

Registered number: 04399340
Charity number: 1120755

CXK
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 March 2023

CXK

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**Reference and administrative details of the Charity, its Trustees and advisers
For the year ended 31 March 2023**

Trustees	Sonette Schwartz, Chair from 01/01/2023 Dick Fedorcio OBE, Chair until 31/12/2022 (resigned 31 December 2022) Pauline Smith, Chief Executive Jo Boraston Graham Briscoe (appointed 23 March 2023) Domini Bucknell-Sargent Graeme Dykes Kelly Freeman Dominic Hilleard Peter O'brien Christian Robinson (resigned 23 March 2023) Robert Rose William Vernon Charlotte Walshe David Yates (resigned 21 August 2023) Pamela Watts (appointed 23 March 2023)
Company registered number	04399340
Charity registered number	1120755
Registered office	The Old Court Tufton Street Ashford Kent TN23 1QN
Company secretary	Anthony Crocker
Chief executive officer	Pauline Smith

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**Reference and administrative details of the Charity, its Trustees and advisers (continued)
For the year ended 31 March 2023**

Independent auditors	Kreston Reeves LLP Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
Solicitors	Blandy and Blandy LLP Friar House Reading RG1 1DA Girlings LLP Stourside Place 35-41 Station Road Ashford TN23 1PP
Bankers	Barclays Bank Plc Forbury Road Reading RG1 1AX
Insurance Broker	A J Gallagher The Walbrook Building 25 Walbrook London EC4N 8AW
Investment Advisors	Sarasin & Partners LLP Juxon House 100 St. Paul's Churchyard London EC4M 8BU

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Executive summary

For the year ended 31 March 2023

The last year proved to be one of CXK's most successful and impactful. Innovative and targeted service delivery supporting over 238,000 beneficiaries resulted in CXK being awarded the Kent Charity Awards **Kent Large Charity of the Year** award. This was an incredible recognition of the hard work, dedication, and professionalism of so many staff, management, and Trustees across the Charity. It reflected the positive change in perceptions of the targeted and focused work delivered by CXK to young people and adults, and the judges confirmed that the Charity's work was life changing and inspirational.

CXK's drive to tackle deep-rooted societal challenges through the empowerment and support of beneficiaries, many of whom are often marginalised from mainstream services, is evidenced by the huge impact and outcomes achieved by thousands of individuals across their communities.

As an established Charity based in the South East, we have worked tirelessly in our vision to ensure that "everyone has access to what they need to maximise their potential". This is achieved through our inherent understanding of the needs and challenges experienced by so many young people and adults across our region and our ability to reflect, understand and drive national policy into translatable and inclusive services and programmes at a local and regional level.

The last year has been an extraordinary one for CXK, especially considering the turbulent and erratic external landscape experienced by the voluntary, private and public sectors. Programme design and innovation has been a key priority in positively managing the challenging reductions in public funding and worrying impact of the cost-of-living crisis on our beneficiaries, staff and the wider Charity. Strong financial management, inspirational business growth and development along with exceptional respect and reputation earned across the sector places CXK at the heart of the voluntary community sector across the South of England.

We have managed a very tight financial Charity, responding effectively and swiftly to financial pressures. Robust diligence in managing controls and processes has secured very positive outcomes in the navigation of this difficult period with a very optimistic financial year end against the predicted budget and levels of reserves. Our success and growth are even more impressive, particularly at a time when the challenging external landscape has seen many of our partners and competitors become overwhelmed and defeated by the pressures and complexities of managing services post pandemic.

Business development activity has been intensive as we considered the most appropriate and relevant funding opportunities that reflect and support Charity growth and sustainability. The post pandemic impact and cost of living challenges create high levels of need and anxiety with many of CXK's beneficiaries and it was imperative that our business development reflected the targeted approach of service design required to best serve individuals, commissioners, and communities.

Successful retendering of key government contracts (National Careers Service, ASK) has been a key highlight of the year. Winning large regional contracts in such a competitive landscape evidences the strength of CXK in its successful management and delivery of such significant and valuable service delivery across the south of England.

Success breeds success, and growth in our work across prisons in Kent, Surrey and Sussex led to the development of an MOJ-funded employability programme for prisoners nearing their release from custody. Additionally, CXK secured funding from Youth Futures Foundation to lead a peer-led research project across Hastings. Young people have developed research lines of enquiry, methodologies, and a detailed programme of research activity to engage with their peers, employers, and stakeholders to review the challenges young people face in gaining employment across Hastings. This is an exciting and ground-breaking piece of research that will identify key barriers to employment and the system change required to tackle those barriers.

January 2023 saw the appointment of CXK's new Chair of the Board of Trustees. The new Chair has worked confidently with the Executive team and the Board of Trustees to review and explore reviewed approaches to committee and Board structures. CXK is fortunate to have a large and diverse Trustee Board of 13 members which provides strong, honest, professional review, support, and challenge. Trustees have played a very active role in working with the senior leadership team to identify innovative uses of reserves, enabling CXK to deliver its targeted Base Camp programme to young people aged 16-25yrs who are not in education, employment, or training (NEET). Further support was approved for cost of living pay rises for all CXK staff, in addition to a one-off financial award in November 2022.

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Executive summary (continued)

For the year ended 31 March 2023

Tremendous strides have been made in the expansion of social media, PR, and communication activity across the Charity. A Charity-wide development day focused specifically on the importance of evidencing and showcasing the impact of all services. Emotive case study videos, alongside evaluative reports and published editorials have strengthened the focus, brand, understanding and engagement of our services across the region.

Following an in-depth review of Equality, Diversity and Inclusion across the Charity, excellent progress has been made in managing an internal action plan that celebrates, supports, and promotes equality, diversity and inclusion across the Charity. The establishment of a CXK Employee Forum has been an inspiring addition to the communication and engagement of staff members across the organisation.

2022/23 will stand proudly as a very positive and impactful year for CXK. We have continued to build on the success of our established programmes across the south-east, providing a wide breadth and variety of provision that is deeply rooted across communities. Innovation, focus and breadth of inspiring and supportive education, employment and provision will drive the Charity's priorities and growth in the year ahead. **One Team, One Organisation Changing Lives!!**

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Trustees' report

For the year ended 31 March 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 April 2022 to 31 March 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 2 (effective 1 January 2019).

STRATEGIC PURPOSE, OBJECTIVES AND ACTIVITIES

CXK's 5-year strategic plan (2019-2024) reflects the direction, focus, impact, and outcome of CXK's work, providing a tangible reference for all CXK staff, beneficiaries, and stakeholders. It remains the key strategic plan that drives the Charity's focus and forms the basis for annual business plan targets and priorities for individual staff and teams. The annual business plan objectives are applied as a template for all staff and team appraisals, ensuring that the whole Charity is focused on working towards, and contributing to, our overarching strategy.

The Articles of Association provide an overview of the key purpose, objectives and activities delivered by CXK:-

Advance in life those who are in need by reason of their youth, age, ill-health, disability, financial hardship or other disadvantage, in particular but not limited to young people who are situated anywhere within England by developing their skills, education, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals, through the provision of a service which:

- Raises their aspirations, participation and achievement;
- Provides impartial information, advice, guidance and opportunities for their personal development, education and employability;
- Refers and introduces them to learning and employment opportunities;
- Provides and supports the provision of learning programmes supporting their personal health and wellbeing, and educational development, and preparing them for life choices and circumstances;
- Provides those outside learning, or otherwise at risk of underachieving, with the support they need to maximise their potential.

Mission

Inspiring people to thrive.

Vision

Everyone has access to what they need to maximise their potential. Through support and guidance CXK empowers individuals and strengthens communities.

Values

CXK is passionate, efficient, transparent and displays integrity, resilience and innovation.

Strategic objectives and priorities

The overarching focus of the Charity's strategy is encapsulated through the following six priority objectives :-

1. **BRAND** - Invigorate and improve the awareness and understanding of the CXK charitable brand and impact, securing greater engagement of beneficiaries, wider stakeholders and communities.
2. **FOCUS** - Positively reflect and prioritise the needs and aspirations of individuals and communities in the development, range and scope of all CXK service provision and activities.
3. **FINANCE** - Secure financial sustainability with emphasis on retention of current contracts, developing new, and preserving cost effectiveness and rigour across all funding and income streams.

