

ANNUAL REPORT & ACCOUNTS 2021-22

Trustees' report and financial statements
for the year ending 31 March 2022



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NOTES TO THE FINANCIAL STATEMENTS

Check out our new Vision and Mission statements!

VISION

The futures of people affected by the criminal justice system are determined by their potential, not their past.

MISSION

We use coaching to unlock the potential of individuals and drive culture change in the criminal justice system so that rehabilitation is possible.

Registered number: 07984016
Charity number: 1148420
A company limited by guarantee

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References

Reference and administrative details of the Company, its trustees and advisers for the year ended 31 March 2022

Trustees

E Handling, Chair
 R D Ferguson, Vice Chair
 J Lyseight, Treasurer
 M Conway
 T Currie (resigned 30 November 2021)
 K Imafidon (resigned 29 April 2022)
 H MacLellan
 S Davin
 S Ruddock

Company registered number

07984016

Charity registered number

1148420

Registered office

Unit 386
 Salisbury House
 London Wall
 London
 EC2M 5SQ

Chief executive officer

Vicki Cardwell

Independent auditors

Kreston Reeves LLP Chartered Accountants
 Plus X Innovation Hub
 Lewes Road
 Brighton
 East Sussex
 BN2 4GL

Banker

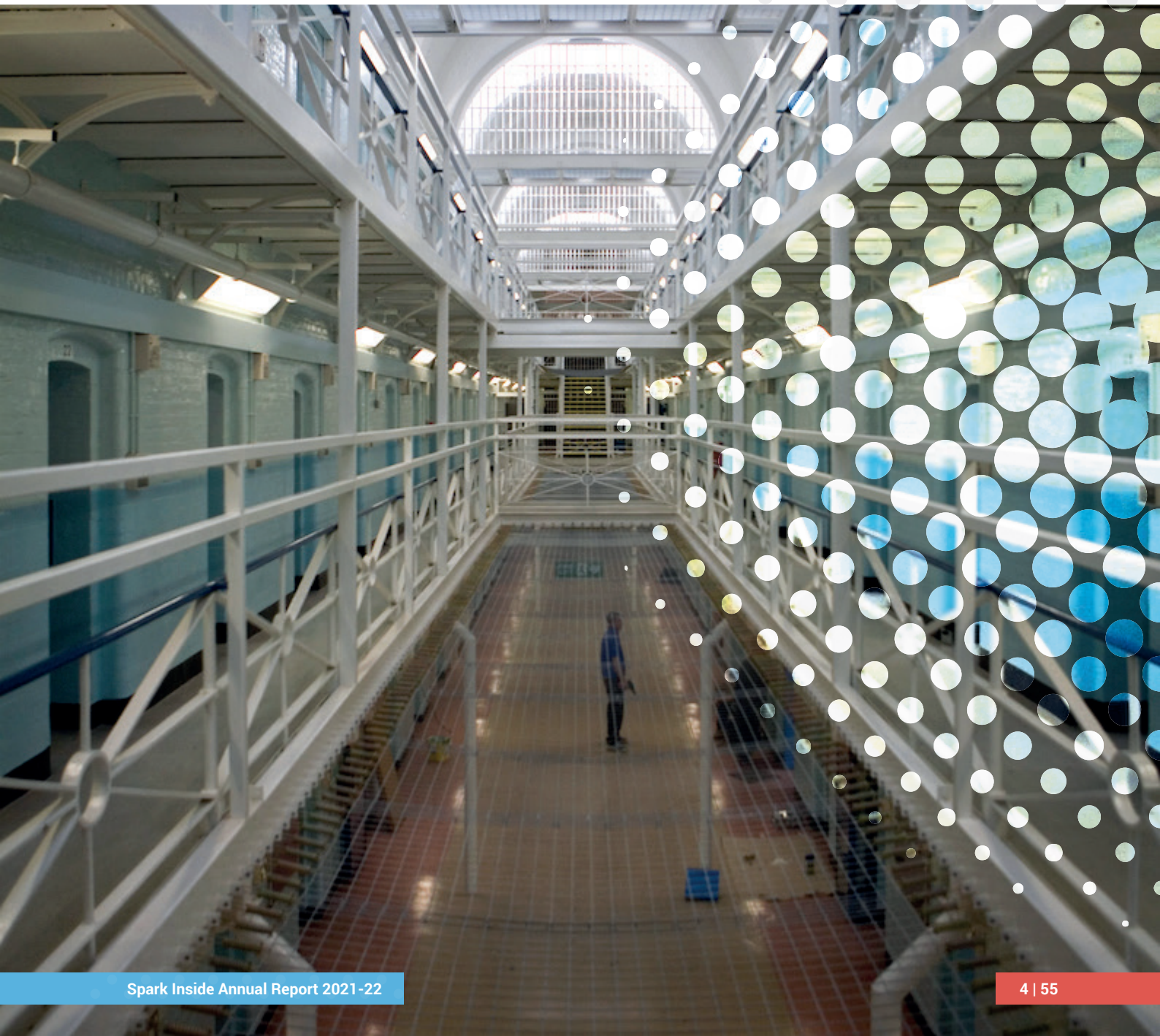
CAF Bank Ltd
 West Malling
 Kent
 ME19 4JQ

Solicitor

Arnold & Porter LLP
 Tower 42
 25 Old Broad Street
 London
 EC2N 1HQ

The Trustees present their Annual Report together with the audited financial statements of the Company for the year 1 April 2021 to 31 March 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.



A Message from our Board Chair



This has been my first full year as Chair of Spark Inside and I am so proud of what both the Spark Inside team, and the people we have provided coaching to, have achieved this year in circumstances that have continued to be challenging.

Coaching gets to the heart of people's values, motivations, how they see themselves and any beliefs they hold which might be holding them back. It is about giving people tools they can draw on for the rest of their lives to identify and realise changes they want to make to improve their lives.

We held onto our unwavering belief in the power of coaching as Spark Inside and the people we work with faced immense challenge at the start of the year. Unlike the rest of society, prisons did not open up quickly and many young prisoners continued to spend the vast majority of their days in cells. As the Chief Inspector of Prisons

reported "We can't yet know what the long-term effects of extended lockdowns will be on this generation of prisoners, but it is likely there will be a price to pay for the... inactivity, the loss of family ties and the lack of education or work".

We had pivoted in early 2020 to coach both prison staff and young people in the community. This work not only carried on, but grew, this year. Spark Inside has now coached over 50 prison staff including four at governor grade. It was fantastic to see the emerging impact on staff members' own wellbeing, and crucially, the way they relate to and support prisoners in their care.

By the Autumn, we were able to provide face to face coaching to young people in prison again in a more consistent way. We got back up and running in HMP Isis and HMP Wormwood Scrubs. While operating in a prison environment will no doubt continue to present challenges, the Board and team are entirely focused on our mission – using coaching to unlock potential. Next year we will be driving forward on delivery so we can continue to make a real difference.

My sincere thanks to the brilliant Spark Inside team, our amazing coaches, funders and donors. We absolutely could not do this without you.

Erica Handling

Chair, Board of Trustees

Welcome

A Message from our CEO

This year was the first of our new strategy, where we set out our new vision, mission and plans to grow our reach and impact. Our plans are ambitious as we want everyone in the criminal justice system to have access to coaching.

Despite the challenges of Covid-19 especially in the prison estate, there are some key successes. We took our flagship programme Hero's Journey outside of London and the South-East for the first time, piloting in HMP Lincoln with Lincolnshire Action Trust. The positive impact on the young men's lives has shown us that our partnership model can be very effective and enable us to support more young people in new regions.

We launched our first campaign, Being Well Being Equal, based on what young people we work with were telling us needed to change and the evidence base. We make the case that wellbeing support for young men for young men in prison – particularly for young Black men – should be prioritised and tailored. We are really pleased to be working alongside some amazing organisations on this campaign.

