

REGISTERED COMPANY NUMBER: 5254229 (England and Wales)  
REGISTERED CHARITY NUMBER: 1106952

Report of the Trustees and  
Financial Statements For The Year Ended 31st March 2022  
for  
The Spark Arts for Children

Dale Accounting Services Limited  
64 High Street  
Belper  
Derbyshire  
DE56 1GF

**The Spark Arts for Children**

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**For The Year Ended 31st March 2022**

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**The Spark Arts for Children**  
**Report of the Trustees**  
**For The Year Ended 31st March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The charity's objects per the Articles of Association are as follows:

To advance the education and development of children and young people in Leicester, Leicestershire and beyond through a range of activities, including the organisation and promotion of an annual arts festival, consisting of workshops and productions of dance, theatre and other performing arts; presented in theatres, community venues and schools.

### **Our values and vision**

Our values underpin everything we do. Our published values are as follows:

- A fair and safe environment where everyone is valued
- The space for big ideas to grow
- We are curious and love learning
- Empowering children and young people to be amazing

Our vision - extraordinary experiences for children, sparking creativity and change - is at the heart of our values. We collaborate to deliver an annual world-class children's arts festival and year-round cultural work in local communities. We support the creativity of children, families, artists and educators; growing together to present the most exciting ideas, productions and cultural programmes in Leicester, Leicestershire, the East Midlands and beyond.

Since 2004, The Spark has played an important role in developing, restoring and maintaining Leicester's and Leicestershire's cultural identity, encouraging children's creative potential in nurseries, schools, playgrounds and homes, libraries, museums, theatres and art centres. We promote children's cultural values and communities through strong partnerships, creative practices and innovation.

A key strength is how we support artist at different stages in their careers and practices. Conceived in 2018, Vital Spark is a movement that addresses the lack of diversity in live and digital performance for young audiences. We provide professional development opportunities and co-commission and produce new work, supporting artists who are underrepresented in the creative and cultural industries. In turn, these artists support us in our capacity to be a more inclusive and accessible organisation.

Our ambition is for our work to be as thought-provoking as it is playful, and for our organisation to be as creative as our festival and cultural programmes are. Our goal is to change as children's communities change and to continue to be relevant to all children.

### **Strategic objectives**

Our published strategic objectives are as follows:

- Commission and produce a high quality and diverse cultural programme for children in cultural venues, schools and libraries, enabling children, their families and their communities to experience the richness of the arts.
- Deliver the best children's arts festival in the world, recognised nationally and connected internationally for the ambition and innovation of the programme, and valued for its contribution to the quality of life for children.
- Champion arts-based learning and teaching for creativity, collaborating to ensure children locally access and influence arts and cultural opportunities, no matter where they start in life, as their right to creativity and play.
- Grow an entrepreneurial culture, build creativity in strategy and establish a sustainable organisation, ensuring diverse cultural leadership and dynamic governance, skilled, effective and ready to respond to a constantly changing future.

**The Spark Arts for Children**  
**Report of the Trustees**  
**For The Year Ended 31st March 2022**

**Our outcomes**

Our values and strategies are strongly aligned with Arts Council England's Investment Principles and Outcomes long term. We deliver Creative People, Cultural Communities and A Creative and Cultural Country outcomes, principally:

- Providing high-quality early years activities that reach families from a wider range of backgrounds
- Widening and improving opportunities for children and young people to take part in creative activities inside schools
- Widening and improving opportunities for children and young people to take part in creative activities outside schools
- Supporting children and young people to develop their creative skills and potential
- Improving access to a full range of cultural opportunities wherever people live
- Supporting new types of creative practice, new forms of cultural content and new ways of reaching new and existing audiences and participants
- Ensuring people have opportunities to sustain their careers and fulfil their potential in the creative industries, especially those who are currently under-represented

**Significant activities**

**Achievements and performance**

The year 2021-22 continued to be untypical; our operations, annual festival and year-round cultural programming affected by the Covid-19 pandemic. Although the amount of work delivered was similar to that delivered in 2019-20, engagement in comparison was lower for both total audiences and children's formal and informal learning and participation. However, this presented opportunities to explore and test new ideas, refine our creative processes and engage at deeper levels with children in schools and families in communities. The hyper-local nature of our work has amplified social creativity and community connectivity.

Progress and achievements are monitored and evaluated, and impact is measured, with data collected through a mixed methods approach on a programme and project basis. Theory of change thinking and planning in 2021 is starting to show a more strategic, efficient and realistic approach to evaluation, where quantitative and qualitative data is used in planning, communications, continuous learning, and regular reporting.

**Our artistic and participatory work**

After nine festivals and nearly a decade, Adel Al-Salloum left The Spark in October 2021. As we look to the start of a new decade and our 20th festival in 2023, we welcome our new Artistic Director Christopher Gorry in July 2022.