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Trustees' report (continued)

For the year ended 31 March 2023

4. **QUALITY** - Continue to enhance and strengthen the delivery of high quality services, increasing performance outcomes and impact, working positively to build and nurture an environment of continuous improvement.
5. **PEOPLE** - Build on and develop the strengths and diversity of our Trustees, workforce and volunteers - promoting a stronger sense of collective purpose, culture and social action.
6. **PARTNERSHIPS** - Enhance the effectiveness, breadth and success of trusting partnerships and relationships to achieve flexible solutions, innovative outcomes and focused results for the needs of targeted individuals and communities.

Activities and areas of delivery and engagement

CXK supports young people and adults through the development and delivery of services and provision that fulfil its three core pillars of focus and activity:

- Information, Advice and Guidance
- Targeted Support
- Training and Development

As a very successful and high-achieving Charity it remains imperative that we maintain a strong focus, understanding and commitment to the needs of beneficiaries in the development of our wide range of programmes, services, and initiatives.

Understanding the needs of young people and adults in relationship to their aspirations and opportunities in education and employment drives decisions in developing a breadth of diverse approaches and specialisms to reach out and engage with the complex and multifaceted needs of our beneficiaries.

The pandemic and subsequent cost of living challenges have created additional challenges for many CXK beneficiaries, and it has been important to review all aspects of our delivery to ensure that the changing needs of young people and adults are reflected positively in the design and delivery of all current, and future, service provision.

The last year has created the space for careful and considered review of all areas of delivery. Virtual and remote service delivery has complemented ongoing face-to-face delivery to ensure we adapt and engage with beneficiaries in new and innovative ways.

The financial landscape has changed enormously with pressures faced by Central and Local Government departments and wider commissioners. CXK have remained determined in our commitment to deliver high quality services to address the growing needs of beneficiaries within the challenges of funding reductions, and cessation of many alternative funding streams.

The full range of provision CXK delivered throughout the year included:

- The **National Careers Service** (contract commenced October 2015) delivery of targeted Information Advice and Guidance (IAG) to adults across the south-east. Specific priority groups are supported within this contract including low skilled adults without a level 2 qualification; 18-24 year olds Not in Education, Employment or Training (NEET); Jobcentre Plus (JCP) customers aged 18 plus; adults with learning disabilities and/or disabilities; single parents with one or more dependents at home; adults over 50 facing redundancy or newly redundant. **(DFE funded)**
- **Apprenticeship Support and Knowledge service (ASK)** – providing a full range of guidance and support to young people, teachers, parents, schools and FE settings on the opportunities of Apprenticeship and Technical education pathways. **(DFE funded)**

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Trustees' report (continued)

For the year ended 31 March 2023

- **Bridge the Gap** - Delivery of a targeted mentoring programme for the long-term unemployed experiencing barriers to employment in Canterbury, Swale and Thanet. **(UKCRF funded)**
- **Prison IAG** - Delivery of IAG services and support to adult prisoners in 10 custodial settings across Kent, Surrey and Sussex. **(MOJ funded)**
- **Work-Ready** – An employability programme delivered to prisoners 12 weeks before their release from custody. **(MOJ funded)**
- **Step Up** – A European Social Fund (ESF) participation contract for 16-24 year olds in Kent, East Sussex and Essex who are at risk of becoming, or are already, Not in Education, Employment or Training (NEET). **(ESF funded)**
- **Youth Employability Service (YES)** – a service for NEET young people across East Sussex. **(East Sussex County Council funded)**
- **Careers Education, Information, Advice and Guidance (CEIAG)** services to secondary school pupils throughout Kent, Medway and East Sussex, to help them with their next steps in education or employment. **(Individual school funded)**
- **Base Camp** – A CXK funded engagement and mentoring programme for young people 16-25 yrs, supporting mental health, confidence and aspirations to move into positive education or employment pathways. **(CXK reserves funded)**
- **Get Connected** – an innovative mentoring programme for young people with Special Educational Needs and Disability (SEND). **(Kent County Council funded)**
- **Connected Futures Hastings** – a peer led research project identifying the employment challenges faced by young people in Hastings. **(Youth Futures Foundation funded)**
- **Emotional Health and Wellbeing** – Intensive support for young people in schools, aiding mental health, confidence and wellbeing. **(Individual school funded)**

ACHIEVEMENTS AND PERFORMANCE

Analysis and review of all achievements and performance is managed through a wide range of robust processes and procedures. The Trustees, executive team, and senior managers analyse and examine a wide range of measures to assess the Charity's success in achieving its charitable objectives.

All service delivery aims and goals derive from these measures, alongside focused key performance indicators established by funders and stakeholders. A comprehensive dashboard (operational scorecard) of performance, achievement and quality is our key tool used to evaluate success, impact and address aspects of challenge or concern across all areas of provision. Specific measures include:

- The number of people engaged and the quality of their experience and employment, learning or training outcomes for adults involved in the National Careers Service. Customer satisfaction, Customer Management and Job or Learning outcomes are key contract deliverables.
- Level of reduction in the number of 16–18-year-olds who are Not in Education, Employment or Training (NEET). In addition, level of positive engagement, outcome and progression with those supported.

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Trustees' report (continued)

For the year ended 31 March 2023

- Outcomes of the preventative work with pre-16-year-olds and work with vulnerable young people, including Learners with Learning Difficulties or Disabilities (LLDD), Looked after Children (LAC) Special Educational Needs and Disability (SEND) and young offenders.
- Rigorous performance indicators within each specific contract specification.
- Evidence, research, and evaluation gained from the delivery of services and provision.
- Total income obtained from funding sources and financial management over analysis.
- Employee engagement and satisfaction through staff surveys, team analysis.
- Customer/beneficiary/stakeholder satisfaction.
- Ofsted inspection outcomes.
- Maintenance of external accreditations (for example, Cyber Essentials Plus, Merlin Standard and the Matrix Standard).

Specific achievements

The last year has been extremely successful for CXK. With the uncertainties and turbulence of the voluntary sector including decreasing funding, cost of living pressures and beneficiaries' needs increasing, CXK has been determined in the necessity to refocus and re-energise programmes and services – reaching out and re-engaging many individuals most marginalised from mainstream services.

We were awarded the **Kent Large Charity of the Year** award (Kent Charity Awards) in September 2022 – Judges recognised the life changing services we delivered across so many differing programmes and communities. This recognition meant so much to the staff, Trustees and stakeholders and has showcased our work and the wonderful achievements we have made with so many beneficiaries.

We have strengthened our footprint, particularly in Kent, Medway, Essex and East Sussex, building on previous successes. Comprehensive evaluation and analysis of the impact of our work has been imperative in ensuring we design the most effective methods of engagement and delivery to ensure positive outcomes and progression pathways are in place for our beneficiaries.

We successfully re-tendered and won the new National Careers Service (NCS) contract in October 2022 – competing against many national and international organisations. Our delivery of NCS provides a vital service across the south-east through our direct delivery and that of a network of creative and efficient sub-contracted provision.

The delivery of ASK has been a tremendous success with all Key Performance Indicators exceeded and CXK leading national league tables.

Success in the growth of targeted provision for young people has seen increased volumes in the number of SEND schools contracting CXK to deliver IAG and also growth in alternative funding streams wishing to contract CXK for this specialist work.

Expanding our work across prisons has also been hugely successful, with our winning of the contract to design and deliver a Work Ready employability support programme to prisoners in their last 12 weeks of custody. This programme has played to the strengths of CXK provision – targeted mentoring and support leading to positive employability skills and progressive pathways into employment.

CXK has experienced a growth in specialist programme delivery - our diversity resulting in our increased recognition as the “go to Charity” for comment and insight into the challenges facing young people and adults in the context of education and employment.

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Trustees' report (continued)

For the year ended 31 March 2023

This year, CXK directly empowered, supported, and engaged with more than 238,000 individuals across all services. The Charity has been instrumental in helping many more indirectly through wider engagement with communities and other stakeholders.

