

Company registration number: 07559179

Charity registration number: 1144658

Xtend Global

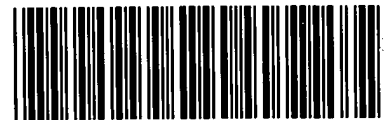
(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

HODSON & CO
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

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Xtend Global

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Xtend Global

Reference and Administrative Details

Trustees

M G Billage
C Keung
H Wolmarans
P D Sharp
J E Rowlands
W A Jones
A Yohn

Secretary

N R Leduc

Charity Registration Number

1144658

Company Registration Number

07559179

The charity is incorporated in England and Wales.

Registered Office

51-63 St Dunstons Road
Worthing
West Sussex
BN13 1AA

Auditor

HODSON & CO
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

Xtend Global

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2023.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- M G Billage
- C Keung (resigned 13 May 2023, reappointed 11 May 2024)
- H Wolmarans
- P D Sharp
- J E Rowlands
- W A Jones
- A Yohn (appointed 2 December 2023)

Secretary: N R Leduc

Structure, governance and management

Nature of governing document

The company's activities are regulated by the Articles of Association, adopted at incorporation on 10 March 2011 and modified in April 2015 and April 2018. The objects of the company are:

- a) To advance the Christian faith among those with the least opportunity to be supported locally by the Christian community, particularly through use of electronic media and other remote or peripatetic means, in accordance with the Statement of Faith from time to time adopted by Pioneers International.
- b) To advance Christian education and training of those with the least opportunity to receive such education and training through a local Christian community.
- c) To relieve need hardship sickness or poverty among those peoples with the least opportunity to be supported by a local Christian community.
- d) To promote the efficiency and effectiveness of charities and their workers by the provision of secure information technology services to such charities

Recruitment and appointment of trustees

The above named have served throughout the period, except where otherwise stated. The directors of the company are also the trustees for the charitable activities of Xtend Global.

Induction and training of trustees

New Directors (Trustees) may be appointed during the year by the Board of Trustees. Each Trustee/Director is appointed for a period of four years and may be reappointed for a further four-year term, after which time he/she is required to stand down for at least one year before reappointment. In exceptional circumstances, the board may re-elect a trustee for more than two terms. The Directors (Trustees) are the only members of the charitable company. Induction and training of Directors is undertaken by the distribution and explanation of the company's foundational documents (Articles of Association) and Charity Commission and Companies House guidance (e.g. CC3 - The Essential Trustee: What you need to know).

Xtend Global

Trustees' Report

Arrangements for setting key management personnel remuneration

In 2023, the Board of Directors (Trustees) together with the Executive Director of Xtend Global comprised the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. No trustees are paid and details of trustees' expenses are shown in note 12 to the accounts.

In line with the policy of Pioneers International, senior staff, as with most of the staff within Xtend Global, are expected to raise the total cost of their employment through individual fundraising efforts in partnership with another charity within the Pioneers International movement.

Organisational Structure

Xtend Global operates as part of the worldwide mission movement known as Pioneers International, relating as one part of its Middle East region. The Pioneers Regional leader for the Middle East region is a member of the Board of Xtend Global.

With input from the Board of Directors (Trustees), the Regional Leader appoints and appraises the Executive Director of Xtend Global. The Executive Director of Xtend Global oversees the administration of the company as a whole. The Executive Director of Xtend Global appoints and appraises his own team of operational directors, in consultation with the Board.

Objectives and activities

Objects and aims

The registered objects of the company are stated above under Governing Instrument. The main activities of the company have been to communicate the Christian faith through media and the training of church leaders.

Public benefit

Advancing the Christian Faith:

To advance the Christian faith throughout the Arab world and elsewhere, the charity has continued to work cooperatively with Pioneers International (globally) and with the Church across the Middle East and North Africa regions and elsewhere. The Church across the Arab world and in other areas has been encouraged in its witness and service of the wider community, sustained and supported despite facing mistrust, intolerance, and persecution in many contexts. Believers in rural areas or closed homes have been sustained in their faith through online discipleship and where possible, linked with other believers for encouragement. Though many are isolated or facing other challenges, the Body is heartened with boldness to serve and wisdom to witness.

Utilising the internet, Media communications have expressed a positive understanding of the Christian faith and respect for other beliefs in a setting where misconceptions and suspicions overwhelm.

Increased spending on advertising has been successful in leading to more online engagements with "qualified" contacts. Adding new innovative means of outreach (e.g. poetry events) has proven effective.

The Media to Movements team continues to train and equip a growing number of field teams in multiple locations around the world in both pre and post launch of their own social media initiatives to communicate the Gospel.

Advancing Christian education and training:

The charity has developed and promoted the use of a phone and web app which has been well received by students being trained. The creation and distribution of animations of testimonies of former and current students has also been well received and these recordings are being dubbed into multiple languages.

Expanding Learning Opportunities for Oral Communicators:

Additionally, the expanded reach of our orality materials and trainings have increased access to Christian teaching and training, including written sources, and also helped empower oral communicators through successful learning experiences.

Xtend Global

Trustees' Report

The trustees confirmed that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The trustees have had regard to the Charity Commission's guidance, including that on "Charities Working Internationally", the general public benefit guidance "Charities and Public Benefit", and the supplementary guidance contained in "The Advancement of Religion for the Public Benefit".

