

**SPARK**  
**INSIDE**  
COACHING IN PRISONS

# Annual Report & Accounts 2018-19



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*\*Revised in May 2019 from 'A world without crime and without prisons'  
- see page 6*



**WE ARE PROUD OF OUR AMBITIOUS VISION**

*\*A world without prisons.*



## **OUR MISSION**

*We run coaching programmes in prisons that encourage rehabilitation and reduce reoffending. We help make transformational changes in prisons and unlock the potential of people in prison to ultimately lead fulfilling lives.*

## A Message from our Chair of Trustees, Roma Hooper

We know that many people in prison want to choose a different path. Our coaching programmes unlock the potential of people who live and work in prison – or their ‘spark inside’ – to lead fulfilling lives.

The past twelve months have been incredible for Spark Inside. Our amazing team achieved one of the biggest milestones in the charity’s history to date – coaching 1,000 people living and working in prison – and they did it against the odds. It remains a challenging environment to work in and it speaks volumes about our staff that we’re continuing to do such a phenomenal job, by being flexible, positive and resilient.

We couldn’t deliver our work without the valued support from a wide range of funders – thank you to all the individuals, companies and grant funding organisations that have supported us this year. I would also like to add a personal thanks to our Founder & CEO, Baillie; our Board of Trustees; Board Fellows; Senior Management Team and all staff.

The year 2020 will be the start of an exciting new era for Spark Inside. Sometimes founders of charities leave when things aren’t going so well but Baillie has decided to do the complete opposite. Spark Inside has never been stronger, so after eight years at the helm, Baillie has decided to step down. Whilst we will be sad to see her go, Baillie is leaving a very special legacy. We are profoundly grateful to Baillie for involving us all in her extraordinary journey.



## A Message from our Founder & CEO, Baillie Aaron

I’m filled with pride by the positive impact that Spark Inside, as a young organisation, has had on the lives of people who live and work in prison – and the growing role we are playing as an influential voice for change in the criminal justice sector.

Across prisons in London and the South East, we have seen the power of coaching. Our life coaching programme, Hero’s Journey™, demonstrates that young people in prison can significantly transform their futures and improve their wellbeing. Our systems coaching programme, The Conversation, has shown us how people living and working together in prison can change the often violent and fraught environments.

We couldn’t have made it this far without the championship of prison staff and Governors, the support of funding partners, and our amazing team of dedicated and tenacious coaches, staff and Trustees who go above and beyond to ensure we’re achieving our intended impact. Thank you to everyone who has supported me to make Spark Inside the very special organisation it is.

As we enter into the next chapter of our existence, I’ve made the decision to step down as CEO. My departure in early 2020 will create space for a new leader to continue the growth of this amazing charity. I’m excited for the opportunities that await us this year and beyond!





# Trustees' Report

## TRUSTEES' REPORT - INCORPORATING THE DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The Trustees, who are also directors for the purpose of company law, present their annual report together with the financial statements of the company for the 1 April 2018 to 31 March 2019. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the 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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## POLICIES AND OBJECTIVES

The Trustees regularly review the aims, objectives and activities of the charity. This Report shows what the charity has achieved and the outcomes of its work within the last twelve months, including the success of each key activity and the benefits the charity has brought to the groups of people that it is set up to help.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.



## CHARITABLE OBJECTIVES AND WHAT WE DO

Coaching has a proven track record as a transformational tool in sports, education and business – we are pioneering coaching as a solution to many problems happening within our prisons.

Spark Inside runs coaching programmes in prisons across London and the South East, to encourage rehabilitation and contribute towards a reduction in reoffending. We are one of the first organisations to take life coaching to 15-to-25-year-old boys and men in prison and to use systems coaching to bring together officers/staff and prisoners in UK prisons. Our expert coaches are qualified and trained professionals.

**Hero's Journey™** is our award-winning structured life coaching programme for young men in prison and 'through-the-gates' into the community, that encourages them to change their lives and create a crime-free future.

**The Conversation** is our award-winning systems coaching programme that brings together large groups of prison staff and prisoners in a facilitated group coaching process to enhance their relationships, improve empathy, and support sustained, positive cultural change on prison wings.

In addition to developing and delivering innovative coaching programmes, we are also committed to working with parliamentarians and government officials, thinktanks and other organisations to influence criminal justice policy, and improve how society collectively understands prisons.

# Our achievements and performance during 2018-19

## STRATEGIC DIRECTION

Our strategic direction is driven by our Mission and Vision.

Although it is beyond the period of this report, we feel it is important to highlight that our Vision statement was amended in May 2019. At Spark Inside we envision a world where people live safe, harm-free lives and are able to contribute to their communities. Around the globe, countries are reconsidering whether their current approaches to prison and punishment are working. We believe alternatives to prison will make society a safer place for all, so our Vision statement was revised from 'A world without crime and without prisons' to 'A world without prisons'. There are pockets of best practice in countries such as Brazil, Scotland and the US – this inspires us to believe that a radically different approach to criminal justice can be achieved, alongside a reduction in violence and crime.

We are one year into Spark Inside's three-year Business Plan, which outlines our five strategic aims:

- **Innovation** – create and pilot new programmes using coaching in prison
- **Reach** – reach people in prison using coaching interventions, changing lives and achieving proof of impact
- **Replication** – expand beyond our own delivery by inspiring and enabling others to deliver our proven coaching programmes
- **Influence** – influence others to recognise and value coaching approaches in prisons
- **Sustainability** – be a strong, motivated and sustainable organisation

## CHALLENGES

Looking back at last year's report, very little changed in 2018/19 with respect to the dire situation in prisons - if anything, it is worse with new record highs for violence, self-harm and suicide. Understaffing in prisons, ever-changing prison policy and worsening prison conditions are still very real problems. Delivering our coaching programmes within this context requires tremendous management and resilience.

Data collection in the prison environment remains challenging. We have made progress in obtaining data on violent adjudications in prisons, but the data are neither straightforward to interpret nor entirely accurate. We look forward to being able to obtain our reoffending rate by the end of 2019/2020 via the Ministry of Justice's 'Justice Data Labs' team but to have a good chance at a statistically significant result, we will need to further increase our sample of participants.