Participation and engagement numbers across the range of programmes include:-

- Prison IAG service - supported 5,800 individuals in custody across 10 prisons. 98% of individuals were satisfied with the service they received.
- Work Ready programme - delivered to 258 learners across 5 prisons. 99% of learners said they were satisfied with the service they received.
- National Careers Service - provided careers information, advice and guidance to 29,000 adults across the south-east, achieving 100% customer satisfaction.
- CXK's School Careers service - delivered in 57 schools in Kent and East Sussex, supporting 9,400 young people.
- YES (Youth Employability Service) - supported 4,088 NEET (Not in Education, Employment or Training) East Sussex young people with intensive 1:1 support.
- Step Up - CXK partnered with local organisations, delivering bespoke training programmes to 1,023 NEET 16-24 year olds in Kent, Medway, East Sussex, Essex, Thurrock and Southend. 39% progressed into work, education or training.
- ASK (Apprenticeship Support & Knowledge) - supported: 175,000 students, 12,250 parents, 1,750 teachers, working with 900 schools across the South of England to promote awareness of the benefits of apprenticeships.
- Get Connected - a peer mentoring programme supported young people with autistic spectrum conditions, delivered 85 sessions across 3 districts to develop young people's confidence, social development and integration.

Growing Influence

CXK continues to work closely with central government departments, local authorities, and other key stakeholders – influencing and supporting the political environment and required policy/strategic drivers that effect the challenges and experiences of our beneficiaries and their multi-layered needs and requests.

Our key focus is to ensure all CXK delivery targets the real needs of individuals and communities we work within. Key stakeholders we liaise and commission with include:-

- Department of Education (DfE),
- Department of Work and Pensions (DWP),
- Ministry of Justice (MOJ),
- Department of Levelling up and Communities (DLUC),
- South-East Local Enterprise Partnership (SELEP),
- Kent County Council,
- Medway Unitary,
- East Sussex County Council,
- The Integrated Care Board and Integrated Care Partnership for Kent and Medway,
- South- East Chambers of Commerce and Federation of Small Businesses

The Chief Executive is an active and engaged member of a wide breadth of key membership organisations and formal Boards, successfully managing and influencing key strategy and performance on a local and regional level. The ethos of “generous leadership” is at the heart of our CEO's dedication to the education and skills sector and the wider voluntary sector landscape.

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Trustees' report (continued)

For the year ended 31 March 2023

Membership includes the following:-

- Association of Chief Executives of Voluntary Organisations (ACEVO),
- Kent Association of Training Organisations (KATO) – Board member,
- Kent CEO forum,
- Voluntary Community Sector steering group (Kent and Medway) – Board member,
- Medway VCS – Board member,
- SELEP skills board – Board member,
- Kent and Medway Employment Task Force – Board member,
- Kent 16-19 Pathways for All – Board member,
- Medway 16-19 review – Board member,
- Skills East Sussex – Board member,
- Adult Learning Network East Sussex – Board member,
- Integrated Care Board, Kent and Medway – Board member

CXK's representation for itself and the wider charity sector is true testament of the expertise it holds across the voluntary sector and its ability to pursue, challenge and celebrate the role of the voluntary sector in national, regional and local plans and policy. CXK's CEO was appointed in 2022 as the voluntary sector representative on the newly formed Integrated Care Board, and plays an important role in advocating for the engagement, recognition and commitment of the role of the VCS in the plans for a robust Integrated Care strategy across Kent and Medway.

CXK is also a board member of Careers England, and the Careers Development Institute, both significant national associations for the professionalism and credibility of accredited careers guidance.

The last year has seen significant effort and commitment by CXK to nurture and strengthen relationships with local councilors and Members of Parliament. Local MPs are consulted, lobbied and supported in the policy, strategy and political impact of education and skills development and challenges impacting CXK beneficiaries.

Our Chief Executive has established close working relationships with key Members of Parliament and local councilors across CXK's delivery regions to champion the needs, issues and concerns that relate to beneficiaries or developing Government policy.

Senior managers sit on a wide range of county-wide and regional planning and implementation groups across the south-east. The senior leadership team are members of many key partnerships and boards including the Care Leaver Progression Partnership, the Digital Skills Network, and the Children and Young People Panel.

Championing and promoting the impact and success of the breadth of CXK provision remains a key strategic priority. Over the last year impressive strides were made to increase the engagement and support of local, regional and national media. A suite of performance indicators drove an increased reach in social media, website data analytics, press coverage, targeted blogs and news items which all contributed positively to raising the profile of the Charity.

People and Personnel

People and personnel remain the highest priority within our Charity. The pandemic instigated a period of transformation, growth, diversity, and change – for our beneficiaries, our stakeholders, and our Charity.

People are key at every level, enabling our Charity to have a positive impact through the delivery of its services. Some 85% of staff are directly involved in delivering services to beneficiaries, with the remaining 15% providing essential support, including management, administration, finance, IT, GDPR, governance, marketing, estates and HR services.

Since the pandemic CXK, like many other organisations in the voluntary, public and private sectors have had to navigate new and varied working patterns to accommodate the growing needs and wants of staff, commissioners and beneficiaries. The majority of our delivery staff have identified localities for programme delivery – e.g prisons, schools, job-centres etc. Community venues support our delivery infrastructure alongside virtual delivery that can be delivered from staff based at home.

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Trustees' report (continued)

For the year ended 31 March 2023

Hybrid working arrangements and flexibility related to staff working patterns have been a mainstay of a changing world where staff require more flexibility and work/life balance. CXK are continuing to monitor and assess the impact of the focus on different approaches to working patterns. It will remain essential for us to balance the needs of our staff alongside the needs and demands of commissioners and stakeholders. The tension between both remains a challenge for all sectors moving forward.

The impact of post pandemic changes and current cost of living pressures has not only affected our Charity but our staff too. Empathy and compassion have been integral in ensuring that staff feel adequately supported by CXK in these challenging times. CXK has a well-established Employee Assistance Programme which has seen an increase in staff engagement, particularly in the last year. Pressures of mental health, anxiety, finance, and personal relationships are noted as developing areas where support has been provided.

Our Charity's success is borne from the dedication, professionalism, tenacity, and dedication of all our staff. We arranged an incredibly positive staff development day in 2022. Bringing staff from across the Charity to share a positive day together reflecting on strategy, practice, delivery and impact was demonstrably successful, with 99% of staff confirming that the day was "amazing" or "good".

A new Performance Development Review (PDR) process was implemented in 2022. The PDR provides a transparent process of line management supervision, review and appraisal with performance linked to operational delivery and staff's adherence to, and display of, the CXK values and strategy.

The Trustee Board were keen to reward the hard work of all CXK staff and agreed both a cost-of-living award and a 5% pay increase across all pay scales within the Charity. CXK is proud to be a Real Living Wage employer in addition to being an accredited disability confident employer.

Trustees wish to pay tribute to all CXK staff for delivering services so effectively across our wide breadth of services. External recognition in winning the Large Charity of the Year award, alongside continued growth in successfully winning new funding opportunities to develop our provision, is testament to the continued hard work and dedication of each and every member of staff.

Partnerships

Strength and commitment to strong collaboration and partnerships places CXK above its peers in relation to the breadth of its partnership engagement. As national Prime Contractor for two DFE programmes (NCS and ASK) CXK have established strong, effective sub-contracted relationships with key providers across the south of England. As an excellent Matrix-accredited Charity we have displayed robust, honest and transparent processes, procedures, audits and compliance monitoring that strengthens performance and relationships.

The necessity to nurture and retain effective partnerships is crucial to CXK's delivery across communities. The challenges faced by beneficiaries remain complex and multi-faceted and we strive confidently to continue to increase the breadth of innovative partnerships to help address and tackle the barriers of disadvantage that many individuals still face.

CXK, in its role as a significant Charity in the south-east has a key role in supporting other partnerships with Charities trying to navigate the turbulent and fragile landscape of the third sector. Opportunities for partnership working in delivery, engagement, programme design and bidding for potential new funding streams are actively underway and the CEO plays an active role in strategically supporting and developing new relationships.

Quality and Impact

Quality is the key "golden thread" running through the charity. Rigorous processes of quality review, analysis, compliance, and impact are fully embedded across the Charity. The Performance and Quality committee has a strategic overview of all services and reflects and reviews all aspects of CXK delivery in quarterly analysis of the Operational Scorecard.

