO. The trustees appoint a small committee of trustees to agree the remuneration of the CEO and other senior staff. Operations (youth work) and Support Services (office) teams meet regularly and take responsibility for XLP’s day-to-day operations and service delivery.

Related Parties

XLP works in association and partnership with a number of local organisations, in furtherance of its charitable purposes. These include schools, Pupil Referral Units and other Alternative Provision establishments, London Borough Councils, Youth Offending Teams, various Housing and Tenants’ Associations, the Police, Police Community Support Officers, Safer Neighbourhood Teams, together with other local charities. XLP also works with a number of youth work organisations and churches across London.

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

The trustees (who are also directors of XLP for the purposes of company law) are responsible for preparing the Trustees’ Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments 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 assume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company’s auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity’s governing document, the Charities Act 2011 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 published on 16 July 2014.

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

**XLP – TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31ST AUGUST 2020**

Approved by the Trustees on 18th May 2021 and signed on their behalf by:

Edward Donaldson

Mr E F C Donaldson OBE (Chair)

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2020

AUDITOR’S OPINION

We have audited the financial statements of XLP (the ‘charitable company’) for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 August 2020, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2020

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees’ annual report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees’ report; or
- the charitable company has not kept adequate accounting records; 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 set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2020

intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

XLP – INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF XLP FOR THE YEAR ENDED 31ST AUGUST 2020

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company’s trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company’s trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Edmund Carr LLP

EDMUND CARR LLP Statutory Auditor 146 New London Road
Chelmsford
Essex CM2 0AW

Date 18 May 2021

Edmund Carr LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**XLP – STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST AUGUST 2020**

STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted	Restricted	2019/20 Total	2018/19 Total
	Note	£	£	£	£
Income from:					
Donations and other fundraised income	2	546,157	1,152,828	1,698,985	1,801,092
Investment income – bank interest		28	-	28	558
Charitable Activities	3a	7,437	742	8,179	48,761
Other trading activities	3b	20,169	1,862	22,031	49,014
HMRC Job Retention Scheme		115,304	-	115,304	-
Total Income		689,095	1,155,432	1,844,527	1,899,425
Expenditure on:					
Raising Funds	6	114,269	200	114,469	177,666
Charitable Activities	7,8,9	393,843	985,636	1,379,479	1,725,186
Total Expenditure		508,112	985,836	1,493,948	1,902,852
Net income/(expenditure)		180,983	169,596	350,579	(3,427)
Transfers between funds	14	-	-	-	-
Net movement in funds		180,983	169,596	350,579	(3,427)
Reconciliation of Funds					
Total Funds brought forward		161,465	147,841	309,306	312,733
Total Funds carried forward		342,448	317,437	659,885	309,306

The statement of financial activities includes all gains and losses in the year.

**XLP – BALANCE SHEET
AS AT 31ST AUGUST 2020**

BALANCE SHEET

			31st August 2020	31st August 2019
	Note	£	£	£
Fixed Assets				
Tangible Assets	11		94,804	149,948
Current Assets				
Stock		2,284		2,314
Debtors	12	90,696		234,420
Cash at bank in hand		846,746		390,090
		<u>939,726</u>		<u>626,824</u>
Current Liabilities				
Creditors: amounts falling due within one year	13	374,645		467,466
		<u></u>		<u></u>
Net Current Assets			565,081	159,358
Net Assets			<u>659,885</u>	<u>309,306</u>
Funds of the Charity				
Restricted Income Funds	14		317,437	147,841
Unrestricted Funds	15		342,448	161,465
Total Charity Funds			<u>659,885</u>	<u>309,306</u>

For the year ending 31st August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the board on 18th May 2021

