

Company registration number: 05254229

Charity registration number: 1106952

The Spark Arts for Children

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Community Accounting Plus
Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

The Spark Arts for Children

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The Spark Arts for Children

Reference and Administrative Details

Trustees	R Lee
	P Bennett
	J Mann
	S L M Guthrie
	M Reza
	M E Candler
Secretary	T Kidder
Charity Registration Number	1106952
Company Registration Number	05254229
Registered Office	LCB Depot 31 Rutland Street Leicester Leicestershire LE1 1RE
Independent Examiner	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL
Bankers	Metro Bank One Southhampton Row London WC1B 5HA Santander Santander Business Banking operations Sunderland SR43 4FW

The Spark Arts for Children

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2024.

Trustees and officers

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

Trustees:	R Lee
	P Bennett
	J Mann
	V Mistry (resigned 23 October 2023)
	S L M Guthrie
	M Reza
	M E Candler

Secretary:	T Kidder
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Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 8 October 2004. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

Recruitment and appointment of 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 underrepresented.

An equalities survey is undertaken yearly and any recruitment aims for a balance across gender, ethnicity sexual orientation, disability and lower socio economic groups.

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.

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 2023.

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).

The Spark Arts for Children

Trustees' Report

Objectives and activities

Objects 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.

Mission, vision and values

Mission

Working in partnership to empower children to thrive, we explore the difference culture makes through arts engagement, creative interactions and cultural connections, enabling children's voices to be heard, their creativity supported, and their cultural values understood.

Vision

Extraordinary experiences for children, sparking creativity and change.

Values

Our values underpin everything we do:

- 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

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 artists 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

The following strategic objectives provide continuity during change and the foundations for a structured period of business growth from 2023. Our strategic objectives:

- Commission and produce a high quality and diverse cultural programme for children in cultural venues, schools and libraries, enabling children, their families and communities to experience the richness of the arts.

The Spark Arts for Children

Trustees' Report

- Deliver a co-created children's arts festival recognised nationally and connected internationally for the representation, 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, agency and play.
- Grow an entrepreneurial culture, where our historic 'projects' are realigned to drive the mission and vision of the organisation: building creativity in strategy towards sustainability; ensuring diverse cultural governance and leadership; and a step change on business development with a growth plan that diversifies income generation.

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;
- Working with communities to better understand and respond to their needs and interests, resulting in increased cultural engagement and the wide range of social benefits it brings;
- Working collaboratively through place-based partnerships to support and involve communities in high quality culture, improve creative and cultural education for children and young people, improve health and wellbeing; through creative and cultural activity, build skills and capacity in the cultural sector and grow its economic impact;
- 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

Organisational change & New staffing (April - December 2023)

Over 2023 we embedded a number of new staff to roles including Hazel Townsend as Creative Producer: Learning, Tatiana Kidder, Operations and Finance Manager and James Lawrence Digital marketing and Community Engagement Officer.

During the period, Tara Lopez the Executive Director, secured a new role and departed the organisation in October 2023. Tom Newton filled the temporary role of Executive Producer whilst the Trustees of the organisation implemented an organisational review of the operating structure of the organisation. In January 2024 the Trustees began an independent review of the organisation with the support of Nu Leaf.

We spent the last quarter of 2023/24 and the first quarter of 2024/25 undertaking the review and evaluating and assessing our organisation and the economic landscape for where our work can have the most impact as we move forward. As with most Arts Organisations our size, our work is historically funded through Trusts and Foundations, alongside our annual investment from Arts Council England as a National Portfolio Organisation. The new organisational structure is being phased in as we recruit into new roles and finalise the changes to existing roles. This work will be completed during Autumn 2024.

The Spark Arts for Children

Trustees' Report

Our approach to co-creation

Our work is evidence-based and increasingly co-constructed between artists, teachers and children to improve outcomes for children, families, artists and creative practitioners. Co-creating evaluation will be key to our success moving forward. In 2023 we refined our theory of change and implemented a new organisation-wide evaluation framework design to deliver our Quality and Ambition Investment Principle and integrate data on outcomes and outputs across Inclusivity and Relevance, Environmental Responsibility and Dynamism development and activity delivery.

