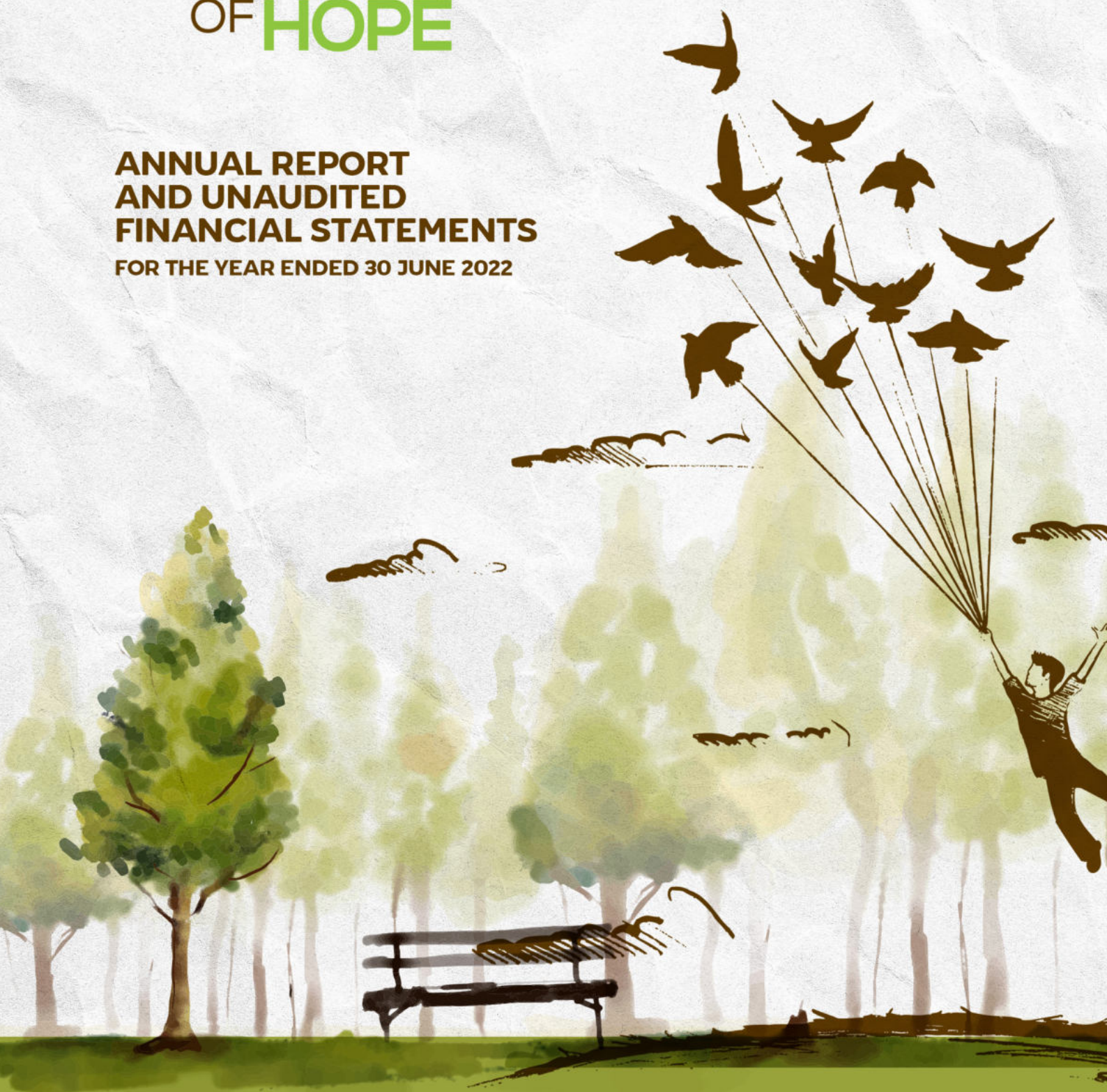




SPARKS OF HOPE

**ANNUAL REPORT
AND UNAUDITED
FINANCIAL STATEMENTS**
FOR THE YEAR ENDED 30 JUNE 2022



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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr. M Gluck

Mr. B Muller

Mr. M Damen (Appointed 26 April 2023)

Charity number

1160997

Principal address

2a Northfield Road

London

N16 5RN

Independent examiner

Berish Hoffman FCA

Landau Morley LLP

325-327 Oldfield Lane North

Middlesex

UB6 0FX



TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

The trustees present their annual report and financial statements for the year ended 30 June 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Background

Sparks of Hope was originally the brainchild of a group of successful business acquaintances, who observed the devastating effects on family life that unfortunately result from deprivation and poverty. Being also resident in one of the most deprived areas of London, they were in a position to scrutinize at close quarters the results of the prevalent unemployment and the failure of individuals without training or qualifications to find suitable work to support themselves and their families. Sparks of Hope was initiated eight years ago by these likeminded persons to endeavour to alleviate the problems that are inevitably the result of this inability to self-support.

