

Charity number: 1135143
Company number: 6593956

Spice Innovations Limited

(A company limited by guarantee)

Trustees' report and financial statements

for the year ended 31 March 2017

Spice Innovations Limited
(Company limited by guarantee no. 6593956, registered charity no. 1135143)

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for the year ended 31 March 2017

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Spice Innovations Limited
(A company limited by guarantee)

Legal and administrative information
for the year ended 31 March 2017

Charity reg. no.	1135143	
Company reg. no.	6593956	
Registered office	Unit 2, First Floor, Cowbridge Court, 58-62 Cowbridge Road West, Ely, Cardiff, CF5 5BS	
Trustees	Dr William Norman Ruth Sutherland Howard Bell Thomas Ebbutt Andrew Fox Jenny Isaac Mihiri Jayaweera Anna Lewis Dr Thomas Rippin Christopher Sherwood Lucienne Stephens	Appointed 12/09/2017 Resigned 31/01/2017 Appointed 12/09/2017 Resigned 31/01/2017
Company secretary	Becky Booth Maureen Graham	Resigned 31/01/2017 Appointed 31/01/2017
Chief Executive Officer	Becky Booth Ian Merrill	Resigned 31/01/2017 Appointed 01/02/2017
Accountants	JS2 Limited One Crown Square Woking Surrey GU21 6HR	
Bankers	HSBC 156/157 Tottenham Court Road London W1T 7AY	

Trustees' Report 2016-17

The trustees present their annual report together with the financial statements of the Charity for the year ending 31st March 2017.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and the statement of recommended practice (SORP) and is also the director's report for the purpose of company law.

The financial statements have been prepared in accordance with the accounting policies set out on P14 to 16 therein and comply with the Charitable Company's Memorandum and Articles of association, applicable laws and the requirements of the Statement of Recommended Practice (SORP) on 'Accounting and Reporting by Charities' issued in March 2015.

Objectives and activities:

Spice Objectives:

Spice develops projects that support the engagement of citizens in the design and delivery of local services. We support local organisations to set up Time Credit projects that support individuals to give time to their communities, enabling individuals and community organisations to work together to see positive change.

In 2016-17 the major objectives and activities undertaken by the Charity in order to achieve its objects were:

1. Ongoing growth and improvement of our locality based programmes in order to produce measureable and tangible outcomes for individuals, organisations and communities.
2. Focusing on key areas of innovation and growth to test and demonstrate the impact of Time Credits with specific services or groups of individuals including substance misuse, homelessness, Older People, schools, and in depth community capacity building.
3. Developing the tools, systems, resources, structure and culture for growth including moving to a regional staffing structure, developing tools and resources and developing more effective project management tools and digital marketing tools.

Public Benefit:

The Charity must demonstrate that its aims and objectives are the public benefit. The trustees have reviewed the guidance issued by the Charity Commission and have prepared this report with the guidance in mind.

Governance, Structure and Management:

Governance:

Spice is a registered charity and is constituted as a company limited by guarantee. It is governed by its memorandum and articles of association. It was registered as a company limited by guarantee on 15th May 2008 and was registered as a charity with the Charity Commission in England and Wales on 24th March 2010.

The trustees of the charity are also directors of the company for the purposes of the Companies Act. The board of trustees comprises 7 trustees who have been appointed to the Board based on their experience and skills. Spice's memorandum and articles of association state that, at each Annual General Meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office. The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring director can be recommended for re-election by the other directors. The memorandum and articles of association require the Board to consist of at least 3 directors.

Trustees' Report 2016-17

The Trustees are responsible for:

1. Ultimate responsibility for directing the affairs of Spice
2. Set and guard the mission and vision of Spice
3. Set direction and develop strategic priorities
4. Protect the probity of Spice and manage risk
5. Ensure compliance with the Constitution
6. Ensure accountability and compliance with the law
7. Maintain proper fiscal oversight and adequate internal financial controls
8. Respect the role of staff/volunteers/members
9. Maintain effective Board performance
10. Champion the work of Spice
11. Oversee policies and procedures of Spice
12. Select and support the Chief Executive

The need for new trustees is reviewed regularly, when appropriate, and possible names are presented at a trustee meeting for consideration. Appointment is made by the existing trustees. New trustees are given relevant documentation on their duties and responsibilities, including the Charity Commission publication designed for this purpose and inducted into the charity through meetings with other board members, the Chief Executive and members of the senior leadership team. Trustees are encouraged to attend external training events where these will be of benefit to their role.

Structure and management reporting

The day-to-day running of the organisation is delegated to the staff under the leadership of the Chief Executive. The Chief Executive meets with the senior leadership team on a monthly basis and the Trustees meet approximately 4 times per year primarily to discuss issues of strategic direction in relation to the running of the organisation, supported by a Finance & Audit sub-committee which also meets 4 times per annum.

The trustees who were in office at 31 March 2017, and served throughout the year, have been detailed on page 3.

Key Management Personnel

The CEO leads a Senior Leadership Team made up of the Head of Programmes: England, Head of Programmes: Wales, Head of Development and Head of Finance and Operations. The pay of the CEO is set by the board. The pay of the Senior Leadership Team is set by the CEO within the boundaries of the pay bands set by the board.