The Mega Bosses of Spark - Child Action Group

We also implemented the organisation's Child Action group. A group of children who attend monthly sessions with members of the team. They help to shape the work of the charity by creating their Quality and Ambition Manifesto, which is created to enable our work to be guided by our principal benefactors- Children. As part of the process, they have renamed themselves The Mega Bosses of Spark. Their Quality and Ambition Manifesto can be summarised as the following main priorities.

- Equity For All
- Everyone had the opportunity to join in
- Exciting and enjoyable for all
- We stand for everyone around the world to feel welcome
- Be fun, less boring

Twice a year the Executive team and Trustees feedback to the Child Action group on the actions they have taken to deliver their manifesto across the organisation and provide an opportunity for a feedback loop of progress, actions and development.

Our headlines for 2023-2024 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 34 artists (compared to 79 in 2022-23)

Programmed 52 performances (compared to 78 in 2022-23)

Engaging 9076 in person & 8246 social media totally 17,322 (compared to 23,209 in 2022-23)

And 3762 children and families (formal & informal learning & participation) actively participating (compared to 6,540 in 2022-23)

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 artistic skills and capacity building, 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 social, economic and cultural 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 for England and Wales.

The Spark Arts for Children

Trustees' Report

Achievements and performance

Experiencing the extraordinary

Spark Saturdays

We hosted 7 Spark Saturday events in partnership with a number of community and cultural venues across the city. These were low cost/free events that enabled members of the community to experience and take part in a number of creative/cultural activities. We worked with theatre companies, musicians and dance companies to present a diverse range of activities that enabled those who wouldn't ordinarily engage in arts and culture to engage in high quality events.

Festival model development

Through the delivery of the Spark Saturdays and other partner events we were able to work through our partnerships with all of the organisations who work with us to deliver our Annual Spark Festival. Whilst the Spark Festival was not delivered in this financial year- the activities that are contained without our usual festival week were spread across the year. This enabled us to test and explore the community engagement opportunities for each activity to then deepen how we position it as part of our Festival in 2024.

Building a diverse workforce

Vital Spark Relationship Programme and Ideas Fund

Since 2018, 58 artists have engaged in Vital Spark: 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 2023-24, artists David "Stickman" Higgins, Tanya Akrofi and Sarah Blanc shared work in development at the 'Vital Spark symposium' event. Our Relationship Artists Tanya Akrofi, Tandeka Williams, Sarah Kolawole undertook an artist residency or masterclasses and coaching, attended go and see trips, and joined the festival as part of the delegate programme. We established and worked internationally on this project with Baboro International Children's festival, alongside 4 Irish artists.

Vital Spark Symposium

In March we worked in collaboration with our partner Attenborough Arts Centre, to host the Vital Spark Symposium. This 2 day event celebrated 5 years of the programme and brought together artists, producers, programmers and organisations from across the country to debate, reflect, talk and drive towards action of making the performance for Young Audiences landscape to be more relevant and inclusive. It was an extremely successful 2 days with over 20 artists present, through panel discussions and masterclasses and well as attended by 64 industry delegates from across the country.

A child's right to play

Leicester experiences significant deprivation. Before Covid-19, some Leicester communities faced inequalities and exclusion - Leicester had the 7th highest poverty rate of 181 urban authorities (Leicester City Council, 2020). It is widely accepted that lockdown had a detrimental effect on the most isolated and vulnerable, particularly children. Our work delivers cultural opportunity and equitable outcomes.

The Spark Arts for Children

Trustees' Report

Small Wonders

Whilst there was no direct delivery regarding this project in this year, we delivered a number of development workshops with stakeholders to begin the fundraising process towards the next iteration of Small Wonders, in partnerships with Leicester Libraries and Early help through our strong partnership with Leicester City Council. The project will recommence in October 2024.