The outlook for 2019/20 remains challenging, in large part due to a delay in prisons being able to commission our programmes due to the introduction of a new prison education contracting system starting from April 2019.

However, despite these challenges, we continue to achieve our mission and strategic plan by ensuring our Values (*Spark, Heart, Impact, Learning, Stickability and Innovation*) permeate through everything we do.

# Key highlights this year

- Our two coaching programmes reached 436 (previous year 194) people living and working in prisons in London and the South-East.
- We reached the milestone of having worked with over 1,000 prisoners and prison staff since we were founded in 2012.
- The highest percentage of young people in the history of Spark Inside accessed one-to-one coaching.
- We began the process of researching what an in-prison advisory function could look like, to support us to even better co-design programmes and communicate the voice of our participants and stakeholders in prison.
- We started to create a manual for our Hero's Journey™ programme in order to deliver a pilot licensing scheme with at least one partner late next year to further our impact across the UK.
- Our first ever media campaign in January 2019 was highly successful, with two rare pieces of high profile national coverage on BBC Radio 5 Live and BBC Radio London.
- We recruited outstanding new Trustees and Board Fellows who met our skills gaps and shared our values to join our Board next year.

# HERO'S JOURNEY

## LIFE COACHING PROGRAMME

Our innovative and award winning Hero's Journey™ programme for 15-to-25-year-old boys and men 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 upon 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 mental wellbeing and future outlook.

During the year we were thrilled to raise over £47,000 from The Big Give Christmas Challenge 2018 to contribute towards the development of a specialist version of our Hero's Journey™ focusing on Black and dual heritage participants. Next year, we aim to secure the remaining funds needed to create and pilot this project.

### Message from a young person

*"I've got two years till I get out but I know things won't be the same next time. Because now, thanks to Spark Inside, I know what I really want out of life... doing the Hero's Journey workshop helped me put my life in perspective... no punishment can stop you from committing crime if you don't want to stop. You need an understanding of what you can gain from not doing it... Up on the walls of my cell I've got tools and techniques I've learnt through Spark Inside and they keep me focused on the future I really want. This time around I know I am ready."*

Hero's Journey™ participant

## Highlights for 2018-19 Hero's Journey™

**Our key achievements this year include (figures for 2017-18 are in brackets):**

- Delivered 36 (13) Hero's Journey™ programmes in four establishments: HMP Belmarsh, HMP Wormwood Scrubs, HMP Wandsworth and HMP YOI Isis (two programmes here focused on young people with lived experience of the care system). Our target of 40 programmes was narrowly missed as a result of procedural issues with a fifth prison.
- 217 (50) young men attended 87 (32) Hero's Journey™ workshops.
- The highest percentage of young people in the history of Spark Inside accessed one-to-one coaching. The take-up of these sessions exceeded expectations with 433 (124) coaching sessions delivered versus a target of 384.
- Our two Service Delivery Managers continued to very effectively manage the challenging logistics of delivering coaching workshops and sessions in prisons; building relationships with prison staff; and managing our pool of expert coaches. They also successfully engaged with participants and promoted the programmes in the prisons to ensure a good level of self-referrals.
- Our skilled coaches delivered the Hero's Journey™ programme throughout the year – we are so grateful for their commitment and flexibility in delivering coaching within such demanding environments. To meet our increasing delivery, in early 2019 we started the recruitment process for additional coaches, including an intensive period of interviews, assessment and training. Induction of the selected applicants will take place early in the next financial year.



A safe and decent prison environment provides the foundation for people in prison to turn their lives around, making them less likely to reoffend.

Our award-winning The Conversation coaching programme focuses on creating systemic change in prison by promoting positive interactions between prisoners and prison staff. It contributes towards improving empathy and understanding, benefitting relationships and wing culture.

The programme gives more people living and working in a prison wing a voice and creates the space for safe and honest conversations about how daily life can improve for everyone. Prisoners and prison staff decide what issues they want to prioritise and commit to solving them together during the workshops, ending with tangible actions that they can implement.

This year, The Conversation programme consisted of two 2.5 hour workshops held one month apart, for up to 60 prison staff and prisoners, facilitated by up to six specialist systems coaches and assistants.

### Message from a prison officer

*"It was nice to see the prisoners out of a wing setting. I think prisoners realise that we listen to them a bit more. Violence has gone down recently. The few weeks or couple months, there's been no real violence with staff, silly things here or there... I think all the wings – I'm not just saying this – I think all the wings should do it. You get a better look at yourself, staff-wise you see prisoners aren't all that bad."*

The Conversation participant

## Highlights for 2018-19 The Conversation

**Our key achievements this year include (figures for 2017-18 are in brackets):**

- Delivered 5 (5) The Conversation workshops in two establishments: HMP Wandsworth and HMP Brixton.
- 219 (119) participants attended The Conversation workshops; 154 (84) were prisoners and 65 (35) were prison staff.
- As detailed in last year's report, we have partnered with Ratio Research to externally evaluate The Conversation. Following Ratio's interim findings, we have redesigned the programme for 2019/20 onwards to consist of three 2.5 hour workshops. We look forward to seeing the impact of this change as we roll out the revised programme next year.

# External evaluation

We take measuring our impact seriously. Spark Inside rigorously evaluates our programmes to ensure they are as effective as possible, while continuously responding to feedback from our participants. Based on this information, we adjust our models and delivery.

Both of our coaching programmes were subject to external evaluation activity during the year, overseen by our Research & Impact Assistant.

## **HERO'S** **JOURNEY** LIFE COACHING PROGRAMME

During 2018/19 we continued our relationship with The Social Investment Company (TSIC) who are analysing the impact of the programme on our participants. In keeping with our objective to put our participants at the heart of our services, we have sustained our co-designed approach to research and evaluation, adjusting the evaluation tools and design to incorporate feedback elicited from interviews with participants conducted by TSIC in previous years.