Objectives and activities

The Charity is primarily concerned with the prevention and relief of poverty or financial hardship of individuals residing in North London by the provision to educate or train and by giving all the necessary support to families and individuals who are in deprivation due to their financial and economic circumstances, who are unable to generate a sustainable income and to enable them to become self-sufficient.

In recent years, BAME communities in North London have been disproportionately affected by Covid pandemic due to the close-knit nature of their lifestyles, there was increased anxiety, fear and misinformation about health. There are continued cultural expectations that couples will have large families early in relationships, however the pandemic and issues around finance cause familial tension, pressure and stress.

As referred to above, our principal aim is to relieve poverty and hardship wherever it appears. The Charity is active, therefore in:

- Assisting newlyweds with their initial expenses, to help them with the preliminary stages of setting up a new home, so they might settle down in a pleasant atmosphere, unimpeded by the burden of debt.
- Providing advice by suitably qualified people to achieve gainful employment either by helping them in setting up in business or guiding them to the most suitable employment.
- Counselling and encouraging the teaching and learning of skills and professions such as IT, book keeping, accounting and web knowledge, in order to achieve gainful employment and self-sufficiency.
- Where the need unfortunately arises, for the emotionally disturbed or distressed to have reasonably easy access to the services/therapy required.

The Trustees confirm their compliance with the duty to have due regard to the Public Benefit guidance published by the Charity Commission when reviewing the Charity's aims and objectives in planning future activities.

TRUSTEES' REPORT

(CONTINUED)

Our Vision

To assist to create a society where every individual family is a stable self-supporting unit, able to cope but, where the need arises has immediate access to culturally appropriate assistance and services.

Achievements and performance

The trustees have continued with the approach of managing the daily operations of the charity with a working group. Their responsibilities involve assessing all applications for assistance and networking with specialist agencies who can support some of the enquiries received. Furthermore, they are responsible for the appointment of Therapists that would support families in need. The working group are trained in Safeguarding, Health and Safety, GDPR and ensure that all volunteers, therapists and staff have up to date DBS checks.

The trustees have established a “strategy forum” between key community organisations and senior volunteers of the community, the forum meet regularly to raise the profile of issues, solutions, and ways of encouraging people to seek help and de-mystifying processes.

The trustees also focused this year on enhancing voluntary advisors to give of their services for people in need on a voluntary basis. These sessions took place in the charity's premises and helped reduce the charity's costs considerably.

During the period the charity has provided the following in line with its objectives: The charity provided grants to registered charities and to individuals.

The charity provided grants to registered charities and to individuals.

We launched a new telephone helpline which simplifies the process of accessing information about appropriate mental and qualified emotional health service providers.

Our Employment programme has enabled 23 adults to find paid employment, giving them and their families financial stability and confidence.

We Worked with 65 teenagers to support them through their emotional turbulence and give them tools to communicate their feelings, encouraging a positive relationship with their family, teachers and peers.

An average grant was £172 supporting 18 married new couples with a grant to enable them to commence on a healthy footing.

The expansion of our Strengthening Families Programme which resulted in 72 couples being supported. This allowed for couples to engage with therapists and attend parental workshops. This was a concrete source in time of need.

The Trustees would like to thank the working group for giving their time to consolidate the work of Sparks of Hope. We salute the Strengthen Family Programme that is offering parents, the resilience needed to manage and bounce back from all types of challenges that emerge from daily life.

TRUSTEES' REPORT

(CONTINUED)

Plans for future periods

For the next year The Trustees plan to maintain the current programmes and continue to focus on our Strengthen Families Programme. The Trustees would like to expand their parental workshops and ensure that there are positive programmes supporting teenagers and children. We are not looking to duplicate services and will ensure to network and use existing cultural appropriate services.

We plan more projects to build strong relationships across communities. We aim to reduce social isolation, loneliness and depression for many young couples, helping them on their own cultural terms, to find awareness of help that is available to them.

The Trustees would like to thank our funders who believe in our aspirations and have committed their funds to Sparks of Hope to carry out their objectives

Financial review

Details of the financial performance and position of the charity can be found on pages 5 and 6.

At the year end, the Charity had a bank balance of £36,736 and held free reserves of £39,030. The charity's reserves policy is to hold reserves of at least 3 months' expenditure.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity was incorporated as a Charitable Incorporated Organisation (CIO) on 20 March 2015 and is governed by a Foundation document dated 20 March 2015.

The power to appoint new Trustees is vested in the present Trustees, who seek to appoint such individuals who can call on their specialist skills and competences, to assist the charity to meet its ends. They will be introduced to the workings of the charity by the existing trustees, and will of course be encouraged to study the various appropriate publications on trustees published by The Charity Commission.

The Trustees have regular quarterly meetings, to which certain competent individuals in the community are invited, who are also engaged in various aspects of community welfare, and who are consulted on the different cases that might arise, for their advice and opinion.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr. M Gluck

Mr. B Muller

Mr. Y Gluck (Resigned 26 April 2023)

Mr. M Damen (Appointed 26 April 2023)

The trustees' report was approved by the Board of Trustees.