Achievements and performance

In 2023, Arab World Media's online and social ministry sustained its reach and effectiveness in most areas. Our website content attracted 3.2 million clicks on ads and visits to our Arabic language website. 19,395 individuals were in active contact with one or other of our responders. The Bible was downloaded 14,133 times.

Media to Movements continues to develop new partnerships with indigenous-led networks of like-minded people who are using media for Church planting. Since 2020, more than 70 field teams have been coached in media strategies for church planting.

At the end of 2023, the combined number of individuals being trained by PALM was in excess of 900, although precise figures are not available, given the autonomous nature of the groups.

Financial review

The company received a total income of £2,683,840 (2022: £2,529,986) with a total expenditure of £2,920,917 (2022: £2,584,278).

Unrestricted (General) Funds decreased from £454,088 to £301,616 after transfer of a £290,000 grant to the restricted fund for Media to Movements. Designated Funds increased from £2,429,757 to £2,478,946 after a gain on investments of £152,084, grants paid totalling £67,742 and depreciation cost of £59,763. Total Restricted Funds, which include the great majority of the charity's income and expenditure, increased from £486,044 to a year-end position of £504,334, after receipt of the £290,000 grants from the Unrestricted (General) Fund to the Media to Movements Fund.

Expenditure has been allocated to the appropriate heading by reference to internal guidelines of the company and on a reasonable and consistent basis.

Reserves policy, position and prospects

The trustees have established a prudent Reserves policy, focused on liquidity to ensure the steady continuity and development of operations.

1. Each operational area (AWM, PALM, MTM Restricted Funds) will hold a year-end reserve in its Core Fund, sufficient to meet that operation's need of liquidity to cover any forecast negative cash flow through the coming year.
2. The XG General Fund will maintain a year-end balance of between two and four months' expenditure of the overall budget (net of advance funding received). This is to cover the uncertainty of donation income and back up any of the Restricted Fund Core Fund balances which do not have a sufficient liquidity reserve.

At the year-end, the charity held General Fund reserves of £301,616, which is 1.6 months of 2024 budgeted expenditure (net of designated and restricted income received in advance). This is just below the policy target range of 2 to 4 months. It is expected that these General Fund reserves may increase in 2024 by around £150,000, due to the more complete reallocation of operational costs to restricted funds since 2023. This should result in a level of General Fund reserves at December 2024 between 2 and 3 months of budgeted expenditure, within the policy target range. It is not expected that the exceptional grant of £290,000 from the General Fund to the restricted Media to Movements Fund will need to be repeated in 2024. Substantial attention is being given, and effort made, to match the fundraising for Media to Movements more closely to its operational budget, including all shared operational costs.

Xtend Global

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

In 2024, we will engage in a year-long programme to create new digital strategies for deeper engagement with seekers across the Arab World while also equipping new believers to help them grow in their faith. We expect a greater level of depth of contact with users as well as developing nurturing journeys with those who are at the beginning of their spiritual journey.

We intend to expand PALM and Media to Movements' reach while continuing our commitment to the Arab World. We plan to hold more training schools, in-person and virtually, as well as launch several translation projects of orality and training materials at various levels in several new languages.

Going concern

The charity has reviewed its financial performance and general reserves position. The charity has adequate financial resources and is able to manage its business risks. The charity's planning process has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure.

Taking into account all factors, the charity has reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future and believes that there are no material uncertainties that call into question the charity's ability to continue in operation.

Risk management

The trustees have considered the major risks to which the charitable company is exposed and systems or procedures have been established to manage those risks.

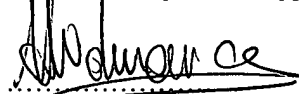
Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 1/8/24 and signed on its behalf by:



H Wolmarans
Trustee

Xtend Global

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Xtend Global for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

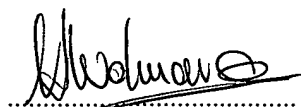
Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 11/8/24 and signed on its behalf by:



H Wolmarans
Trustee

Xtend Global

Independent Auditor's Report to the Members of Xtend Global

Opinion

We have audited the financial statements of Xtend Global (the 'charity') for the year ended 31 December 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 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 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 charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Xtend Global

Independent Auditor's Report to the Members of Xtend Global

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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 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.

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;

Xtend Global

Independent Auditor's Report to the Members of Xtend Global

- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

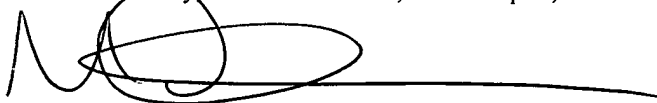
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect noncompliance with all laws and regulations. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Matthew Hodson (Senior Statutory Auditor)
For and on behalf of HODSON & CO, Statutory Auditor

Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

Date: 21/8/2024

XTEND GLOBAL

Statement of Financial Activities (incorporating an Income and Expenditure Account) for the period ended 31st December 2023