We very much look forward to reviewing the results of TSIC's consolidated report covering 2016 – 2019 which will be published during 2019/20. The questionnaire data from all three years will be amalgamated in order to measure the programme outcomes with greater confidence and indicate areas for future evaluation development.

We have also used our evaluation data to inform changes to the Hero's Journey™ 'Theory of Change' to reflect more accurately outcomes. Additionally, we look forward to being able to obtain our participants' reoffending rate at the end of next year, via the Ministry of Justice's 'Justice Data Labs' team.

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## **THE** **CONVERSATION** SYSTEMS COACHING PROGRAMME

Our external evaluators, Ratio Research, have focussed their activity this year on assessing how The Conversation delivery model can be improved. Following their findings, we have redesigned our systems coaching programme for 2019/20 onwards to consist of three 2.5 hour workshops.

We look forward to receiving Ratio's explorative report next year which will detail learnings and suggested improvements to the delivery of The Conversation.

# Social licensing for UK expansion

Last year, we worked with Spring Impact (formerly the International Centre for Social Franchising) to explore models for social replication. We determined social licensing was the most appropriate way for us to scale our Hero's Journey™ programme, and therefore further our impact across the UK. In late 2018, we appointed an Expansion & Partnerships Manager who has started producing a manual for our Hero's Journey™ programme. The objective is to deliver a pilot licensing scheme with one or more partners outside of London and the South-East late next financial year.

We are excited by the prospect of seeing the impact of the Hero's Journey™ programme reach thousands more young people in prisons around the country.

## Highlights for 2018-19

### Our Expansion & Partnerships Manager has:

- Met and learned from several organisations who have successfully expanded their geographical reach through licensing their services while keeping high quality standards through licensing their services
- Networked with organisations around the UK to get a good understanding of the current climate for the voluntary sector delivering the Hero's Journey™ in regional prisons/young offender institutions
- Built relationships with a selection of potential partners of differing sizes and missions (but with values aligned to those of Spark Inside) who are keen to pilot delivery of the Hero's Journey™ in their local prisons
- Created a systematic task plan which will develop into an operations manual enabling partners to deliver and evaluate their own Hero's Journey™ with minimal support from Spark Inside





# Participant voices

Spark Inside has a strong commitment to participant and stakeholder engagement. This has been a consistent characteristic of our approach from the beginning: young people who have been directly or indirectly involved in the criminal justice system co-developed Spark Inside's Mission, Values and approach.

Last year, we decided that we could improve the way we worked with participants and stakeholders, by bringing this advisory function inside prisons. We continue with our plans to develop this function over the next three years, with the support of external consultants EP:IC.

EP:IC's first step was to explore what prisoners themselves feel about this potential opportunity. From December 2018 onwards, EP:IC spent eight days collectively within HMP Belmarsh, HMP YOI Isis, HMP Wandsworth and HMP Wormwood Scrubs. In addition, they also interviewed Spark Inside staff members and coaches. EP:IC's findings will be detailed in a feasibility report to be produced in early 2019/20. This feasibility study will be the first of three stages of work.

During the next financial year the project moves into a pilot phase, where EP:IC will consolidate learnings and start working within selected prisons to 'test' their findings in real time. We are very much looking forward to the final phase, which will evaluate the sustainability of the test pilot results, to establish the most effective method of engaging programme participants and other stakeholders in shaping the work and direction of the charity.





# Raising profile & influencing

This year our Communications Team developed and began to implement a three-year communications strategy to strengthen our public profile; raise awareness of our work and influence policy.

Our communications activity included developing a 10-piece suite of marketing materials rolled out across all of our delivery prisons to promote both of our coaching programmes. We also produced a short animation explaining our two prison coaching programmes and their impact. We are very proud that the design elements featured in the animation are based on original sketches made by young people in London prisons, carrying forward our commitment to collaboration and co-design with participants and stakeholders.

Our first ever media campaign in January 2019 was very successful, with two rare pieces of high-profile national coverage on BBC Radio 5 Live and BBC Radio London. The campaign was extended into following months with articles in specialist criminal justice media and an interview on Prison Radio. We have continued to build relationships with key media outlets and journalists and are planning future media campaigns for the next financial year.

Our policy recommendations to key decision-makers are based on the changes that people who live and work in prison tell us they want to see. Throughout the year we inputted into the following external policy reports:

- Prison Reform Trust's inaugural report from the Prisoner Policy Network, 'What incentives work in prison?'
- New Philanthropy Capital's policy paper 'How are charities influencing change in the criminal justice system?'
- As one of Camden's voluntary youth organisations we were invited by a Camden Councillor to join the Camden Youth Safety Taskforce to prevent serious youth violence in the borough and contributed to their final policy report released in September 2018.
- We submitted a case study to a Public Health England report on young people and reoffending.

During the year, we developed a relationship with the then Minister of State for the Ministry of Justice, Rory Stewart OBE MP - meeting with Mr Stewart in July 2018 and again in November 2018. We also met with Rt Hon Matt Hancock MP, Secretary of State for Health and Social Care in January 2019. We regularly attend the All Party Parliamentary Group on Penal Affairs and continue to strengthen our relationship with the Ministry of Justice and Her Majesty's Prison and Probation Service.

This year we have also reinforced our relationships with key policy networks. We became a member of the Prisoner Education Trust's Prisoner Learning Alliance – a network of organisations providing expertise and strategic vision to inform prison education policy. We continued our memberships with Clinks, Criminal Justice Alliance, National Association of Youth Justice and The Corbett Network, as well as building relationships with other criminal justice policy organisations, such as CREST Advisory, International Committee of the Red Cross, Switchback, Unlocked Graduates and the Zahid Mubarek Trust.