Signed on its behalf by

Edward Donaldson

Mr E F C Donaldson OBE (Chair)
Company Registration no. 4959458

**XLP – STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST AUGUST 2020**

STATEMENT OF CASH FLOWS

	2019/20	2018/19
	£	£
<u>Cash flows from operating activities</u>		
Net cash provided by (used in) operating activities (Note 1)	470,293	(24,900)
<u>Cash flows from investing activities</u>		
Purchase of fixed assets	(13,637)	(44,031)
Net cash provided by (used in) investing activities	(13,637)	(44,031)
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	456,656	(68,931)
Cash and cash equivalents at the beginning of the reporting period	390,090	459,021
Cash and cash equivalents at the end of the reporting period (Note 2)	846,746	390,090
<u>Note 1</u>		
Net income/(expenditure) for the reporting period	350,579	(3,427)
Adjustments for:		
Depreciation	51,913	58,318
Loss on disposal of fixed assets	16,868	14,320
(Increase)/decrease in stocks	30	56
(Increase)/decrease in debtors	143,724	(98,780)
Increase/(decrease) in creditors	(92,821)	4,613
Net cash provided by (used in) operating activities	470,293	(24,900)
<u>Note 2</u>		
Analysis cash and cash equivalents		
Cash in hand	840,298	383,679
Notice deposits	6,448	6,411
Total cash and cash equivalents	846,746	390,090

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014; the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102); the Charities Act 2011; and UK Generally Accepted Practice as it applies from 1 January 2019.

The charity constitutes a public benefit entity as defined by FRS102.

b) Going concern

The Charity is funded from a diverse number of sources, including charitable trusts, major private and corporate donors, fundraising events and donations from individuals, churches and other local organisations. As such it is not reliant upon one source of income. Taking this into account together with the strength of the balance sheet and their review of performance against plan to date, the Trustees believe that, while uncertainty exists, there is no material uncertainty regarding the Charity's ability to continue as a going concern and consequently consider that the financial statements are appropriately prepared on such a basis.

c) Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, it is more likely than not that the charity will receive the resources and the monetary value can be measured with sufficient reliability.

d) Incoming resources

Donations and grants are included in the accounts when the general income criteria are met. When donors specify they are to be used for a future accounting period they are treated as deferred income. Fees received for courses commencing after the period end are also recognised as deferred income. Contributions, fees and tax recoverable from the Inland Revenue under the Gift Aid scheme are recognised on an accruals basis when there is a valid declaration from the donor.

e) Resources Expended

Expenditure is accounted for on an accruals basis, inclusive of VAT, which cannot be recovered. The majority of costs are attributable to specific charitable activities. Support costs include central functions and are allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff costs by the time spent and other costs by their usage. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

f) Capitalisation and Depreciation

All fixed assets are initially recorded at cost.

Tangible fixed assets costing more than £500 are capitalised in the accounts.

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

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

Office Equipment – computers 50% straight line, other equipment 25% straight line

Motor Vehicles – 20% straight line

Fixtures & Fittings – 10% straight line

g) **Stocks**

Stocks held for resale are measured at the lower of cost or net realisable value.

h) **Pensions**

XLP contributes to a defined contribution pension scheme on behalf of employees the cost of which is disclosed in note 4 below.

i) **Funds accounting**

Funds held by the charitable company are:

Unrestricted general funds – funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Unrestricted designated funds – funds committed to fixed assets as set out in note 15.

Restricted funds – funds that can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The nature and purpose of each fund is explained further in the notes to the financial statements.

j) **Operating Leases**

Rentals under operating leases are charged on a straight-line basis over the lease term.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

2. DONATIONS AND OTHER FUNDRAISED INCOME

	Unrestricted	Restricted	2019/20 Total
	£	£	£
Donations from churches	41,058	50,657	91,715
Donations from businesses	93,485	55,309	148,794
Other Donations	289,927	11,039	300,966
Grants for bus project	-	161,838	161,838
Capital Grants	-	18,750	18,750
Other grants	72,730	846,012	918,742
Total Donations and grants	<u>497,200</u>	<u>1,143,605</u>	<u>1,640,805</u>
Income from events	48,957	9,223	58,180
	<u>546,157</u>	<u>1,152,828</u>	<u>1,698,985</u>

2018/19 comparative figures:

	Unrestricted	Restricted	2018/19 Total
	£	£	£
Donations from churches	27,764	97,385	125,149
Donations from businesses	27,879	77,246	105,125
Other Donations	592,216	135,268	727,484
Grants for bus project	-	181,533	181,533
Capital Grants	-	-	-
Other grants	44,580	431,069	475,649
Total Donations and grants	<u>692,439</u>	<u>922,501</u>	<u>1,614,940</u>
Income from events	181,057	5,095	186,152
	<u>873,496</u>	<u>927,596</u>	<u>1,801,092</u>

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

3.

a) INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted	Restricted	2019 /20 Total
	£	£	£
Training Fees	7,437	742	8,179
Reimbursement by gap year volunteers for overseas travel	-	-	-
	<u>7,437</u>	<u>742</u>	<u>8,179</u>

2018/19 comparative figures:

	Unrestricted	Restricted	2018/19 Total
	£	£	£
Training Fees	46,670	330	47,000
Reimbursement by gap year volunteers for overseas travel	1,291	470	1,761
	<u>47,961</u>	<u>800</u>	<u>48,761</u>

b) INCOME FROM TRADING ACTIVITIES

	Unrestricted	Restricted	2019/20 Total
	£	£	£
Speaking engagements	205	-	205
Sales & other contributions to costs	4,949	1,862	6,811
Rental Income	15,015	-	15,015
	<u>20,169</u>	<u>1,862</u>	<u>22,031</u>

2018/19 comparative figures:

	Unrestricted	Restricted	2018/19 Total
	£	£	£
Speaking engagements	151	285	436
Sales & other contributions to costs	15,118	9,710	24,828
Rental Income	23,750	-	23,750
	<u>39,019</u>	<u>9,995</u>	<u>49,014</u>

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

4. STAFF COSTS

a) Employment Costs

2019/20

**Total
£**

Gross Pay	1,032,251
Pensions Contributions	22,473
Social Security costs (Employers National Insurance)	90,882
	<u>1,145,606</u>

- b) An average of 40 people were employed by the company during the year of which 8 were part-time.
- c) One employee earned between £60,000 and £70,000. Total earnings of key management personnel was £74,636.
- d) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.

2018/19 comparative figures:

e) Employment Costs

2018/19

**Total
£**

Gross Pay	1,197,391
Pensions Contributions	26,420
Social Security costs (Employers National Insurance)	107,738
	<u>1,331,549</u>

- f) An average of 47 people were employed by the company during the year of which 9 were part-time
- g) One employee earned between £60,000 and £70,000. Total earnings of key management personnel was £123,908.
- h) The trustees received no remuneration during the year. The charity purchased trustee indemnity insurance on behalf of the trustees. Trustees' expenses reimbursed during the year amounted to nil.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

5. TAXATION

As a registered charity, the entity is entitled to those reliefs from taxation which are available to charities.

6. RAISING FUNDS

	Unrestricted	Restricted	2019/20
	£	£	£
Costs of generating donations			
Salaries	109,910	-	109,910
Other costs	570	200	770
	110,480	200	110,680
Fundraising event costs	3,789	-	3,789
	114,269	200	114,469

2018/19 comparative figures:

	Unrestricted	Restricted	2018/19
	£	£	£
Costs of generating donations			
Salaries	138,838	-	138,838
Other costs	9,111	96	9,207
	147,949	96	148,045
Fundraising event costs	29,577	44	29,621
	177,526	140	177,666

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

7. ANALYSIS OF COSTS OF CHARITABLE ACTIVITIES

	Community Projects	Training	Borough and other outreach work	2019/20
	£	£	£	£
Salaries	221,415	4,118	625,662	851,195
Travel (inc. costs reimbursed) (note 3a above)	-	-	-	-
Training Allowances	-	1,200	-	1,200
Bus and transport costs	42,731	600	66,143	109,474
Direct Project Costs	21,659	9,129	70,072	100,860
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	76,167	4,011	203,042	283,220
Governance Costs (note 9)	9,017	475	24,038	33,530
	370,989	19,533	988,957	1,379,479