Building on last year, we expanded our work with prison staff. This coaching delivers on our mission to unlock potential and drive culture change in the criminal justice system so that rehabilitation is possible. We know that the men and women who work in prison have a huge impact – positive or negative – on the environment. Early evaluations show we are impacting on prison staff wellbeing, working relationships and their practice.

Finally, we have recruited new members of the Spark Inside senior team who can help us drive our work forward in the next few years.

I am truly grateful to everyone who has supported us and to each and every young person who took on the challenge of coaching and committed to it – you are heroes.



Vicki Cardwell
Chief Executive Officer



Objectives and activities

A. POLICIES AND OBJECTIVES

Spark Inside runs coaching programmes in prisons and the community primarily across London and the South East, to unlock the potential of those living and working in prison, encourage rehabilitation and change prison culture, and to contribute towards a reduction in reoffending. We are one of the first organisations to take life coaching to young people in prison and to use systems coaching to bring together staff and prisoners in UK prisons. This year we have expanded outside of London to pilot work in HMP Lincoln. Our expert coaches are qualified and trained professionals.

Hero's Journey™ is our award-winning structured life coaching programme for young people in prison and 'through-the-gates' into the community, that encourages them to change their lives. We now can offer this programme to young people in the community who have been in contact with the justice system.

Hero's Journey from a Black Perspective is our tailored life coaching programme, co-designed with young Black men with lived experience, that addresses the specific experiences of young Black men in the prison system, who are over-represented.

Coaching prison staff was developed during the initial Covid-19 lockdowns to support frontline staff and ultimately the people in their care. Given its impact, we have extended the programme to work with all prison staff grades and will ensure it remains core, alongside our direct work with young people.

In addition to our coaching programmes, a core part of our work is ensuring that the voices of young people in contact with the criminal justice system are listened to, as the experts, and help to shape our strategy, coaching programmes and campaigns.

We also remain committed to working with parliamentarians and government officials to influence criminal justice policy and shift the perception of people in prison, platforming their voices and highlighting their unlocked potential.



B. STRATEGIES FOR ACHIEVING OBJECTIVES

This was the first year of delivering our three-year Strategic Plan. While we faced challenges due to the ongoing impact of the pandemic, we are proud of our achievements across the five strategic aims:

1 Increase the number of young people who access coaching at more points on their journey.

We continued to coach young people at risk of going to prison – helping them much earlier on their journey of change. This was a key development for Spark Inside as we moved beyond the prison walls. We also coached young people who had recent contact with the justice system but were now on their way to a new life away from crime, helping them to solidify that change and move forward with confidence. We worked in partnership with Youth Offending Services and brought on board new charities to help us reach more young people.

Re-entering prisons during the second half of the year, our coaches could meet young people face to face. In total we coached 74 young people in prison and the community.

2 Change prison culture through coaching people who work & live there.

We hit a milestone of coaching 50 prison staff. Our impact report showed the difference this was making to their wellbeing, relationships and ability to engage with people in prison. We were proud to coach four prison governors this year, recognising the influence they have on prison environments and culture.

3 Build our policy and influencing to champion coaching as a transformational tool in the criminal justice system.

We launched a new campaign – Being Well Being Equal – based on what young people were telling us mattered to them and the impact we saw of Covid-19 on young people's emotional health. We know that our

coaching has a positive, tangible impact on young people's wellbeing which prisons are currently woefully under-resourced to support. Developing Hero's Journey from a Black Perspective with young people highlighted the lack of culturally competent services for young Black men in prison.

We attracted media coverage for our campaign and the founding alliance of six leading charities supporting the campaign. We recruited a new Participation and Engagement Manager to help strengthen our engagement with young people who shaped our campaign themes.

4 Build a robust evidence base for coaching in the criminal justice system.

This year we embedded Youth Outcomes Star, our new monitoring tool. Our HMP Lincoln pilot showed good evidence of the positive impact of coaching in multiple areas measured by Outcomes Star, including young people's Hopes and Dreams, Choices and Behaviour and Education and Work. Qualitative interviews for the evaluation of the HMP Lincoln pilot and for our staff coaching report helped us learn more about why coaching matters to our clients including its impact on their relationships, wellbeing and sense of purpose.

5 Fortify Spark Inside's foundations.

In terms of sustainability, we secured two new contracts – with Practice Plus Group and with Forward Trust – as part of our plans to increase our contract income with a view to diversify our income streams. This year we invested in our team to be ready for future growth. The Board conducted a Governance review, Board effectiveness review and a Trustee skills audit.

Activities undertaken to achieve objectives

HERO'S JOURNEY™

Our innovative and award-winning Hero's Journey™ programme for young people builds their motivation to create a positive future-self, away from crime, reducing in-prison violence, and contributing towards a reduction in reoffending post release.

It is a structured life coaching programme, consisting of group workshops for up to eight young people, followed by one to-one coaching sessions. The coaching sessions start in prison and can continue in the community on participants' release through-the-gates. Our life coaches don't tell participants what to do; instead, the young people are empowered to make different choices for themselves.

Hero's Journey life coaching has been proven to improve vital life skills, such as confidence, decision making, problem-solving, resilience and empathy, as well as participant wellbeing and future outlook.

Our key achievements this year include:

- **New Theory of Change for Hero's Journey developed**
- **Coaches trained in new Theory of Change, philosophy of delivery and strengthened version of the programme**
- **Two Hero's Journey programmes delivered in HMP YOI Isis as we re-entered prisons after lockdown**
- **One-to-one coaching for young people in HMP Wormwood Scrubs, as we await restart of groupwork**
- **Four Hero's Journey taster sessions for our potential partners**



Activities undertaken to achieve objectives

HERO'S JOURNEY IN PARTNERSHIP WITH LINCOLNSHIRE ACTION TRUST IN HMP LINCOLN

We embarked on our first ever pilot partnership project, in collaboration with the brilliant Lincolnshire Action Trust, to deliver Hero's Journey life coaching programme to young men in HMP Lincoln. Our coaching in Lincoln is the first time Spark Inside has coached outside of London and the Southeast, so we were pleased to collaborate with such an experienced and trusted organisation.

Our coaches have supported 15 young people in HMP Lincoln through the Hero's Journey group workshops, and through 60 additional one-to-one sessions. None of the young men had any previous experience of work or education in the prison, so their expectations of what they could achieve were low. But once they started on their Hero's Journey, the impact it had on them was far greater than they had anticipated.

One young man who participated in the programme at HMP Lincoln told us:

"To be fair, to start off with, the reason I signed up to the Hero's Journey was because the more that we did in prison the more likely we were to be moved to a Cat D [the least restrictive categorisation where prisoners are trusted in open conditions]... In the end what I got from the programme I cherished more than what I would have done going to a Cat D."

This pilot has shown us that working with a partner like Lincolnshire Action Trust, who are experienced, efficient, values-led and committed to rehabilitation, enables us to deliver coaching to a very high standard which ultimately leads to the best possible outcomes for the young people we work with.



The BHJ Advisory Group

HERO'S JOURNEY FROM A BLACK PERSPECTIVE

Co-designed with young Black men with lived experience of prison, this programme was created to address the specific experiences of young black men in the prison system. Three of our specially-trained coaches delivered a successful programme in HMPYOI Isis before the Covid-19 crisis, and anecdotally, we know that the young men found it hugely impactful and were eager to sign up.

Given ongoing restrictions this year, we have been unable to complete the pilot. We have taken the time afforded by restrictions to review the course material and ensure that it is of excellent quality. We have since made the decision to extend the workshop element of the programme with a new fourth session to include additional impactful material. The pilot is now ongoing in August 2022.

To support this area of work, we have been helping to shine a light on racial disparity in the criminal justice system, through our influencing and advocacy work.

Activities undertaken to achieve objectives

PRISON STAFF COACHING

This year, for the first time, four of our coaching clients were prison Governors. In total, we coached a further 17 prison staff members. Once again, we were delighted with the engagement and impact of this programme and will now make this core to how we work to drive cultural change.

The majority of prison staff worked in HMP Wormwood Scrubs and HMPYOI Isis, and the Governors were from other prisons in London and the South East.