The Spark Inside team have been actively sharing our messages by speaking at events throughout the year including:

- April 2018 - Our CEO and Policy & Communications Manager delivered a talk on prison policy at Impetus-PEF
- May 2018 - Our CEO delivered a speech ('Why we need to rethink England's prison system') in the House of Commons as part of the Game Changers Women's Leadership Summit.
- July 2018 – Our Policy & Communications Manager and a Service Delivery Manager delivered a criminal justice workshop at Advocacy Academy
- August 2018 – Our CEO judged the Prisoners' Education Trust Enterprise Awards
- October 2018 - Our CEO took part in a panel discussion on Spark Inside's approach to evaluation at the NPC Ignites Annual Conference
- October 2018 – Our CEO spoke at a BeyondMe event
- November 2018 – Our CEO took part in a Harvard Alumni Entrepreneurs panel
- January 2019 – Our CEO was invited as a delegate and moderated a panel on gender & equality at the World Economic Forum's 49th Annual Meeting in Davos, Switzerland
- February 2019 – Our CEO led a workshop ('Imagining a world without prisons') at the BBYO International Conference in Denver, USA
- February 2019 – Our CEO took part in a plenary panel at the New Local Government Network Annual Conference 2019

## Highlights for 2018-19

- Meeting twice with the then-Minister of State for the Ministry of Justice, Rory Stewart OBE MP
- Developing brand guidelines with improved key messages and a photo bank of our Hero's Journey™ programme in action at HMYOI Isis, giving us authentic images of our work for the first time
- Overhauling our website by upgrading to a more responsive and modern content management system and refreshing all of our imagery and messaging
- Delivering our first ever media campaign securing significant coverage
- Inputting evidence into policy papers
- Being invited to take part in a range of events in the UK and beyond

## Awards

We were delighted to receive the HCL Technologies 'Goodwill Champions: The Wave Makers' award in January 2019, honouring the impact of our coaching programmes on wider society. Baillie Aaron was presented with the award at the World Economic Forum's 49th Annual Meeting in Davos.

Our Hero's Journey™ programme was also shortlisted as one of 19 finalists for NESTA and Osca's 'Good Help Awards' from over 300 applicants, which aim to discover organisations that are enabling people to transform their lives.

# Our priorities for the future

We are one year into Spark Inside's three-year Business Plan. Activity in 2019/20 relating to our five strategic objectives is planned to include:

## INNOVATION

- Establishing the most effective method of engaging programme participants in shaping the work and direction of the charity.
- Delivering the revised version of The Conversation programme.
- Identifying a new prison-based coaching programme to deliver in the future, based on feedback and ideas from people living and working in prison.

## REACH

- Coaching over 400 people per year through our two existing coaching programmes, plus a specialist version of our Hero's Journey™ focusing on Black and dual heritage participants.
- Recruiting, assessing, inducting and training new systems coaches for The Conversation.

## REPLICATION

- Completing the operations manual for Hero's Journey™
- Licensing of our Hero's Journey™ programme outside of London with one or more partners.

## INFLUENCE

- Implementing our three-year communications strategy to strengthen our public profile and raise awareness of our work.
- Engaging new donors, supporters and influencers.
- Continuing to influence prison policy through advocacy work, including raising awareness of a coaching approach as a powerful prison intervention.

## SUSTAINABILITY

- Receiving a significant proportion of our 2020/2021 fixed costs by the end of the 2019/20 financial year.
- Maintaining funder relationships and continuing our outreach to potential new funders, including values-aligned companies.
- Applying for external quality marks.
- Further strengthening our organisational infrastructure and improve our monitoring, CRM and office systems.

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Our Values (*'Spark, Heart, Impact, Learning, Stickability and Innovation'*) permeate through everything we do.

# Our supporters and funders

We are grateful for the long-term, strong partnerships we have developed with funders and other supporters, which enable us to prosper as an organisation. These range from prison commissioners to private companies; family foundations to grant-making trusts, and individual philanthropists to crowdfunding pledgers. We also continue to receive pro bono expert legal consultancy from Arnold & Porter LLP.

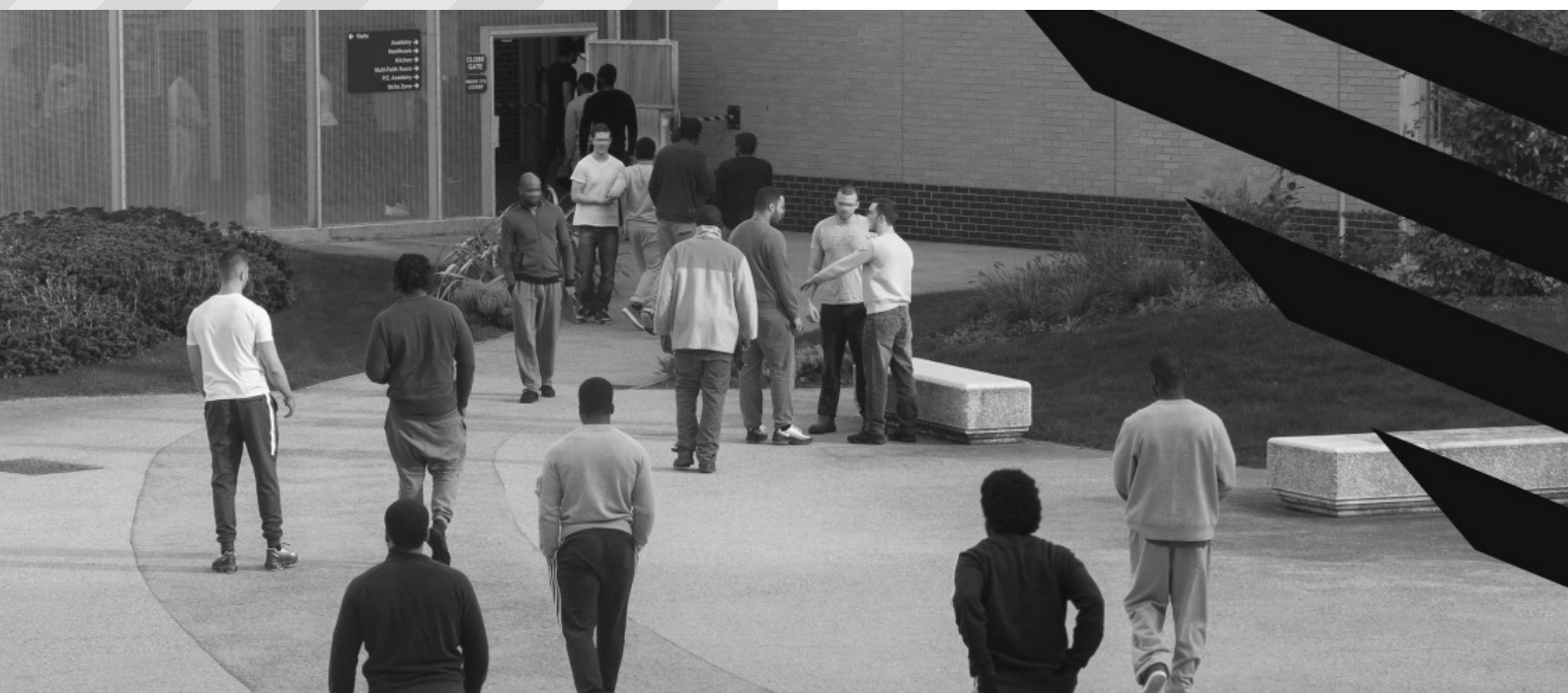
To enable our supporters to experience our work, we run 'taster sessions' of our Hero's Journey™ programme at our offices, delivered by one of our coaches. We strive to keep our funders and stakeholders regularly informed of our activities and progress, and to approach these relationships with honesty and transparency.

