

SPARK

Registered Charity 1077587

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 March 2022

TRUSTEES REPORT

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered Charity No.	1077587
Charity contact name:	Mr Nick Francis
Charity contact address:	48 Alberta Close, Kesgrave, Ipswich IP5 1HS
Charity main address:	Unit 5 Ropes Drive, Twelve Acre Approach, Kesgrave, Ipswich, IP5 2ET
Charity website:	http://www.kesgrave.org.uk/spark

Trustees at 31 March 2022

	<i>Date Appointed</i>
Mrs Molly Arnot	26 February 2013
Mr Paul Carr	20 July 2020
Mrs Angela Finch **	18 November 2013
Mrs Judith Francis**	9 April 2018
Mr Nicholas Francis	20 April 2020
Ms Joanne Tillinghast	20 April 2020
Mr Ashley Jordan	7 April 2014
Mr Patrick Mills **	20 April 1999
Mrs Tina Shute	8 April 2019
Mr David Steward**	7 April 2014
Dr Keith Stewart Young **	14 October 2011

** Registered authorised signatories to act on behalf of the Trustees.

Custodian Trustee	Kesgrave Town Council
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Professional Advisors

Bankers	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ Santander, Bridle Rd, Bootle, Merseyside, L30 4GB Hampshire Trust Bank plc, 131 Finsbury Pavement, London, EC2A 1NT M&G Charities, PO Box 9038, Chelmsford, CM99 2XF
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Independent Examiner:	Christine Wade, Hastings Wade, 58-60 Stowupland Road, Stowmarket, IP14 5AL
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STRUCTURE GOVERNANCE AND MANAGEMENT

Governing Document

The charity was set up by constitution on 20 July 1999 and amended in November 1999. It has subsequently been amended to reflect the objectives of the current methods of operation; this was approved by the trustees on 2 March 2010 and was approved and incorporated by the Charity Commission on 9 July 2010. Further minor amendments were approved and incorporated by the Charity Commission in April 2012. The current constitution dated 2 March 2010 incorporates a grant making policy.

Trustee selection

The Trustees are elected at the Annual General Meeting by ballot or show of hands in accordance with the Constitution (Clause 8). Should a vacancy occur a replacement can be appointed by the executive committee to serve until the next Annual General Meeting.

Governance

The Charity is managed by the 'Charity Trustees' of SPARK. As charity trustees they are responsible for complying with legislation applicable to charities. This includes the registration, keeping proper accounts and making returns to the Charity Commission as appropriate. The Committee meets four times a year.

Risk and Internal Control

The trustees have identified the major risks to which they believe the charity is exposed, these have been reviewed and systems have been established to mitigate against them. The main areas of concern that have been identified are:

Reduced income from fund raising. The Charity is reliant upon income from the 2nd Stop shop. The Charity does hold a reserve to cover the cost of one years rent for the shop but if the shop were to close then rent may be due for the remaining term of the lease. This would leave any remaining reserves to be distributed as grants until the reserves were exhausted. If further work were to be undertaken by the charity then a new income source would need to be found.

The charity has in place systems of internal controls that are designed to provide reasonable assurance against material mismanagement or loss; these include 2 signatories for all payments and BACS payments are initiated by the Treasurer and authorized by a second trustee and insurance policies to ensure that insurable risks are covered.

OBJECTIVES AND ACTIVITIES

Objects of the Charity

SPARK is established to provide and assist in the provision for sport, amenities, recreation and other leisure time occupations for the benefit of the inhabitants of the Town of Kesgrave in the interests of social welfare and in order to improve the quality of life of the said inhabitants.

Grant Making Policy

Grants are currently awarded to applicants in accordance with the policy laid down in the constitution.

Volunteers

All the trustees are volunteers, except for one trustee who occasionally takes responsibility for the shop manager and is paid for this time at the same rate as the current assistant shop manager. The only paid employees of the charity are the shop manager, assistant manager and cleaner who look after the day-to-day running of the shop. The shop is staffed by a large group of volunteers who all work on a part time unpaid basis.