2018/19 comparative figures:

	Community Projects	Training	Borough and other outreach work	2018/19
	£	£	£	£
Salaries	147,586	42,022	803,412	993,020
Travel (inc. costs reimbursed) (note 3a above)	-	-	2,249	2,249
Training Allowances	-	15,620	-	15,620
Bus and transport costs	59,635	7,428	78,359	145,422
Direct Project Costs	25,082	3,398	159,958	188,438
Donations and sponsorships	-	-	-	-
Support Costs (note 8)	58,807	17,333	264,284	340,424
Governance Costs (note 9)	6,925	2,038	31,050	40,013
	298,035	87,839	1,339,312	1,725,186

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

8. SUPPORT COSTS

	Community Projects	Training	Borough and other outreach work	2019/20
	£	£	£	£
Salaries	45,050	2,372	120,092	167,514
Office Accommodation	19,050	1,003	50,782	70,835
IT Equipment and support	3,107	164	8,283	11,554
Office and admin costs	8,960	472	23,885	33,317
	76,167	4,011	203,042	283,220

2018/19 comparative figures:

	Community Projects	Training	Borough and other outreach work	2018/19
	£	£	£	£
Salaries	30,865	9,097	138,708	178,670
Office Accommodation	20,225	5,961	90,893	117,079
IT Equipment and support	2,730	805	12,270	15,805
Office and admin costs	4,987	1,470	22,413	28,870
	58,807	17,333	264,284	340,424

9. GOVERNANCE COSTS

	2019/20	2018/19
	£	£
Fees payable to auditor (note 10)	16,230	18,978
Legal Fees	313	13
Salaries	16,987	21,022
	33,530	40,013

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

10. NET INCOME FOR THE PERIOD

	2019/20	2018/19
	£	£
This is stated after charging:		
Depreciation	51,913	58,318
Fee payable to auditor:		
Audit	9,300	11,800
Payroll & Bookkeeping Services	6,930	7,178
	16,230	18,978

11. TANGIBLE FIXED ASSETS

	Furniture & Fixtures	Motor Vehicles	Equipment	Total
	£	£	£	£
COST				
At 1 September 2019	16,224	442,186	71,002	529,412
Additions	-	10,593	3,043	13,636
Disposals	-	(228,049)	(1,808)	(229,857)
At 31 August 2020	16,224	224,730	72,237	313,191
DEPRECIATION				
At 1 September 2019	1,488	320,106	57,870	379,464
Charge for the year	1,622	44,006	6,285	51,913
Eliminated on disposal	-	(211,181)	(1,808)	(212,989)
At 31 August 2020	3,110	152,931	62,346	218,387
NET BOOK VALUE				
At 1 September 2019	14,736	122,080	13,132	149,948
At 31 August 2020	13,114	71,799	9,891	94,804

12. DEBTORS

	2019/20	2018/19
	£	£
Income tax recoverable under gift aid scheme	24,318	66,832
Other debtors	15,988	21,966
Prepayments and accrued income	50,390	145,622
	90,696	234,420

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

13. CREDITORS: amounts falling due within one year

	2019/20	2018/19
	£	£
PAYE and Social Security	23,907	25,962
Other creditors	29,511	24,656
Accruals and deferred income	321,227	416,848
	<u>374,645</u>	<u>467,466</u>

Accruals and deferred income includes deferred income of £312,327 all of which arose in the year (2018/19 - deferred income of £408,848).