A full list of our grant funders can be viewed in the financial review section; we would also like to acknowledge the 184 individual donations we received this year (71 in 2017/18 in 2017/18). 127 of these donations came via our first ever crowdfunding initiative as part of The Big Give Christmas Challenge 2018.

## HOW TO MAKE A DIFFERENCE

***We would very much appreciate financial donations to amplify our impact and ensure we are able to meet and exceed our strategic objectives. Additional ways you can support Spark Inside include:***

- ***Providing event space and catering***
- ***Donating design, print and production services***
- ***Commissioning Spark Inside staff to deliver speeches, presentations and workshops***
- ***Donating new equipment and office supplies***
- ***Providing pro-bono specialist services***
- ***Donating advertising space***
- ***Acting as advocates for our work***
- ***Hosting a fundraising dinner***
- ***Featuring articles within your publication/ newsletter/journal***
- ***Acting as a specialist advisor***





# Reference and administrative details

Reference and administrative details of the company, its trustees and advisers  
For the year ended 31 March 2019

## TRUSTEES

- R Hooper, Chair
- T Akinlemibola, Treasurer
- R D Ferguson
- P Lodder (completed term 30 October 2018)
- J R Owen (completed term 30 October 2018)
- B Leon (resigned post the period of this report - 30 April 2019)

Appointed post the period of this report (30 April 2019)

- M Conway
- T Currie
- K Imafidon
- H MacLellan

## CHIEF EXECUTIVE

Baillie Aaron

## COMPANY REGISTERED NUMBER

07984016

## CHARITY REGISTERED NUMBER

1148420

## PRINCIPAL & REGISTERED OFFICE

27 Tavistock Square, London, WC1H 9HH

## INDEPENDENT EXAMINERS

Kreston Reeves LLP, One Jubilee Street, Brighton, East Sussex, BN1 1GE

## BANKERS

CAF Bank Ltd, 25 Kings Hill Ave, West Malling, Kent, ME19 4JQ

## SOLICITERS

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

# Financial Review

## A) GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company 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.

## B) OVERALL REVIEW OF ACTIVITIES

The Statement of financial activities is shown on page 24. The surplus for the year was £46,739 (2018: surplus of £147,859) and net assets amounted to £454,197 (2018: £407,458) at the year end. The net assets were made up of: Restricted funds of £80,673; Designated funds of £341; and General Unrestricted funds of £373,183.

## C) 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.

Unrestricted funds amounted to £373,524 at the year end (2018: £389,140) including Unrestricted Designated funds of £341 (2018: £94,086). The Free Reserves of Spark Inside consist of those reserves which aren't already tied up to other costs and are freely available for the general purposes of the Charity. The Free Reserves at 31 Mar 2019 amounted to £373,183 (2018: £295,078). The Free Reserves at the year end represented 4.5 months' reserves based on budgeted expenditure for the following year. Restricted funds amounted to £80,673 at the year end (2018: £18,318). These are held in order to further the charity's objectives; descriptions of these can be found in note 17 to the accounts.

## D) CONTRACTED INCOME POLICY

Wherever a contract is completed and there are funds remaining, if it is not a restricted fund then the outstanding amount is transferred to unrestricted general funds.

# Structure, governance and management

## A) CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 09/03/2012. The company is constituted under a Memorandum of Association dated 09/03/2012 and is a registered charity number 1148420.

## B) METHOD 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) POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Trustees are introduced to the work of the charity through meetings with staff, taking part in a taster session of the Hero's Journey™ and attending as a guest at two Trustees' meeting. New Trustees are taken through an induction by the Chair and CEO. An induction pack containing the Memorandum and Articles of Association, budgets and other relevant information including minutes of recent Trustees' meetings is provided.

In an effort to maintain the broad skills mix of the Board, a review is regularly undertaken to ensure that should a member resign, an appropriate replacement is found. All Trustees are appraised by the Chair on a biennial basis.

## D) PAY POLICY FOR SENIOR STAFF

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 Committee, plus the Chair. The CEO submits a proposal to the Remuneration Committee with recommendations for salary increases in line with salary bandings.

## E) ORGANISATIONAL STRUCTURE AND DECISION MAKING

In March 2019 Spark Inside had 4 Trustees increasing to 7 in April 2019. There are three Board Committees: the Finance Committee, the Programmes 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 scope of decisions that are delegated to the Chief Executive. In addition, the charity has a Finance Policy which sets out limits and conditions whereby the Chief Executive and senior staff are 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. Trustees are recruited through a range of methods including online advertising on Trustee recruitment websites.

## F) RISK MANAGEMENT

In the current year the Trustees carried out a review of the charity's activities and considered the risks to which the charity is exposed. As part of this process the 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.





## TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Spark Inside 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).

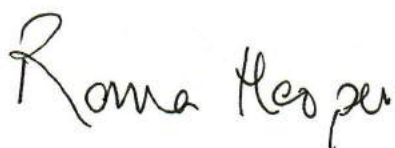
Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 charitable company will continue in operation.

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

This report was approved by the Trustees, on 30 July 2019 and signed on their behalf by:

Dated: 30/7/19



**Ms Roma Hooper**  
**Chair of the Board of Trustees**

# Annual Accounts

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SPARK INSIDE (THE 'COMPANY') FOR THE YEAR ENDED 31 MARCH 2019**

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2019.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

### **RESPONSIBILITIES AND BASIS OF REPORT**

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

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

## INDEPENDENT EXAMINER'S STATEMENT

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

1.	accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2.	the accounts do not accord with those records; or
3.	the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4.	the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

Signed:  
Alison Jones FCA

*Alison Jones*

Dated: 30 September 2019

Kreston Reeves LLP  
One Jubilee Street  
Brighton  
East Sussex  
BN1 1GE



## STATEMENT OF FINANCIAL ACTIVITIES

Statement of financial activities incorporating income and expenditure account  
For the year ended 31 March 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>					
Donations and legacies	2	121,807	373,097	494,904	503,574
Charitable activities	4	230,537	-	230,537	117,463
Investments	5	4,160	-	4,160	2,261
Other income		714	-	714	730
<b>Total income</b>		<b>357,218</b>	<b>373,097</b>	<b>730,315</b>	<b>624,028</b>
<b>Expenditure on:</b>					
Raising funds		20,851	-	20,851	16,200
Coaching in prisons	7,11	364,232	298,493	662,725	460,239
<b>Total expenditure</b>	6	<b>385,083</b>	<b>298,493</b>	<b>683,576</b>	<b>476,439</b>
<b>Net income before transfers</b>		<b>(27,865)</b>	<b>74,604</b>	<b>46,739</b>	<b>147,589</b>
Transfers between Funds	18	12,225	(12,225)	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>(15,640)</b>	<b>62,379</b>	<b>46,739</b>	<b>147,589</b>
<b>Net movement in funds</b>		<b>(15,640)</b>	<b>62,379</b>	<b>46,739</b>	<b>147,589</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		389,164	18,294	407,458	259,869
<b>Total funds carried forward</b>		<b>373,524</b>	<b>80,673</b>	<b>454,197</b>	<b>407,458</b>

The notes on pages 28 to 45 form part of these financial statements.



## BALANCE SHEET

Balance sheet  
As at 31 March 2019

	Note	£	2019 £	£	2018 £
<b>Fixed assets</b>					
Tangible assets	14		11,094		6,455
<b>Current assets</b>					
Debtors	15	14,414		1,771	
Cash at bank and in hand		<u>606,031</u>		<u>672,930</u>	
		620,445		674,701	
<b>Creditors:</b> amounts falling due within one year	16	<u>(171,648)</u>		<u>(199,670)</u>	
<b>Net current assets</b>			<u>448,797</u>		<u>475,031</u>
<b>Total assets less current liabilities</b>			459,891		481,486
<b>Creditors:</b> amounts falling due after more than one year	17		<u>(5,694)</u>		<u>(74,028)</u>
<b>Net assets</b>			<u>454,197</u>		<u>407,458</u>
<b>Charity Funds</b>					
Restricted funds	18		80,673		18,294
Unrestricted funds	18		<u>373,524</u>		<u>389,164</u>
<b>Total funds</b>			<u>454,197</u>		<u>407,458</u>

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

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 30 July 2019 and signed on their behalf, by:

Ms Roma Hooper  
Trustee



Dated: 30/7/19

The notes on pages 28 to 45 form part of these financial statements.

## STATEMENT OF CASH FLOWS

Statement of cash flows  
 For the year ended 31 March 2019

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	<u>(55,099)</u>	<u>304,949</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		<u>(11,800)</u>	<u>(9,682)</u>
<b>Net cash used in investing activities</b>		<u>(11,800)</u>	<u>(9,682)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(66,899)</b>	<b>295,267</b>
Cash and cash equivalents brought forward		<u>672,930</u>	<u>377,663</u>
<b>Cash and cash equivalents carried forward</b>	21	<u><b>606,031</b></u>	<u><b>672,930</b></u>

The notes on pages 28 to 45 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

Notes to the financial statements  
For the year ended 31 March 2019

### 1. Accounting policies

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) (Charities SORP (FRS 102)), 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.

The accounts have been prepared in pounds sterling and are rounded to the nearest £1.

#### 1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 17. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

#### 1.3 Going concern

These accounts are prepared on the going concern basis and there are no material uncertainties that exist that would suggest that the charity was unable to continue for the foreseeable future.

#### 1.4 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.

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



## 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. 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.

## 1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 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 on the following bases:

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

## 1.7 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.

## **1.8 Operating leases**

Rentals 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.

## **1.9 Debtors**

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

## **1.10 Cash at Bank and in hand**

Cash at bank and in hand 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.

## **1.11 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.

## **1.12 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.

## **1.13 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.

## 1.14 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.

## 2. Income from donations and legacies

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Donations	<b>7,057</b>	<b>44,984</b>	<b>52,041</b>	133,102
Grants	<b>114,750</b>	<b>328,113</b>	<b>442,863</b>	370,472
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and legacies	<b>121,807</b>	<b>373,097</b>	<b>494,904</b>	503,574
	<hr/>	<hr/>	<hr/>	
Total 2018	<b>247,852</b>	<b>255,722</b>	<b>503,574</b>	