Public Benefit

The charity meets the Charity Commission's public benefit criteria by giving grants to local organisations and people to enable them to pursue their aims and ambitions. In many cases this enables the people concerned to further their work in the community.

ACHIEVEMENTS AND PERFORMANCE

SPARK is currently the leaseholder of the 2nd Stop Charity Shop. The lease between Spark and Tesco, reached a lease renewal on 31 May 2018 and a new lease has been negotiated for 10 years. The lease is held in the name of three trustees, Patrick Mills, Keith Stewart Young and Molly Arnot. All the profits generated after the operational costs of running the shop are to the sole benefit of SPARK and are used to make grants or loans to organisations and individuals within the area of benefit.

FINANCIAL REVIEW

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

The shop was able to re-open for the whole year and income almost returned to pre-covid levels, which was an excellent result considering that for most of the time covid restrictions were in place, such as social distancing and reduced numbers in the shop. The local District Council provided a grant during the year to help mitigate the reduced trading level. The Shop Manager has also expanded the potential income by selling items on eBay and recycling books etc. under schemes such as ziffit.

During the year grants were made to several individuals and organisations as outlined in the notes to these accounts

Reserves policy

The charity has significant cash funds but there is no specific need to keep reserves, as apart from the 2nd Stop Shop, the charity does not have any overheads or recurring costs. The shop holds £18,021 in a deposit account as a provision towards one year's rent and a provision for any potential staff redundancy.

Investment Selection

Current interest bearing and investment funds are held by Hampshire Trust Bank and the M&G Charibond. All accounts are reviewed and discussed regularly.

Insurance

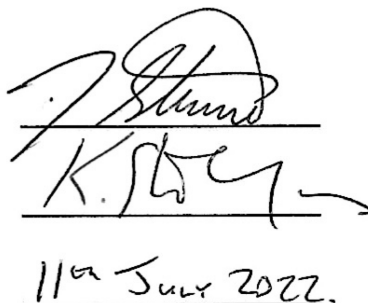
A policy was purchased from Access Underwriting Trustee Indemnity effective for twelve months as from 1 June 2013 and is renewed each year.

Approved by

Chairman

Vice – Chairman

Date



11th July 2022.

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	<i>Note</i>	<i>Total</i>	<i>Total</i>
INCOMING RESOURCES			
		2022	2021
		£	£
Donations and legacies			
Donation		-	50
Government Grants	3	2,667	23,061
Other trading activities			
2 nd Stop Shop	4	112,465	47,209
Investments			
Interest		2,739	3,453
		<hr/>	<hr/>
Total Income		£ 117,871	£ 73,773
		=====	=====
RESOURCES EXPENDED			
		£	£
Raising funds			
2 nd Stop Shop	4	59,705	51,506
Charitable activities			
Grants paid	7	76,595	86,785
Printing Postage & Stationery		18	-
Advertising & promotion		217	-
Website & domain		72	72
Indemnity Insurance		243	243
Independent Examination		125	125
Bank charges		96	70
Gifts and donations		-	25
		<hr/>	<hr/>
Total Expenses		£ 137,071	£ 138,826
		=====	=====
Net Income/(Expenditure)			
before investment gains/(losses)		(19,200)	(65,053)
Gains/(losses) on investments		3,116	8,042
		<hr/>	<hr/>
Net movement in funds		(16,084)	(57,011)
Total Funds brought forward		201,805	258,816
		<hr/>	<hr/>
Total Funds carried forward		£ 185,721	£ 201,805
		=====	=====