14. RESTRICTED FUNDS

	1st September 2019	Income	Expenditure	Transfer to/(from) Unrestricted Fund	31st August 2020
	£	£	£	£	£
1 Big Lottery Fund Grant XLR8	-	109,753	109,753	-	-
2 Other Bus project funds	-	62,750	62,750	-	-
3 Vehicle Capital Fund	101,746	18,750	-	-	120,496
4 Exclusion Reduction Programme	8,143	299,900	248,840	-	59,203
5 XL-Mentoring funds	3,318	160,210	163,528	-	-
6 X-Mobile	-	69,373	57,117	-	12,256
7 Arts funds	-	63,235	22,589	-	40,646
8 Employability funds	18,681	187,211	148,328	-	57,564
9 Sports funds	3,000	66,596	69,596	-	-
10 Literacy & Numeracy	-	32,099	32,099	-	-
11 Impact Project (Capacity)	-	26,238	24,708	-	1,530
12 Other funds	12,953	59,317	46,528	-	25,742
	<u>147,841</u>	<u>1,155,432</u>	<u>985,836</u>	<u>-</u>	<u>317,437</u>

1. Big Lottery Fund Grant – A grant covering 36 months funding the operation of the buses on the XL-R8 Community Bus project commenced in July 2017 and ended this year.

XLP – NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2020

2. Other Bus project funds include a number of grants from trusts, companies, local authorities and local community organisations given for periods of up to three years for the operation of the XL-R8 Community Bus project.
3. The Vehicle Capital Fund relates to remaining funds given by The Story of Christmas towards the future purchase of a fourth community bus. Income was additionally received this year from Allchurches Trust towards making our vehicles ULEZ compliant.
4. Exclusion Reduction Programme – includes funds from trusts, companies, local authorities, local churches and individuals given in support of the work within schools and connected to schools across our boroughs, with the aim of reducing and preventing exclusions of young people from mainstream education. This has become the primary focus of our borough projects.
5. XL-Mentoring – includes a three year grant from the Big Lottery fund for the operation of the XL-Mentoring programme, and grants from The Henry Smith Charity, Children in Need, the Jerusalem Trust and The Pilgrim Trust.
6. X-Mobile - funding for the support of the X-Mobile project in London Boroughs, including from the Universal Music and EMI Sound Foundation, the Vivendi Create Joy Fund and the Charles Hayward Foundation.
7. Arts Funds - funding from the Big Lottery and others for particular arts projects within XLP.
8. Employability funds – towards our Ready to Work, Young Leaders and Future Talent programmes, including a significant three-year grant from the Citi Foundation and grants from the Parish & Ward church of St Botolph without Bishopsgate and London Youth.
9. Sports Funds – including grants from the Children in Need, London Youth and the Mayor of London's Summer Sports Activities Fund.
10. Literacy & Numeracy – including grants from the Man Charitable Trust.
11. Impact Project (Capacity) – a one-year grant from the Youth Endowment Fund towards the development of increased capacity for recording and reporting on the impact of the work across the organisation.
12. Other Funds – includes funding towards other smaller projects including the Jack Petchey Foundation towards awards to young people and MariaMarina towards SnowCamp.

In addition to these specific funds, the Charity received a number of grants specifically towards continuing work under the constraints of the national response to coronavirus, including from the London Community Response Fund, the National Lottery Community Fund, Sport England, BBC Children in Need, LandAid and a number of individuals through the Big Summer Give. These funds have been utilised as appropriate amongst the specific project funds listed above, with remaining funds carried over within the Exclusion Reduction Programme funds (whilst available for use with the wider range of youth work across all funds).

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

2018/19 comparative figures:

	1st September 2018	Income	Expenditure	Transfer to Unrestricted Fund	31st August 2019
	£	£	£	£	£
1 Big Lottery Fund Grant XLR8	-	106,533	106,533	-	-
2 Other Bus project funds	-	125,660	125,660	-	-
3 Vehicle Capital Fund	108,346	-	-	6,600	101,746
4 Borough projects	-	147,617	139,474	-	8,143
5 XL-Mentoring funds	-	218,012	214,694	-	3,318
6 X-Mobile	-	65,489	65,489	-	-
7 Arts funds	-	76,874	76,874	-	-
8 Ready for Work	10,118	105,458	96,895	-	18,681
9 Sports funds	-	26,308	23,308	-	3,000
10 Literacy & Numeracy	5,023	25,000	30,023	-	-
11 Other funds	1,213	41,440	29,700	-	12,953
	124,700	938,391	908,650	6,600	147,841