### 3. List of grants (listed in order of donation date)

	2019 £	2018 £
Paul Hamlyn Foundation	2,500	30,000
Gandhi Statue Memorial Trust	68,333	73,639
Wates Foundation	5,834	4,167
Bernard Lewis Family Charitable Trust	71,348	-
Blagrove Trust	20,000	-
Triangle Trust (£25,000 received add movements in deferred income £833)	25,833	32,083
City Bridge Trust	30,000	30,000
Woodward Trust	1,000	-
Esmee Fairbairn Foundation (£55,000 received less £4,583 deferred)	50,417	10,000
Charles Hayward Foundation	20,000	18,333
Comic Relief (£31,500 received add movements in deferred income £3,500)	35,000	34,583
29th May 1961 Charitable Trust	5,000	5,000
Garden Court Chambers	2,500	-
Tony and Sheelagh Williams Trust	10,000	-
DCR Allen Trust	10,000	-
Henry Smith Charity (£40,000 received less £10,000 deferred)	30,000	15,000
Highway One Trust	10,000	-
Esmee Fairbairn - Grants Plus	-	2,500
Leathersellers Company Charitable Fund (£10,000 received add movement in deferred income £5,833)	10,000	4,167
NESTA	1,000	-
St James Place Charitable Foundation (£50,000 received £29,167 deferred)	20,833	-
Futures Lab/Comic Relief (Accrued)	13,265	-
Crispin Davis Trust	-	24,000
Goldsmiths Company Charity	-	30,000
Ellis Campbell Foundation	-	5,000
Stanley Foundation	-	10,000
Rayne Foundation	-	10,000
Highway One Trust	-	10,000
Steel Charitable Trust	-	15,000
Donald Forrester Trust	-	5,000
Prudential plc Small Donations Fund	-	1,000
Robin Corbett Awards	-	1,000
Total	<b><u>442,863</u></b>	<b><u>370,472</u></b>

Deferred income is income received during the period but relating to future periods



#### 4. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Contract income	<u>230,537</u>	<u>-</u>	<u>230,537</u>	117,463
Total 2018	<u>117,463</u>	<u>-</u>	<u>117,463</u>	

#### 5. Investment income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	<u>4,160</u>	<u>-</u>	<u>4,160</u>	2,261
Total 2018	<u>2,261</u>	<u>-</u>	<u>2,261</u>	

#### 6. Analysis of Expenditure by expenditure type

	Staff costs 2019 £	Depreciation 2019 £	Other costs 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income	-	-	20,851	20,851	16,200
<b>Costs of raising funds</b>	<u>-</u>	<u>-</u>	<u>20,851</u>	<u>20,851</u>	16,200
Coaching in prisons	416,931	7,160	231,464	655,555	457,099
Expenditure on governance	-	-	7,170	7,170	3,140
	<u>416,931</u>	<u>7,160</u>	<u>259,485</u>	<u>683,576</u>	476,439
Total 2018	<u>341,003</u>	<u>3,227</u>	<u>132,209</u>	<u>476,439</u>	

## 7. Analysis of expenditure on charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Coaching in prisons	<u>357,062</u>	<u>298,493</u>	<u>655,555</u>	<u>457,099</u>
Total 2018	<u>219,050</u>	<u>238,049</u>	<u>457,099</u>	

## 8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total 2019 £	Total 2018 £
Charitable activities	<u>610,169</u>	<u>45,386</u>	<u>655,555</u>	<u>457,099</u>
Total 2018	<u>437,117</u>	<u>19,982</u>	<u>457,099</u>	

## 9. Direct costs

	Charitable activities £	Total 2019 £	Total 2018 £
Training and events	2,322	2,322	5,063
Coaching and programme	110,838	110,838	44,864
Evaluation	19,942	19,942	7,687
Marketing	15,218	15,218	8,281
Travel expenses	4,073	4,073	2,908
Rent and office costs	19,345	19,345	19,903
Sundry and subscriptions	3,019	3,019	4,622
Legal and professional	6,430	6,430	2,786
User involvement costs	12,051	12,051	-
Wages and salaries	349,158	349,158	301,086
National insurance	32,712	32,712	24,807
Pension cost	35,061	35,061	15,110
	<b>610,169</b>	<b>610,169</b>	<b>437,117</b>
Total 2018	<b>437,117</b>	<b>437,117</b>	

## 10. Support costs

	Charitable activities £	Total 2019 £	Total 2018 £
Legal and professional	4,980	4,980	3,140
Recruitment	6,023	6,023	1,861
Computer costs	17,028	17,028	9,454
Insurance	2,965	2,965	2,034
Bank fees	60	60	66
Other staff costs	7,170	7,170	200
Depreciation	7,160	7,160	3,227
	<b>45,386</b>	<b>45,386</b>	<b>19,982</b>
Total 2018	<b>19,982</b>	<b>19,982</b>	

## 11. Governance costs

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Governance Independent Examination costs	2,580	-	2,580	2,580
Governance Examiners other costs	4,590	-	4,590	560
	<u>7,170</u>	<u>-</u>	<u>7,170</u>	<u>3,140</u>

## 12. Net income/(expenditure)

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets: - owned by the charity	<u>7,161</u>	<u>3,227</u>

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2018 - £NIL).



### 13. Staff costs

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	349,158	301,086
Social security costs	32,712	24,807
Other pension costs	35,061	15,110
	<u>416,931</u>	<u>341,003</u>

The average number of persons employed by the company during the year was as follows:

	2019 No.	2018 No.
Staff	10	8

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £70,001 - £80,000	1	0

Spark Inside consider their Key Management Personnel to consist of;

Baillie Aaron, Chief Executive; David Fisher, Head of Finance; Ihona Hirving, Head of Programme Operations and Indy Cross, Head of Communications.

These four Key Management Personnel received total aggregate remuneration of £200,079 (2018: £161,448) made up of salaries of £173,143 (2018: £150,879) and Employer's Pension contributions of £26,936 (2018: £10,569).