				2023
	Unrestricted funds £	Designated Funds £	Restricted funds £	Total £
Income:				
3 Donations and legacies	295,201	0	2,325,747	2,620,948
4 Other trading activities	5,993		218	6,211
5 Investment income	50,270	610	0	50,880
6 Other income	5,030		330	5,360
Total income	<u>356,494</u>	<u>610</u>	<u>2,326,295</u>	<u>2,683,399</u>
Expenditure on:				
7 Raising funds	15,716		202,208	217,924
8 Charitable activities	179,685	127,505	2,395,803	2,702,993
Total expenditure	<u>195,401</u>	<u>127,505</u>	<u>2,598,011</u>	<u>2,920,917</u>
15 Net gains/(losses) on investments		152,084		152,084
Net income/(expenditure)	161,093	25,189	(271,716)	(85,434)
20 Transfers between funds	(314,000)	24,000	290,000	0
Other recognised Gains/(Losses)				
13 Other Gains/(Losses)	435		6	441
Net movement in funds	<u>(152,472)</u>	<u>49,189</u>	<u>18,290</u>	<u>(84,993)</u>
Reconciliation of funds:				
TOTAL FUNDS brought forward				
As previously stated	977,299	2,035,744	151,707	3,164,750
22 Prior year adjustments	(523,211)	394,013	334,337	205,139
As restated	<u>454,088</u>	<u>2,429,757</u>	<u>486,044</u>	<u>3,369,889</u>
20 TOTAL FUNDS carried forward	<u><u>301,616</u></u>	<u><u>2,478,946</u></u>	<u><u>504,334</u></u>	<u><u>3,284,896</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 14 to 28 form part of these financial statements

XTEND GLOBAL

Statement of Financial Activities (incorporating an Income and Expenditure Account) for the period ended 31st December 2023

				2022 (as restated)
	Unrestricted funds £	Designated Funds £	Restricted funds £	Total £
Income:				
3 Donations and legacies	310,766	0	2,147,772	2,458,538
4 Other trading activities	11,324	0	413	11,737
5 Investment income	43,959	42	0	44,001
6 Other income	1,557	0	0	1,557
Total income	<u>367,606</u>	<u>42</u>	<u>2,148,185</u>	<u>2,515,833</u>
Expenditure on:				
7 Raising funds	93,914	0	199,314	293,228
8 Charitable activities	412,264	151,736	1,727,050	2,291,050
Total expenditure	<u>506,178</u>	<u>151,736</u>	<u>1,926,364</u>	<u>2,584,278</u>
15 Net gains/(losses) on investments		(124,217)		(124,217)
Net income/(expenditure)	(138,572)	(275,911)	221,821	(192,662)
20 Transfers between funds	(24,000)	24,000	0	0
Other recognised Gains/(Losses)				
13 Other Gains/(Losses)	14,482		(329)	14,153
Net movement in funds	<u>(148,090)</u>	<u>(251,911)</u>	<u>221,492</u>	<u>(178,509)</u>
Reconciliation of funds:				
TOTAL FUNDS brought forward				
As previously stated	879,131	2,225,802	264,552	3,369,485
22 Prior year adjustments	(276,953)	455,866		178,913
As restated	<u>602,178</u>	<u>2,681,668</u>	<u>264,552</u>	<u>3,548,398</u>
20 TOTAL FUNDS carried forward	<u><u>454,088</u></u>	<u><u>2,429,757</u></u>	<u><u>486,044</u></u>	<u><u>3,369,889</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 14 to 28 form part of these financial statements

XTEND GLOBAL

Balance Sheet as at 31st December 2023

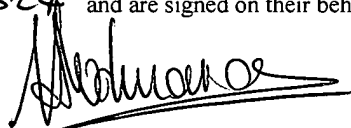
Company number 7559179

	31st December 2023		31st December 2022 (as restated)	
	£	£	£	£
FIXED ASSETS				
14 Tangible fixed assets		448,123		507,886
15 Investments		<u>1,717,169</u>		<u>1,565,085</u>
Total fixed assets		<u>2,165,292</u>		<u>2,072,971</u>
CURRENT ASSETS				
16 Debtors and prepayments	115,151		63,173	
17 Cash at bank and in hand	<u>1,153,400</u>		<u>1,311,183</u>	
Total current assets		<u>1,268,551</u>		<u>1,374,356</u>
Liabilities				
18 CREDITORS: Amounts falling due within one year		148,947		77,438
NET CURRENT ASSETS		<u>1,119,604</u>		<u>1,296,918</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,284,896		3,369,889
Total net assets		<u><u>3,284,896</u></u>		<u><u>3,369,889</u></u>
The funds of the charity:				
UNRESTRICTED FUNDS				
19 General Fund	301,616		454,088	
19 Property Revaluation Fund	178,913		178,913	
19 Other Designated Funds	<u>2,300,033</u>		<u>2,250,844</u>	
		2,780,562		2,883,845
19 RESTRICTED FUNDS		504,334		486,044
Total charity funds		<u><u>3,284,896</u></u>		<u><u>3,369,889</u></u>

These financial statements on pages 10 to 28 were approved by the members of the board and authorised for issue on

1/8/2024 and are signed on their behalf by:

H. Wolmarans
Director



The notes on pages 14 to 28 form part of these financial statements

XTEND GLOBAL

Statement of Cash Flow for the period ending 31st December 2023

	2023 £	2022 £
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	(84,993)	(178,509)
Adjustments for:		
Depreciation	59,763	58,848
Rent income from investment property	(46,487)	(43,541)
Investment income	(4,393)	(460)
(Gains)/losses on investments	(152,084)	124,217
Decrease/(increase) in debtors	(51,978)	3,180
Increase/(decrease) in creditors	71,509	16,584
<i>Net cash provided by/(used in) operating activities</i>	<u>(208,663)</u>	<u>(19,681)</u>
Cash flows from investing activities:		
Interest receivable and similar income	4,393	460
Rent income from investment property	46,487	43,541
Purchase of investments	-	-
	<u>50,880</u>	<u>44,001</u>
Cash flows from financing activities:	-	-
<i>Changes in cash and equivalents in the reporting period</i>	<u>(157,783)</u>	<u>24,320</u>
Cash and equivalents at the beginning of year	1,311,183	1,286,863
Cash and equivalents at the end of year	<u>1,153,400</u>	<u>1,311,183</u>

The notes on pages 14 to 28 form part of these financial statements

Xtend Global

Notes to the Financial Statements for the Year Ended 31 December 2023

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

51-63 St Dunstons Road
Worthing
West Sussex
BN13 1AA

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Xtend Global meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of preparation

The financial statements are presented in sterling (£).