Quality and impact drive performance at all levels of the organisation and line management, peer meetings, management forums, senior leadership team evaluation and Trustee Board committees are all key elements of the robust quality framework.

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Trustees' report (continued)

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Self Assessment Reviews (SAR's) are commonplace within our large DFE contracts and other evaluation tools and KPI review mechanisms are in place for the range of other programmes across the Charity. In addition to robust Quality Assurance measurements that are reported and assessed on the CXK operational scorecard, CXK continues to evaluate performance through the "CXK impact toolkit". The impact measurement framework enables and empowers all beneficiaries to express their progress against key indicators:-

- Readiness to thrive
- Economic inclusion
- Social inclusion
- Health and wellbeing

CXK commits to delivering all its activities to very high standards and invests in a broad range of quality management standards and accreditations as follows:

- Matrix Accreditation
- Merlin Standard - outstanding
- Ofsted - two level 2 'Good' ratings
- Cyber Essentials Plus
- Disability Confident Employer
- Real Living Wage Employer

Policies and Processes

CXK has an extensive portfolio of policies and procedures. These are maintained, updated, reviewed and updated at Exec and/or Trustee Board level. Strong robust governance ensures our Charity complies with relevant legislation and that it operates in line with national and international best-practice. This safeguards beneficiaries, staff and partners and provides them with access to the right support at the right time, delivered in a way that meets their needs.

A document register is monitored and evaluated with key timelines identified for document review and evaluation. Policies are endorsed for either management or Trustee review and formal sign off.

All policies are stored in an online portal accessible to all staff and all sub-contractors are obliged to adhere to all CXK policies and principles.

Performance Management

Each CXK project/contract is delivered in line with a business/delivery plan, which is developed collaboratively during the preparation of a funding proposal/tender response. Each plan includes:

- Milestones
- Leads/Responsibilities
- Key Tasks
- Timelines
- Risks
- Performance Review and Evaluation

Plans are reviewed monthly and are used to manage a project's progress, to address poor performance, to manage risk and to ensure targets are met or in most cases exceeded.

Financial Review Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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Reserves policy

At 31st March 2023, the Charity had "free reserves" (i.e. the total of unrestricted income funds not invested in tangible fixed assets) of £5,948,638 with an operating cost base of £8,191,482 (31st March 2022: £5,672,473 against operating costs of £6,579,698). Restricted reserves are £nil (2022: £nil).

Taking into account the nature and volume of the Charity's income streams and the patterns of expenditure in meeting the Charity's objects, the Trustees regularly undertake a risk assessment of the probability and likely impact on service delivery that might be caused by a decline in income, an inability to meet financial obligations, or an inability to reduce expenditure in the immediate short-term. This approach ensures a balance between spending the maximum amount of income raised as soon as possible after receipt, while maintaining the minimum level of reserves to ensure uninterrupted operation.

The target range is reviewed annually as part of the budget approval process by the Trustees to reassess the risks and reflect changes in CXK's income, financial obligations and expenditure and also as part of the risk review process. The year under review is the penultimate year of the 6 year plan agreed whereby contract sustainability was considered and a number of financially unsustainable contracts were chosen to withdraw from. Reserves were used to underwrite the resulting structure losses. We are pleased to say that this plan has been a great success and CXK are significantly ahead of where it had been forecast to be in 2023, with CXK free reserves now at its highest level, helping to ensure the Charity is on an extremely sound financial footing.

It has been deemed that the level of free reserves being held is sufficient and appropriate for CXK. This level is set aside to account for fluctuations in funding levels, payment in arrears contracts and to account for potential redundancy costs on contracts that end. This is especially important given the current uncertainty as the world continues to adjust post-pandemic and expected increase in demand for CXK's services. Free reserves are the total of unrestricted funds not invested in tangible fixed assets. Based on this approach, CXK is happy the level of reserves is sufficient, with 8.7 months of operating costs (2022: 10.3 months) set aside.

Investments policy

Under the rules of the Charity's governing document, the Trustees have wide ranging powers to invest the funds of the Charity as they see fit within the scope of the laws and regulations applying in the United Kingdom.

The objectives for these investments are to achieve a balanced return from income and capital growth whilst accepting a moderate degree of risk and maintain the real value of capital in order to achieve and potentially facilitate periodic capital withdrawal. In approving investments, the Trustee Board follows an ethical policy, which examines good employment practices, good environmental practices and a commitment to corporate and social responsibility.

The Charity has investments of £1,884,744 (2022: £1,961,908) of its reserves in shares or equities with Sarasin and Partners LLP. The policy on investments is reviewed regularly under the governance of the Finance and Resources Committee.

Any investment returns made on the portfolio are used to purchase further shares and equities

Approach to fundraising

CXK's income is primarily received from successful commissioned services or grants. There is very limited income received through fundraising and any funding received adds value to the commissioned services it already delivers. 100% of the monies raised is used to support beneficiaries who need it most.

Fundraising income remains low, as the Charity does not specifically target resources for this source of funding. This is under continuous review as such funding will complement alternative approaches to service provision. This year, the Charity raised £4,184 (2022: £6,087) towards improving its beneficiaries' life-chances. No fundraising complaints (2022: none) were received during the year.

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Trustees' report (continued)

For the year ended 31 March 2023

CXK's Growth and Development Plan outlines the key principles and approaches to be explored and reviewed as part of the Charity's expansion of income growth and diversification. In 2023 we have identified a specific feasibility project to review and consider positive approaches to generate corporate/philanthropy income.

Professional indemnity insurance

The Charity has taken out a combined commercial insurance policy that provides an element of professional indemnity cover for the Trustees amounting to £5 million in respect of any one claim.

Management of Risk

The Board is committed to ensuring the long term health and sustainability of CXK through an effective risk management framework. This is designed to identify and mitigate key risks that could affect the ability to deliver strategic objectives and achieve the Charity's charitable aims.

The management of risk is embedded in day-to-day business activities and is well supported by established processes and policies. The management of most risks is delegated to the Chief Executive and the Senior Leadership Team. A Business Critical Risk Register is updated monthly by the Executive Team, reviewed and scrutinised by the Audit and Governance Committee and updated reports are given to the respective committees and Trustee Board at each meeting. All major risks are reviewed, and systems and procedures in place to manage and mitigate risks.

The principal risks currently identified include:

- A significant contract, or multiple contracts, become unprofitable and unsustainable.
- Loss of a major income source.
- Competition for new contracts results in loss of income through new re-tendered business.
- Major incident relating to the safeguarding, or the wellbeing of staff or beneficiaries.
- Failure in the management of a significant governance responsibility e.g Health and Safety, GDPR

The risk management process for the Charity was reviewed during the financial year by the Audit and Governance Committee and improvements made to risk reporting. Each Committee of the Board has a responsibility to review all relevant risks for their area of the business and amend risk level appropriately.

CXK continued to make good progress on improving its risk management across the five major risk categories of Compliance, External and Environmental Factors, Financial, Governance and Operational. The Charity has continued to refine and report on the major risks that it faces in delivering its services. In particular, it continues to strengthen its procedures regarding significant risks with a new detailed analysis which focuses on the mitigation activities for the most significant risks.

PUBLIC BENEFIT

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance publication "The Advancement of Education for Public Benefit") into consideration in preparing their statements on public benefit contained within this Trustees' Annual Report.

Benefits & Beneficiaries

In accordance with its charitable objects, the Charity strives to advance in life those who are in need by reason of their youth, age, ill-health, disability, financial hardship, or other disadvantage in particular, but not limited to, young people. The benefits offered by the Charity are the services that it delivers to support, mentor, advise and guide individuals so that they are empowered and inspired to thrive.

This financial year the Charity worked with more than 238,000 young people and adults through CXK's direct delivery and the work of its sub-contractors and partners. Challenges of engagement for many of our very vulnerable beneficiaries resulted in an increase of 1-1 mentoring programmes and less group work activity. This has resulted in numbers of individuals reducing from last year.