#### 14. Tangible fixed assets

	Computer equipment £	CRM software £	Total £
<b>Cost</b>			
At 1 April 2018	9,682	-	9,682
Additions	-	11,800	11,800
At 31 March 2019	9,682	11,800	21,482
<b>Depreciation</b>			
At 1 April 2018	3,227	-	3,227
Charge for the year	3,228	3,933	7,161
At 31 March 2019	6,455	3,933	10,388
<b>Net book value</b>			
At 31 March 2019	3,227	7,867	11,094
At 31 March 2018	6,455	-	6,455

## 15. Debtors

	2019 £	2018 £
Prepayments and accrued income	<u>14,414</u>	<u>1,771</u>

## 16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	5,713	13,132
Other taxation and social security	9,930	7,716
Other creditors	2,421	-
Accruals and deferred income	153,584	178,822
	<u>171,648</u>	<u>199,670</u>

£

## Deferred income

Deferred income at 1 April 2018	244,316
Resources deferred during the year	60,834
Amounts released from previous years	<u>(170,288)</u>
Deferred income at 31 March 2019	<u>134,862</u>

Of the deferred income £5,694 (2018: £74,028) relates to income to be recognised in more than one year from the balance sheet date.

## 17. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Accruals and deferred income	<u>5,694</u>	<u>74,028</u>

## 18. Statement of funds

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2019 £
<b>Designated funds</b>					
Project specific designated funds	4,086	230,537	(238,469)	4,187	341
Continuation of coaching delivery	90,000	-	-	(90,000)	-
	<u>94,086</u>	<u>230,537</u>	<u>(238,469)</u>	<u>(85,813)</u>	<u>341</u>
<b>General funds</b>					
General Funds - all funds	<u>295,078</u>	<u>126,681</u>	<u>(146,614)</u>	<u>98,038</u>	<u>373,183</u>
Total Unrestricted funds	<u>389,164</u>	<u>357,218</u>	<u>(385,083)</u>	<u>12,225</u>	<u>373,524</u>
<b>Restricted funds</b>					
Bernard Lewis	-	71,348	(37,530)	-	33,818
Black Perspective	-	44,984	-	-	44,984
City Bridge Trust	-	30,000	(30,029)	29	-
Comic Relief	-	35,000	(35,288)	288	-
Henry Smith Charity	-	30,000	(30,042)	42	-
Futures Lab	-	13,265	(13,353)	88	-
Gandhi	18,294	68,333	(72,956)	(11,800)	1,871
Hero's Journey (TM)	-	36,834	(35,255)	(1,579)	-
Listening Fund	-	20,000	(20,465)	465	-
Paul Hamlyn Foundation	-	2,500	(2,512)	12	-
St James Foundation	-	20,833	(21,063)	230	-
	<u>18,294</u>	<u>373,097</u>	<u>(298,493)</u>	<u>(12,225)</u>	<u>80,673</u>
Total of funds	<u>407,458</u>	<u>730,315</u>	<u>(683,576)</u>	<u>-</u>	<u>454,197</u>



### **Restricted funds**

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

Black Perspective - a fund for development of a culturally specific version of our Hero's Journey (TM) life coaching programme for Black and Minority Ethnic young men in prison, due to start in summer 2019.

City Bridge Trust - a fund to contribute to infrastructure costs of the charity.

Comic Relief - a fund to contribute to the salaries of the management team of the charity.

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

Futures Lab - a fund from the Comic Relief Futures Lab project for projects to develop the sustainability of the charity.

Gandhi Statue Memorial Fund - a fund to support management salaries and external evaluation costs across three years.

Hero's Journey(TM) - 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 fund to contribute to the cost of the Chief Executive salary.

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

### **Designated funds**

The designated fund for coaching delivery was to ensure coaching in prisons was maintained for the 2018/19 financial year. The designated amount of £90,000 has been transferred to the general fund to cover any deficit arising as a result of this work.

## Statement of funds - prior year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2018 £
<b>Designated funds</b>					
Project specific designated funds	15,313	147,463	(158,690)	-	4,086
Continuation of coaching delivery	-	-	-	90,000	90,000
	<u>15,313</u>	<u>147,463</u>	<u>(158,690)</u>	<u>90,000</u>	<u>94,086</u>
General Funds - all funds	<u>244,556</u>	<u>220,843</u>	<u>(79,700)</u>	<u>(90,621)</u>	<u>295,078</u>
<b>Restricted funds</b>					
Paul Hamlyn Foundation	-	30,000	(30,059)	59	-
Henry Smith Charity	-	15,000	(15,391)	391	-
Comic Relief	-	34,583	(34,625)	42	-
City Bridge Trust	-	30,000	(30,066)	66	-
Crispin Davis Family Trust	-	24,000	(24,022)	22	-
Gandhi Statue Memorial Fund	-	73,639	(55,345)	-	18,294
Hero's Journey (TM)	-	38,500	(38,541)	41	-
Rayne Foundation	-	10,000	(10,000)	-	-
	<u>-</u>	<u>255,722</u>	<u>(238,049)</u>	<u>621</u>	<u>18,294</u>
Total of funds	<u>259,869</u>	<u>624,028</u>	<u>(476,439)</u>	<u>-</u>	<u>407,458</u>

## 19. Analysis of net assets between funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	11,094	-	11,094
Current assets	419,077	201,368	620,445
Creditors due within one year	(50,953)	(120,695)	(171,648)
Creditors due in more than one year	(5,694)	-	(5,694)
	<b>373,524</b>	<b>80,673</b>	<b>454,197</b>

### Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	6,455	-	6,455
Current assets	656,407	18,294	674,701
Creditors due within one year	(199,670)	-	(199,670)
Creditors due in more than one year	(74,028)	-	(74,028)
	<b>389,164</b>	<b>18,294</b>	<b>407,458</b>

## 20. Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	<b>46,739</b>	147,589
<b>Adjustment for:</b>		
Depreciation charges	7,160	3,227
(Increase)/decrease in debtors	(12,642)	10,305
(Decrease)/increase in creditors	(96,356)	143,828
<b>Net cash (used in)/provided by operating activities</b>	<b>(55,099)</b>	304,949

## 21. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	606,031	672,930
Total	<u>606,031</u>	<u>672,930</u>

## 22. 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 £35,061 (2018: £15,110). At the balance sheet date there were £2,421 due to the fund (2018: £0).

## 23. Controlling party

The trustees who are also directors control the charity.





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