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future. Accordingly, the accounts have been prepared on the basis that the charity is a going concern.

Judgements

The preparation of the financial statements requires trustees to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

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Notes to the Financial Statements for the Year Ended 31 December 2023

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Donations raised and transmitted to the charity by associated national offices are stated gross of any fundraising fee which is deducted by the national office before transmission.

The donated services of staff working for the charity but paid by a national office are recognised as donation income (and charitable expenditure) at the gross cost of employment of those staff.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings or funds, they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, fees deducted by national offices before transmission of net donations to the charity, the management of investments and those incurred in trading activities to raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, accounts preparation, legal, strategic management and trustees' meetings and travel expenses.

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Notes to the Financial Statements for the Year Ended 31 December 2023

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £5,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Asset class	Depreciation method and rate
Freehold Property	2% Straight line
Computer Equipment	33.33% Straight line
Equipment	20% Straight line
Furniture and Renovations	10% Straight line

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Notes to the Financial Statements for the Year Ended 31 December 2023

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

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Notes to the Financial Statements for the Year Ended 31 December 2023

3 Income from donations and legacies

	<u>Unrestricted funds</u>		Restricted	Total
	General	Designated	funds	Funds
	£	£	£	£
Donations from individuals	158,829		526,768	685,597
Grants, including capital grants	97,617		1,099,737	1,197,354
Donated services	38,755		699,242	737,997
Total for 2023	295,201	0	2,325,747	2,620,948
Total for 2022 (as restated, see Note 22)	310,766	0	2,147,772	2,458,538

4 Income from other trading activities

	<u>Unrestricted funds</u>		Restricted	Total
	General	Designated	funds	Funds
	£	£	£	£
Trading - Other trading income	5,993		218	6,211
Total for 2023	5,993	0	218	6,211
Total for 2022	11,324	0	413	11,737

5 Investment Income

	<u>Unrestricted funds</u>		Restricted	Total
	General	Designated	funds	Funds
	£	£	£	£
Interest receivable on bank deposits	3,783	610		4,393
Rental income	46,487			46,487
Total for 2023	50,270	610	0	50,880
Total for 2022	43,959	42	0	44,001

6 Other income

	<u>Unrestricted funds</u>		Restricted	Total
	General	Designated	funds	Funds
	£	£	£	£
Other income	5,030		330	5,360
Total for 2023	5,030	0	330	5,360
Total for 2022	1,557	0	0	1,557

7 Costs of Raising Funds

	<u>Unrestricted funds</u>		Restricted	Total
	General	Designated	funds	Funds
	£	£	£	£
Fundraising fees charged by Pioneers offices			77,408	77,408
Marketing and publicity	15,716		124,800	140,516
Total for 2023	15,716	0	202,208	217,924
Total for 2022 (as restated, see Note 22)	93,914	0	199,314	293,228

Xtend Global

Notes to the Financial Statements for the Year Ended 31 December 2023

8 Expenditure on Charitable Activities

	Activities undertaken directly	Support costs	Total	2022 Total (as restated, see Note 22)
General Fund	179,685	0	179,685	412,264
Arab World Media	717,094	55,257	772,351	580,742
PALM	465,284	43,771	509,055	517,802
Media to Movements	1,040,945	69,576	1,110,521	628,506
Other	131,381	0	131,381	151,736
	<u>2,534,389</u>	<u>168,604</u>	<u>2,702,993</u>	<u>2,291,050</u>

£307,190 (2022 £564,000) of the expenditure is attributable to unrestricted funds and £2,395,803 (2022 £1,727,050) is attributable to restricted funds.

9 Analysis of Support costs

	Arab World Media	PALM	Media to Movements	Total
Governance	11,373	11,373	11,373	34,118
Accounting and Finance	8,353	8,353	8,353	25,060
Payroll and HR support	555	555	555	1,666
Building services	12,787	12,787	12,787	38,362
Administration	5,867	5,867	5,867	30,410
Information Technology	16,322	4,836	30,640	38,988
	<u>55,257</u>	<u>43,771</u>	<u>69,576</u>	<u>168,604</u>

10 Net income/expenditure for the year

	2023 £	2022 £
This is stated after charging:		
Foreign currency exchange (gain)/loss	(441)	(14,153)
Auditor's remuneration:		
- audit fees	4,800	4,680
- accounting and payroll services	2,118	4,274
Depreciation of tangible fixed assets	59,763	58,848

11 Analysis of staff costs and the cost of key management personnel

	2023 £	2022 £
UK staff	235,832	287,496
UK Social security costs	19,469	25,714
UK Employer's contribution to pension	28,959	23,152
Non-UK staff	223,422	197,711
Non-UK staff benefits	34,056	18,348
Total paid by this charity	<u>541,738</u>	<u>552,421</u>
Donated services (funded staff)	737,997	610,369
Total staff costs	<u><u>1,279,735</u></u>	<u><u>1,162,790</u></u>

No employee had employee benefits in excess of £60,000 (2022: nil).