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Trustees' report (continued)

For the year ended 31 March 2023

The ability to work closely with commissioners and beneficiaries to design and adapt service delivery to ensure maximum impact and value for money is a key strength of the Charity. Working closely with Government departments including Department of Education, Department of Work and Pensions, Ministry of Justice, Department of Levelling Up and Communities and Local Authorities and key stakeholders across our delivery region drives the innovation of services to tackle wider public benefit and positive community outcomes.

CXK's flexibility, agility and responsiveness to individual and community need has secured amazing outcomes in targeted local delivery, truly changing the lives of individual beneficiaries, and supporting wider public benefit and social value priorities. See page 7 for volumes and impact of key CXK service delivery.

Trustees' Assessment of Public Benefit

The Trustees utilise the range of measures of performance detailed (see page 9) to determine the Charity's success and to demonstrate that it continues to advance in life individuals for the public benefit. All aspects of CXK's programme delivery is targeted at addressing a local socio/economic need and/or supporting a Central/local Government initiative / priority.

It has not gone unnoticed that CXK continued to work tirelessly to ensure that all services were maintained and successful business growth achieved at a time when the landscape of employment and education remained turbulent and fractured.

There is great satisfaction and appreciation of the Charity's performance, which has seen its key performance objectives met every year. The Charity has achieved regional and national acclaim for its engagement projects for vulnerable and disadvantaged individuals and maintained its leading stance on Careers Education, Information, Advice and Guidance (CEIAG).

CXK has received high acclaim from national, regional stakeholders, local authorities, and stakeholders across communities for the focused, determined, and successful methodologies implemented as a result of the pandemic. CXK has built on its innovation and achievements to develop a suite of targeted provision that provides true opportunities and progressive pathways for so many marginalised beneficiaries.

The wide range of CXK programme delivery enables the Charity to work at the heart of communities by empowering young people and adults to maximise their potential, increasing their own skills, knowledge and confidence, instilling a positive approach to contributing effectively to their local communities. With carefully selected partners who bring additional value, specialisms, and expertise we continue to ensure our innovative programmes engage outlying communities and marginalised beneficiaries.

Strong business development and business improvement activity has been instrumental in ensuring that CXK remains focused in its important role in delivering exceptional and vital education and employment pathways to its beneficiaries across the south-east.

The last year has seen huge achievements as the Charity successfully secured the National Careers Service prime contract for a third time, extended its footprint in prisons by delivering a Work Ready employability programme, re-procured the Youth Employability Service in East Sussex and secured funding to deliver innovative research across Hastings which will lead to the identification of the barriers faced by young people seeking employment. Additionally, the growth of specialist provision to mentor and support young people with SEND has been recognised, with funding from local authorities and directly from schools commissioning new services.

PLANS FOR FUTURE PERIODS

The Charity's aim of making a positive difference to the lives of those who are in need by reason of their youth, age, ill-health, disability, financial hardship, or other disadvantage will remain the driving force in the year ahead.

CXK will continue to align itself closely to the political and strategic policy drivers that will help shape and support our beneficiaries impacted by the pandemic and economic crisis faced by so many. CXK is well positioned to drive forward change and innovation to tackle the increasing challenges for access to education and employment for so many disengaged and disenchanted individuals.

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Trustees' report (continued)

For the year ended 31 March 2023

The landscape will undoubtedly remain turbulent and unpredictable and CXK's efforts will be focused on prioritising the right decisions, both operationally and strategically, to ensure CXK remains in a strong and confident position within the voluntary sector.

The needs of beneficiaries remain complex and challenging. Innovation and flexibility in the delivery of services will be critically important to ensure that CXK responds swiftly and effectively to the needs of individuals and commissioners. We will build on the success and innovation of the last year and continue to shape the hybrid model of delivery approaches required to move forward.

Key priorities for the year ahead include:

- Approve an 18-month business plan reflecting the 2019-2024 strategic plan priorities.
- Finalise the IT infrastructure enhancements and recruit a dedicated IT Manager.
- Commence the feasibility review of corporate and voluntary fundraising/income generation.
- Establish greater collaborative working relationships with DWP to develop innovative employability support programmes across the south-east.
- Further enhance new business development opportunities across custodial settings.
- Continue to enhance the volume and quality of case studies and impact measurement processes across the Charity.
- Review the current Trustee committee structures and adapt articles of association where required.
- Remain diligent in the face of the economic crisis and positively support the wider voluntary sector in its role across communities.
- Continue the focus of strategic and high-profile engagement with Government departments and key stakeholders – advocating strongly for the needs of beneficiaries and the voluntary sector.
- Undertake a detailed review of the ESG action plan and implement a programme of activity across the Charity.

FUTURE PUBLIC BENEFIT

There has been much for CXK to celebrate in the year 2022/23. There has been a strengthening and expansion of some key functions within the Charity, and a shared culture of demonstrating efficiency, innovation, and impact. Strong governance and management have enhanced the strategic vision for the organisation and creativity and innovation in the further development and growth of the organisation will be a key emphasis moving forward.

Relationships with stakeholders are strong, meaningful and impactful. The CXK brand is well respected and the Charity is acknowledged to be a leading force across the south-east. Strength in our ambassadorial role has led to engagement and involvement in a wide number of strategic boards which has placed CXK in an important and privileged role and at the heart of strategy and policy development moving forwards.

CXK has, through its steadfast and rigorous leadership, been successful in strengthening its engagement and focus for individuals and communities. CXK will continue in its drive and commitment to work closely with those most affected by the socio-economic challenges and continual impact of the pandemic and play a significant role in strengthening innovative provision to support individuals and communities moving forward

The Trustees will continue to ensure that our Charity benefits the public by reducing unemployment, supporting individuals with barriers to progression, and delivering accessible and high-quality services in collaboration with its stakeholders and partners. CXK will support central and local government and key stakeholders in driving forward the change required to provide opportunity and advancement for so many individuals who have felt left behind.

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Trustees' report (continued)

For the year ended 31 March 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

The Charity was incorporated on 20th March 2002 and became a Registered Charity on 4th September 2007. The Charity has incorporated the following dormant subsidiary undertakings - CXK Trading Limited and CXK Careers Limited.

On 5th April 2022, Medway Youth Trust, subsidiary of CXK, was dissolved.

The Charity is governed by the rules and regulations set down in its company Memorandum and Articles of Association originally dated 20th March 2002, which were amended by special resolution on 23rd January 2007, 16th December 2008, 24th June 2009 and 19th September 2011. A review of the Articles of Association by the Board of Trustees and an updated version was approved on 4th September 2018 and 21st May 2020 and then subsequently updated on 6th July 2023.

Trustees

The Trustees that served during the year are as follows:

Dick Fedorcio OBE, Chair (resigned 31st December 2022)

Sonette Schwartz (appointed Chair 1st January 2023)

Pauline Smith, Chief Executive

Jo Boraston

Graham Briscoe (appointed 23rd March 2023)

Domini Bucknell-Sargent

Graeme Dykes

Kelly Freeman

Dominic Hilleard

Peter O'Brien

Christian Robinson (resigned 23rd March 2023)

Robert Rose

William Vernon

Charlotte Walshe

David Yates

Pam Watts (appointed 23rd March 2023)

During the year the average attendance of all Trustees at Board and committee meetings was 87% (2022 : 87%)

Governance and management

CXK is a registered Charity, and a company limited by guarantee, not having share capital. Every Trustee undertakes to contribute an amount not exceeding £10 to the assets of the Charity in the event of the Charity being wound-up during the period of membership, or within one year thereafter.

On 31st March 2023 the Charity had 13 Members (including the Chief Executive), all of whom are CXK's Trustees. The Trustees are recruited from the business community, private sector, education and the public and not for profit sectors, and bring considerable experience and expertise to their roles which strengthens the Charity's development, growth, and sustainability. In July 2023, the Articles of Association were updated to change the maximum number of terms a Trustee can serve, from 2 terms of 3 years a term (maximum 6 years), to 3 terms of 3 years a term (maximum 9 years).

The overall strategic direction of the Charity is determined by the Board of Trustees. The Board develops and sets the strategy and reviews performance against its business plan targets over the course of the year.

The management and delivery of the overall strategy, and day to day service delivery, is delegated by the Board to the Chief Executive and the Executive Team, with a wider staff team of circa 130 staff.