The annexed notes form an integral part of these accounts

BALANCE SHEET

AT 31 MARCH 2022

	Note	Total 2022 £	Total 2021 £
FIXED ASSETS			
Shop Assets – Sheds	8	1,709	236
Investments			
M&G Charifund	9	45,872	42,756
Hampshire Trust Bank		-	50,000
CURRENT ASSETS			
Debtors			
VAT Refund		843	846
Furlough Claim		-	884
Shop prepayments		3,814	4,029
Investments			
2 nd Stop Deposit Account		18,021	16,946
Cash at bank and in hand			
CAF Current Account		57,494	83,147
Hampshire Trust Bank		50,550	-
2 nd Stop Current Account		5,536	2,085
2 nd Stop Paypal		487	429
2 nd Stop Sumup		222	-
2 nd Stop Cash in Hand		2,016	793
Petty Cash		16	34
Total current assets		138,999	109,193
Less: Creditors			
Amounts falling due within one year	10	(859)	(380)
Net current assets		138,140	108,813
TOTAL NET ASSETS		£ 185,721	£ 201,805
FUNDS			
General Fund		153,782	175,787
2 nd Stop Fund	4	31,939	26,018
Total Funds		£ 185,721	£ 201,805

Approved by

Treasurer

Judith Francis

Vice - Chairman

Stewart Young

Date

11th July 2022

The annexed notes form an integral part of these accounts

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1. Basis of preparation**Basis of accounting**

The charity constitutes a public benefit entity as defined by FRS 102. The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. The departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their annual accounts in accordance with the Financial Reporting Standard and applicable in the UK and Republic of Ireland (FRS102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

Change in Basis

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

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies

Recognition of income	This is included in the accounts when the charity receives the resources
Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.
Grants and donations received	Grants and donations are only included as income when received.
VAT	VAT reclaimable is recognised as it arises
Donated goods	Donated goods for resale are included in the accounts when sold by the charity.
Donated services and Facilities	The value placed on these resources is not included in the accounts
Volunteer help	The value of any voluntary help received is not included in the accounts
Investment income	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.
Investment gains and losses	This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.
Support Costs	The Charity has incurred expenditure on support costs
Grants Paid	Grants paid are only included in the accounts when applications have been received and approved by the trustees and funds transferred to the applicant.
Liability recognition	Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts
Provisions for liabilities	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date
Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year and cost more than £500. They are valued at cost or a reasonable value on receipt. The depreciation rates are given in the appropriate note.
Investments	Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments
Current asset investments	The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

3. Government Grants

	2022	2021
	£	£
District Council – Local Restrictions Support Grant (LRSG)	2,667	19,907
Coronavirus Job Retention Scheme (CJRS).	-	3,154
Total income	<u>£ 2,667</u>	<u>£ 23,061</u>

The shop also benefitted during the year from a business rates rebate which reduced the rates by just over 50% a saving of around £400.

4. Funds generated by 2nd Stop Shop

	2022	2021
	£	£
Shop Sales	112,465	47,209
Government grants	2,667	23,061
Interest on shop funds	12	62
Total income	<u>115,144</u>	<u>70,332</u>
Less:		
Shop Management	(31,203)	(26,633)
Premises	(24,377)	(22,291)
Administration	(4,125)	(2,582)
Total expenses	<u>(59,705)</u>	<u>(51,506)</u>
Net surplus	55,439	18,826
Transfer to SPARK accounts	(49,517)	(34,243)
Shop funds at 1 April	26,017	41,434
Shop funds at 31 March	<u>£ 31,939</u>	<u>£ 26,017</u>

5 Fees for examining the accounts

	2022	2021
	£	£
Independent examiners fees	150	150
	<u>£ 150</u>	<u>£ 150</u>

6 Staff Costs

	2022	2021
	£	£
Gross wages	32,061	27,341
Employer Pension Costs	575	552
Employers National Insurance	-	-
	<u>£ 32,636</u>	<u>£ 27,893</u>
Average number of full time equivalent employees		
Managing the shop	1	1

There is a NEST pension scheme operated by the charity,
No employees received employee benefits for the reporting period of more than £60,000.