The monthly average number of persons (including senior management/leadership team) employed by the charity during the year, expressed as full time equivalents was 8.9 (2022: 12) of which the majority were partially or fully funded from other sources.

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Notes to the Financial Statements for the Year Ended 31 December 2023

12 Trustee remuneration and expenses, and related party transactions

The charity trustees were not paid or received any other benefits from employment with the charity nor did any trustee receive payment for professional or other services. The following amounts were paid to the trustees as reimbursement of expenses incurred in the performance of their duties:

M G Billage

£1,180 (2022: £nil) of expenses were reimbursed to M G Billage during the year

J E Rowlands

£971 (2022: £450) of expenses were reimbursed to J E Rowlands during the year

P D Sharp

£2,758 (2022: £2,344) of expenses were reimbursed to P D Sharp during the year

C Keung

£1,784 (2022: £1,430) of expenses were reimbursed to C Keung during the year

W A Jones

£1,338 (2022: £2,330) of expenses were reimbursed to W A Jones during the year

H Wolmarans

£615 (2022: £298) of expenses were reimbursed to H Wolmarans during the year

A Yohn

£756 (2022: £nil) of expenses were reimbursed to A Yohn during the year

The charity enjoys a close working relationship with Pioneers Inc. (United States).

Pioneers is a worldwide mission movement and raises funds for the charity.

Mr C Keung is also a trustee of Pioneers Inc. (United States). During the year, Pioneers Inc. provided donations and payments for services totalling £765,449 (2022: £851,668) and incurred expenses on behalf of the charity of £198,096 (2022: £181,168). At 31 December 2023, Pioneers Inc. owed the charity £70,306 (2022: £45,130) in donations and payments and had outstanding expenses of £11,549 (2022: £2,920).

Mr H Wolmarans is also a director of a company providing education services. During the year, the company incurred expenses of £184,210 (2022: £189,730) on behalf of Xtend Global, which have been fully reimbursed by Xtend Global during the year. At the end of the year the balance owed by Xtend Global to this company was £nil (2022: £nil).

The charity receives donations for the business expenses of Mr & Mrs H Wolmarans, which are held in a creditor account. No operational funds of Xtend Global are transferred to this account. During the year, the charity received donations for this account of £6,340 (2022: £6,410) and reimbursed Pioneers business expenses of £1,504 (2022: £2,532). The credit balance held in the creditor account at the year end was £6,225 (2022: £1,667).

£8,423 has been advanced from this creditor account to Mr Wolmarans, and will be repaid in full in mid-2024. The year end balance outstanding was £8,423 (2022: £8,146). The funding for this advance came wholly from donations received for this purpose and no operational funds of Xtend Global were involved in the advance.

There were no other transactions with the directors which require separate disclosure.
No gifts were received from any trustees towards governance costs.

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Notes to the Financial Statements for the Year Ended 31 December 2023

13 Other recognised gains/(losses)

	<u>Unrestricted funds</u>		Restricted funds	Total Funds
	General	Designated		
	£	£	£	£
Exchange gains/(losses)	435		6	441
				0
Total for 2023	435	0	6	441
Total for 2022	14,482	0	(329)	14,153

14 Tangible Fixed Assets

	Land and buildings	Furniture & equipment	Total
	£	£	£
Cost			
At 1.1.23 - as previously stated	1,174,429	55,581	1,230,010
Reallocation to investment property (see Note 22)	(407,797)	0	(407,797)
At 1.1.23 - as restated	766,632	55,581	822,213
Addition	0	0	0
Disposal			0
 At 31.12.23	 766,632	 55,581	 822,213
 Accumulated depreciation			
At 1.1.23 - as previously stated	463,428	53,965	517,393
Reallocation to investment property (see Note 22)	(176,840)	0	(176,840)
Reduction in previous year charge (see Note 22)	(26,226)	0	(26,226)
At 1.1.23 - as restated	260,362	53,965	314,327
Charge for the year	58,147	1,616	59,763
 At 31.12.23	 318,509	 55,581	 374,090
 Net book value			
 At 31.12.23	 448,123	 0	 448,123
 At 1.1.23 (restated)	 506,270	 1,616	 507,886

All of the above assets are used to further the company's main objects and have been designated as such.

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Notes to the Financial Statements for the Year Ended 31 December 2023

15 Investments

	2023	2022 as restated, see Note 22
	£	£
Shares in group undertakings and participating interests	1	1
Investment share of office property (see Note 22)	409,870	409,870
Other investments (CCLA investment fund)	1,307,298	1,155,214
Total Investments at 31 December 2023	<u>1,717,169</u>	<u>1,565,085</u>

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2023	1	1
At 31 December 2023	<u>1</u>	<u>1</u>
Net book value		
At 31 December 2023	1	1
At 31 December 2022	<u>1</u>	<u>1</u>

Details of undertakings

Subsidiaries

The company owns 100% of the ordinary share capital of North Africa Properties Limited. The company is dormant and has not traded during the year. The aggregate amount of share capital and reserves of North Africa Properties Limited as at 31 December 2023 was £1.