1. Big Lottery Fund Grant – A grant covering 36 months funding the operation of the buses on the XL-R8 Community Bus project commenced in July 2017.
2. Other Bus project Funds include a number of grants from trusts, companies and individuals given for periods of up to three years for the operation of the XL -R8 Community Bus project.
3. The Vehicle Capital Fund relates to remaining funds given by The Story of Christmas, of £100,000 towards the future purchase of a fourth community bus and £30,774 towards a second minibus. The transfer of £6,600 relates to expenditure that has been capitalised and is now represented by Fixed Assets in Designated Funds (note 15).
4. Borough Projects – includes funds from Saddlers' Company, Goldsmiths' Company, Compassion U.K., Almacantar, Dorrington and others given for the support of the work in boroughs under the management of senior youth workers and their borough teams.
5. XL-Mentoring – includes a three year grant from the Big Lottery fund for the operation of the XL-Mentoring programme, and grants from The Henry Smith Charity, Children in Need, Land Aid and The Pilgrim Trust.
6. X-Mobile - funding for the support of the X-Mobile project in London Boroughs, including from the Universal Music and EMI Sound Foundation, the Vivendi Create Joy Fund and the Charles Hayward Foundation.
7. Arts Funds - funding from the Big Lottery and others for particular arts projects within XLP.
8. Ready to Work – including a significant three-year grant from an individual and grants from the Parish & Ward church of St Botolph without Bishopsgate and London Youth.

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

9. Sports Funds – including grants from the Kilfinan Trust, Children in Need, the Hedley Trust, London Youth and the Mayor of London's Summer Sports Activities Fund.
10. Literacy & Numeracy – including grants from the Man Charitable Trust.
11. Other Funds – includes funding towards other smaller projects including the Jack Petchey Foundation towards awards to young people and MariaMarina towards SnowCamp.

15. UNRESTRICTED FUNDS

	1st September 2019	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	31st August 2020
	£	£	£	£	£
General Funds	39,385	-	231,264	-	270,649
Designated Fund - Vehicles	122,080	10,593	(60,874)	-	71,799
	<u>161,465</u>	<u>10,593</u>	<u>170,390</u>	<u>-</u>	<u>342,448</u>

The Designated Fund represents the amount of charity funds utilised in capital investments in the charity's motor vehicles including its community buses. The funds are carried at the net book value of the fixed asset motor vehicles. There are no outstanding loans, or endowment funds used to finance their acquisition.

2018/19 comparative figures:

	1st September 2018	Resources to fund fixed assets	Net Resources Generated/ (Utilised)	Transfer from Restricted Fund	31st August 2019
	£	£	£	£	£
General Funds	25,738	-	7,047	6,600	39,385
Designated Fund - Vehicles	162,295	21,575	(61,790)	-	122,080
	<u>188,033</u>	<u>21,575</u>	<u>(54,743)</u>	<u>6,600</u>	<u>161,465</u>

**XLP – NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

16. COMMITMENTS UNDER OPERATING LEASES

At the year end, the charity had total commitments under non-cancellable operating leases as set out below.

	Total 2020	Total 2019
	£	£
Not later than 1 year	2,430	2,430
Later than 1 and not later than 5 years	2,620	5,050
	5,050	7,480

The charity has entered into agreements with the Church of England for the use of All Hallows on the Wall, London Wall. A formal lease agreement has not yet been completed.

17. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Other net assets	Total
	£	£	£
Restricted	-	317,437	317,437
Unrestricted			
- General Fund	23,005	247,644	270,649
- Designated Fund	71,799	-	71,799
	94,804	565,081	659,885

18. RELATED PARTIES

The charity received donations without conditions from Trustees in the year of £67,372 (2019: £343,180). There were no other related party transactions that require disclosure under FRS102.

19. COMPANY LIMITED BY GUARANTEE

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

20. CONTROL

The Company is controlled by its members.