Small Wonders continues to support exceptional creative pedagogy and practice showing growth potential for training and peer-to-peer learning, particularly for artists new to the industry or work in early years and early years practitioners. We will continue to build our partnerships towards sustainable engagement and funding.

Music Champions

The musicians training programme, developing craft applicable to early years settings which will culminate in September 2025. Delivered a transformative sector development project, increasing the skills and expertise of musicians. Working in partnership with Leicester City Council Neighbourhood Services and Early Help and Leicestershire Music Hub.

We've explored and tested the delivery model underpinned by two key principles: Equal partnership between musician and early years practitioner; and Child led music play leading to the most impact on the child. We now have grown an established talented and trained pool of local and regional freelance musicians (Music Champions), who work effectively in early years child development. Future improvements include increasing parental engagement, early years Continuing Professional Development and Learning resources for musicians and advocacy for music and the arts in early years practitioner training.

A child's right to creativity

At Your School Tour

With our ongoing commitment to ensure all children have access to high quality arts and culture, we delivered our At Your school programme to a number of schools in November.

Across 5 days we toured 3 productions to Leicester Primary schools Botown, a live fusion of Bollywood and soul music, Luna Loves Library Day, a musical adaptation of the book by Joseph Coelho and Plastic Drastic Fantastic, a stunning visual dance piece educating the audience in environmental responsibility. 3244 audience members experienced the productions across 23 performances.

Building Brave Spaces

In November 2023 we secured a grant from Paul Hamlyn Foundation to develop our Spark Learning offer. The project which began delivery in January 2024 will work with 8 schools in Leicester to specifically explore the impact of performing arts pedagogy on children voice and agency in the formal education system. The outcomes of the project will be used to drive in-school development of PSHE curriculum and wellbeing through a structured partnership model, which will include artist residency, creativity councils, takeover events and performances at their schools. In the first 3 months of project delivery 171 students and 8 teachers engaged in the introductory workshops.

The Spark Arts for Children

Trustees' Report

Funding

The Spark Arts for Children receives National Portfolio Organisation (NPO) funding from Arts Council England, now confirmed for the period 2023 to 2026.

The Spark continues to receive the majority of its income from Arts Council England, Trusts and Foundations and Local Authorities across the breadth of our work in creative workforce development, libraries, schools and communities, including a core funding contribution 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.

At the beginning of 2023 we implemented the Development Working Group, a team of trustees and external business growth specialists to deliver business development objectives:

- Re-focus the role and responsibilities of the Development Subgroup to ensure strategic direction and future earning aligned to organisational values and growth
- Evaluate the strategic position of The Spark Arts for Children and the business
- Map and test a more enterprising mixed model of income and how risk can be better distributed
- Consider the key staff and systems resources required to deliver our Dynamism ambitions and priorities.

Financial review

Deferred restricted funds to 2024-25: £19,641 (2022-23 £48,750)

Restricted funds carried forward: £129,001 (2022-23 £28,686)

Unrestricted funds carried forward: £38,777 (2022-23 £124,261)

Totals reserves carried forward: £167,778 (2022-23 £152,947)

Policy on reserves

The purpose of the Reserves Policy is to explain 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 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.

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.

The Spark Arts for Children

Trustees' Report

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.

Level of reserves

At the last financial year (22/23) our unrestricted reserves were £124,261 (compared with £184,225 at the end of 21/22). Our unrestricted reserves for the end of the current financial year (23/24) is £38,777.

Our strategies to re-build reserves are as follows:-

1. A clear and realistic fundraising strategy (incorporating trusts & foundations, sponsorship, public donations, direct activity income, and other earned income) reviewed and monitored on a monthly basis by the leadership team.
2. A strategy to reduce expenditure where possible across core budgets (incl. overheads and marketing).
3. Increasing our partnership work to reduce costs where possible through in-kind support.
4. Implement our full cost recovery model to ensure we are recouping costs for projects that require use of core resources.
5. Establish income generating strands of work that increase the level of unrestricted funds.