	Office property £	Total £
Investment Property		
Cost		
At 1 January 2023	407,797	407,797
At 31 December 2023	<u>407,797</u>	<u>407,797</u>
Fair value		
At 31 December 2023	409,870	409,870
At 31 December 2022	<u>409,870</u>	<u>409,870</u>

The investment property is the ground floor of Pilgrim House, the office owned by the charity. The charity occupies the first floor and rents out the ground floor to a number of local charities.

The whole property, and each separate floor, was valued by the investment method of valuation, calculated by applying a market yield to the potential net income achievable from the land and buildings existing on site.

Notes to the Financial Statements for the Year Ended 31 December 2023

15 (continued)

The main assumptions underlying the valuation were that (1) there are no onerous restrictions, encumbrances, easements, wayleaves, etc. which may adversely affect the valuation, (2) a detailed survey would not reveal any significant defects in the condition of the property, (3) the existing use is not contrary to planning regulations and any planning permissions do not contain any particularly onerous or restrictive conditions, (4) investigation would not disclose the presence of any adverse environmental factors, (5) no potential for contamination exists, (6) investigation would not disclose the presence of any potentially deleterious or hazardous material used in the construction.

The property was valued by Flude Commercial (Chichester) Limited on 18 November 2019 and the trustees consider that the current market value is not materially different from the value included in the accounts.

Other investments

	Listed investments	
	2023	2022
	£	£
Valuation		
At 1 January 2023	1,155,214	1,279,431
Gain/(loss) during the year	152,084	(124,217)
Net Book Value at 31 December 2023	1,307,298	1,155,214

The above investments are all in investment assets held in the UK. All are unrestricted funds in an Ethical Investment Fund with CCLA. These investments are held to provide an investment return for the charity. During the year the value of the investments increased by £152,084 (2022: decreased by £124,217). At 31 December 2023 the market value of the investments was £1,307,298.

16 Debtors

	2023	2022
	£	£
Trade Debtors	0	0
Prepayments and accrued income	9,428	0
Other Debtors	105,724	63,173
	115,151	63,173

17 Cash and cash equivalents

	2023	2022
	£	£
Cash on hand	1,947	13,531
Cash at bank	1,151,453	1,297,652
	1,153,400	1,311,183

18 Creditors falling due within one year

	2023	2022
	£	£
Accruals and deferred income	46,277	8,778
Other Creditors	102,670	68,660
	148,947	77,438

Xtend Global

Notes to the Financial Statements for the Year Ended 31 December 2023

19 Funds

	At 1.1.23	Incoming Resources	Expenditure	Transfers between funds	Other recognised gains/ (losses)	At 31.12.23
	£	£	£	£	£	£
Unrestricted funds						
<i>General</i>						
Unrestricted General Fund	454,088	356,494	(195,401)	(314,000)	435	301,616
<i>Designated</i>						
Property Fund	737,227		(58,147)			679,080
Property Revaluation Fund	178,913					178,913
Building Maintenance	56,163	610		24,000		80,773
Computer Equipment	1,616		(1,616)			0
ERB Sale Fund	1,455,838		(57,302)	(180,000)	152,084	1,370,620
ERB Trident Fund	0		(10,440)	180,000		169,560
	<u>2,429,757</u>	<u>610</u>	<u>(127,505)</u>	<u>24,000</u>	<u>152,084</u>	<u>2,478,946</u>
Total unrestricted funds	2,883,845	357,104	(322,906)	(290,000)	152,519	2,780,562
AWM	291,394	912,163	(870,868)			332,689
PALM	153,802	570,159	(554,578)		6	169,389
MTM	36,848	843,973	(1,168,689)	290,000		2,131
Syria Appeal	4,000		(3,876)			124
Total restricted funds	486,044	2,326,295	(2,598,011)	290,000	6	504,334
Total funds	3,369,889	2,683,399	(2,920,917)	0	152,525	3,284,896

Previous Year Movements

	At 1.1.22	Incoming Resources	Expenditure	Transfers between funds	Other recognised gains/ (losses)	At 31.12.22
	£	£	£	£	£	£
Unrestricted funds						
<i>General</i>						
General Fund (restated, Note 22)	602,178	367,606	(506,178)	(24,000)	14,482	454,088
<i>Designated</i>						
Property Fund (restated, Note 22)	794,444		(57,217)			737,227
Property Revaluation Fund (see Note 22)	178,913					178,913
Building Maintenance	32,121	42		24,000		56,163
Computer Equipment	3,247		(1,631)			1,616
ERB Sale Fund	1,672,943		(92,888)		(124,217)	1,455,838
	<u>2,681,668</u>	<u>42</u>	<u>(151,736)</u>	<u>24,000</u>	<u>(124,217)</u>	<u>2,429,757</u>
Total unrestricted funds	3,283,846	367,648	(657,914)	0	(109,735)	2,883,845
PALM	260,552	434,786	(541,207)		(329)	153,802
AWM (as restated)	0	968,606	(677,212)			291,394
MTM (as restated)	0	744,792	(707,944)			36,848
Syria Appeal	4,000					4,000
Staff support funds (as restated, Note 22)	0	0	0			0
Nationals in Ministry (as restated, Note 22)	0	0	0			0
Total restricted funds	264,552	2,148,184	(1,926,363)	0	(329)	486,044
Total funds	3,548,398	2,515,832	(2,584,277)	0	(110,064)	3,369,889

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Notes to the Financial Statements for the Year Ended 31 December 2023

19 (continued)

The Property Fund represents the net book value of the company's designated fixed assets. This fund was designated so that the remaining Unrestricted Funds will give a clear view of the level of free reserves. The Computer Equipment fund represents the net book value of equipment purchased in association with the 2019 renovation of Pilgrim House.