Following the necessary delivery of our first digital Spark Festival in 2021, we continued to deliver core activity. We have supported: artists developing new practice; young children and families discovering artists; play and creativity in early years settings; families accessing theatre in libraries where they live; and children building creative skills and potential, empowered in and out of school through learning and engagement and co-creation.

**Our headlines for 2021-22** are presented below, starting with a data snapshot and followed by a handful of highlights to demonstrate how our work is reaching new audiences.

Employed 51 artists (compared to 43 in 2019-20)  
Promoted 17 productions (compared to 22 in 2019-20)  
Programmed 228 performances (compared to 210 in 2019-20)  
Engaging 14,688 audiences (compared to 19,138 in 2019-20)  
And 11,799 children and families actively participating (compared to 10,015 in 2019-20)

**The Spark Arts for Children**  
**Report of the Trustees**  
**For The Year Ended 31st March 2022**

**OBJECTIVES AND ACTIVITIES**

Experiencing the extraordinary

From 7 to 13 February, we delivered Spark Festival 2022 in person including an additional digital offer shaped by the success of the first fully digital festival in 2021. The team worked with incredible creativity and resilience in the face of uncertainty and change, collaborating with partners, companies, artists and communities to deliver a festival that reached new audiences while building deeper relationships with current audiences. Over 7 days we promoted 10 productions, delivering 70 performances and 74 events across 15 venues. We worked with 13 companies, supported 69 artists, involved 19 schools, and engaged 5,100 children in schools and 10.5k audiences live.

1,020 children and families saw a show or participated in free family events in their local library, and 940 children and families watched digital performances on demand in schools and homes, with the augmented reality trail Blaze in partnership with Phoenix extending our digital audiences.

Bursting with theatre, music, dance and visual and digital, the festival theme encouraged children and adults to find the extraordinary in the ordinary. And the festival provided a platform for children's voice and agency (see Festival Takeovers below) demonstrating an ongoing need for more co-creation to reach more children inside and outside schools, making visible the creativity and capabilities of all children visible in schools and cultural venues.

Building a diverse workforce

Since 2018, 42 artists have engaged in the Vital Spark programme: in development (e.g. go-sees, masterclasses, networking events); with investment in ideas (e.g. ideas fund, fundraising support, R&D, providing and brokering specialist guidance, mentoring); producing full commissions (partnership development, co-commissioning investment); and Seat at the Table events (Code of Care development and peer to peer learning). In 2021-22, artists Glenys Xavier, Ashok Mistry and Sean Burn shared their artistic journey at the Seat at the Table event during the festival.

We collaborate to make sure new diverse-led work commissioned through development and investment is produced to a high-quality for presentation at Spark Festival 2022 before going on national tour. In 2021-22 we worked with Leicester-based Aakash Odedra Company presenting *Little Murmur* for children aged 7 years and over in libraries and schools, Takeshi Matsumoto (Little Big Dance) presenting *Club Origami* in libraries for 0-5 year-olds, and Mellow Baku presenting *Mmm Ahh Whoosh* for children and families at Attenborough Arts Centre.

Through funding from Youth Music, Year 2 of our Music Champions project saw 6 pairs of musicians and Early Years practitioners develop their skills and knowledge of early years practice and the benefits of music engagement with the very young, through bespoke training and shared delivery in schools, libraries, nurseries and children's centres.

A child's right to play

Since 2020 we have been working in partnership with Leicester City Council's Neighbourhoods Service to deliver **Small Wonders**, a storytelling, music and creative play programme for young children and their parents/carers. We have shown that audience engagement through artists in residence in libraries, nurseries and schools works.

Since October 2021 we have delivered 110 sessions in nurseries, schools and libraries (57% in Eyres Monsell and 43% in North Evington) resulting in 1,787 engagements with children aged 0-5 years, 67% in settings in Eyres Monsell and 33% in settings in North Evington. In total 2,461 children and adults have taken part to date, demonstrating more outreach in nurseries and schools results in higher levels of regular attendance in libraries, indicating good growth potential.

At Pork Pie Library where pre-pandemic engagement was extremely low, we demonstrated a significant increase driven largely by word of mouth and key relationships with early years providers. Preschool Managers in Eyres Monsell said that "The impact it has had on the development of the prime areas of our preschool children has been significant" and "It had shown marked improvements in children's personal, social, and emotional development, and communication and language. Children that have been identified with additional needs have flourished in the sensory experience and freedom of opportunity".

Small Wonders supports exceptional creative pedagogy and practice showing significant opportunity for peer-to-peer learning and training, particularly for artists new to the industry or work in early years.

