



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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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

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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 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):

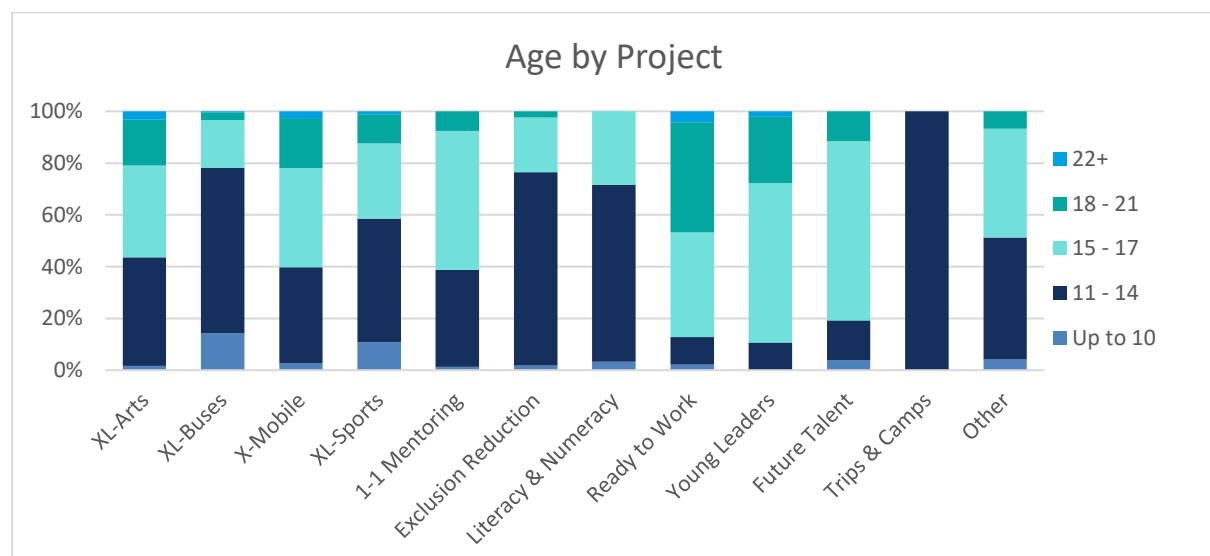
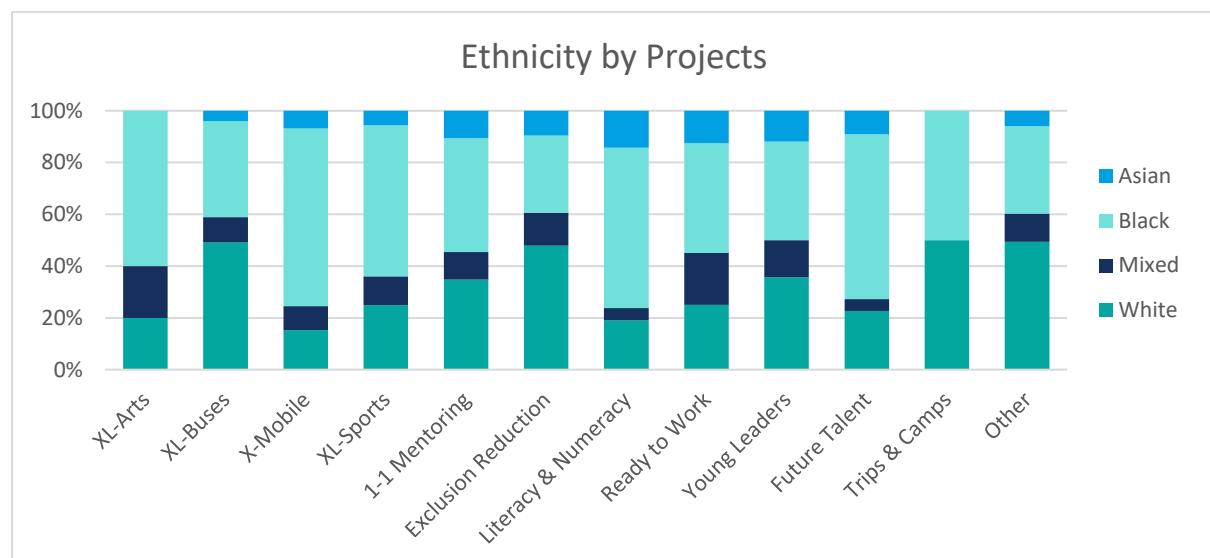
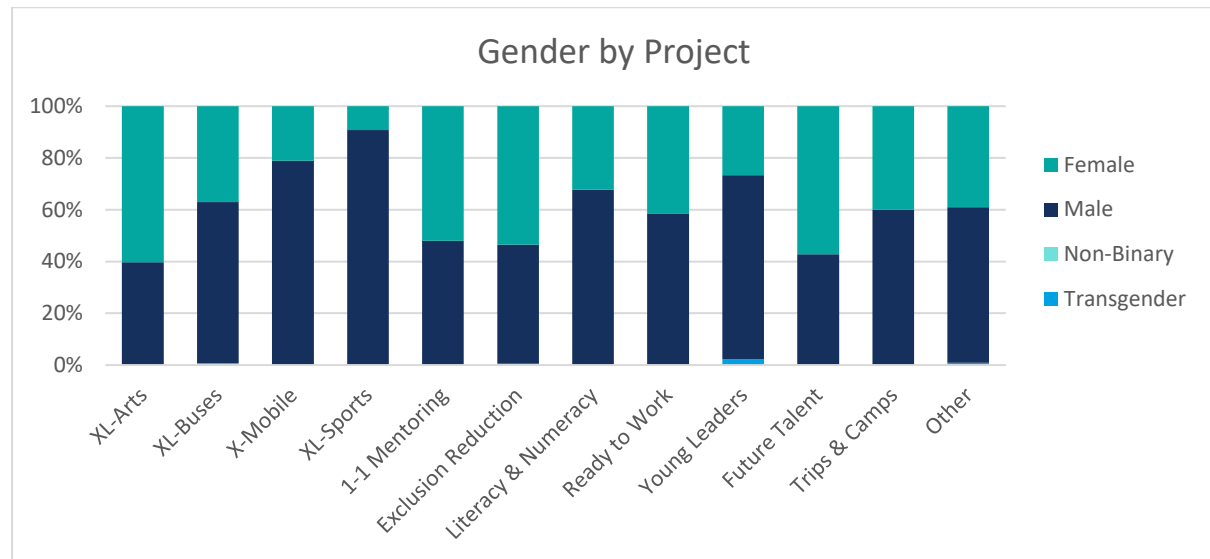
- Supported 597 young people
- 1,810 hours of youth work
- 78% demonstrated sustained or improved educational engagement
- 83% demonstrated sustained or improved healthy use of leisure time
- 78% demonstrated sustained or improved regular exercise routines
- 80% demonstrated sustained or improved home / 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.

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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.

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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).

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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.

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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>

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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.