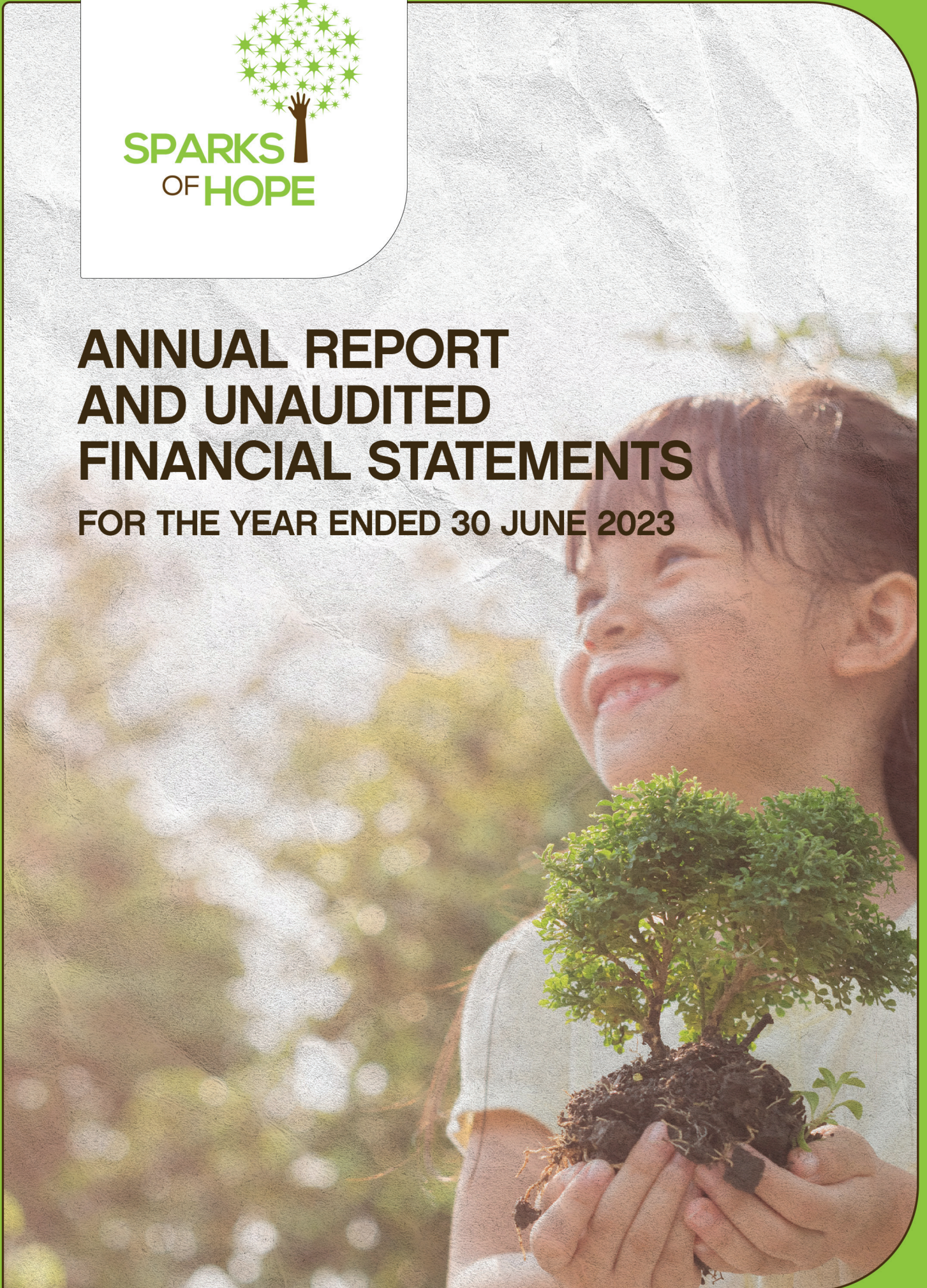




ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023



CONTENTS

	Page
Trustees' report	4 - 6
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10-17

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



SPARKS OF HOPE

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The trustees present their annual report and financial statements for the year ended 30 June 2023.

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 dedicated to preventing and alleviating poverty or financial hardship among individuals. Our focus is on providing education, training, and comprehensive support to families and individuals experiencing deprivation due to their financial and economic circumstances, with the aim of enabling them to achieve self-sufficiency.

In recent years, BAME communities have faced unique challenges related to familial expectations and financial pressures. Our efforts are directed towards addressing these challenges and providing assistance where it is most needed.