The Building Maintenance fund receives regular sums transferred from the General Fund and is designated by the board of trustees for major maintenance work on Pilgrim House.

ERB Sale Fund was set up with the proceeds of the sale of a property in France in 2020. These funds were designated to facilitate the growth of a ministry within the charity, but not for normal operational expenses, e.g. for capital expenditure, debt reduction, major ministry expansion or the launch of new initiatives. Up to 10% of the net proceeds can be allocated to be given as grants to organisations external to the charity, within the scope of this charity's registered purposes. The majority of the fund is invested in a CCLA investment fund (see note 15), and the gains or losses on that fund are added to the fund.

ERB Trident Fund was set up by the Board redesignating £180,000 from the ERB Sale Fund. The purpose of the ERB Trident Fund is to invest in one-time technology-based developments that have a wide impact across Pioneers Media, enhancing efficiency, effectiveness and fruitfulness for the ministries of Xtend Global.

Arab World Media (AWM) Fund engages unreached peoples of the Arab world through media to facilitate church planting, as the Holy Spirit enables.

PALM equips believers with the tools and skills needed for ministry and trains and supports existing and future leaders so that they can, in turn, train others.

Media to Movements (MTM) equips disciple makers to use media and technology strategically to identify and engage spiritual seekers, who accelerate a movement of reproducing disciples in their community.

The Syria Appeal Fund handles donations for the relief of those affected by the conflict in Syria.

20 Transfers between funds

	<u>Unrestricted funds</u>		<u>Restricted funds</u>
	<u>General</u>	<u>Designated</u>	
	£	£	£
General Fund allocation to Building Maintenance Fund	(24,000)	24,000	
General Fund subsidy grant for Media to Movements	(290,000)		290,000
Allocation from ERB Sale Fund to ERB Trident Fund		(180,000)	
Allocation from ERB Sale Fund to ERB Trident Fund		180,000	
	<u>(314,000)</u>	<u>24,000</u>	<u>290,000</u>
<u>2022 Transfers (as restated, see Note 22)</u>			
General Fund allocation to Building Maintenance Fund	(24,000)	24,000	0

21 Analysis of Net Assets between Funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Fund balances at 31st December 2023				
are represented by:				
Tangible Fixed assets		448,123		448,123
Fixed asset investments	1	1,717,168		1,717,169
Current assets	328,771	313,655	626,125	1,268,551
Current liabilities	(27,156)		(121,791)	(148,947)
	<u>301,616</u>	<u>2,478,946</u>	<u>504,334</u>	<u>3,284,896</u>

Xtend Global

Notes to the Financial Statements for the Year Ended 31 December 2023

22 Prior Year Adjustments

A review of the opening balances for the year, and comparison of current year financial activity with the prior year's reported activity, has identified a number of areas requiring adjustment:

- 1) In compliance with SORP 4.48, Income from donations and grants needs to be grossed up for fundraising fees deducted by Pioneers Offices before they send net fees to Xtend Global. Matching amounts need to be included as fundraising expenses. This affects 2022 income and expense, but has no effect on resulting fund balances.
- 2) In compliance with SORP 6.17, the value of "donated services" of staff working for Xtend Global but salaried directly by a Pioneers office, rather than by Xtend Global, are now included as a form of donation income and staff expense. This has no effect on the resulting fund balances in the 2022 accounts.
- 3) With the establishment in 2021 and 2022 of Media to Movements (MTM) as a substantial continuing ministry with its own restricted income stream, it was recognised that this should be a restricted fund alongside PALM and Arab World Media (AWM). This means that the restricted funds for Staff Support and Nationals in Ministry are no longer required since they are incorporated into the three larger operational restricted funds. This separation of AWM and MTM funds out of the previous General Fund is applied from 1 January 2022.
- 4) The ground floor of Pilgrim House, the main office of Xtend Global, has been rented out to other charities for a number of years, so it needs to be accounted for as a Fixed Asset Investment, which is not depreciated, rather than a Tangible Fixed Asset (for the charity's operational use). The original net book value of this investment asset remains part of the Property Fund. It is then revalued to fair value based on an independent professional valuation of the whole building undertaken by Flude Commercial in November 2019. The gain in value of the investment portion over its previous depreciated value, results in an increase to Net Assets and a separate Revaluation Fund. The removal of depreciation on the investment portion results in a reduction in the 2022 expenditure on charitable activities compared to the previously stated amount. The removal of the net book value of the investment portion of the property results in a reduction in the net book value of tangible fixed assets at 31 December 2022.
- 5) When the loan mortgaged on Pilgrim House was repaid in 2021, it was omitted to transfer this amount from the General Fund to the Property Fund, which holds the net book value of property less associated loans. Correcting this in the opening fund balances at 1 January 2022 requires a transfer of £276,953 from General Fund to Property Fund.
- 6) A grant of £17,888 from the ERB Sale Fund in 2022 was wrongly reported as income rather than expense. The correction of this requires transfers of this amount from Designated to Unrestricted (General) donation income and from Unrestricted to Designated charitable expenditure, with resulting adjustments of £35,776 to Unrestricted (General) and Designated Fund balances.
- 7) In 2022 £44,400 of shared costs were allocated to the PALM restricted fund. This was accounted for as a transfer from the PALM Fund to the General Fund, but should have been a simple reallocation of costs within the charitable expenditure figures. Correcting this disclosure on the SOFA has no effect on the closing Fund balances.
- 8) The budgeted transfer of £24,000 from the General Fund to the Building Maintenance Fund was accounted in the original 2022 accounts as a General Fund expense and a General Fund income, whereas it should have been a transfer from General Fund to the Building Maintenance Fund (Designated). This adjustment will reduce both donation income and charitable expenditure by £24,000, replacing them by a transfer from Unrestricted (General) to Designated Funds.
- 9) Reclassify £78,480 fundraising costs which had been charged to operational activities from Expenditure on Charitable Activities to cost of Raising Funds.