Thus far, over 200 hours of coaching has been provided by Spark Inside coaches to prison staff. An impressive 94% of clients reported making progress in their lives and surveys showed that every client (100%) said they would recommend coaching for people living or working in prison.

Furthermore, some staff reported that the coaching had impacted on the way they work in prisons, and directly on their interactions with, and support for, people who live in prison.

COMMUNITY COACHING

This year we continued to collaborate with partner organisations and statutory bodies in the community to offer coaching to young people at risk of entering prison and those on release from prison. This year we coached 23 young people in the community.

We have developed a strong partnership with Leaders Unlocked, who give young adults a stronger voice on criminal justice reform, to deliver coaching to several of their young adults.



One of our longest serving coaches, Jeffrey Wotherspoon speaks on the panel at our event

Activities undertaken to achieve objectives

JOE'S STORY

When Joe was a small child, he witnessed domestic abuse and drug use in his family home, which had a hugely detrimental impact on his mental health, leaving him with PTSD and difficulty controlling his emotions. Eventually, Joe was removed from the family home and taken into foster care. As a teenager, he ended up with a conviction on his record, and as a result, he struggled to find a job. We met Joe in the community, through our connections with Leaders Unlocked, and offered him one-to-one life coaching that would empower him to achieve his goals of making a fresh start, finding purpose and building a business. This is Joe's story.

"I heard about Spark Inside's life coaching programme from Leaders Unlocked. I very much have this philosophy that you should learn from people smarter than you, so I applied for it. At the time, I really, really wanted to start my own business. I looked at the life coaches' profiles and there was one with quite a lot of experience in business, so I was like 'this is great, this is exactly what I need'. So, I did my 10 life coaching sessions and he helped me realise that it wasn't so much the business that was important to me, it was more the freedom.

We broke it down together, he was like 'okay, so what you actually want is something that doesn't trap you', and I realised that I would be fine with a job if it came with maybe some time working from home.

Since the coaching, my reactions have become a lot more stable. Before I would just react in the way I react. My coach helped me come up with ways to deal with things and ways to view things, like how I reacted to stuff and how I saw situations. There are obviously still some things that do get to me because I am human, but a lot of things before that would have just sent me into a complete snap, now either don't anywhere near as much, or it doesn't bother me at all. I genuinely feel calmer.



The initial application of the coaching was a little bit tricky because when you've lived a certain way for so long, it is quite difficult to break that habit. But I kept at it, and the more that I kept at it, the more I started seeing the results in my life that I was after. Once you start seeing results the momentum comes and now it's quite easy to do.

It sounds like a cliché, but every area of my life, he's sat down and helped me

realise what I could do better, and I've taken that onboard. I've now got my own business, which I'm building, I have the highest paying job I've ever been in by far and I'm in a healthy relationship.

If anybody was to ask, should they try the Hero's Journey life coaching programme, it's like, d'you want to completely upgrade your life or not? The answer would be a blatant 'yes', if someone were to ask me if the Hero's Journey is worth it".

Activities undertaken to achieve objectives

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE COMPANY'S PURPOSES FOR THE PUBLIC BENEFIT

Our main activities and who we provide support to are described above. All our charitable activities focus on the encouragement of rehabilitation and contribution towards a reduction in reoffending through the running of coaching programmes in prisons, and now also in the community. Spark Inside provides coaching programmes to young people in prison. The services are mainly in London and the South-East. This year we expanded our geographical reach to deliver in Lincolnshire.

The Trustees confirm that they have had due regard to Charity Commission guidance on public benefit in setting the Charity's objectives and activities.



Coaches Michael Roper and Sam Onagoruwa at our 10 year anniversary

OUR IMPACT

As we emerge from COVID-19, we have an established model of coaching delivery in the Understanding our impact is at the very heart of what we do. This year for the first year, we used Youth Outcomes Star to measure our impact. It is early days, but we are pleased with emerging results and learning.

In our HMP Lincoln pilot, the progress of the young people was measured at three points during the programme using the Youth Outcome Star. They assessed themselves in the following six areas against a five stage Journey of Change. The areas are:

Making a Difference

Hopes and Dreams

Well-Being

Education and Work

Choices and Behaviours

We are delighted that all but one of the group made progress in the area of Hopes & Dreams, making it the **Outcome Area** where the largest number of young people **showed a positive change**. The next largest areas of progress were made in Choices and Behaviour and Education and Work, both of which saw seven people advance. Over the next year, we will use Youth Outcomes Star across all our programmes to measure our impact.

We listened to our participants and were pleased with the impact that coaching is making in their lives and in the justice system.

We spoke to Jay, a young man serving a prison sentence in HMP Lincoln who participated in the Hero's Journey programme. He said:

"My coach was just amazing. He didn't judge, he was level-headed, and he understands that people go through difficult times and make wrong choices, but just because they've made that wrong choice it doesn't make them a bad person. People can change, and it was having that one person sat there believing in me that helped me get over it. The coaches help bring out the better person in you... Since I've been out of prison I've stuck to everything I said I wanted to do. My mum said that she's proud of me. She can see that I'm changed."

Our work is just as impactful for those who have not served a prison sentence, and who have accessed our coaching in the community.

As you heard earlier from Joe:

"I don't know where I would be without my life coach. I literally could not be more thankful to him. Every area of my life, he's sat down and helped me realise what I could do better, and I've taken that onboard. Now, I've now got my own business, which I'm building, I have the highest paying job I've ever been in by far and I'm in a healthy relationship. Everything is better now."

Achievements and performance

We've been really proud of what we've achieved through our pilot partnership with the Lincolnshire Action Trust, and the impact our programme has had on the young men at HMP Lincoln. We spoke to participants throughout the process of evaluating the partnership, to get insights on their experience of the coaching programme. One young person told us:

"[It] gives you fight to go forward. I am stepping into new me. I have promised myself I would do that. I never break promises. Acknowledge my own self-worth – if others can see it in me then it can come to me."

We've been heartened to see the overwhelmingly positive feedback from prison staff who taken up our offer of coaching during the pandemic, and the wider impact it has had on the culture of a prison as well as on the wellbeing of the individual engaging in the programme.

One Prison Governor who benefitted from Spark Inside's coaching told us:

Prisons are busy and demanding places to work. As a senior prison leader, I find it immensely valuable to step back and reflect regularly. Coaching enables me to do this in a structured, supportive way so that I can return to my work with a renewed sense of purpose and focus."



Factors relevant to achieve objectives

RAISING PROFILE & INFLUENCING

This year Spark Inside continued to focus on strengthening our influencing activity to advocate effectively for people in prison, while we paused our prison delivery until restrictions eased.

In October we launched our new campaign Being Well Being Equal, built on the insights and experiences of young people in the criminal justice system. The campaign sets out that wellbeing support for young men in prison, and in particular young Black men, should be prioritised and should be tailored to meet their specific needs.

The Covid-19 pandemic has exacerbated many of the challenges facing young people in prison, but with proper support from specialists working in prisons, young people make positive choices that lead to better rehabilitative outcomes and improved wellbeing, including better physical, mental and social health.

We commissioned a YouGov poll which revealed overwhelming public support for the campaign's message. From more than 1,700 people surveyed, 72% think that, considering all the different priorities in the prison system, there should be specific support for prisoners' mental health and wellbeing.

We are delighted to be working as a coalition, together with six voluntary sector organisations that provide rehabilitation services and support racial equity.

Our founding alliance members are: *Spark Inside, Wipers, Zahid Mubarak Trust, Clinks, Centre for Mental Health and the Race Equality Foundation.*



Making the case for coaching

As part of making the case for coaching as a transformation tool in the justice system, we were pleased to be featured in the New Philanthropy Capital's report as an example of excellent practice, and where some investors should consider providing further support.

During the year we met with officials, including the Chief Inspector of Prisons, Charlie Taylor, to share our work and its value, and officials from the office of Alex Chalk MP, the then Minister for Prisons.

We spoke at the Prison Learning Association webinar on coaching; and presented at an New Philanthropy Capital conference on our work coaching prison staff.