As referenced above, our primary objective is to alleviate poverty and hardship wherever it is present. The Charity is actively engaged in;

- ❑ Providing parenting sessions to support the well-being of children, ensuring that parents have the necessary tools and knowledge to nurture healthy and supportive relationships within their families.
- ❑ Supporting newly married couples with their initial expenses, aiming to aid them in establishing a new home and creating a welcoming environment free from the burden of financial strain, thus allowing them to start their life together on solid financial footing.
- ❑ Offering guidance from qualified professionals to facilitate gainful employment, whether through assistance in establishing a business or by directing individuals to the most suitable employment opportunities.
- ❑ Furnishing counselling and support to encourage the teaching and learning of valuable skills and professions, such as IT, bookkeeping, accounting, and web knowledge, with the aim of facilitating gainful employment and promoting self-sufficiency.
- ❑ Supporting teenagers amidst family challenges like cancer, offering tailored assistance and resources to alleviate emotional and practical burdens, fostering resilience and empowerment in difficult circumstances
- ❑ In cases where individuals are emotionally disturbed or distressed, it is crucial for them to have readily accessible services and therapy available to address their needs effectively and promptly.

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 contribute to the creation of a society where every family is a resilient, self-sustaining unit, capable of navigating life's challenges independently. At the same time, we aim to ensure that culturally appropriate assistance and services are readily available whenever the need arises.

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 continued their collaboration with the 'strategy forum' established last year, comprising key community organizations and senior volunteers or leaders within the community. The forum, which has proven highly successful in the past year, continues to convene regularly to elevate awareness of pertinent issues, discuss solutions, and promote avenues for seeking assistance while demystifying processes.

During the period the charity has provided the following in line with its objectives:

- The trustees and the working group have placed a special emphasis this year on facilitating weekly support groups focused on parenting and emotional well-being. These support groups provide a safe and nurturing environment for up to 12 participants to come together and openly discuss challenges related to parenting, as well as strategies for promoting emotional well-being within their families. By fostering open dialogue and peer support, these groups aim to empower parents with the knowledge and tools needed to navigate the complexities of family life and nurture positive relationships with their children.
- We have recently initiated a program of weekly Zoom meetings with three groups totaling 27 participants. These meetings are designed to empower individuals with skills and knowledge in financial budgeting and entrepreneurship. Through these virtual courses, participants have the opportunity to learn effective financial management strategies and exchange ideas for starting their own businesses. By fostering a collaborative learning environment, our aim is to equip individuals with the necessary tools and resources to attain financial independence and pursue their entrepreneurial goals.
- We have collaborated with 32 teenagers to provide support during challenging emotional periods, equipping them with essential tools for effective communication of their feelings. Our focus extends beyond individual support; we strive to cultivate positive relationships with their families, teachers, and peers. Additionally, if required, we proactively seek professional support to ensure comprehensive assistance tailored to their needs.
- Our Employment program has successfully facilitated 15 adults in securing paid employment, thereby providing them and their families with not only financial stability but also a renewed sense of confidence. In addition to helping individuals find employment opportunities, we are committed to gathering feedback from program participants about their experiences throughout the process. By actively seeking their input and insights, we aim to gain valuable knowledge that will inform and improve our approach for future iterations of the program.
- An average grant of £165 was provided to support 25 newly married couples, enabling them to start their journey together on a solid foundation of financial stability and emotional well-being.
- The expansion of our Strengthening Families Programme has resulted in 52 couples receiving support, enabling them to engage with therapists and participate in parental workshops. This initiative has provided a vital source of assistance during times of need, offering couples valuable resources and guidance to navigate challenges and strengthen their relationships.
- The charity provided grants to registered charities and to individuals.

The Trustees extend their heartfelt gratitude to the dedicated members of the working group for their invaluable contributions in advancing the mission of Sparks of Hope. We commend the Strengthen the Family Programme for equipping parents with the resilience necessary to navigate and overcome the myriad challenges that arise in daily life.

TRUSTEES' REPORT

(CONTINUED)

Plans for future periods

In the upcoming year, the Trustees plan to maintain the current programs while shifting focus towards collaborating with educators to raise awareness of emotional well-being and equip them with strategies for effectively addressing challenges. Additionally, we aim to expand parental workshops and ensure the development of positive programs supporting teenagers and children. Our approach will prioritize avoiding duplication of services by leveraging existing culturally appropriate resources and networks.

Furthermore, we intend to initiate projects aimed at fostering strong relationships across communities, with the goal of reducing social isolation, loneliness, and depression among young couples. These initiatives will be tailored to meet cultural needs and increase awareness of available support services.

The Trustees express their sincere gratitude to our funders who share our vision and have generously committed their support to Sparks of Hope, enabling us to fulfill our objectives.

Financial review

Details of the financial performance and position of the charity can be found on pages 8 and 9.

At the year end, the Charity had a bank balance of £15,210 (2022: £36,736) and held free reserves of £16,322 (2022: £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: 26/04/2024

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 2023.

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.