**The Spark Arts for Children**  
**Report of the Trustees**  
**For The Year Ended 31st March 2022**

**OBJECTIVES AND ACTIVITIES**

**A child's right to creativity**

With investment from Paul Hamlyn Foundation, Foyle Foundation and Scop Arts, **SparkPlus** now delivers three strands: Festival+ digital resources for schools booking a live performance; supporting Creativity Councils in 4 creative SparkPlus schools; Festival Takeovers in city centre cultural venues, where artists enable children to programme, market and evaluate cultural activity for young audiences and their families, supported by our unique Unpacking the Arts training.

Refining our co-creation approach, we have been working with Ash Field Academy, Falcons Primary School, Mayflower Primary School and Mellor Community Primary School, consulting children and teachers and co-producing creative and cultural activities that increase creativity in the classroom and engage new audiences in cultural activity outside of schools in cultural venues.

**Festival Takeovers** support children's creative potential and showcase their cultural value. Working in partnership with four schools - Ash Field Academy, Falcons Primary School, Mayflower Primary School and Mellor Community Primary School - we trained children in creative and critical thinking skills and collaborated with artists in residence and creative practitioners to plan and present Festival Family days, to takeover Curve Theatre and Leicester Museum and Art Gallery.

Children have helped us reach new audiences; 849 people attended the Curve Theatre takeover and 1,211 at Leicester Museum and Art Gallery. Empowering children through industry level experiences outside of school has strong potential for future festivals, reflected in a peer review of the festival: "I applaud and was captivated with the idea of children taking over spaces. [...] I do think it is worth pursuing as children had clearly enjoyed being there."

**A summer season of wellbeing**

In June 2021, Upswing, a leading contemporary circus company, and The Spark presented **Seasons**, a live family theatre production for children aged 5+. Two acrobats explore nature by digging, climbing and balancing in a sensory environment producing a joyful and immersive experience for children and their families. We delivered 28 performances to 315 audience members across 20 libraries and 5 local authority areas, our **Among Ideal Friends** partnership. 84% people said the quality of the event was 'very good' with 100% people saying the whole experience was 'very good' (80%) or 'good' (20%).

The majority (82%) of people who visited a show are from medium or lower/low cultural engagement groups, sparking curiosity within children and their families in their communities. One parent said: "This was our first event at a library since the Covid lockdown in March 2020 and it was a welcome return to the normality. We are thrilled with the efforts of The Spark and it was nice to be able to enjoy this with my child." Another exclaimed: "It's out of my expectation to watch a performance in the library. My daughter and I enjoyed the show very much. We look forward to upcoming shows" indicating how live performance in local libraries creates an original and unexpected atmosphere of music and movement creating great family engagement.

**Fun Café**

In summer 2021 The Spark led on **The Fun Café**, commission by Leicester City Council as part of "Summer in the City". The Fun Café popped up in Highcross shopping centre, transforming an empty shop and providing visitors and passers-by with enjoyable experience of storytelling, music and crafts. More than 1,500 people took part (860 children and young people) with 64% participants coming specifically for the event, plus enjoying food and drink (36%) and visiting other attractions (23%) whilst visiting Leicester, increasing footfall on the high street and helping to drive economic growth.

Visitors came to take part in creative and cultural activity demonstrating how a creative, safe and accessible space can support wellbeing and a sense of belonging.



**The Spark Arts for Children**  
**Report of the Trustees**  
**For The Year Ended 31st March 2022**

**OBJECTIVES AND ACTIVITIES**

**Organisational changes**

The Director of the Spark Arts for Children, Adel Al-Salloum left the organisation in October 2021. One of the Trustees, Karen Birch, stepped down from the board to take on the temporary role of Interim Executive Director, managing the organisation and the transition to new leadership.

As part of an on-going organisational review, the trustees decided to move forward with a new leadership structure of Artistic Director and Executive Director. The post of Artistic Director was therefore advertised at the latter end of 21-22, and recruitment was complete by April. It is expected to proceed with the recruitment of the Executive Director in autumn 2022.

**Funding**

The Spark Arts for Children receives National Portfolio Organisation (NPO) funding from Arts Council England, confirmed for the period 2018 - 2023. During this year, an application was submitted to continue as an NPO for the next funding round 2023-2026, the outcome of this being known in October 2022.

The Spark continues to receive the majority of its income from projects grants from Trusts & Foundations and Local Authorities across the breadth of our work in libraries, schools and communities, including revenue funding from Leicester City Council for our annual festival.

During the year the charity also received welcome support from corporate partners and individual donors and these continue to be an important component of income generation.

**Public benefit**

In summary, the main activities The Spark Arts for Children delivers throughout the year for public benefit is a range of activities including performing arts, visual arts and digital arts presentations, productions and participation workshops and events. Because these activities take place in schools, libraries, theatres, arts centres, museums, outdoors and online, we help to advance children's learning and development, delivering socio-economic, cultural and education outcomes for children in Leicester, Leicestershire and the East Midlands.