Our coaching podcasts were uploaded onto the national Youth Offending Institution intranet so that young people in prison can listen to this content and be inspired by the potential of coaching, reflect on their own journey and hear stories of change.



PODCAST EPISODES

1. WHAT IS COACHING?

In this episode our podcast host Simone Ujah talks to life coach Jeffrey Wotherspoon about what life coaching is and is not, how it works in prisons and how it can transform your life. Jeffrey explains that coaching is self-directed, meaning your coach will help you think about what it is you want from your life, and how to achieve your personal goals.

<https://www.sparkinside.org/media/641>

2. HEROES

In the second episode of our podcast series, our host Simone Ujah meets life coach Jerry Gray to discuss who can be a hero, and how you can see yourself reflected in your hero. Jerry also shares some highlights from our Hero's Journey programme in prisons.

<https://www.sparkinside.org/media/642>

3. FROM PRISON TO ENTREPRENEUR

In the third episode of our podcast series, Simone talks to Spark Inside trustee Kenny Imafidon about his inspiring journey from being on remand for a murder he didn't commit, to a successful career as an entrepreneur, political commentator and activist. Kenny also talks about how coaching in prison can help you build a brighter future for yourself.

<https://www.sparkinside.org/media/643>

Making the case for coaching



CEO Vicki Cardwell speaking at our 10 year anniversary celebration

PRESS AND DIGITAL MEDIA

The media coverage this year was primarily to advocate for young people in prison still facing lockdown for much of the year.

We also took our campaign, Being Well Being Equal, to the media, and were delighted to feature in The Voice and The Justice Gap.

Vicki Cardwell spoke live with LBC's Shelagh Fogarty, highlighting the need for greater mental wellbeing support for young men, including young Black men, in prisons.

Social media activity grew this year by an impressive amount: Our LinkedIn followers increased by almost 100% from just under 500 followers to just under 1000! Twitter followers increased by 33%. and Instagram followers increased by over 188%. We are proud that our innovative coaching work and advocacy are gaining such traction.

LISTENING TO YOUNG PEOPLE

We are focusing much of our efforts on ensuring that the voices of young people are at the heart of all our communications, policy and advocacy work. We recruited a Participation and Engagement Manager who sits in our Communications and Advocacy Team and is based part-time in prison, spending much of their time building relationships with young people on the wings, and ensuring that their views feed through to our communications, campaigns, policy work as well as shaping our strategy and programmes. One key area of work for this role has been building a group of Young Advisors, made up of young people with lived experience of the criminal justice system, with the aim of facilitating regular meetings where the Advisors can feed back on our work, and discuss how Spark Inside can best address the needs of young people in the criminal justice system.

We are delighted that the group is now formed and has had its first meeting. We look forward to seeing the group expand and meet more regularly in 2022-23.

GOING CONCERN

This year we returned to three prisons, restarting our face-to-face coaching work in HMP Lincoln, HMPYOI Isis and HMP Wormwood Scrubs. We will retain our virtual community coaching, in order to enable us to fulfil our mission during any future periods of restrictions, but we are now able to deliver both online and in-person. We expect our delivery to increase during the next financial year.

Spark Inside is primarily grant-funded and this income stream has remained largely stable. We have attracted new funders this year including Porticus and the Fidelity Foundation. We received new grants from previous or existing funders including Esmée Fairbairn Foundation and the Listening Fund. We are delighted that these are multi-year grants, providing stability and enabling us to plan ahead for the future. Currently, we do not anticipate Covid-19 will impact further on our ability to fundraise from grants and foundations.

Our commissioned income was impacted in 2020/21 and has now started to slowly grow again this year. We have a contract with the Forward Trust to deliver Hero's Journey in the community over 3 years and a contract with Practice Plus Group to deliver coaching in HMP Wormwood Scrubs. Increasing this income stream will be a focus for next year.

We did not have any staff on furlough during the year. All our coaches are freelance and therefore they are only paid for coaching work they undertake, thus enabling the charity to manage its finances effectively as we manage ongoing uncertain delivery, flexing our costs to match our delivery.

After assessing the impact of Covid-19, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

RESERVES POLICY

It is the aim of the Trustees to hold reserves on the unrestricted general fund equivalent to between three to six months of operating expenditure (based on budgeted expenditure for the following year). Any reserves on restricted funds are set aside to fund the specific project or programmes for which the funds were granted. It is common for income to be received in one year, yet programme expenditure straddle several years. Reserves for restricted funds therefore represent monies for programmes that are currently on-going or due to start. In the unlikely event that at the end of the programme a surplus exists we will contact the donor to confirm whether funds should be returned or whether they can be re-designated.

OVERALL REVIEW OF ACTIVITIES

The statement of financial activities is shown on page 31. The surplus for the year was £95,934 (2021: £116,562) and net assets amounted to £815,552 (2021: £719,618) at the year end. The net assets were made up of: restricted funds of £340,685, designated funds of £17,413 and general unrestricted funds of £457,454.

CONTRACTED INCOME POLICY

Wherever a contract is completed and there are funds remaining, any outstanding funds are transferred to unrestricted general funds, if the donor approves such a transfer.



Structure, governance and management

A. CONSTITUTION

Spark Inside is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 24/02/2012.

The company is constituted under a Memorandum of Association dated 24/02/2012 and is a registered charity number 1148420.

B. METHODS OF APPOINTMENT OR ELECTION OF TRUSTEES

Board members are appointed by majority vote for three-year terms. They can be re-appointed once, by majority vote.

C. ORGANISATIONAL STRUCTURE AND DECISION-MAKING POLICIES

In March 2022 Spark Inside had eight Trustees. There are two Board Committees currently operating: the Finance and Risk Committee and the Philanthropy Board.

Spark Inside has a delegation of authority policy in place which outlines how the charity makes decisions. The policy covers decision making in all areas of the charity, clarifying which decisions are reserved to the Board and the Chief Executive, and which decisions, if any, are delegated further. In addition, the charity has a Finance Policy which sets out limits and conditions to the Chief Executive and senior staff being authorised to commit the charity to incur expenditure within the approved annual budget plan.

Spark Inside's Trustees have a fiduciary responsibility for Spark Inside and provide strategic oversight and direction. Trustees are volunteers and receive no remuneration or financial benefits. They convene every three months for Board meetings and annually for strategy away days. Trustees are recruited through a range of methods including online advertising on Trustee recruitment websites.



Structure, governance and management

D. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Trustees are introduced to the work of the charity through meetings with the Chair, the CEO and staff and by taking part in a taster session of the Hero's Journey™. New Trustees have an induction day run by the Senior Leadership Team and other Trustees. New Trustees are also offered governance training. An induction pack containing the Memorandum and Articles of Association, strategy, vision, mission, budgets and other relevant information, including minutes of recent Trustees' meetings is provided.

To maintain a broad and appropriate skills mix, a review is regularly undertaken to ensure that should a member resign, an appropriate replacement is found.

E. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

An annual Remuneration Committee is held to review staff pay and proposed increases. The Remuneration Committee is made up of the Trustees who sit on the Finance and Risk Committee, plus the Chair and the lead Trustee for Equality, Diversity and Inclusion. The CEO submits a proposal to the Remuneration Committee with recommendations for salary increases in line with salary bandings.

F. RISK MANAGEMENT

Trustees have implemented a risk management strategy that comprises:

- A quarterly review by the Trustees of the risks that the charity may face
- A monthly review by the Senior Management Team
- The establishment of systems and procedures, designed to minimise any potential impact on the charity should any of those risks materialise



Plans for future periods

OUR PRIORITIES FOR THE FUTURE

Our Strategic Plan 2021-2024 provides our solid direction of travel. And we have a skilled and passionate team to deliver our crucial coaching and advocacy work. Our ambition for Spark Inside over the next three years is to grow both the reach of our work, and the impact we have on individuals, institutions and the justice system

VISION

The futures of people affected by the criminal justice system are determined by their potential, not their past.