Xtend Global

Notes to the Financial Statements for the Year Ended 31 December 2023

22 (continued)

Therefore prior year adjustments have been made to the Statement of Financial Activities and the Balance Sheet. Details of the adjustments are given below:

Statement of Financial Activities

Adjustments to 2022 Statement of Financial Activities	Unrestricted funds 2022 £	Designated Funds 2022 £	Restricted funds 2022 £
Balance of Funds at 1st January 2022 as previously stated	879,131	2,225,802	264,552
Revalue Investment property (4)		178,913	
Transfer to the Property Fund (Designated) for mortgage repayment (5)	(276,953)	276,953	
Balance of Funds at 1st January 2022 as restated	<u>602,178</u>	<u>2,681,668</u>	<u>264,552</u>
Income from donations and legacies as previously stated	1,308,407	17,888	416,808
Gross up income for fundraising fees (1)	8,233	0	120,833
Gross up for donated staff services (2)	68,410	0	541,959
Recognition of restricted funds (3)	(1,068,172)		1,068,172
Correction of treating expense as income (6)	17,888	(17,888)	0
Reclassification of income as a transfer (8)	(24,000)	0	0
Income from donations and legacies as restated	<u>310,766</u>	<u>0</u>	<u>2,147,772</u>
Expenditure on raising funds as previously stated	85,682	0	0
Gross up for fundraising fees (1)	8,232		120,834
Reclassify fundraising costs from Exp. On Charitable Activities (9)			78,480
Expenditure on raising funds as restated	<u>93,914</u>	<u>0</u>	<u>199,314</u>
Expenditure on charitable activities as previously stated	1,140,022	83,771	585,594
Gross up for donated staff services (2)	68,410	0	541,959
Recognition of restricted funds (3)	(639,672)		639,672
Depreciation reallocated and removed for investment property (4)	(70,208)	50,077	(6,095)
Correction of treating expense as income (6)	(17,888)	17,888	
Reclassify transfer as an expense (7)	(44,400)		44,400
Reclassify expense as a transfer (8)	(24,000)		
Reclassify fundraising costs to Costs of Raising Funds (9)			(78,480)
Expenditure on charitable activities as restated	<u>412,264</u>	<u>151,736</u>	<u>1,727,050</u>
Transfers between funds as previously stated	(55,857)	0	55,857
Recognition of restricted funds (3)	100,257		(100,257)
Reclassify a transfer as an expense (7)	(44,400)		44,400
Reclassify income and expense as a transfer (8)	(24,000)	24,000	
Transfers between funds as restated	<u>(24,000)</u>	<u>24,000</u>	<u>0</u>
Net movement in funds at 31 December 2022 as previously stated	98,168	(190,058)	(112,845)
Recognition of restricted funds (3)	(328,242)	0	328,242
Depreciation reallocated and removed for investment property (4)	70,208	(50,077)	6,095
Correction of treating expense as income (6)	35,776	(35,776)	0
Reclassify income and expense as a transfer (8)	(24,000)	24,000	
Net movement in funds at 31 December 2022 as restated	<u>(148,090)</u>	<u>(251,911)</u>	<u>221,492</u>

Notes to the Financial Statements for the Year Ended 31 December 2023

22 (continued)

Adjustments to 2023 Statement of Financial Activities	Unrestricted funds 2023 £	Designated Funds 2023 £	Restricted funds 2023 £
Balance of funds at 1 January 2023 as previously stated	977,299	2,035,744	151,707
Recognition of restricted funds (3)	(328,242)	0	328,242
Revalue Investment property (4)		178,913	
Depreciation reallocated and removed for investment property (4)	70,208	(50,077)	6,095
Transfer to the Property Fund (Designated) for mortgage repayment (5)	(276,953)	276,953	
Correction of treating expense as income (6)	35,776	(35,776)	0
Reclassify income and expense as a transfer (8)	(24,000)	24,000	0
Balance of funds at 1 January 2023 as restated	<u>454,088</u>	<u>2,429,757</u>	<u>486,044</u>
	2022 £		
Adjustments to 2022 Balance Sheet			
Tangible Fixed Assets as previously stated	712,617		
Removal of the net book value of Investment property (4)	(204,731)		
Tangible Fixed Assets as restated	<u>507,886</u>		
Fixed Asset Investments as previously stated	1,155,215		
Addition of Investment property at fair value (4)	409,870		
Fixed Asset Investments as restated	<u>1,565,085</u>		

23 Capital Commitments

Amounts contracted for but not provided in the financial statements amounted to £0 (2022 - £0).

24 APB Ethical Standards relevant circumstances

In common with many other charities of our size and nature we use our auditors to prepare and submit returns to the tax authorities.