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

**The Spark Arts for Children**  
**Report of the Trustees**  
**For The Year Ended 31st March 2022**

**STRATEGIC REPORT**

**Financial position**

At the end of the 2020-21 year, the long term projects (more than one year) had been reduced in activity or postponed, due to the pandemic. Therefore, with the agreement of funding partners, the company was carrying deferred restricted funds of £226,763 for delivery in 2021-22, and a further £91,985 in allocated funds for Vital Spark commissions and The City Classroom delivery. Although most activity was able to continue, the scope continued to be reduced, i.e. by venue capacity, low audience engagement or reduction of touring product for young audiences. As a result, some projects were not all able to be completed, so again with agreement of funding partners some activity has been deferred to 2022-23.

Of the deferred funds, £194,057 was applied in year. This accounts for the increase in income compared to 2020-21.

Expenditure on project activity therefore has increased proportionally to the increased project delivery funds.

**Reserves policy**

The purpose of the Reserves Policy is to ensure the stability of the mission, employment, programmes and ongoing operations of the organisation and to provide a source of internal funds for organisational priorities such as programme opportunity and capacity and skills building. The Reserves Policy is implemented alongside other governance and financial policies, aligned to make sure policies and strategies are joined up to provide the structure, systems and practices to deliver our strategic goals and operational plans.

Reserves are planned to provide an internal source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses.

Reserves are also intended to provide an internal source of funds where the company permanently ceases charitable activities and must close operations.

Our reserves are used to demonstrate and build resilience. As such, they serve a dynamic role and are regularly reviewed and adjusted in response to both internal and external changes.

The minimum target for reserves to be held is currently established as an amount sufficient to maintain ongoing operations and programmes measured for a set period of three months.

Providing guidance for strategic and financial planning for the transition to a new leadership team in 2022 and the planning and submission of our application to Arts Council for 2023-2026 investment, the Operating Reserves and Contingency and Welfare Reserves have now been consolidated.

At 31 March 2022 unrestricted reserves were £184,225. Our current reserves target is £60,000.

Currently the trustees have identified that these reserves will be reduced to sustain the organisation through the operational staff changes required in 2022 -24. Therefore we anticipate that we will retain a small reserve at the end of 23/24.

Two key strategies agreed to maintain the reserves are first, to raise the necessary funds in a timely way, and second, to diversify our funding base. These will now be implemented to sustain the reserves over 4 years (2022-2026) at £60,000 plus an average £10k operational reserves per year for innovation and growth.

**Reviewing and reporting on the Reserves Policy**

The Reserves Policy is regularly reviewed by the leadership team and reviewed on a quarterly basis by the Board of Trustees to make sure we aren't setting aside too much or too little.

We will use our trustees' annual report to tell donors, funders and other stakeholders:

- why we need to keep money aside instead of spending it on our charity's aims
- how much we hold in reserve
- why we need to hold this amount in reserve
- what our reserves can be spent on

Reserves are recorded in the financial records as Unrestricted General Funds. The Funds will be funded and available in cash or cash equivalent funds.



**The Spark Arts for Children**  
**Report of the Trustees**  
**For The Year Ended 31st March 2022**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Recruitment and appointment of new trustees**

To help deliver its public benefit, the charity aims to have an overall balance of skills, aptitude and representation within its Trustees.

The charity maintains a Board of a minimum 8 and maximum 12 trustees. Regular skills audits are undertaken by the Chair, and further recruitment is undertaken where areas are felt to be under represented.

An equalities survey is undertaken yearly and any recruitment aims for a balance across gender, ethnicity and disability.

The charity aims to have one "young" Trustee aged between 18-24.

One third (or the number nearest one third) of the Trustees must retire at each AGM, and may be re-elected.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

5254229 (England and Wales)

**Registered Charity number**

1106952

**Registered office**

LCB Depot  
31 Rutland Street  
Leicester  
Leicestershire  
LE1 1RE

**Trustees**

M Reza  
V Mistry  
M E Candler  
A Sharma (resigned 1.10.21)  
J Mann  
J Prest (resigned 28.7.21)  
A Parmar  
K Birch (resigned 28.9.21)  
S L M Guthrie  
P Bennett (appointed 28.7.22)  
R Lee (appointed 1.2.22)

**Company Secretary**

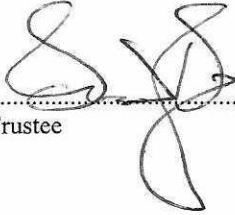
H J P Roy

**Independent Examiner**

Nicola Divine FCCA  
(employee of L&S Accountancy Services)  
64 High Street  
Belper  
Derbyshire  
DE56 1GF

**The Spark Arts for Children**  
**Report of the Trustees**  
**For The Year Ended 31st March 2022**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15<sup>th</sup> September 2022 and signed on the board's behalf by:

A handwritten signature in black ink, consisting of stylized loops and a long horizontal stroke, positioned above a dotted line.