This strategy is now implemented to build-up the reserves over 4 years (2023-2027) to £95k.

The Spark Arts for Children

Trustees' Report

Statement of Responsibilities

The trustees (who are also the directors of The Spark Arts for Children for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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

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


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

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

Small companies provision statement

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

Approved by the trustees of the charity on 19-9-24 and signed on its behalf by:


.....
M Reza
Trustee

The Spark Arts for Children

Independent Examiner's Report to the trustees of The Spark Arts for Children ('the Company')

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 31 March 2024.

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.

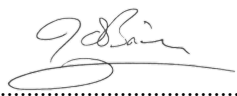
Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member and Fellow of the Association of Charity Independent Examiners, 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 that in any material respect:

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.



John O'Brien MSc, FAIA, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

Date: 22/11/2024.....

The Spark Arts for Children

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from:					
Donations and legacies	2	176,634	-	176,634	181,541
Charitable activities	3	15,440	253,311	268,751	370,733
Investment income	5	1,619	-	1,619	518
Total income		<u>193,693</u>	<u>253,311</u>	<u>447,004</u>	<u>552,792</u>
Expenditure on:					
Charitable activities	6	<u>(279,177)</u>	<u>(152,996)</u>	<u>(432,173)</u>	<u>(614,287)</u>
Total expenditure		<u>(279,177)</u>	<u>(152,996)</u>	<u>(432,173)</u>	<u>(614,287)</u>
Net (expenditure)/income		<u>(85,484)</u>	<u>100,315</u>	<u>14,831</u>	<u>(61,495)</u>
Net movement in funds		(85,484)	100,315	14,831	(61,495)
Reconciliation of funds					
Total funds brought forward		<u>124,261</u>	<u>28,686</u>	<u>152,947</u>	<u>214,442</u>
Total funds carried forward	13	<u><u>38,777</u></u>	<u><u>129,001</u></u>	<u><u>167,778</u></u>	<u><u>152,947</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note 13.

The notes on pages 16 to 26 form an integral part of these financial statements.

The Spark Arts for Children

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	2	181,541	-	181,541
Charitable activities	3	6,906	363,827	370,733
Investment income	5	518	-	518
Total income		<u>188,965</u>	<u>363,827</u>	<u>552,792</u>
Expenditure on:				
Charitable activities	6	<u>(248,929)</u>	<u>(365,358)</u>	<u>(614,287)</u>
Total expenditure		<u>(248,929)</u>	<u>(365,358)</u>	<u>(614,287)</u>
Net expenditure		<u>(59,964)</u>	<u>(1,531)</u>	<u>(61,495)</u>
Net movement in funds		(59,964)	(1,531)	(61,495)
Reconciliation of funds				
Total funds brought forward		<u>184,225</u>	<u>30,217</u>	<u>214,442</u>
Total funds carried forward	13	<u><u>124,261</u></u>	<u><u>28,686</u></u>	<u><u>152,947</u></u>

The notes on pages 16 to 26 form an integral part of these financial statements.

The Spark Arts for Children

(Registration number: 05254229)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	9	2,781	2,182
Current assets			
Debtors	10	23,974	7,733
Cash at bank and in hand	11	<u>190,703</u>	<u>211,797</u>
		214,677	219,530
Creditors: Amounts falling due within one year	12	<u>(49,680)</u>	<u>(68,765)</u>
Net current assets		<u>164,997</u>	<u>150,765</u>
Net assets		<u>167,778</u>	<u>152,947</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	13	129,001	28,686
Unrestricted income funds			
Unrestricted funds		<u>38,777</u>	<u>124,261</u>
Total funds	13	<u>167,778</u>	<u>152,947</u>


For the financial year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.


Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 12 to 26 were approved by the trustees, and authorised for issue on 19.4.24 and signed on their behalf by:


M Reza
Trustee


M E Candler
Trustee

The notes on pages 16 to 26 form an integral part of these financial statements.