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

7 Grant making	2022	2021 £
KWMCC – All weather surface/Tennis Club surfacing lighting	29,000	11,388
Gorseland School – Play equipment	25,000	-
Heath School – Outdoor Learning Project Phase 2	5,915	6,000
Kesgrave Town Council – Fun day ride hire	1,150	-
- Youth Club Provision	1,800	1,800
- Fireworks	800	-
Kesgrave Kestrels – Equipment for 7 new youth teams	2,446	-
Girlguiding Heathlands Division – Leader's/Members membership fees	2,045	1,000
Kesgrave Music Festival – 5K Fun Run & Easter Egg Hunt funding	2,000	-
Kesgrave Come & Play – Equipment and general running costs	1,200	-
All Saints Church – Broom Tree Youth Café running costs	1,200	-
- Donation re Kesgrave & District Royal British Legion Hall	-	50,000
Forget-me-Not Café – Hire of Bowls Pavilion	1,000	-
Crochet Mantra Kesrve Hookers & Crafters Club – start up packs and hall hire	891	-
1 st Kesgrave Scout Group – Word Scout Jamboree Fundraising Disco	559	-
- Hall hire fees for Doctors to hold Flu jab clinic	-	400
Kesgrave Friendship Club – Christmas Lunch and other activities in 2022	500	-
Kesgrave Short Mat Bowls – Club Shirts	500	-
Kesgrave Singers – Charity Concert expenses	300	-
Kesgrave Craft Club – Hall hire	204	-
Kesgrave Tuesday Morning Bowls Club – 2 nd handle to roll mat	85	-
Kesgrave High School – Sensory Garden	-	8,000
Kesgrave Rollers – La Boule Piste	-	3,850
Kesgrave Church of England Charity – Youthwork	-	2,500
Kesgrave Kruisers – Training	-	1,191
AFC Kesgrave Girls 4 (Ladies) – Team Kit	-	616
Café 66 – Celebration expenses/ Outing	-	40
	<u>£ 76,595</u>	<u>£ 86,785</u>
	=====	=====
8 Fixed Assets		
	<i>Sheds</i>	<i>Total</i>
Cost	£	£
At 1 April 2021	945	945
Additions	1,745	1,745
	<u>£ 2,690</u>	<u>£ 2,690</u>
	=====	=====
At 31 March 2022		
	£	£
Depreciation	709	709
At 1 April 2021	272	272
Depreciation for year (25%)		
	<u>£ 981</u>	<u>£ 981</u>
	=====	=====
At 31 March 2022	£ 1,709	£ 1,709
	=====	=====
At 31 March 2021	£ 236	£ 236
	=====	=====

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

9 Fixed Asset Investments

	M&G Charifund	Hampshire Trust	2022
	£		
At 1 April 2021	42,756	50,000	92,756
Transfer to current assets	-	(50,000)	(50,000)
Gain on revaluation	3,116	-	3,116
	<u>£ 45,872</u>	<u>£ -</u>	<u>£ 45,872</u>
	=====	=====	=====
Historical cost			£ 45,000
			=====
Represented by:		Market value at year end	Gain/(Loss) for year
M&G Charifund		45,872	3,116
		<u>£ 45,872</u>	<u>£ 3,116</u>
		=====	=====

10 Creditors and accruals

	2022	2021
	£	£
Accruals	859	381
	<u>£ 859</u>	<u>£ 381</u>
	=====	=====

11 Trustees and other related parties

During the year remuneration and expenses were paid to the following trustees

	2022	2021
	£	£
Molly Arnot - pay as assistant manager of the shop	620	130
	<u>£ 620</u>	<u>£ 130</u>
	=====	=====
N&J Francis -- reimbursement of expenses incurred in setting up new phone contract.	110	-
	<u>£ 110</u>	<u>£ -</u>
	=====	=====

There were no related party transactions.

12 Capital Commitments

At the year end the shop had entered a contract to replace the shop front door. A deposit of £1,550 was paid in March and the balance of £4,650 will be due on completion of the work.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE
SPARK**

I report to the charity trustees on my examination of the accounts of the SPARK for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act ('The Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. Accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. The accounts do not accord with those records; or
3. The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Christine D Wade

Name

Christine Wade, HastingsWade

Qualification

Chartered Certified Accountants – Registered Auditors

Address:

58-60 Stowupland Road
Stowmarket
Suffolk
IP14 5AL

Date:

16th June 2022