M Reza - Trustee

**Independent Examiner's Report to the Trustees of**  
**The Spark Arts for Children**

**Independent examiner's report to the trustees of The Spark Arts for Children ('the Company')**

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

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Dale Accounting Services Limited which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



Nicola Divine FCCA  
(Employee of L&S Accountancy Services)  
Independent Examiner  
64 High Street  
Belper  
Derbyshire  
DE56 1GF

Date: 15<sup>th</sup> September 2022

**The Spark Arts for Children**

**Statement of Financial Activities**  
**For The Year Ended 31st March 2022**

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	269,417	-	269,417	155,476
<b>Charitable activities</b>					
Charity Activities		19,647	315,321	334,968	188,005
Other trading activities	3	32,003	68,625	100,628	32,062
Investment income	4	32	-	32	420
Other income		-	-	-	30,797
<b>Total</b>		<u>321,099</u>	<u>383,946</u>	<u>705,045</u>	<u>406,760</u>
<b>EXPENDITURE ON</b>					
Raising funds	6	18,510	-	18,510	18,150
<b>Charitable activities</b>					
Charity Activities	7	58,989	353,729	412,718	174,615
Other		<u>189,575</u>	<u>-</u>	<u>189,575</u>	<u>196,694</u>
<b>Total</b>		<u>267,074</u>	<u>353,729</u>	<u>620,803</u>	<u>389,459</u>
<b>NET INCOME</b>		54,025	30,217	84,242	17,301
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		130,200	-	130,200	112,899
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>184,225</u>	<u>30,217</u>	<u>214,442</u>	<u>130,200</u>

The notes form part of these financial statements

**The Spark Arts for Children**

**Balance Sheet**  
**31st March 2022**

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	13	3,114	-	3,114	3,038
<b>CURRENT ASSETS</b>					
Debtors	14	22,302	-	22,302	20,690
Cash at bank and in hand		<u>193,308</u>	<u>154,908</u>	<u>348,216</u>	<u>441,489</u>
		215,610	154,908	370,518	462,179
<b>CREDITORS</b>					
Amounts falling due within one year	15	(34,499)	(124,691)	(159,190)	(335,017)
<b>NET CURRENT ASSETS</b>		<u>181,111</u>	<u>30,217</u>	<u>211,328</u>	<u>127,162</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>184,225</u>	<u>30,217</u>	<u>214,442</u>	<u>130,200</u>
<b>NET ASSETS</b>		<u>184,225</u>	<u>30,217</u>	<u>214,442</u>	<u>130,200</u>
<b>FUNDS</b>	16				
Unrestricted funds				184,225	130,200
Restricted funds				<u>30,217</u>	-
<b>TOTAL FUNDS</b>				<u>214,442</u>	<u>130,200</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2022 in accordance with Section 476 of the Companies Act 2006.

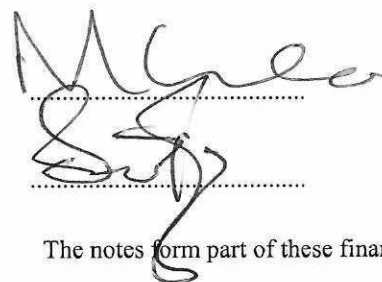
The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 15<sup>th</sup> September 2022 and were signed on its behalf by:

M E Candler - Trustee

M Reza - Trustee



The notes form part of these financial statements

**The Spark Arts for Children**

**Cash Flow Statement**  
**For The Year Ended 31st March 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(90,733)</u>	<u>54,182</u>
Net cash (used in)/provided by operating activities		<u>(90,733)</u>	<u>54,182</u>
 <b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(2,572)</u>	<u>(2,435)</u>
Interest received		<u>32</u>	<u>420</u>
Net cash used in investing activities		<u>(2,540)</u>	<u>(2,015)</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		<u>(93,273)</u>	<u>52,167</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>441,489</u>	<u>389,322</u>
 <b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>348,216</u></u>	<u><u>441,489</u></u>

The notes form part of these financial statements



**The Spark Arts for Children**

**Notes to the Cash Flow Statement**  
**For The Year Ended 31st March 2022**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	84,242	17,301
Adjustments for:		
Depreciation charges	2,496	2,353
Interest received	(32)	(420)
Increase in debtors	(1,612)	(5,323)
(Decrease)/increase in creditors	(175,827)	40,271
<b>Net cash (used in)/provided by operations</b>	<b><u>(90,733)</u></b>	<b><u>54,182</u></b>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.21 £	Cash flow £	At 31.3.22 £
<b>Net cash</b>			
Cash at bank and in hand	<u>441,489</u>	<u>(93,273)</u>	<u>348,216</u>
	<u>441,489</u>	<u>(93,273)</u>	<u>348,216</u>
<b>Total</b>	<b><u>441,489</u></b>	<b><u>(93,273)</u></b>	<b><u>348,216</u></b>

