



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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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.

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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):

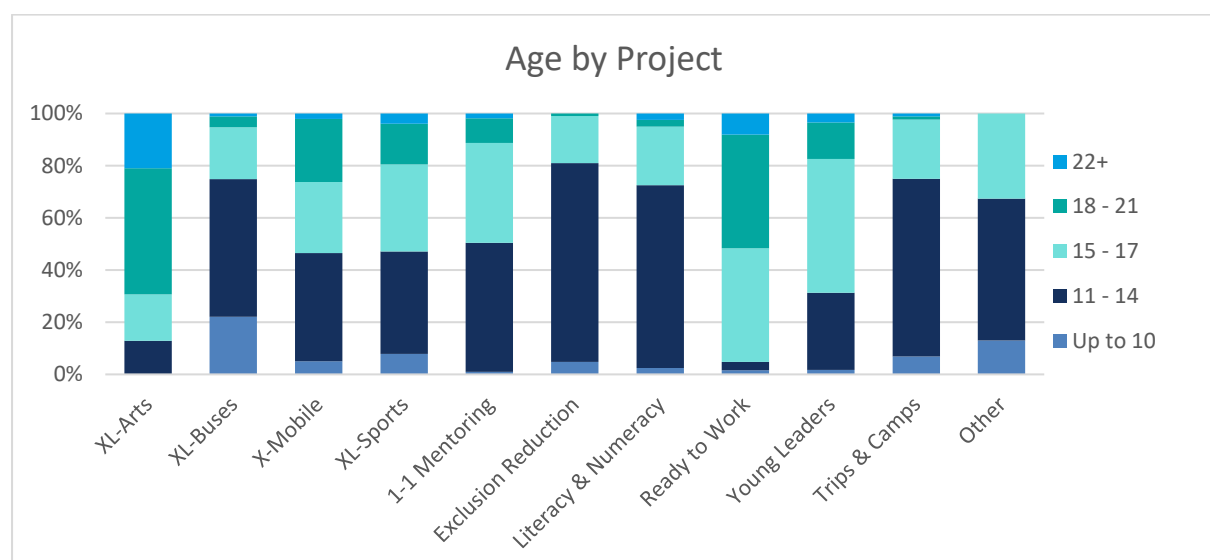
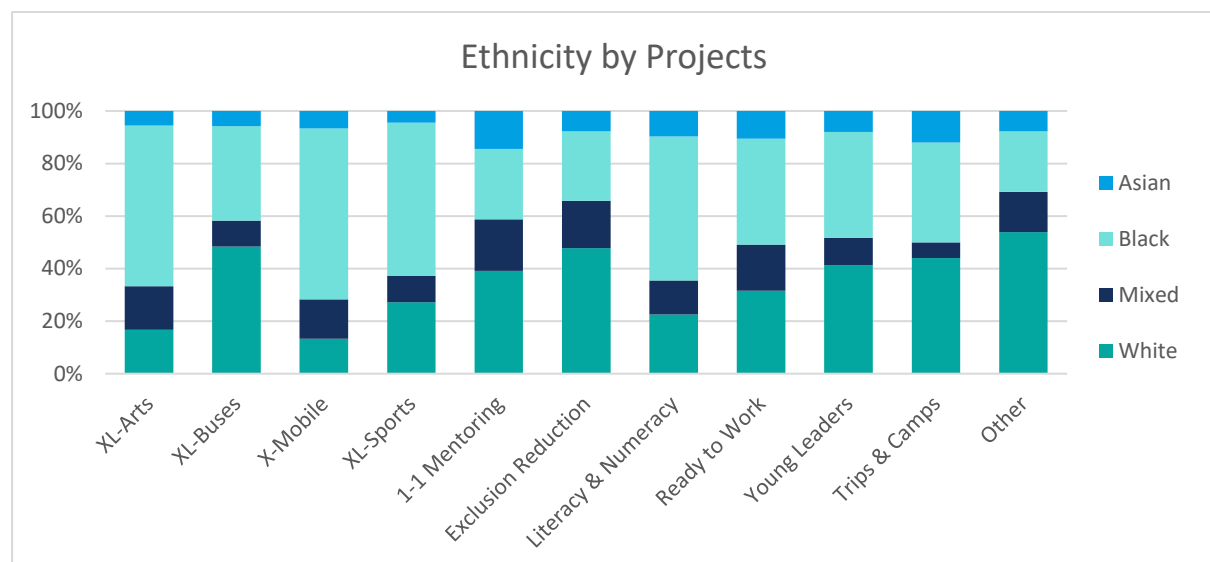
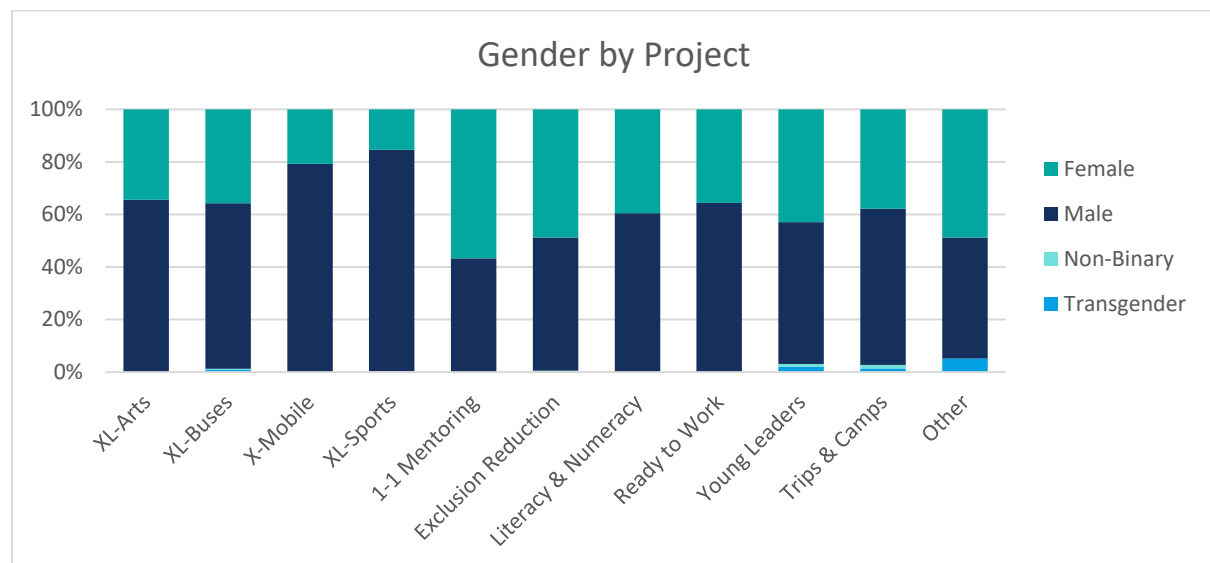
- 92% demonstrated sustained and improved emotional and social capabilities
- 98% of young people demonstrated improvement in literacy and numeracy skills

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.

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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

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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.

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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.

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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
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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.