



Annual Report and Accounts
For Year ended 31st August 2023

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

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

Contents

Details of the Charity, Trustees and Advisors	3
Welcome from the Chief Executive Officer	4
Objectives and Activities	5
Achievements and Performance	7
Financial and Risk Review	15
Plans for Future Periods	18
Structure, Governance and Management	19
Statement of Trustees' Responsibilities	20
Auditor's opinion	22
Statement of Financial Activities	26
Balance Sheet	27
Statement of Cash Flows	28
Notes to the Financial Statements	29

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

DETAILS OF THE CHARITY, TRUSTEES AND ADVISORS

Status

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

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

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

WELCOME FROM THE CHIEF EXECUTIVE OFFICER

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

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

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

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

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

Luke Watson, Chief Executive Officer

OBJECTIVES AND ACTIVITIES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ACHIEVEMENTS AND PERFORMANCE

Overview

Outputs

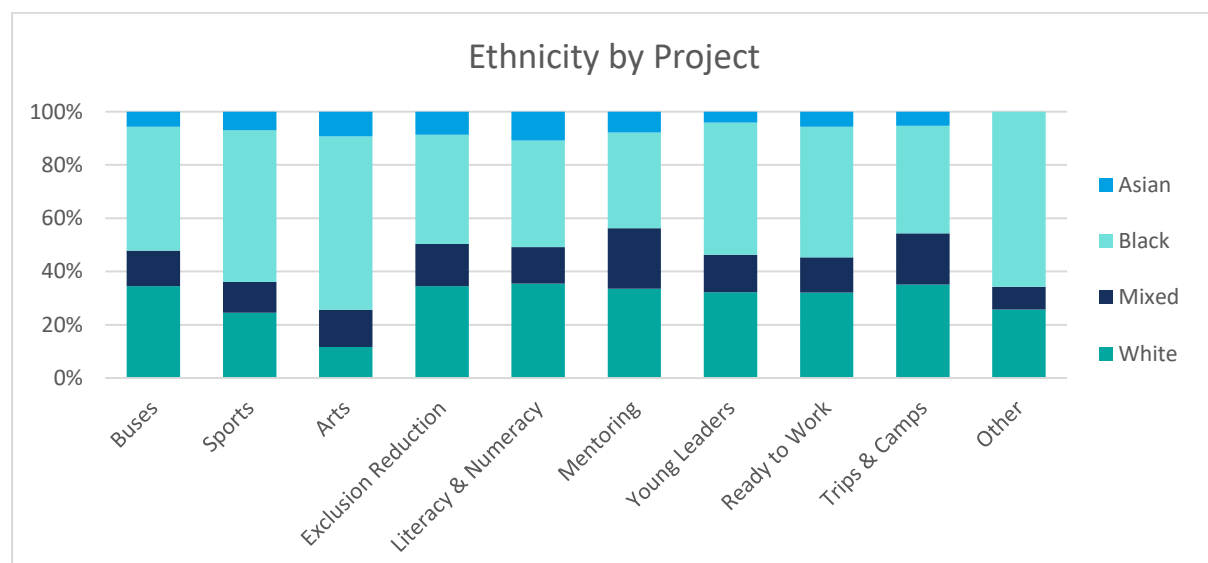
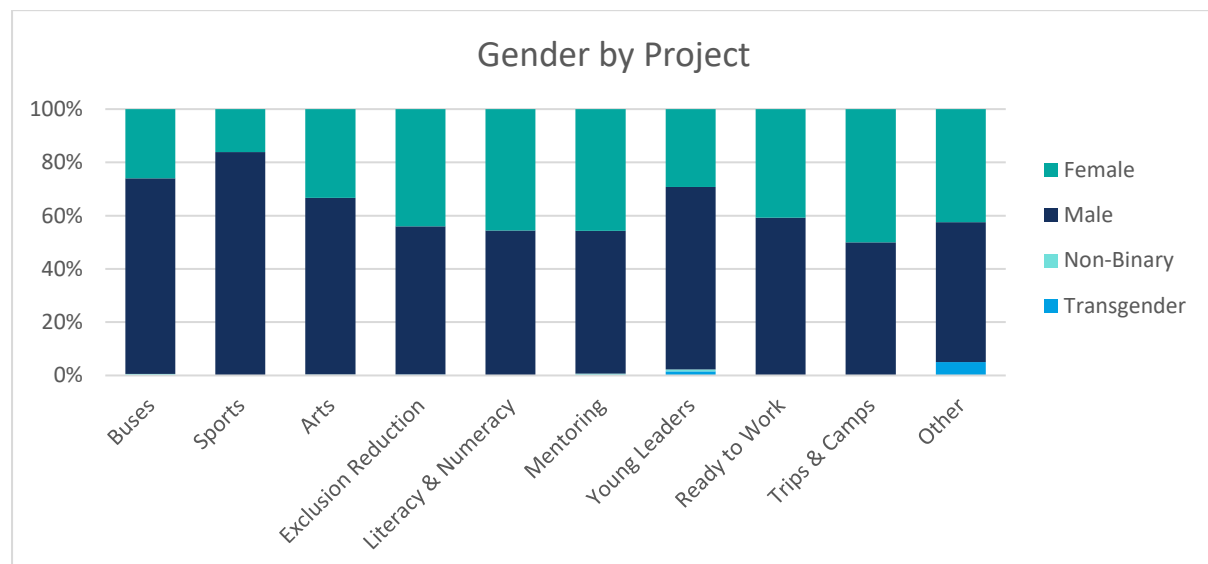
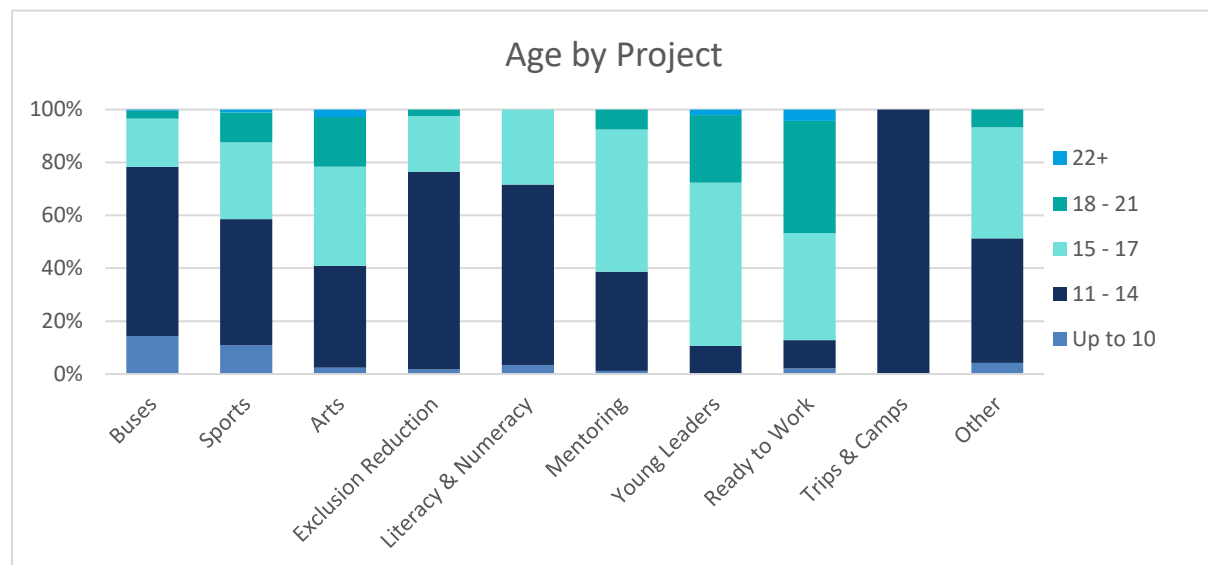
	2022/23
Boroughs where we work	9
Estate communities where we work	34
Schools and Pupil Referral Units where we work	38
Total Young People (one-to-ones and small groups)	4,270
Regular Young People (one-to-ones and small groups)	1,357