The notes form part of these financial statements

**The Spark Arts for Children**  
**Notes to the Financial Statements**  
**For The Year Ended 31st March 2022**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

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

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 20% on cost
Computer equipment	- 33% on cost

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds can only be used for particular purpose within the objects of the charity. Designations arise when the charity allocates certain funds based on budgets for a particular purpose and as specified by the donor.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**The Spark Arts for Children**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st March 2022**

<b>2. DONATIONS AND LEGACIES</b>		2022	2021
		£	£
Donations		7,832	5,780
Core grants		<u>261,585</u>	<u>149,696</u>
		<u>269,417</u>	<u>155,476</u>
<b>3. OTHER TRADING ACTIVITIES</b>		2022	2021
		£	£
Core activity		28,406	3,061
Sponsorships		4,600	-
Additional activities		<u>67,622</u>	<u>29,001</u>
		<u>100,628</u>	<u>32,062</u>
<b>4. INVESTMENT INCOME</b>		2022	2021
		£	£
Deposit account interest		32	417
Interest receivable - trading		<u>-</u>	<u>3</u>
		<u>32</u>	<u>420</u>
<b>5. INCOME FROM CHARITABLE ACTIVITIES</b>		2022	2021
		£	£
Core activity	Activity	129,199	65,682
Projects	Charity Activities	<u>205,769</u>	<u>122,323</u>
	Charity Activities	<u>334,968</u>	<u>188,005</u>
<b>6. RAISING FUNDS</b>			
<b>Raising donations and legacies</b>		2022	2021
		£	£
Freelance fees and fund raising costs		<u>18,510</u>	<u>18,150</u>

**The Spark Arts for Children**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st March 2022**

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £
Charity Activities	<u>412,718</u>

**8. SUPPORT COSTS**

	Management £
Other resources expended	<u>189,575</u>

**9. NET INCOME/(EXPENDITURE)**

Net income / (expenditure) is stated after charging / (crediting):

	2022	2021
	£	£
Depreciation - owned assets	<u>2,496</u>	<u>2,353</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

**The Spark Arts for Children**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st March 2022**

**11. STAFF COSTS**

	2022	2021
	£	£
Wages and salaries	240,487	215,695
Social security costs	13,092	12,597
Other pension costs	<u>4,428</u>	<u>4,226</u>
	<u>258,007</u>	<u>232,518</u>

The average monthly number of employees during the year was as follows:

	2022	2021
	13	14
Management/administration staff	<u>13</u>	<u>14</u>

No employees received emoluments in excess of £60,000.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	155,476	-	155,476
<b>Charitable activities</b>			
Charity Activities	4,472	183,533	188,005
Other trading activities	10,713	21,349	32,062
Investment income	420	-	420
Other income	<u>30,797</u>	<u>-</u>	<u>30,797</u>
<b>Total</b>	<u>201,878</u>	<u>204,882</u>	<u>406,760</u>
<b>EXPENDITURE ON</b>			
Raising funds	-	18,150	18,150
<b>Charitable activities</b>			
Charity Activities	491	174,124	174,615
Other	<u>184,086</u>	<u>12,608</u>	<u>196,694</u>
<b>Total</b>	<u>184,577</u>	<u>204,882</u>	<u>389,459</u>
<b>NET INCOME</b>	17,301	-	17,301
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	112,899	-	112,899
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>130,200</u>	<u>-</u>	<u>130,200</u>

**The Spark Arts for Children**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st March 2022**

**13. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Computer equipment £	Totals £
<b>COST</b>			
At 1st April 2021	5,502	9,645	15,147
Additions	-	2,572	2,572
Disposals	-	(2,863)	(2,863)
	<u>5,502</u>	<u>9,354</u>	<u>14,856</u>
<b>DEPRECIATION</b>			
At 1st April 2021	4,730	7,379	12,109
Charge for year	406	2,090	2,496
Disposals	-	(2,863)	(2,863)
	<u>5,136</u>	<u>6,606</u>	<u>11,742</u>
<b>NET BOOK VALUE</b>			
At 31st March 2022	<u>366</u>	<u>2,748</u>	<u>3,114</u>
At 31st March 2021	<u>772</u>	<u>2,266</u>	<u>3,038</u>

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade debtors	11,064	18,066
Prepayments	<u>11,238</u>	<u>2,624</u>
	<u>22,302</u>	<u>20,690</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade creditors	14,526	10,636
Social security and other taxes	7,763	2,490
Other creditors	124,689	319,777
Accrued expenses	<u>12,212</u>	<u>2,114</u>
	<u>159,190</u>	<u>335,017</u>