MISSION

We use coaching to unlock the potential of individuals and drive culture change in the criminal justice system so that rehabilitation is possible.

AIMS

- Increase the number of young people who access coaching at more points on their journey.
- Change prison culture through coaching people who work and live there.
- Champion coaching as a transformational tool in the justice system.
- Build a robust evidence base for coaching in the criminal justice system.
- Fortify Spark Inside's foundations.



Our supporters and funders

We are grateful to the support of our funders and supporters every year, but this year more than ever, we have greatly valued the vital backing and care from our grant funders, who have been proactively flexible and understanding. Reaching out to us and offering reassurances about the funding allowed us to take the time to reflect and then innovate. Thank you to all of the grant-giving Trusts and Foundations who stood by us – you can see a list in the financial section.

We are equally thankful to our other supporters, friends and philanthropists, including the individuals that donated through our Big Give match-funding campaign at Christmas, which raised £58,642 to empower young people to thrive after prison. We were also delighted to receive a further donation from PWC for our work.

Other ways you can support our work

In addition to making a financial donation, there are many ways you can support Spark Inside to coach young people in prison, such as:

- Donating meeting space for our team meetings
- Advocating for our work within your networks
- Introducing influential people to our work
- Hosting a fundraising event/dinner
- Inviting staff to deliver presentations and workshops about our work
- Providing pro-bono specialist services, including print/production and event support. For example, we are grateful to receive pro bono consultancy from Arnold & Porter LLP
- Donating new equipment and office supplies
- Donating advertising space
- Featuring articles within your publication/ newsletter/journal

Statement of trustees' responsibilities

The Trustees (who are also the directors of the Company 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).

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 Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Disclosure of information to auditors

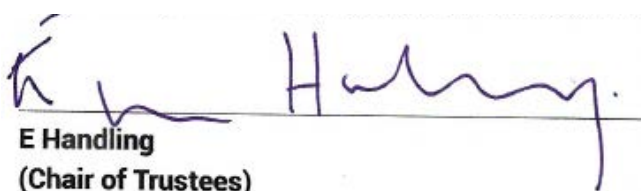
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

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

Auditors

Kreston Reeves LLP was re-appointed as the charitable company's auditors during the year and has expressed its willingness to continue in that capacity.

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


E Handling
(Chair of Trustees)

27/10/2022

Date

Independent auditors' report

OPINION

We have audited the financial statements of Spark Inside (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Independent auditors' report

OTHER INFORMATION

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and sector, and through discussion with the trustees and other management (as required by auditing standards), we identified the principal risks of non-compliance with laws and regulations. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risk was related to posting inappropriate journal entries.

Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non compliance with laws and regulations and fraud, and review of the reports made by management and;
- Assessment of identified fraud risk factors; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Independent auditors' report

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent auditors' report

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

14 December 2022

Alison Jones FCA
(Senior statutory auditor)

Date:

for and on behalf of

Kreston Reeves LLP
Chartered Accountants
Statutory Auditor, Brighton

Kreston Reeves LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Statement of financial activities

(incorporating income and expenditure account) for the year ended 31 March 2022

| | Note | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------------|------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| Income from: | | | | | |
| Donations and legacies | 4 | 301,374 | 485,033 | 786,407 | 769,987 |
| Charitable activities | 5 | 46,420 | - | 46,420 | 14,546 |
| Investments | 6 | 1,697 | - | 1,697 | 2,282 |
| Other income | 7 | - | - | - | 21 |
| | | <u>349,491</u> | <u>485,033</u> | <u>834,524</u> | <u>786,836</u> |
| Total income | | | | | |
| Expenditure on: | | | | | |
| Raising funds | 8 | 27,084 | 3,000 | 30,084 | 28,500 |
| Charitable activities | 9 | 248,346 | 460,160 | 708,506 | 641,774 |
| | | <u>275,430</u> | <u>463,160</u> | <u>738,590</u> | <u>670,274</u> |
| Total expenditure | | | | | |
| Net income | | | | | |
| Transfers between funds | 18 | 74,061 (11,506) | 21,873 11,506 | 95,934 - | 116,562 - |
| | | <u>62,555</u> | <u>33,379</u> | <u>95,934</u> | <u>116,562</u> |
| Net movement in funds | | | | | |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 412,312 | 307,306 | 719,618 | 603,056 |
| Net movement in funds | | 62,555 | 33,379 | 95,934 | 116,562 |
| | | <u>474,867</u> | <u>340,685</u> | <u>815,552</u> | <u>719,618</u> |
| Total funds carried forward | | | | | |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 34 to 55 form part of these financial statements

Balance sheet

as at 31 March 2022

| | Note | 2022 £ | 2021 £ |
|--|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 15 | 1,915 | - |
| | | <u>1,915</u> | <u>-</u> |
| Current assets | | | |
| Debtors | 16 | 53,799 | 23,692 |
| Cash at bank | | 803,071 | 734,278 |
| | | <u>856,870</u> | <u>757,970</u> |
| Creditors: amounts falling due within one year | 17 | (43,233) | (38,352) |
| Net current assets | | <u>813,637</u> | <u>719,618</u> |
| Total assets less current liabilities | | <u>815,552</u> | <u>719,618</u> |
| Total net assets | | <u><u>815,552</u></u> | <u><u>719,618</u></u> |
| Charity funds | | | |
| Restricted funds | 18 | 340,685 | 307,306 |
| Unrestricted funds | 18 | 474,867 | 412,312 |
| Total funds | | <u><u>815,552</u></u> | <u><u>719,618</u></u> |

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

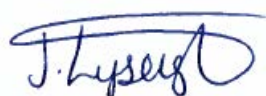
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

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

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

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



J Lyseight (Treasurer)

Date 27/10/2022

The notes on pages 34 to 55 form part of these financial statements

Statement of cashflows

for year ended 31 March 2022

| | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | 69,251 | 33,843 |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 1,697 | 2,282 |
| Purchase of tangible fixed assets | (2,155) | - |
| Net cash provided by investing activities | (485) | 2,282 |
| Cash flows from financing activities | | |
| Net cash provided by financing activities | - | - |
| Change in cash and cash equivalents in the year | 68,793 | 36,125 |
| Cash and cash equivalents at the beginning of the year | 734,278 | 698,153 |
| Cash and cash equivalents at the end of the year | 803,071 | 734,278 |

GOVERNMENT GRANTS RECEIVED

Included within cashflow from operating activities is £3,234 (2021: £15,627) from HMRC in relation to the Coronavirus Job Retention Scheme.

The notes on pages 34 to 55 form part of these financial statements

Notes to the financial statements

for year ended 31 March 2022

1. GENERAL INFORMATION

The charity is a private company limited by guarantee incorporated in England and Wales. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The registered office and principal place of business of the charity is:

Unit 386
Salisbury House
London Wall
London
EC2M 5SQ

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Spark Inside 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.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Whilst the continued and future impact of the COVID 19 pandemic has been assessed by the trustees, so far as is reasonably possible, due to its unprecedented impact on the worldwide economy it is difficult to evaluate with any certainty the potential outcomes on the charity's future activities. However, taking into consideration the charity's level of reserves, the trustees believe that the charity will be able to continue in operational existence for the foreseeable future.

2.3 Income

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

Notes to the financial statements

for year ended 31 March 2022

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure. During the year the company received assistance from the coronavirus job retention scheme.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the Bank.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £2,000 or more are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments.