The Spark Arts for Children

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income/(expenditure)		14,831	(61,495)
Adjustments to cash flows from non-cash items			
Depreciation		1,899	1,617
Investment income	5	<u>(1,619)</u>	<u>(518)</u>
		15,111	(60,396)
Working capital adjustments			
(Increase)/decrease in debtors	10	(16,241)	14,569
Decrease in creditors	12	<u>(19,085)</u>	<u>(90,425)</u>
Net cash flows from operating activities		<u>(20,215)</u>	<u>(136,252)</u>
Cash flows from investing activities			
Interest receivable and similar income	5	1,619	518
Purchase of tangible fixed assets	9	<u>(2,498)</u>	<u>(685)</u>
Net cash flows from investing activities		<u>(879)</u>	<u>(167)</u>
Net decrease in cash and cash equivalents		(21,094)	(136,419)
Cash and cash equivalents at 1 April		<u>211,797</u>	<u>348,216</u>
Cash and cash equivalents at 31 March		<u><u>190,703</u></u>	<u><u>211,797</u></u>
Reconciliation of net cash flow to movement in net funds			
Decrease in cash		(21,094)	(136,419)
Net funds at 1 April 2023		<u>211,797</u>	<u>348,216</u>
Net funds at 31 March 2024		<u><u>190,703</u></u>	<u><u>211,797</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 16 to 26 form an integral part of these financial statements.

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

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

Investment income

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

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

Expenditure

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

Charitable activities

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

Taxation

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

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant & machinery	20% on cost
Computer equipment	33% on cost

Trade debtors

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

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

Cash and cash equivalents

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

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

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

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

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

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Income from donations and legacies

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Donations and legacies;			
Donations from individuals	587	587	4,994
Donations from community groups	176,047	176,047	176,547
	<u>176,634</u>	<u>176,634</u>	<u>181,541</u>

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

3 Income from charitable activities

	Unrestricted funds Designated £	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Grants & donations	-	-	218,790	218,790	319,561
Sponsorships	-	-	-	-	10,650
Additional activities	-	-	15,500	15,500	29,324
Gift Aid	-	-	-	-	1,220
Partner fees and reimbursement	-	381	18,926	19,307	-
Membership	-	-	-	-	5,220
Sundry	-	-	95	95	4,758
School sales & tickets	15,059	-	-	15,059	-
	<u>15,059</u>	<u>381</u>	<u>253,311</u>	<u>268,751</u>	<u>370,733</u>

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
ACE	176,047	-	176,047
Braunstone Children, Young People and Family Centre	-	440	440
Children in Need	-	10,000	10,000
Donations	587	-	587
Edith Murphy Foundation	-	5,000	5,000
Inspire	-	26,600	26,600
LCC Early Help MC 23-24	-	3,000	3,000
Leicester City Council	-	3,000	3,000
Leics Music for MC 23-24	-	3,000	3,000
Music champions 23-26	-	42,750	42,750
Paul Hamlyn Foundation	-	80,000	80,000
The National Foundation	-	45,000	45,000
	<u>176,634</u>	<u>218,790</u>	<u>395,424</u>

5 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income; Interest receivable on bank deposits	<u>1,619</u>	<u>1,619</u>	<u>518</u>
	<u>1,619</u>	<u>1,619</u>	<u>518</u>