## The Spark Arts for Children

### Notes to the Financial Statements - continued For The Year Ended 31st March 2022

#### 16. MOVEMENT IN FUNDS

<u>Restricted Funds</u>	<u>Balance</u> <u>B/fwd</u>	<u>Income</u>	<u>Expenditure</u>	<u>Transfers</u>	<u>Gains &amp;</u> <u>Losses</u>	<u>Balance</u> <u>C/fwd</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Festival Project	-	81,497	(77,042)	4,000	-	8,455
SparkPlus	-	35,302	(22,288)	(4,000)	-	9,014
Vital Spark	(500)	7,750	(6,500)	500	-	1,250
The City Classroom	-	46,180	(33,022)	(3,000)	-	10,158
Early Years Project	-	108,231	(109,891)	3,000	-	1,340
Library Project	500	78,967	(78,967)	(500)	-	-
General	-	26,019	(26,019)	-	-	-
<b>Total</b>	<b>-</b>	<b>383,946</b>	<b>(353,729)</b>	<b>-</b>	<b>-</b>	<b>30,217</b>

#### Festival Projects Fund

Funds contributing to the delivery of a one-week children's arts Festival of cultural engagement in performing and combined arts in February, including linked school and community projects delivered in the autumn and Spring. Funded by grants from Leicester City Council, Foyle Foundation, Scop Arts, the Lord Mayor's Charity, Edith Murphy Foundation, Leicestershire & Rutland Community Foundation and other small Trust and Foundations. This also included the Braunstone Beats project funded by Youth Music and Leicestershire Music.

#### SparkPlus Fund

Funded by the Paul Hamlyn Foundation to explore and test the impact of the festival shows on schools through curriculum links, learning improvement and teacher skill development. This is the final year of the project, concluding summer 2022.

#### The City Classroom Fund

The City Classroom is a strategic cultural education partnership led and managed by The Spark and funded by The Mighty Creatives / Arts Council England. The partnership promotes, coordinates and advocates for cultural education and children and young people's creativity across Leicester and Leicestershire.

#### Early Years Fund

Funded by the Leicester City Council, Small Wonders is a project in two libraries in Leicester, with artists in residence working with children 0-7 and their families. Three year funding from Children in Need (2021-24) enabled us to extend the engagement and provide additional summer activity targeted at pre-school readiness post pandemic. The other Early Years project is Music Champions, funded by Youth Music and partner organisations, to develop a new Early Years Music network: supporting musicians and early years practitioners; and promoting the role music plays in the development of children aged 0-4 years.

#### Library Fund

The Spark leads a consortium of five East Midlands Library Services to deliver the Among Ideal Friends programme, funded by Arts Council England Strategic Funding and with participating county and city local authorities contributing funds. Launched in 2016, the aim is to create and establish a range of high quality local and story based performances and workshops for children aged 5-11 years and their families and schools, shared across 55 libraries. Additionally, The Spark was commissioned by Inspire – Culture, Learning, Libraries, to programme work for children and families into other libraries in Nottinghamshire.

#### Vital Spark Fund

Vital Spark is a programme and approach which aims to address the gap of diverse led work in the children's performance sector through and artist development programme, ideas fund and the commissioning of new work, and a national partners network. Funds were received from Unlimited to support their artists accessing the Festival Delegate programme, and from partner venues supporting specific artist development.

#### General Funds

Small project work: funds from Leicester Museums & Galleries to deliver an Arts Award project called Discover Detectives, and from Leicester City Council to deliver family events in the city centre over the summer, and to provide support activity for the Queen's Canopy event.

**The Spark Arts for Children**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st March 2022**

<b><u>Unrestricted Funds</u></b>	<b><u>Balance</u></b> <b><u>B/fwd</u></b> <b><u>£</u></b>	<b><u>Income</u></b> <b><u>£</u></b>	<b><u>Expenditure</u></b> <b><u>£</u></b>	<b><u>Transfers</u></b> <b><u>£</u></b>	<b><u>Gains &amp;</u></b> <b><u>Losses</u></b> <b><u>£</u></b>	<b><u>Balance</u></b> <b><u>C/fwd</u></b> <b><u>£</u></b>
General	65,200	206,285	(165,377)	18,117	-	124,225
Festival & Vital Spark Welfare & Contingency (Designated)	-	114,814	(101,697)	(13,117)	-	-
	65,000	-	-	(5,000)	-	60,000
<b>Total</b>	<b>130,200</b>	<b>321,099</b>	<b>(267,074)</b>	<b>-</b>	<b>-</b>	<b>184,225</b>