Notes to the financial statements

for year ended 31 March 2022

Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

2.7 Tangible fixed assets and depreciation *continued*

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | |
|--------------------|-------------------------|
| Computer equipment | - 3 years straight line |
| CRM Software | - 3 years straight line |

2.8 Debtors

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

2.9 Cash at bank

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

2.10 Liabilities and provisions

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

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

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.11 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

2.13 Pensions

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

Notes to the financial statements

for year ended 31 March 2022

2.14 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

3. LIST OF GRANTS (LISTED IN ORDER OF DONATION DATE)

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|---------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| PHF Support | - | 4,636 | 4,636 |
| Highway One Trust | 10,000 | - | 10,000 |
| Leathersellers | 10,000 | - | 10,000 |
| Charities Trust - Prudential | 1,500 | 1,500 | 3,000 |
| Dawes Trust | 60,000 | - | 60,000 |
| City Bridge Trust | - | 6,875 | 6,875 |
| Paul Hamlyn Foundation | - | 140,000 | 140,000 |
| CHK Foundation | - | 20,000 | 20,000 |
| The Tolkien Trust | - | 25,000 | 25,000 |
| Aurum Charitable Trust | 30,000 | - | 30,000 |
| Barrow Cadbury | - | 28,000 | 28,000 |
| Groundworks | - | 47,000 | 47,000 |
| Treebeard Trust | 20,000 | - | 20,000 |
| Bernard Lewis Family Charitable Trust | 30,000 | - | 30,000 |
| Esmee Faribalm Foundation | 60,000 | - | 60,000 |
| Fidelity UK Foundation | - | 67,622 | 67,622 |
| The Listening Fund | - | 23,400 | 23,400 |
| Porticus Trust | - | 45,000 | 45,000 |
| Goldsmiths Company | 35,000 | - | 35,000 |
| Total 2022 | 256,500 | 409,533 | 666,033 |

Notes to the financial statements

for year ended 31 March 2022

3. LIST OF GRANTS (LISTED IN ORDER OF DONATION DATE) CONTINUED

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|---|------------------------------------|----------------------------------|-----------------------------|
| Paul Hamlyn Foundation | 20,000 | 125,364 | 145,364 |
| Esmee Fairbairn | 74,163 | - | 74,163 |
| City Bridge Trust | - | 28,125 | 28,125 |
| Henry Smith Charity | - | 50,000 | 50,000 |
| Bernard Lewis | 20,000 | 10,000 | 30,000 |
| Big Lottery Fund | - | 50,000 | 50,000 |
| AB Charitable Trust | 15,000 | - | 15,000 |
| Fat Beehive | - | 2,500 | 2,500 |
| Colyer Fergusson | - | 36,000 | 36,000 |
| St James Place | - | 79,169 | 79,169 |
| PWC | - | 10,000 | 10,000 |
| Thomas Siverwright Catto Charitable Trust | 1,000 | - | 1,000 |
| Barrow Cadbury Trust | - | 14,000 | 14,000 |
| Blagrove Trust | - | 23,000 | 23,000 |
| Dawes Trust | 60,000 | - | 60,000 |
| Charles Hayward Foundation | - | 1,667 | 1,667 |
| Leathersellers | 5,835 | - | 5,835 |
| Goldsmiths Company | 20,000 | - | 20,000 |
| Ghandi | - | 5,695 | 5,695 |
| Total 2021 | 215,998 | 435,520 | 651,518 |

Notes to the financial statements

for year ended 31 March 2022

4. INCOME FROM DONATIONS AND LEGACIES

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|
| Donations | 101,640 | 15,500 | 117,140 |
| Grants | 196,500 | 469,533 | 666,033 |
| Government grants | 3,234 | - | 3,234 |
| Total 2022 | 301,374 | 485,033 | 786,407 |
| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
| Donations | 102,842 | - | 102,842 |
| Grants | 215,998 | 435,520 | 651,518 |
| Government grants | 15,627 | - | 15,627 |
| Total 2021 | 334,467 | 435,520 | 769,987 |

5. INCOME FROM CHARITABLE ACTIVITIES

| | Restricted funds 2022 £ | Total funds 2022 £ |
|-----------------------|----------------------------------|-----------------------------|
| Charitable activities | 46,420 | 46,420 |
| | Restricted funds 2021 £ | Total funds 2021 £ |
| Charitable activities | 14,546 | 14,546 |

Notes to the financial statements

for year ended 31 March 2022

6. INVESTMENT INCOME

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------|------------------------------------|-----------------------------|
| Interest received | 1,697 | 1,697 |

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------|------------------------------------|-----------------------------|
| Interest received | 2,282 | 2,282 |

7. OTHER INCOMING RESOURCES

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|--------------|------------------------------------|-----------------------------|
| Other income | - | - |

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--------------|------------------------------------|-----------------------------|
| Other income | 21 | 21 |

Notes to the financial statements

for year ended 31 March 2022

8. EXPENDITURE ON RAISING FUNDS

Costs of raising voluntary income

| | Unrestricted funds 2022 | Restricted funds 2022 £ | Total funds 2022 £ |
|-----------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Costs of raising voluntary income | 27,084 | 3,000 | 30,084 |
| | | | |
| | Unrestricted funds 2021 £ | | Total funds 2021 £ |
| Costs of raising voluntary income | 28,500 | | 28,500 |

9. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-----------------------|------------------------------------|----------------------------------|-----------------------------|
| Charitable activities | 248,346 | 460,160 | 708,506 |
| | | | |
| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
| Charitable activities | 277,870 | 363,904 | 641,774 |

Notes to the financial statements

for year ended 31 March 2022

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ |
|-----------------------|---|-------------------------------|-----------------------------|
| Charitable activities | 618,283 | 90,223 | 708,506 |

| | Activities undertaken directly 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
|-----------------------|---|-------------------------------|-----------------------------|
| Charitable activities | 555,237 | 86,537 | 641,774 |

Analysis of direct costs

| | Charitable activities 2022 £ | Total funds 2022 £ |
|--------------------------|---------------------------------------|-----------------------------|
| Staff costs | 449,993 | 449,993 |
| Training and events | 5,173 | 5,173 |
| Coaching and programme | 66,467 | 66,467 |
| Evaluation | 10,816 | 10,816 |
| Marketing | 15,736 | 15,736 |
| Travel expenses | 108 | 108 |
| Rent and office costs | 23,481 | 23,481 |
| Sundry and subscriptions | 10,995 | 10,995 |
| User involvement costs | 1,419 | 1,419 |
| Subcontractor costs | 23,490 | 23,490 |
| Redundancy costs | 10,605 | 10,605 |
| | 618,283 | 618,283 |

Notes to the financial statements

for year ended 31 March 2022

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES CONTINUED

| | Charitable activities 2021 £ | Total funds 2021 £ |
|--------------------------|---------------------------------------|-----------------------------|
| Staff costs | 435,934 | 435,934 |
| Training and events | 4,862 | 4,862 |
| Coaching and programme | 36,814 | 36,814 |
| Evaluation | 7,477 | 7,477 |
| Marketing | 14,697 | 14,697 |
| Travel expenses | 28 | 28 |
| Rent and office costs | 12,344 | 12,344 |
| Sundry and subscriptions | 4,256 | 4,256 |
| Subcontractor costs | 25,002 | 25,002 |
| Redundancy costs | 13,823 | 13,823 |
| | <u>555,237</u> | <u>555,237</u> |

Analysis of support costs

| | Charitable activities 2022 £ | Total funds 2022 £ |
|------------------------|---------------------------------------|-----------------------------|
| Depreciation | 240 | 240 |
| Legal and professional | 34,664 | 34,664 |
| Recruitment | 24,676 | 24,676 |
| Computer costs | 19,882 | 19,882 |
| Insurance | 3,055 | 3,055 |
| Bank fees | 102 | 102 |
| Other staff costs | (39) | (39) |
| Licensing | 73 | 73 |
| Governance costs | 7,570 | 7,570 |
| | <u>90,223</u> | <u>90,223</u> |

Notes to the financial statements

for year ended 31 March 2022

10. ANALYSIS OF EXPENDITURE BY ACTIVITIES CONTINUED

Analysis of support costs (continued)

| | Charitable activities 2021 £ | Total funds 2021 £ |
|------------------------|---------------------------------------|-----------------------------|
| Depreciation | 3,934 | 3,934 |
| Legal and professional | 12,435 | 12,435 |
| Recruitment | 7,605 | 7,605 |
| Computer costs | 28,981 | 28,981 |
| Insurance | 3,152 | 3,152 |
| Bank fees | 82 | 82 |
| Other staff costs | 17,111 | 17,111 |
| Governance costs | 13,237 | 13,237 |
| | 86,537 | 86,537 |

11. AUDITORS' REMUNERATION

| | 2022 £ | 2021 £ |
|---|--------------|-----------|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | 6,480 | 6,120 |
| Fees payable to the Company's auditor in respect of: All non-audit services not included above | 1,920 | 997 |

12. STAFF COSTS

| | 2022 £ | 2021 £ |
|--|----------------|-----------|
| Wages and salaries | 392,090 | 378,008 |
| Social security costs | 38,652 | 37,393 |
| Contribution to defined contribution pension schemes | 19,251 | 20,533 |
| | 449,993 | 435,934 |

Notes to the financial statements

for year ended 31 March 2022

12. STAFF COSTS CONTINUED

| | 2022 No. | 2021 No. |
|-----------|-------------|-------------|
| Staff | 8 | 8 |
| Directors | 10 | 9 |
| | <u>18</u> | <u>17</u> |

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

| | | |
|-------------------------------|---|---|
| In the band £80,001 - £90,000 | 1 | 1 |
|-------------------------------|---|---|

The 1 employee disclosed above is a Director of the Company.