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

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

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

Demographic Engagement



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

Achievements against key goals for 2022/2023

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

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

To develop greater diversity within the senior leadership

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

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

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

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

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

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

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

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

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

YOUTH WORK

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

Communities Programme

Bus Project

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

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

Sports Project

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

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

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

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

Arts Project

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

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

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

Schools Programme

Exclusion Reduction Project

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

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

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

Literacy and Numeracy Project

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

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

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

Mentoring Programme

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

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

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

Employability Programme

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

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

Young Leaders

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

Ready to Work

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

Apprenticeship

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

Other

Residential Trips and Summer Camps

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

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

Youth Advisory Group

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

FINANCIAL AND RISK REVIEW

Income and Expenditure

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

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

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

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

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

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

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

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

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

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

Balance Sheet

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

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

Reserves Policy

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

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

Going Concern

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

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

Risk Review

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

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

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

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

PLANS FOR FUTURE PERIODS

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

Key goals for 2023/24 are:

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

Trustees

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

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

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

Organisational Structure

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

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

Co-operation with Other Organisations

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

STATEMENT OF TRUSTEES’ RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

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

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity’s governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

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

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

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

Edward Donaldson

Mr E F C Donaldson OBE (Chair)

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company’s affairs as at 31 August 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees’ annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 20, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Use of our report

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

Edmund Carr LLP

EDMUND CARR LLP

Statutory Auditor

146 New London Road

Chelmsford

Essex

CM2 0AW

Date: 14 May 2024

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

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

STATEMENT OF FINANCIAL ACTIVITIES

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

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

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

BALANCE SHEET

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

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

Directors' responsibilities:

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

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

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

Edward Donaldson

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

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

STATEMENT OF CASH FLOWS

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

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

a) Basis of Accounting

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

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

b) Going concern

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

c) Recognition of income

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

d) Incoming resources

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

e) Resources Expended

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

f) Capitalisation and Depreciation

All fixed assets are initially recorded at cost.

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

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

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

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

Motor Vehicles – 20% straight line

Fixtures & Fittings – 10% straight line

g) **Stocks**

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

h) **Pensions**

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

i) **Funds accounting**

Funds held by the charitable company are:

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

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

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

j) **Operating Leases**

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

k) **Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

l) **Cash and cash equivalents**

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

m) **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

n) **Donated goods and services**

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

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

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

2. DONATIONS AND LEGACIES

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

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

2021/22 comparative figures:

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

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

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

3.

a) INCOME FROM CHARITABLE ACTIVITIES

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

2021/22 comparative figures:

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

b) INCOME FROM TRADING ACTIVITIES

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

2021/22 comparative figures:

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

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

4. STAFF COSTS

a) Employment Costs

2022/23

**Total
£**

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

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

2021/22 comparative figures:

f) Employment Costs

2021/22

**Total
£**

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

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

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

5. TAXATION

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

6. RAISING FUNDS

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

2021/22 comparative figures:

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

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

7. ANALYSIS OF COSTS OF CHARITABLE ACTIVITIES

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

2021/22 comparative figures:

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

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

8. SUPPORT COSTS

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

2021/22 comparative figures:

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

9. GOVERNANCE COSTS

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

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

10. NET INCOME FOR THE PERIOD

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

11. TANGIBLE FIXED ASSETS

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

12. DEBTORS

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

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

13. CREDITORS: amounts falling due within one year

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

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

14. RESTRICTED FUNDS

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

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

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

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

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

2021/22 comparative figures:

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

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

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

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

15. UNRESTRICTED FUNDS

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

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

2021/22 comparative figures:

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

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

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

16. COMMITMENTS UNDER OPERATING LEASES

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

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

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

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

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

2021/22 comparative figures:

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

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

18. RELATED PARTIES

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

19. COMPANY LIMITED BY GUARANTEE

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

20. CONTROL

The Company is controlled by its members.