Mr. M Damen

Trustee

Dated: 28/04/2023

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SPARKS OF HOPE

I report to the trustees on my examination of the financial statements of Sparks of Hope (the charity) for the year ended 30 June 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Berish Hoffman FCA

Landau Morley LLP

325-327 Oldfield Lane North

Middlesex

UB6 0FX

Dated: 28 April 2023

SPARKS OF HOPE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	3	99,273	78,993
Other income	4	7,794	-
Total income		107,067	78,993
<u>Expenditure on:</u>			
Charitable activities	5	76,072	82,314
Net income/(expenditure) for the year/ Net movement in funds		30,995	(3,321)
Fund balances at 1 July 2021		8,907	12,228
Fund balances at 30 June 2022		39,902	8,907

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

All income and expenditure derive from continuing activities.

SPARKS OF HOPE

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		872		1,163
Current assets					
Debtors	11	7,334		5,000	
Cash at bank and in hand		36,736		9,812	
		44,070		14,812	
Creditors: amounts falling due within one year	12	(5,040)		(7,068)	
Net current assets			39,030		7,744
Total assets less current liabilities			39,902		8,907
Income funds					
Unrestricted funds			39,902		8,907
			39,902		8,907

The financial statements were approved by the Trustees on 28/04/2023

Mr. M Damen
Trustee

SPARKS OF HOPE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Charity information

Sparks of Hope is a registered charity in England and Wales and is registered as a charitable incorporated organisation (CIO). The address of the principal office is 2a Nordfield Road, London, N16 5RN

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 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.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

SPARKS OF HOPE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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.

Basic financial liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

SPARKS OF HOPE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	89,273	78,993
Other grants	10,000	-
	<u>99,273</u>	<u>78,993</u>

4 Other income

	Unrestricted funds	Total
	2022	2021
	£	£
Other income	<u>7,794</u>	<u>-</u>

SPARKS OF HOPE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

5 Charitable activities

	2022 £	2021 £
Therapy costs	14,351	6,030
Marriage courses	1,036	-
	<u>15,387</u>	<u>6,030</u>
Grant funding of activities (see note 6)	23,266	53,636
Share of support costs (see note 7)	35,019	20,638
Share of governance costs (see note 7)	2,400	2,010
	<u>76,072</u>	<u>82,314</u>

6 Grants payable

	2022 £	2021 £
Revach Vehazola Trust	2,000	-
Friends of Yeshiva Luzern	2,200	-
Yad Vochessed Association Limited	-	3,600
Shir Chesed Beis Yisroel	-	3,600
Keren Hatzolas Doros Alei Siach	-	3,600
Beis Aharon Trust Ltd	-	3,600
Live and Learn	-	3,600
Keren Chocmas Shloma Trust	-	3,600
Inspirations	-	3,600
Friend of Yeshiva Daas Sholem Shotz	-	3,600
Care All Limited	-	3,600
Zlotchiv	-	3,600
Besi Aharon TT Activity Center	-	2,000
Other < £2,000	16,856	5,430
Grants to individuals	<u>2,210</u>	<u>4,304</u>
	<u>23,266</u>	<u>53,636</u>

Institutional grants are made to institutions which share the same objectives and ethos as the Charity and include educational grants and grants to provide financial assistance to families.

Grants to individuals consist of grants made to needy families.

SPARKS OF HOPE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	21,491	-	21,491	9,450	-	9,450
Depreciation	291	-	291	388	-	388
Insurance	710	-	710	-	-	-
Bank charges	225	-	225	189	-	189
Accountancy fees	279	2,400	2,679	307	2,010	2,317
Consultancy fees	1,250	-	1,250	-	-	-
General expenses	893	-	893	1,289	-	1,289
Office costs	3,295	-	3,295	2,515	-	2,515
Rent	6,000	-	6,000	6,500	-	6,500
Advertising	585	-	585	-	-	-
	<u>35,019</u>	<u>2,400</u>	<u>37,419</u>	<u>20,638</u>	<u>2,010</u>	<u>22,648</u>
Analysed between						
Charitable activities	<u>35,019</u>	<u>2,400</u>	<u>37,419</u>	<u>20,638</u>	<u>2,010</u>	<u>22,648</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration, reimbursement of expenses or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>3</u>	<u>2</u>
Employment costs	2022 £	2021 £
Wages and salaries	<u>21,491</u>	<u>9,450</u>

There were no employees whose annual remuneration was more than £60,000.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

10 Tangible fixed assets

	Office equipment £
Cost	
At 1 July 2021	6,534
At 30 June 2022	6,534
Depreciation and impairment	
At 1 July 2021	5,371
Depreciation charged in the year	291
At 30 June 2022	5,662
Carrying amount	
At 30 June 2022	872
At 30 June 2021	1,163

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors	7,334	5,000

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	3,000	3,258
Accruals and deferred income	2,040	3,810
	5,040	7,068

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fund balances at 30 June 2022 are represented by:		
Tangible assets	872	1,163
Current assets/(liabilities)	39,030	7,744
	39,902	8,907

SPARKS OF HOPE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 30 JUNE 2022***

14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

SPARKS
OF HOPE