**17. DEFERRED INCOME MOVEMENTS**

<b><u>Restricted Funds</u></b>	<b><u>Balance</u></b> <b><u>B/fwd</u></b> <b><u>£</u></b>	<b><u>Income</u></b> <b><u>£</u></b>	<b><u>Recognised</u></b> <b><u>in year</u></b> <b><u>£</u></b>	<b><u>Balance</u></b> <b><u>C/fwd</u></b> <b><u>£</u></b>
Festival Project	5,477	62,529	53,197	14,809
SparkPlus	35,302	-	35,302	-
Vital Spark	1,750	-	1,750	-
The City Classroom	25,994	-	4,800	21,194
Early Years Project	45,461	93,781	98,231	41,011
Library Project	110,019	16,625	78,967	47,677
General	2,760	4,304	7,064	-
<b>Total</b>	<b>226,763</b>	<b>177,239</b>	<b>279,311</b>	<b>124,691</b>

<b><u>Unrestricted Funds (Designated)</u></b>	<b><u>Balance</u></b> <b><u>B/fwd</u></b> <b><u>£</u></b>	<b><u>Income</u></b> <b><u>£</u></b>	<b><u>Recognised</u></b> <b><u>in year</u></b> <b><u>£</u></b>	<b><u>Balance</u></b> <b><u>C/fwd</u></b> <b><u>£</u></b>
Vital Spark	85,538	-	85,538	-
The City Classroom	6,447	5,933	12,380	-
<b>Total</b>	<b>91,985</b>	<b>5,933</b>	<b>97,918</b>	<b>-</b>

**Festival Projects Fund**

Funds for part two of the Braunstone Beats project deferred for completion in the summer term.

**The City Classroom Fund**

Due to the pandemic, activity levels continue to be lower than forecast so funds from the Mighty Creatives were deferred for delivery in 2022-23.

Designated funds have been transferred to restricted funds.

**Early Years Fund**

Small Wonders and Music Champions project funds deferred for completion of the projects in the autumn of 2022.

**Library Fund**

Among Ideal Friends: Expenditure on live and digital performance during the year was at a lower level due to the on-going effect of the pandemic, limited capacity in libraries and lack of touring product, so funds will be deferred and the programmes extended to autumn 2022.

Inspire: Funds were also deferred for programmes in 2022-23.

**The Spark Arts for Children**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31st March 2022**

**Designated Funds – The City Classroom**

Membership income not spent in year is carried forward as designated funds for partnership work.

**18. RELATED PARTY DISCLOSURES**

During the year, there was a payment of £1,780 (2021 - £1,500) paid to The Underground Creatives for performances and project services. The former Trustee, Akshay Sharma, is also involved with this organisation.

**The Spark Arts for Children**

**Detailed Statement of Financial Activities**  
**For The Year Ended 31st March 2022**

	2022 £	2021 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	7,832	5,780
Core grants	<u>261,585</u>	<u>149,696</u>
	269,417	155,476
<b>Other trading activities</b>		
Core activity	28,406	3,061
Sponsorships	4,600	-
Additional activities	<u>67,622</u>	<u>29,001</u>
	100,628	32,062
<b>Investment income</b>		
Deposit account interest	32	417
Interest receivable - trading	<u>-</u>	<u>3</u>
	32	420
<b>Charitable activities</b>		
Core activity	129,199	65,682
Projects	<u>205,769</u>	<u>122,323</u>
	334,968	188,005
<b>Other income</b>		
Grants - COVID and HMRC JRS	<u>-</u>	<u>30,797</u>
<b>Total incoming resources</b>	705,045	406,760
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Freelance fees and fund raising costs	18,510	18,150
<b>Charitable activities</b>		
Core activity	175,613	62,583
Projects	131,607	50,745
Direct activity staff costs	<u>105,498</u>	<u>61,287</u>
	412,718	174,615
<b>Support costs</b>		
<b>Management</b>		
Wages	134,990	154,408
Social security	13,092	12,597
Pensions	4,428	4,226
Carried forward	152,510	171,231

This page does not form part of the statutory financial statements

**The Spark Arts for Children**

**Detailed Statement of Financial Activities**  
**For The Year Ended 31st March 2022**

	2022 £	2021 £
<b>Management</b>		
Brought forward	152,510	171,231
Rent and rates	10,542	9,262
Insurance	1,410	1,373
Telephone, post and stationery	1,950	1,399
Training & hospitality	2,991	323
Marketing	3,012	2,611
Sundries	256	215
Accountancy	2,350	2,462
Travelling	1,354	110
Repairs & renewals	1,597	2,664
Recruitment costs	5,230	280
Research & development	3,877	2,411
Plant and machinery	406	778
Computer equipment	<u>2,090</u>	<u>1,575</u>
	<u>189,575</u>	<u>196,694</u>
 Total resources expended	 <u>620,803</u>	 <u>389,459</u>
 <b>Net income</b>	 <u><u>84,242</u></u>	 <u><u>17,301</u></u>