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Trustees' report (continued)

For the year ended 31 March 2023

The Chair of the Board and Chief Executive are committed to enhancing and strengthening the focus, commitment, and engagement of the Trustees. Trustees are appointed based on the skills analysis and expertise required by the Trustee Board. Recruitment of Independent Trustees takes place by advertisements in local media and on targeted websites and social media platforms.

Applicants are subject to interview by Trustees and the Chief Executive to determine their suitability for the role, including whether their skills match the Charity's need, and then forwarded to the Board for approval. Skills profiles are updated and reviewed by the Audit and Governance Committee. The Charity has an agreed Induction Pack that is given to new Trustees alongside formal induction training. They also meet with the Chair, Chief Executive, Executive Team, and relevant employees.

The past year saw the retirement of the Chair, Dick Fedorcio OBE as he had completed his two terms of 3 years. Additionally, Trustee Christian Robinson completed two terms of 3 years and also retired. Both individuals had worked diligently and tirelessly for CXK in their respective roles – always providing robust and professional support and challenge in equal measure. Their impact on the senior leadership team and the Charity as a whole has been exemplary and we will miss them.

Following an external recruitment campaign CXK appointed a new Chair, Sonette Schwartz to the Board and also welcomed two new Trustees – Pam Watts and Graham Briscoe.

The Board met in March 2023 and a review commenced on the committee structure and frequency of meetings. In June 2023 a new structure and timetable was approved. The Audit and Governance committee merged with Finance and Resources to agree a new format of three committees as shown below ;-

- Development, Fundraising and Marketing Committee
- Finance, Governance and Resources Committee
- Performance and Quality Committee

The Committees meet a minimum of three times a year to scrutinise, oversee and make recommendations to the Board on all key aspects of CXK's business. Each Committee is chaired by a Trustee and supported by the relevant Executive Director. The full Trustee Board meets a minimum of three times a year with an additional strategic away day being held each year.

The updated membership of the committees is as follows:

Development, Fundraising and Marketing Committee

Charlotte Walshe (Committee Chair)
Domini Bucknell-Sargent
Kelly Freeman
Dominic Hilleard

Finance, Governance and Resources Committee

Jo Boraston (Committee Chair)
Graham Briscoe
Kelly Freeman
Pete O'Brien
Robert Rose

Performance and Quality Committee

William Vernon (Committee Chair)
Graham Briscoe
Graeme Dykes
Charlotte Walshe
Pam Watts

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Trustees' report (continued)

For the year ended 31 March 2023

The Board completes a range of mandatory training and is offered development and support on relevant topics and regulation, to ensure it remains informed and aware of the challenges and risks facing the Charity.

The Board reviews its own, and the Chair's, performance and all Trustees have an annual appraisal. The Charity produces a monthly e-bulletin for staff and quarterly e-bulletin Trustees and the Chief Executive provides strategic updates to Trustees to inform them of the latest developments or critical issues that occur outside of formal Board meetings. A Chief Executive's report is presented at each Board meeting.

While Trustees concentrate on the overall running of the Charity and the scheduled Board and Committee meetings facilitate the governance framework, Trustees are also supported to visit front line services, meet staff and attend beneficiary events and achievement events. Visits have been somewhat hindered due to constraints of some delivery localities e.g prisons and also the increase in virtual delivery, however a full schedule of opportunities will be prepared to facilitate greater engagement for Trustees to see and observe programme delivery in 2023.

Virtual meetings have worked extremely well for Trustees since the pandemic and have therefore continued for most of the committee meetings. Hybrid alternatives are now offered and it is commonplace to have a mixture of face-to-face and virtual attendance. The opportunity for variety has resulted in ongoing high attendance by the Trustee members.

The Senior Leadership Team and Trustee Board have worked quickly and effectively to steer the charity through the turbulent and unpredictable challenges of the voluntary sector as it faces a global economic crisis and the ongoing post pandemic impact, particularly in relationship to the labour market, employability and societal changes on the role and values of work.

The Trustee Board and leadership team of CXK were determined and resolute in implementing rigorous financial modelling, risk assessment and budget processes to maintain management overview of the financial and strategic impact to the charity. The 2022/23 year end highlights that the dedicated focus and robust management has successfully resulted in yet another very positive year for CXK.

Pay policy for key management personnel

The Chair of the Board is responsible for the Chief Executive's appraisal and the Board determine an annual pay review for all staff, based on the financial position of the charity, industry benchmarks and within the employment contract and policies of the organisation.

Equality, diversity, and inclusion

CXK is committed to promoting equality, diversity, and inclusion through all aspects of our organisation. Policies and practices ensure that daily behaviours reflect strong compliance and understanding of equality principles across the Charity's work.

CXK has created a very positive culture where people treat each other with mutual respect, regardless of age, disability, gender, marital status, race, religion, sexual orientation, or any other protected characteristic. All staff receive unconscious bias training as part of the mandatory schedule.

CXK commissioned an external Equality, Diversity and Inclusion review by a third party specialist organisation over a three month period and included:-

- Staff focus groups
- Manager focus groups
- Trustee Board focus group
- One-to-one interview with Chair, CEO, and Senior Leadership Team members
- Comprehensive review of Charity policy documents, recruitment and retention processes and communication and PR materials.

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Trustees' report (continued)

For the year ended 31 March 2023

The outcome of the review was extremely positive with an abundance of evidence that CXK had a very strong, professional and compassionate understanding of equality, diversity and inclusion. The culture of the Charity is responsive, open, and empathetic in its support and inclusion of staff, beneficiaries and stakeholders.

A developmental action plan was produced with 9 key action points to enhance and improve processes and policy even further.

Compliance

The Board continues to be recognised as one that evidences strong Charity Governance with exemplary feedback received from auditors and external quality assurance reviews. The expertise of the Trustees across a wide skills Matrix complements additional expertise that the Charity identifies in "Champion Roles" for Health and Safety; Safeguarding; EDI; and ESG.

The Charity continues to apply the updated Charity Sector Voluntary Code of Governance. This supports a framework for objective assessment of the organisation's governance arrangements and performance.

The Code of Governance is reviewed annually with progress monitored against the action plan. CXK has an established and rigorous framework of governance and its effective policies and procedures are well regarded when compared with other similar charities.

CXK continue to comply with Ofsted recommendations and adhere to the standards of Merlin (for supply chain management) and Matrix standards (for delivery of information, advice, and guidance).

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic 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 Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Trustees' report (continued)

For the year ended 31 March 2023

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Sonette Schwartz

Date: 28 September 2023

CXK

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Independent auditors' report to the Members of CXK

Opinion

We have audited the financial statements of CXK (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

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Independent auditors' report to the Members of CXK (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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.

Opinion on other matters 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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Trustees' responsibilities statement, 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 Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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Independent auditors' report to the Members of CXK (continued)

Auditors' 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 Auditors' 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:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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 of 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 Auditors' 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 Auditors' 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.

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Independent auditors' report to the Members of CXK (continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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

Use of our report

This report is made solely to the charitable company's members, 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 charitable company's members those matters we are required to state to them in an Auditors' 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

A rectangular box containing a handwritten signature in blue ink that reads "Kreston Reeves LLP".

S M Rouse FCCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

Canterbury

28 November 2023

CXK**(A company limited by guarantee)****Consolidated Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 March 2023**

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	4,000	184	4,184	6,087
Charitable activities	5	-	8,518,289	8,518,289	6,956,632
Investments	6	-	66,961	66,961	55,137
Total income		4,000	8,585,434	8,589,434	7,017,856
Expenditure on:					
Charitable activities		4,000	8,187,482	8,191,482	6,579,698
Total expenditure		4,000	8,187,482	8,191,482	6,579,698
Net income before net (losses)/gains on investments		-	397,952	397,952	438,158
Net (losses)/gains on investments		-	(141,777)	(141,777)	2,284
Net movement in funds		-	256,175	256,175	440,442
Reconciliation of funds:					
Total funds brought forward		-	6,100,857	6,100,857	5,660,415
Net movement in funds		-	256,175	256,175	440,442
Total funds carried forward		-	6,357,032	6,357,032	6,100,857

CXK**(A company limited by guarantee)****Registered number: 04399340****Consolidated balance sheet
As at 31 March 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	408,394	428,384
Investments	13	1,884,744	1,961,908
Investment property	12	945,000	945,000
		<u>3,238,138</u>	<u>3,335,292</u>
Current assets			
Debtors	14	935,297	653,267
Cash at bank and in hand		4,189,411	6,015,455
		<u>5,124,708</u>	<u>6,668,722</u>
Creditors: amounts falling due within one year	15	(2,005,814)	(3,647,406)
Net current assets		<u>3,118,894</u>	<u>3,021,316</u>
Total assets less current liabilities		<u>6,357,032</u>	<u>6,356,608</u>
Provisions for liabilities	16	-	(255,751)
Total net assets		<u><u>6,357,032</u></u>	<u><u>6,100,857</u></u>
Charity funds			
Restricted funds	17	-	-
Unrestricted funds	17	6,357,032	6,100,857
Total funds		<u><u>6,357,032</u></u>	<u><u>6,100,857</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Sonette Schwartz

Date: 28 September 2023

The notes on pages 30 to 47 form part of these financial statements.