In 2022 Spark Inside consider their key management personnel to consist of:

Vicki Cardwell Chief Executive, Luke Carey, Head of Service Delivery, appointed 1 February 2022, Tom Currie, Head of Impact and Innovation, appointed 1 December 2021, Louise Potter, Head of Communications and Advocacy, appointed 7 March 2022, Julia Ross, Head of Finance and Operations appointed 1 Jan 2022, Nic Shoults, Head of Finance and Resources, resigned 1 September 2021, Karen Graham, Head of Programmes, resigned 31 December 2021, Indy Cross, Head of Communications, resigned 20 January 2022.

In 2021 Spark Inside consider their key management personnel to consist of:

Vicki Cardwell, Chief Executive; Ihona Hirving, Head of Programme Operations to May 2020; Indy Cross, Head of Communications; Nic Shoults, Head of Finance and Resources and acting head of programmes from May 2020 to January 2021; Karen Graham, Head of programmes from January 2021 onwards.

These 8 (2021: 5) key management personnel received total aggregate remuneration of £246,935 (2021: £256,054) made up of salaries of £212,022 (2021: £219,874), employers national insurance £24,312 (2021: £24,128) and employers pension contributions of £10,601 (2021: £12,052).

13. TRUSTEES' REMUNERATION AND EXPENSES

Directors' remuneration

| | 2022 No. | 2021 No. |
|---|---------------|---------------|
| Directors' emoluments | 78,390 | 78,000 |
| Company contributions to defined contribution pension schemes | 3,920 | 3,900 |
| | <u>82,310</u> | <u>81,900</u> |

During the year retirement benefits were accruing to 1 director (2021: 1) in respect of defined contribution pension schemes.

Notes to the financial statements

for year ended 31 March 2022

14. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL)

15. TANGIBLE FIXED ASSETS

| | Computer equipment £ | CRM software £ | Total £ |
|--------------------------|----------------------------|----------------------|------------|
| Cost or valuation | | | |
| At 1 April 2021 | 9,682 | 11,800 | 21,482 |
| Additions | 2,155 | - | 2,155 |
| At 31 March 2022 | 11,837 | 11,800 | 23,637 |
| Depreciation | | | |
| At 1 April 2021 | 9,682 | 11,800 | 21,482 |
| Charge for the year | 240 | - | 240 |
| At 31 March 2022 | 9,922 | 11,800 | 21,722 |
| Net book value | | | |
| At 31 March 2022 | 1,915 | - | 1,915 |
| At 31 March 2021 | - | - | - |

16. DEBTORS

| | 2022 £ | 2021 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 2,936 | - |
| Prepayments and accrued income | 50,863 | 23,692 |
| | 53,799 | 23,692 |

Notes to the financial statements

for year ended 31 March 2022

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|--|-------------------|-------------------|
| Trade creditors | 8,188 | 20,586 |
| Other taxation and social security | 12,662 | 11,782 |
| Other creditors | 2,519 | 5,355 |
| Accruals and deferred income | 19,864 | 72,222 |
| | 43,233 | 109,945 |
| | 2022 £ | 2021 £ |
| Deferred income at 1 April 2021 | 4,636 | 56,529 |
| Resources deferred during the year | - | 4,636 |
| Amounts released from previous periods | (4,636) | (56,529) |
| | - | 4,636 |

Deferred income arises from grants received in the financial year that also relate to subsequent financial years.

Notes to the financial statements

for year ended 31 March 2022

18. STATEMENT OF FUNDS

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|--------------------------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Project specific designated funds | 4,889 | - | - | - | 4,889 |
| Office move | 9,786 | - | (2,147) | - | 7,639 |
| IT upgrade | 5,085 | - | (200) | - | 4,885 |
| | <u>19,760</u> | <u>-</u> | <u>(2,347)</u> | <u>-</u> | <u>17,413</u> |
| General funds | | | | | |
| General Funds - all funds | <u>392,552</u> | <u>349,491</u> | <u>(273,083)</u> | <u>(11,506)</u> | <u>457,454</u> |
| Total Unrestricted funds | <u>412,312</u> | <u>349,491</u> | <u>(275,430)</u> | <u>(11,506)</u> | <u>474,867</u> |

Notes to the financial statements

for year ended 31 March 2022

18. STATEMENT OF FUNDS CONTINUED

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|-----------------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------------------|
| Restricted funds | | | | | |
| Bernard Lewis | 23,231 | - | (23,700) | 469 | - |
| Black Perspective | 35,983 | - | (10,934) | - | 25,049 |
| Groundworks | - | 47,500 | (27,977) | - | 19,523 |
| Big Give December | 53,945 | - | (1,137) | - | 52,808 |
| City Bridge Trust | 347 | 6,875 | (7,222) | - | - |
| Henry Smith | 43,469 | - | (43,469) | - | - |
| Hero's Journey™ | - | 1,500 | (1,500) | - | - |
| Listening Fund | 25,472 | 23,400 | (23,649) | - | 25,223 |
| Paul Hamlyn Foundation | 35,167 | 110,000 | (97,745) | - | 47,422 |
| St James's Place Foundation | 29,692 | - | (29,692) | - | - |
| PHF Expert Support | - | 34,636 | (43,687) | 9,051 | - |
| Porticus | - | 45,000 | (14,639) | - | 30,361 |
| Tolkien Trust | - | 25,000 | (12,288) | - | 12,712 |
| Barrow Cadbury | 14,000 | 28,000 | (27,685) | - | 14,315 |
| Colyer Fergusson | 36,000 | - | - | - | 36,000 |
| Champions for Children | - | 15,500 | - | - | 15,500 |
| CHK Foundation | - | 20,000 | (20,000) | - | - |
| PWC | 10,000 | - | (100) | - | 9,900 |
| Dawes Trust | - | 60,000 | (61,986) | 1,986 | - |
| Fidelity | - | 67,622 | (15,750) | - | 51,872 |
| | 307,306 | 485,033 | (463,160) | 11,506 | 340,685 |
| Total of funds | 719,618 | 834,524 | (738,590) | - | 815,552 |

Notes to the financial statements

for year ended 31 March 2022

18. STATEMENT OF FUNDS CONTINUED

Designated funds

Project specific designated funds - fund to ensure coaching in prisons was maintained for the financial year.

Office move - fund for office move.

IT upgrade - fund for IT upgrade.

Restricted funds

Bernard Lewis - a fund from The Bernard Lewis Family Charitable Trust towards developing the expansion of our programmes via a social licensing or partnership approach.

Black Perspective - a fund for development of a culturally-specific version of our Hero's Journey™ life coaching programme for Black and Minority Ethnic young men in prison.

Groundworks - a fund from the London Community Response Fund to fund our community coaching programmes working with young people in contact with Youth Offending Services or criminal justice charities in London.

Big Give - a restricted fund for the project 'The Conversation'.