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

6 Expenditure on charitable activities

	Unrestricted funds		Restricted funds	Total 2024	Total 2023
	Designated £	General £	£	£	£
Artistic/ Delivery	37,939	-	70,820	108,759	-
Project Overhead	2,403	-	24,694	27,097	-
Access & contingency	-	-	3,282	3,282	-
Freelance fees and fund raising costs	-	-	-	-	55,800
Core activity	-	-	-	-	203,969
Projects	-	-	-	-	79,855
Direct activity staff costs	-	-	-	-	72,314
Wages, social security, pensions	-	205,259	23,542	228,801	143,924
Rent and rates	-	10,409	-	10,409	12,029
Insurance	-	1,294	-	1,294	882
Training & hospitality	-	-	-	-	2,256
Marketing	-	-	-	-	15,755
Sundries	-	-	-	-	1,124
Legal & Professional fees	-	3,454	-	3,454	4,273
Travelling	-	3,178	-	3,178	4,986
Repairs & renewals	-	-	-	-	1,678
Research & development	-	1,948	3,925	5,873	1,233
I.T & Computing	-	424	-	424	1,071
Consultancy & subscriptions	-	11,809	-	11,809	7,273
Room hire & hospitality	-	-	-	-	4,248
Overhead allocation	-	(26,733)	26,733	-	-
Depreciation	-	2,332	-	2,332	1,617
Office expenses	-	3,946	-	3,946	-
Company development	-	5,462	-	5,462	-
Advertising & Promotion	-	15,731	-	15,731	-
Earned income costs	-	180	-	180	-
Bank charges	-	142	-	142	-
	<u>40,342</u>	<u>238,835</u>	<u>152,996</u>	<u>432,173</u>	<u>614,287</u>

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

7 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	<u>2,332</u>	<u>1,617</u>

8 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	206,542	122,475
Social security costs	17,834	17,263
Pension costs	<u>4,425</u>	<u>4,186</u>
	<u>228,801</u>	<u>143,924</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2024 No	2023 No
Average number of employees	<u>13</u>	<u>13</u>

13 (2023 - 13) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £4,425 (2023 - £4,186).

No employee received emoluments of more than £60,000 during the year.

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Tangible fixed assets

	Computer equipment £	Plant & machinery £	Total £
Cost			
At 1 April 2023	12,902	5,502	18,404
Additions	2,498	-	2,498
At 31 March 2024	15,400	5,502	20,902
Depreciation			
At 1 April 2023	10,720	5,502	16,222
Charge for the year	1,899	-	1,899
At 31 March 2024	12,619	5,502	18,121
Net book value			
At 31 March 2024	2,781	-	2,781
At 31 March 2023	2,182	-	2,182

10 Debtors

	2024 £	2023 £
Trade debtors	21,120	5,901
Prepayments	2,854	1,832
	23,974	7,733

11 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	170	69
Cash at bank	190,533	211,728
	190,703	211,797

12 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	12,415	13,247
Other taxation and social security	3,617	4,097
Other creditors	1,014	1,171
Accruals & deferred income	32,634	50,250
	49,680	68,765

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

13 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2024 £
Unrestricted funds					
<i>General</i>					
General	64,261	178,634	(238,836)	(4,059)	-
<i>Designated</i>					
Vital Spark - Artists	-	443	(17,147)	16,704	-
Festival	-	14,616	(23,194)	8,578	-
Contingency	60,000	-	-	(21,223)	38,777
	<u>60,000</u>	<u>15,059</u>	<u>(40,341)</u>	<u>4,059</u>	<u>38,777</u>
Total unrestricted funds	<u>124,261</u>	<u>193,693</u>	<u>(279,177)</u>	<u>-</u>	<u>38,777</u>
Restricted funds					
Vital Spark - Artists	-	31,878	(31,878)	-	-
Schools	19,761	92,500	(40,409)	-	71,852
Early Years	-	107,313	(58,560)	-	48,753
Libraries	8,925	21,620	(22,149)	-	8,396
	<u>28,686</u>	<u>253,311</u>	<u>(152,996)</u>	<u>-</u>	<u>129,001</u>
Total restricted funds	<u>28,686</u>	<u>253,311</u>	<u>(152,996)</u>	<u>-</u>	<u>129,001</u>
Total funds	<u>152,947</u>	<u>447,004</u>	<u>(432,173)</u>	<u>-</u>	<u>167,778</u>

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

The specific purposes for which the funds are to be applied are as follows:

Festival Projects Fund

With the moving of the Festival to May 2024, the annual week-long festival that usually takes place was substituted in year with Sparky Saturdays, a series of cultural engagement in performing and combined arts. The At Your School programme, usually part of the week-long Festival took place in November. The funding of the Festival strand was solely provided by other earned income with sales from individual and school bookings.