CXK

(A company limited by guarantee)

Registered number: 04399340

Charity balance sheet

As at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	408,394	428,384
Investments	13	1,884,744	1,961,908
Investment property	12	945,000	945,000
		<u>3,238,138</u>	<u>3,335,292</u>
Current assets			
Debtors	14	935,297	653,267
Cash at bank and in hand		4,189,411	6,015,455
		<u>5,124,708</u>	<u>6,668,722</u>
Creditors: amounts falling due within one year	15	(2,005,814)	(3,647,406)
Net current assets		<u>3,118,894</u>	<u>3,021,316</u>
Total assets less current liabilities		<u>6,357,032</u>	<u>6,356,608</u>
Provisions for liabilities		-	(255,751)
Total net assets		<u>6,357,032</u>	<u>6,100,857</u>
Charity funds			
Restricted funds	17	-	-
Unrestricted funds	17	6,357,032	6,100,857
Total funds		<u>6,357,032</u>	<u>6,100,857</u>

The Charity's net movement in funds for the year was £256,175 (2022 - £766,042).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Sonette Schwartz

Date: 28 September 2023

The notes on pages 30 to 47 form part of these financial statements.

CXK**(A company limited by guarantee)****Consolidated statement of cash flows
For the year ended 31 March 2023**

	2023	2022
	£	£
Cash flows from operating activities		
Net cash used in operating activities (note 20)	(1,897,583)	2,339,201
	<hr/>	<hr/>
Cash flows from investing activities		
Dividends, interests and rents from investments	66,961	55,137
Purchase of tangible fixed assets	(5,905)	-
Proceeds from sale of investments	592,047	43
Purchase of investments	(581,564)	(32,137)
	<hr/>	<hr/>
Net cash provided by investing activities	71,539	23,043
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(1,826,044)	2,362,244
Cash and cash equivalents at the beginning of the year	6,015,455	3,653,211
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	4,189,411	6,015,455
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 30 to 47 form part of these financial statements

CXK

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 March 2023

1. General information

CXK is a company limited by guarantee (registered number 04399340) which is incorporated and domiciled in England. It is also registered as a charity with the Charity Commission (registered number 1120755). The address of the registered office is The Old Court, Tufton Street, Ashford, Kent, TN23 1QN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

CXK 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Income

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 income receivable can be measured reliably.

Income comprises mainly grant and contract funding for projects from government and other bodies. Additional income arises from interest received and fundraising.

Income from government and other grants is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for provision of specified services is deferred until the criteria for income recognition are met.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

CXK

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2023**

2. Accounting policies (continued)

2.3 Expenditure (continued)

Expenditure is classified under the following activity headings:

- i) Expenditure on charitable activities includes costs incurred in furtherance of the Charity's objects relating to the benefit of children and young people, and the associated support costs.
- ii) Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include head office costs, finance, payroll, IT, HR, data, management information, impact reporting, marketing, business development, innovation and insurance.
- iii) Governance costs are those relating to the Charity itself, not its objects and include external audit, any legal advice for the Trustees and any costs associated with complying with constitutional and statutory requirements i.e. the costs of Trustees meetings and preparing statutory accounts.

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

The estimated useful lives are as follows:

Computer equipment	- 3 to 5 years straight line
Fixtures and fittings	- 3 to 20 years straight line

CXK

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2023**

2. Accounting policies (continued)

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investment properties

The Trustees' policy is to revalue the charity's investment properties at each reporting date.

A valuation of the land and buildings was carried out on 5 August 2019.

No depreciation is provided in respect of investment properties in accordance with section 16 of FRS 102 "Investment Property".

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.10 Financial instruments

The Group 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 amortised cost using the effective interest method.

2.11 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

CXK

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2023**

2. Accounting policies (continued)

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i) Property valuations: freehold land and buildings and investment properties are revalued by Stafford Perkins when the Trustees believe there has been a material change in value. Trustees assess on an annual basis the valuation of the properties. The value of the properties is estimated to be the open market value at the balance sheet date.

ii) Clawback provision: provisions are made in the financial statements for potential clawbacks from funders based on the terms of the contracts/grants. The Trustees assess annually whether the potential clawbacks meet the criteria for recognition of liabilities and will include any amounts accordingly.

CXK

(A company limited by guarantee)

**Notes to the financial statements
For the year ended 31 March 2023**

4. Income from donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations	4,000	184	4,184

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	4,000	2,087	6,087

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Income from charitable activities	8,518,289	8,518,289

	Unrestricted funds 2022 £	Total funds 2022 £
Income from charitable activities	6,956,632	6,956,632

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income	66,961	66,961

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****6. Investment income (continued)**

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income	55,137	55,137

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	8,168,519	22,963	8,191,482

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	6,554,402	25,296	6,579,698

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****7. Analysis of expenditure by activities (continued)****Analysis of direct costs**

	Activities 2023 £	Total funds 2023 £
Staff costs	3,573,102	3,573,102
Depreciation	25,895	25,895
Travel and subsistence	45,137	45,137
Sub-Contractor costs	3,628,919	3,628,919
Consultancy	44,732	44,732
Premises costs	121,176	121,176
IT and Communications	368,970	368,970
Printing, postage and stationery	45,018	45,018
Training costs	38,960	38,960
Marketing and development	6,636	6,636
Other staff costs	16,564	16,564
Direct delivery costs	128,508	128,508
Other costs	124,902	124,902
	<hr/> 8,168,519 <hr/>	<hr/> 8,168,519 <hr/>

CXK

(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 March 2023

7. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Activities 2022 £	Total funds 2022 £
Staff costs	3,286,368	3,286,368
Depreciation	29,922	29,922
Travel and subsistence	30,684	30,684
Sub-Contractor costs	2,541,958	2,541,958
Consultancy	53,984	53,984
Premises costs	129,180	129,180
IT and Communications	379,932	379,932
Printing, postage and stationery	77,170	77,170
Training costs	21,486	21,486
Marketing and development	7,240	7,240
Other staff costs	12,922	12,922
Direct delivery costs	111,395	111,395
Other costs	86,354	86,354
VAT refund	(214,193)	(214,193)
	<u>6,554,402</u>	<u>6,554,402</u>

Analysis of support costs

	Activities 2023 £	Total funds 2023 £
Governance costs	<u>22,963</u>	<u>22,963</u>

	Activities 2022 £	Total funds 2022 £
Governance costs	<u>25,296</u>	<u>25,296</u>

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****8. Auditors' remuneration**

	2023	2022
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	11,350	11,000
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	3,800	10,800

9. Staff costs

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Wages and salaries	3,128,517	2,891,889	3,128,517	2,891,889
Social security costs	291,591	250,536	291,591	250,536
Contribution to defined contribution pension schemes	152,994	143,943	152,994	143,943
	3,573,102	3,286,368	3,573,102	3,286,368

The average number of persons employed by the Charity during the year was as follows:

	Group 2023	Group 2022
	No.	No.
Delivery staff, including delivery managers	115	100
Central support and Senior Leadership Team	15	14
	130	114

The average headcount expressed as full-time equivalents was:

	Group 2023	Group 2022
	No.	No.
Delivery staff, including delivery managers	87	86
Central support and Senior Leadership Team	14	13
	101	99

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****9. Staff costs (continued)**

The number of employees whose employee benefits (excluding social security costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	2	1
In the band £110,001 - £120,000	1	1

Key management personnel are considered to be the executive directors. The full time equivalent was 3 (2022 - 3).