City Bridge Trust - a fund to contribute to infrastructure costs of the charity and to contribute to the salary of the Chief Executive.

Henry Smith Charity - a fund to contribute to the running costs of the charity including salaries of the management team.

Hero's Journey™ - a fund (supported by multiple grant funders) for delivery of the Hero's Journey™ Life Coaching Programme in prisons.

Listening Fund - a fund from the Blagrove Trust's Listening Fund for development of mechanisms for listening to feedback and ideas from our participants.

Paul Hamlyn Foundation – a growth fund to support our strategic development and help fund our management team and an additional fund to support access to an Expert Support Package.

St James Foundation - a fund from the St James' Place Charitable Foundation to contribute to the salaries of Spark Inside's Service Delivery Managers.

PHF Expert Support - a fund to provide access to expert support and advice.

Porticus - a fund for the coaching of young people and staff based at HMPYOI ISIS.

Tolkien Trust – a fund from The Tolkien Trust to provide a life coaching programme for prison staff.

Barrow Cadbury – a three-year grant or our policy work to advocate for the wellbeing of young people in prison and to champion racial equity in the criminal justice system.

Colyer-Fergusson – a fund from Colyer Fergusson Charitable Trust for £36,000 per year for three years for work in HMP Cookham Wood.

Notes to the financial statements

for year ended 31 March 2022

18. STATEMENT OF FUNDS CONTINUED

Champions for Children - two donations received in the year. £3,000 will help fund our work with young people affected by Covid and £12,500 will help us deliver our life coaching programmes to young people.

CHK Foundation - a grant towards the costs of delivering Hero's Journey coaching programme for young people under 25 in custody.

PWC – this is to fund our Hero's Journey™ Black Perspective pilot.

Dawes Trust - a fund from The Dawes Trust supporting the delivery and evaluation of our Hero's Journey coaching programmes.

Fidelity – a fund from Fidelity UK Foundation to support our impact and innovation work, including funding the salary cost of Head of Impact and Innovation.

Statement of funds - prior year

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|-----------------------------------|---------------------------------|---------------|------------------|--------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Coaching prison officers | 12,000 | - | (12,000) | - | - |
| Office move | 11,000 | - | (1,214) | - | 9,786 |
| IT upgrade | 14,500 | - | (9,415) | - | 5,085 |
| Recruitment of Chair | 6,000 | - | (7,200) | 1,200 | - |
| Project specific designated funds | - | 60,000 | (60,000) | 4,889 | 4,889 |
| | <u>43,500</u> | <u>60,000</u> | <u>(89,829)</u> | <u>6,089</u> | <u>19,760</u> |

Notes to the financial statements

for year ended 31 March 2022

18. STATEMENT OF FUNDS CONTINUED

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|-------------------------|---------------------------------|-------------|------------------|--------------------------|-------------------------------------|
| Restricted funds | | | | | |
| Bernard Lewis | 42,925 | 10,000 | (34,481) | 4,787 | 23,231 |
| Black Perspective | 57,481 | - | (23,628) | 2,130 | 35,983 |
| Ghandi | 9,499 | 5,695 | (15,194) | - | - |
| Big Give December | 58,803 | - | (5,639) | 781 | 53,945 |
| City Bridge Trust | - | 28,125 | (27,778) | - | 347 |
| Henry Smith | 9,866 | 50,000 | (16,397) | - | 43,469 |
| Hero's Journey™ | 2,885 | 1,667 | (4,552) | - | - |
| Listening Fund | 2,472 | 23,000 | - | - | 25,472 |
| Paul Hamlyn Foundation | 30,000 | 125,364 | (120,718) | 521 | 35,167 |
| St James Foundation | - | 79,169 | (51,215) | 1,738 | 29,692 |
| Care UK Feltham | (181) | 9,546 | (9,365) | - | - |
| Care UK Scrubs | (6,728) | 5,000 | - | 1,728 | - |
| Big Lottery | - | 50,000 | (50,000) | - | - |
| Barrow Cadbury | - | 14,000 | - | - | 14,000 |
| Colyer Ferguson | - | 36,000 | - | - | 36,000 |
| Fat Beehive | - | 2,500 | (4,937) | 2,437 | - |
| PWC | - | 10,000 | - | - | 10,000 |
| | 207,022 | 450,066 | (363,904) | 14,122 | 307,306 |
| Total of funds | 603,056 | 786,836 | (670,274) | - | 719,618 |

Notes to the financial statements

for year ended 31 March 2022

19. SUMMARY OF CURRENT YEAR

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2022 £ |
|------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------------------|
| Designated funds | 19,760 | - | (2,347) | - | 17,413 |
| General funds | 392,552 | 349,491 | (273,083) | (11,506) | 457,454 |
| Restricted funds | 307,306 | 485,033 | (463,160) | 11,506 | 340,685 |
| | 719,618 | 834,524 | (738,590) | - | 815,552 |

Summary of funds - prior year

| | Balance at 1 April 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Balance at 31 March 2021 £ |
|------------------|---------------------------------|----------------|------------------|--------------------------|-------------------------------------|
| Designated funds | 43,500 | 60,000 | (89,829) | 6,089 | 19,760 |
| General funds | 352,534 | 276,770 | (216,541) | (20,211) | 392,552 |
| Restricted funds | 207,022 | 450,066 | (363,904) | 14,122 | 307,306 |
| | 603,056 | 786,836 | (670,274) | - | 719,618 |

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Analysis of net assets between funds - current year

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 1,915 | - | 1,915 |
| Current assets | 516,185 | 340,685 | 856,870 |
| Creditors due within one year | (43,233) | - | (43,233) |
| Total | 474,867 | 340,685 | 815,552 |
| Current assets | 438,309 | 319,661 | 757,970 |
| Creditors due within one year | (25,997) | (12,355) | (38,352) |
| Total | 412,312 | 307,306 | 719,618 |

Notes to the financial statements

for year ended 31 March 2022

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS CONTINUED

Analysis of net assets between funds - prior year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Current assets | 438,309 | 319,661 | 757,970 |
| Creditors due within one year | (25,997) | (12,355) | (38,352) |
| Total | 412,312 | 307,306 | 719,618 |

21 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 2022 £ | 2021 £ |
|--|-----------------|-----------|
| Net income for the year (as per Statement of Financial Activities) | 95,934 | 116,562 |
| Adjustments for: | | |
| Depreciation charges | 240 | 3,934 |
| Dividends, interests and rents from investments | (1,697) | (2,282) |
| (Increase) in debtors | (30,107) | (12,778) |
| Increase/(decrease) in creditors | 4,881 | (71,593) |
| Net cash provided by operating activities | 69,251 | 33,843 |

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

| | 2022 £ | 2021 £ |
|--|----------------|-----------|
| Cash at bank | 803,071 | 734,278 |
| Total cash and cash equivalents | 803,071 | 734,278 |

Notes to the financial statements

for year ended 31 March 2022

23. ANALYSIS OF CHANGES IN NET DEBT

| | At 1 April 2021 | Cash flows | At 31 March 2022 |
|--------------|--------------------|---------------|---------------------|
| | £ | £ | £ |
| Cash at bank | 734,278 | 68,793 | 803,071 |
| | <u>734,278</u> | <u>68,793</u> | <u>803,071</u> |

24. PENSION COMMITMENTS

The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £19,251 (2021: £20,533). At the balance sheet date there were contributions of £2,519. due to the fund (2021: £2,715).

25. OPERATING LEASE COMMITMENTS

At 31 March 2022 the Company had commitments to make future minimum lease payments under non- cancellable operating leases as follows:

| | 2022 £ | 2021 £ |
|-----------------------|---------------|-----------|
| Not later than 1 year | <u>11,710</u> | <u>-</u> |

26. CONTROLLING PARTY

The trustees who are also directors control the charity



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To find out more about Spark Inside and the work we do, please visit our website or contact us below.

www.sparkinside.org | team@sparkinside.org | 020 3468 0706

Unit 386, Salisbury House, London Wall, London, EC2M 5SQ | Registered charity no. 1148420