1. 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:
2. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
3. the financial statements do not accord with those records; or
4. 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 2024

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income and endowments from:			
Donations and legacies	3	63,657	99,273
Other income	4	5,290	7,794
Total income		68,947	107,067
Charitable activities	5	91,873	76,072
Net income/(expenditure) and movement in funds		(22,926)	30,995
Reconciliation of funds:			
Fund balances at 1 July 2022		39,902	8,907
Fund balances at 30 June 2023		16,976	39,902

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Draft Financial Statements
SPARKS OF HOPE

BALANCE SHEET
AS AT 30 JUNE 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		654		872
Current assets					
Debtors	11	6,152		7,334	
Cash at bank and in hand		15,210		36,736	
		21,362		44,070	
Creditors: amounts falling due within one year	12	5,040		5,040	
Net current assets			16,322		39,030
Total assets less current liabilities			16,976		39,902
The funds of the charity					
Unrestricted funds			16,976		39,902
			16,976		39,902

The financial statements were approved by the trustees on 26/04/2024

.....
Mr. M Damen
Trustee

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

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
------------------	----------------------

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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

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 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	63,657	89,273
Other grants	-	10,000
	<u>63,657</u>	<u>99,273</u>

4 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	<u>5,290</u>	<u>7,794</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

5 Expenditure on charitable activities

	2023	2022
	£	£
Direct costs		
Therapy costs	13,080	14,351
Marriage courses	6,521	1,036
	<u>19,601</u>	<u>15,387</u>
Grant funding of activities (see note 6)	32,849	23,266
Share of support and governance costs (see note 7)		
Support	37,383	35,019
Governance	2,040	2,400
	<u>91,873</u>	<u>76,072</u>
Analysis by fund		
Unrestricted funds	<u>91,873</u>	<u>76,072</u>

6 Grants payable

	2023	2022
	£	£
Grants to institutions:		
Revach Vehazola Trust	-	2,000
Friends of Yeshiva Luzern	-	2,500
Chevrass Mooz Ladol	2,000	-
Friends Of Beis Chinuch Lebonos	3,600	-
Friends Of Beis Soroh Schneirer	3,600	-
Jtag Limited	4,000	-
Merkos Hatora Belz	3,600	-
Mifal Hachessed Vehatzedokoh	3,600	-
One Heart Lev echod	3,600	-
YHS School Donation Group	2,000	-
Other < £2,000	6,554	16,856
	<u>32,554</u>	<u>21,356</u>
Grants to individuals	295	2,210
	<u>32,849</u>	<u>23,566</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.

-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	25,914	-	25,914	21,491	-	21,491
Depreciation	218	-	218	291	-	291
Insurance	354	-	354	710	-	710
Bank charges	165	-	165	225	-	225
Accountancy fees	286	2,040	2,326	279	2,400	2,679
Consultancy fees	-	-	-	1,250	-	1,250
General expenses	1,228	-	1,228	893	-	893
Office costs	2,718	-	2,718	3,295	-	3,295
Rent	6,500	-	6,500	6,000	-	6,000
Advertising	-	-	-	585	-	585
	<u>37,383</u>	<u>2,040</u>	<u>39,423</u>	<u>35,019</u>	<u>2,400</u>	<u>37,419</u>
Analysed between Charitable activities	<u>37,383</u>	<u>2,040</u>	<u>39,423</u>	<u>35,019</u>	<u>2,400</u>	<u>37,419</u>

8 Trustees

During the period a trustee was paid £8,095 (2022: £nil) as an employee of the charity (not for trustee services).

9 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	<u>4</u>	<u>3</u>
Employment costs	2023 £	2022 £
Wages and salaries	<u>25,914</u>	<u>21,491</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

10 Tangible fixed assets

	Office equipment £
Cost	
At 1 July 2022	6,534
At 30 June 2023	6,534
Depreciation and impairment	
At 1 July 2022	5,662
Depreciation charged in the year	218
At 30 June 2023	5,880
Carrying amount	
At 30 June 2023	654
At 30 June 2022	872

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	6,152	7,334

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	3,000	3,000
Accruals and deferred income	2,040	2,040
	5,040	5,040

13 Unrestricted funds

	At 1 July 2022 £	Incoming resources £	Resources expended £	At 30 June 2023 £
General funds	39,902	68,947	(91,873)	16,976
Previous year:				
	At 1 July 2021 £	Incoming resources £	Resources expended £	At 30 June 2022 £
General funds	8,907	107,067	(76,072)	39,902

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2023

14 Analysis of net assets between funds

	Unrestricted funds 2023 £
Fund balances at 30 June 2023 are represented by:	
Tangible assets	654
Current assets/(liabilities)	16,322
	<u>16,976</u>
	<u><u>16,976</u></u>
	Unrestricted funds 2022 £
Fund balances at 30 June 2022 are represented by:	
Tangible assets	872
Current assets/(liabilities)	39,030
	<u>39,902</u>
	<u><u>39,902</u></u>

15 Related party transactions

During the year a donation totalling £1,500 was received from a brother of a Trustee.



Every Spark Lights the Path to Change