During the year, amounts paid to executive directors in respect of qualifying services amounted to £261,499 (2022 - £255,521). Charity contributions to associated pension schemes amounted to £18,264 (2022 - £24,438).

10. Trustees' remuneration and expenses

		2023 £	2022 £
Dick Fedorcio OBE (Chair until 31 Dec 2022)	Remuneration	12,375	16,500
Pauline Smith (Chief Executive)	Remuneration	115,775	113,444
	Pension contributions paid	11,078	10,644
Sonette Schwartz (Chair from 1 Jan 2023)	Remuneration	4,422	-
Christian Robinson (Chair of Audit and Governance Committee)	Remuneration	2,008	2,778
	Robert Rose (Chair of Finance and Resources Committee until 31 Dec 2021)	Remuneration	-
Jo Boraston (Chair of Finance and Resources Committee)	Remuneration	4,950	1,238

During the year ended 31 March 2023, expenses totalling £1,200 were reimbursed or paid directly to 5 Trustees (2022 - £469 to 3 Trustees) for travel and accommodation expenditure. At year end £817 was owed to 2 Trustees (2022 - £Nil).

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****11. Tangible fixed assets****Group and Charity**

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	193,484	491,315	58,994	743,793
Additions	-	-	5,905	5,905
At 31 March 2023	<u>193,484</u>	<u>491,315</u>	<u>64,899</u>	<u>749,698</u>
Depreciation				
At 1 April 2022	-	256,526	58,883	315,409
Charge for the year	-	25,317	578	25,895
At 31 March 2023	<u>-</u>	<u>281,843</u>	<u>59,461</u>	<u>341,304</u>
Net book value				
At 31 March 2023	<u>193,484</u>	<u>209,472</u>	<u>5,438</u>	<u>408,394</u>
At 31 March 2022	<u>193,484</u>	<u>234,789</u>	<u>111</u>	<u>428,384</u>

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****12. Investment property****Group and Charity**

	Freehold investment property £
Valuation	
At 1 April 2022	945,000
At 31 March 2023	<u>945,000</u>

The valuation was made by Stafford Perkins, on an open market value for existing use basis on 5 August 2019 and Trustees have assessed the valuation in 2023 based on the historic third party valuation.

13. Fixed asset investments

	Listed investments £
Group and Charity	
Cost or valuation	
At 1 April 2022	1,961,908
Additions	581,564
Disposals	(592,047)
Revaluations	(66,681)
At 31 March 2023	<u>1,884,744</u>
Net book value	
At 31 March 2023	<u>1,884,744</u>
At 31 March 2022	<u>1,961,908</u>

The Charity owns 100% of the issued share capital of CXK Trading Limited, a company registered in England. The Charity acquired the one ordinary share of £1 at par upon incorporation and the company has not traded to date. This share is carried in the balance sheet at its original cost of £1, which the trustees believe equates to its market value.

The charity controls 100% of the issued share capital in CXK Careers Limited, a company registered in England. The Charity acquired control of the one ordinary share of £1 which remains unpaid upon incorporation and the company has not traded to date.

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****14. Debtors**

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Due within one year				
Trade debtors	149,340	184,088	149,340	184,088
Other debtors	2,492	1,781	2,492	1,781
Prepayments and accrued income	783,465	467,398	783,465	467,398
	935,297	653,267	935,297	653,267

15. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	255,462	50,940	255,462	50,940
Other taxation and social security	172,773	2,431,479	172,773	2,431,479
Other creditors	730,727	565,916	730,727	565,916
Accruals and deferred income	846,852	599,071	846,852	599,071
	2,005,814	3,647,406	2,005,814	3,647,406

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Deferred income at 1 April 2022	248,888	173,221	248,888	173,221
Resources deferred during the year	154,387	248,888	-	248,888
Amounts released from previous periods	(248,888)	(173,221)	-	(173,221)
	154,387	248,888	248,888	248,888

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****16. Provisions****Group and Charity**

	Provisions £
At 1 April 2022	255,751
Amounts reversed	(255,751)
	-

17. Statement of funds**Statement of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
Unrestricted funds					
General Funds	6,100,857	8,585,434	(8,187,482)	(141,777)	6,357,032
Restricted funds					
WH&A Hawkins Charitable Trust	-	4,000	(4,000)	-	-
Total of funds	6,100,857	8,589,434	(8,191,482)	(141,777)	6,357,032

Restricted funds

The WH&A Hawkins Charitable Trust fund is in respect of the restriction donation received for the purpose of the CXK Base Camp mentoring programme. This programme was set up support young people in Kent and Medway who are not in education, employment or training.

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****17. Statement of funds (continued)****Statement of funds - prior year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds					
General Funds	5,660,415	7,013,856	(6,575,698)	2,284	6,100,857
Restricted funds					
WH&A Hawkins Charitable Trust	-	4,000	(4,000)	-	-
Total of funds	5,660,415	7,017,856	(6,579,698)	2,284	6,100,857

18. Summary of funds**Summary of funds - current year**

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
General funds	6,100,857	8,585,434	(8,187,482)	(141,777)	6,357,032
Restricted funds	-	4,000	(4,000)	-	-
	6,100,857	8,589,434	(8,191,482)	(141,777)	6,357,032

Summary of funds - prior year

	Balance at 1 April 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2022 £
General funds	5,660,415	7,013,856	(6,575,698)	2,284	6,100,857
Restricted funds	-	4,000	(4,000)	-	-
	5,660,415	7,017,856	(6,579,698)	2,284	6,100,857

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****19. Analysis of net assets between funds****Analysis of net assets between funds - current year**

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	408,394	408,394
Fixed asset investments	1,884,744	1,884,744
Investment property	945,000	945,000
Current assets	5,124,708	5,124,708
Creditors due within one year	(2,005,814)	(2,005,814)
Total	6,357,032	6,357,032

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	428,384	428,384
Fixed asset investments	1,961,908	1,961,908
Investment property	945,000	945,000
Current assets	6,668,722	6,668,722
Creditors due within one year	(3,647,406)	(3,647,406)
Provisions for liabilities and charges	(255,751)	(255,751)
Total	6,100,857	6,100,857

CXK**(A company limited by guarantee)****Notes to the financial statements
For the year ended 31 March 2023****20. Reconciliation of net movement in funds to net cash flow from operating activities**

	Group 2023 £	Group 2022 £
Net income for the year (as per Statement of Financial Activities)	256,175	440,442
Adjustments for:		
Depreciation charges	25,895	29,922
Gains/(losses) on investments	66,681	(2,284)
Dividends, interests and rents from investments	(66,961)	(55,137)
Decrease/(increase) in debtors	(282,030)	39,324
Increase/(decrease) in creditors	(1,641,592)	1,886,934
Increase/(decrease) in provisions	(255,751)	-
Net cash provided by/(used in) operating activities	(1,897,583)	2,339,201

21. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	4,189,411	6,015,455
Total cash and cash equivalents	4,189,411	6,015,455

22. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	6,015,455	(1,826,044)	4,189,411
	6,015,455	(1,826,044)	4,189,411

23. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £152,994 (2022 - £143,943). There were no contributions outstanding at the balance sheet date (2022 - £nil)

CXK

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 March 2023

24. Operating lease commitments

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Charity 2023 £	Charity 2022 £
Not later than 1 year	27,186	25,416
Later than 1 year and not later than 5 years	49,356	29,858
	76,542	55,274

25. Related party transactions

S Schwartz was the Principal and Accounting Officer of Brockhill Performing Arts College until she resigned on the 31/07/2022, while also a Trustee of CXK. During the year the Charity received income from Brockhill Performing Arts College totalling £2,750 for the period she was Principal (2022- £8,250) in relation to careers guidance and counselling provided to the college.

R Rose is a Trustee at Highworth Grammar School and a Trustee of CXK. No income was received during the year from Highworth Grammar School in relation to careers guidance and counselling provided to the school (2022 - £10,320).