Schools Fund

Building Brave Spaces

Funded by Paul Hamlyn Foundation this program explores how performing arts pedagogy can improve children's voice and agency in both the classroom and across whole schools.

Child Action Group

The new Child Action Group will shape the future of The Spark to ensure our work is relevant to children and help drive our organisation, our events and activities over the coming years. Funds received from Edith Murphy has supported the development of this work.

Holiday Activity Fund - Summer Music Camp 2023

Folville Junior School commissioned The Spark to deliver a weeklong summer music camp of musical exploration and play delivered by 4 artists. The school funded this through a Holiday Activities and Food application.

The City Classroom

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. Coordination of the partnership was handed over to University of Leicester in April 2023. Remaining funds were transferred to the University for planned activity delivered after April.

Early Years Fund

Music Champions is funded by Youth Music and partner organisations Leicestershire Music and Leicester City Council Early Help, 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. This project will continue through to 2025.

Library Fund

The Spark has been commissioned by Inspire - Culture, Learning, Libraries, to programme work for children and families into other libraries in Nottinghamshire. The agreement is for a 3-year period up to 2026.

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 an artist development programme, ideas fund and the commissioning of new work, and a national partners network. Funds were received from partner venues supporting specific artist development, including Lincoln Arts Centre, Attenborough Arts Centre, Southbank Centre, Babero Festival and Inspire.

General Funds

The Spark is an Arts Council National Portfolio Organisation with awarded funding for a 4-year period to 2027. Funding received supported core functions that contributed to the delivery of the various strands.

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
<i>General</i>				
General	124,225	172,910	(232,874)	64,261
<i>Designated</i>				
Vital Spark - Artists	-	16,055	(16,055)	-
Festival	8,455	58,716	(67,171)	-
Contingency	60,000	-	-	60,000
	<u>68,455</u>	<u>74,771</u>	<u>(83,226)</u>	<u>60,000</u>
Total unrestricted funds	<u>192,680</u>	<u>247,681</u>	<u>(316,100)</u>	<u>124,261</u>
Restricted				
Vital Spark - Artists	1,250	8,508	(9,758)	-
Schools	10,158	42,247	(32,644)	19,761
Early Years	1,340	107,150	(108,490)	-
Libraries	-	110,237	(101,312)	8,925
Spark Plus	9,014	36,969	(45,983)	-
	<u>21,762</u>	<u>305,111</u>	<u>(298,187)</u>	<u>28,686</u>
Total restricted funds	<u>21,762</u>	<u>305,111</u>	<u>(298,187)</u>	<u>28,686</u>
Total funds	<u>214,442</u>	<u>552,792</u>	<u>(614,287)</u>	<u>152,947</u>

14 Analysis of net assets between funds

	Unrestricted			2024 Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	2,781	-	-	2,781
Current assets	46,899	38,777	129,001	214,677
Current liabilities	(49,680)	-	-	(49,680)
Total net assets	<u>-</u>	<u>38,777</u>	<u>129,001</u>	<u>167,778</u>
	Unrestricted			2023 Total funds £
	General £	Designated £	Restricted £	
Tangible fixed assets	2,182	-	-	2,182
Current assets	130,844	60,000	28,686	219,530
Current liabilities	(68,765)	-	-	(68,765)
Total net assets	<u>64,261</u>	<u>60,000</u>	<u>28,686</u>	<u>152,947</u>

The Spark Arts for Children

Notes to the Financial Statements for the Year Ended 31 March 2024

15 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus (previously L&S Accountancy services) are analysed as follows:

	2024	2023
	£	£
Independent examination	1,380	1,250
	<u>1,380</u>	<u>1,250</u>

16 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

17 Related party transactions

There were no related party transactions in the year.