Achievements and performance:

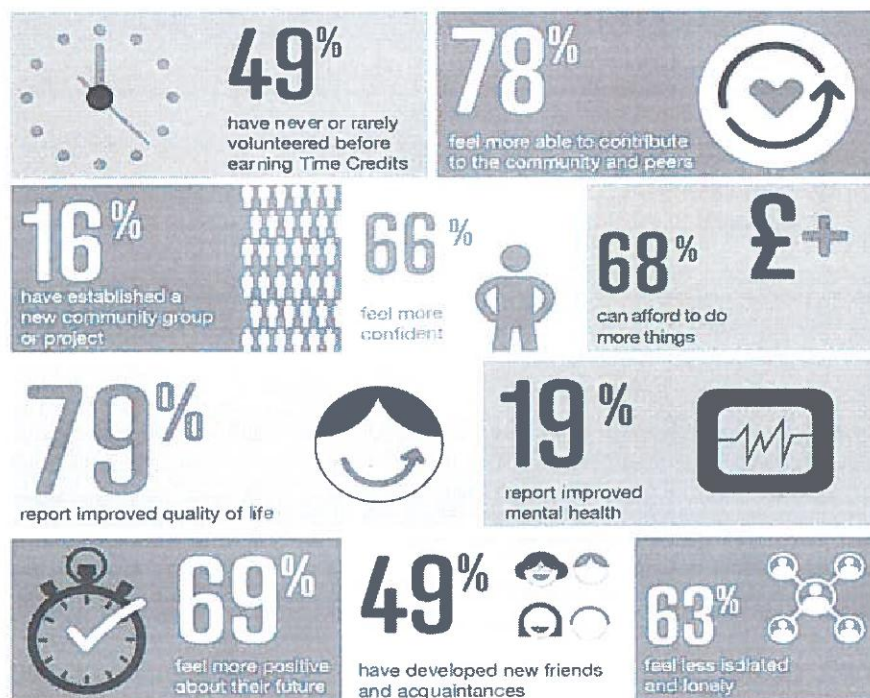
During 2016-2017 our programmes have expanded across England and Wales. 35,000 people and 1477 organisations and community groups have now been involved in our programmes across 6 regions: London, SE England, NW England, East of England, SE Wales, SW Wales.

Our 2016-2017 evaluation clearly demonstrates the impact of our work on the lives of individuals. Our evaluation surveyed over 1200 members, using a shorter more focused survey to increase sample size.

The evaluation demonstrated that Spice has continued to have a sustained impact on key areas:

- Individual health and wellbeing, including mental health which was surveyed for the first time
- Increased volunteering by new people, supporting skill development and learning
- Supporting people to make new friends and reducing social isolation and loneliness
- Building communities that are more connected, active and resourceful

Spice Time Credits



We released our 2016-17 evaluation report at the end of the year using Shorthand, an engaging visual online platform. The evaluation focused on our members, with a focus on impact for individuals combined with a successful social media campaign, #takeabow, celebrating the contributions of members and partners.

In 2016-17 we have grown into new geographies, supported more people to earn and spend Time Credits and worked with organisations and community groups around their volunteer management and co-production of services. We have continued to grow our successful locality based Community Programmes while also expanding and testing the use of Time Credits with specific services or groups of individuals including; substance misuse, homelessness, Older People, schools, and in depth community capacity building.

Homelessness

This year we delivered a pilot project seeking to address health inequalities among people experiencing homelessness in Hackney, funded by the City & Hackney CCG Innovation Fund. We worked with St Mungo's to embed Time Credits intensively within a homelessness hostel, exploring how engagement in wellbeing activity could support engagement in health services to manage health conditions. The project also developed recommendations for health service delivery based on the experiences of hostel residents. We were successful in winning a second year's funding for this project, to expand into the wider homelessness pathway in Hackney to support individuals on a longer term basis.

Trustees' Report 2016-17

Substance Misuse

With funding from Cardiff and Vale Area Planning Board we were successful in building on the achievements of our specialist recovery project in Haringey by launching a new, three-year project in South Wales aimed at supporting individuals on their recovery journey through substance misuse services. The project has a clear focus on building recovery capital, developing more co-produced services and improving quality of life for service users.

Older People

Welsh Government Section 64 funding was also secured to launch a 3-year pan-Wales project aimed developing at a model of early intervention and prevention for older people across Wales. As well as developing learning around bespoke interventions in support of active ageing the project will also develop and run a national campaign aimed at celebrating the contribution made by older people to their communities.

Building Community Capacity

This year we delivered an in depth project in an area of Chorley to increase resilience within the community by creating additional capacity, strengthen community networks, and facilitate behaviour change so that residents are more able to help themselves and others. The work included research with the local community, testing approaches to build community capacity and developing findings and recommendations.

Schools

Our schools programme in Wales continues to grow with 65 primary and secondary schools now part of the Spice network. This year we have started to develop our evidence base around impact on student outcomes and family engagement.

Business development in Spice continues to grow. In 2016-17 we expanded the Business Development Team, including the addition of a grants lead as well as a lead in the North West of England. Successful new business included:

- Chorley Council Transformation Challenge Award
- South Wales PCC Victim Support
- Cardiff Council
- IPC NHS England strategic support
- Welsh Government Sustainable Social Services Grant - Older People
- Waterloo Foundation - Schools
- Lancashire County Council Transformation Fund - Rossendale
- Lancashire County Council Mobilising Communities
- Cardiff & Vale Recovery Service
- Medway CCG
- Nesta Second Half Fund - Older People
- Fidelity - Digital Development
- Carmarthenshire Social Prescribing
- Shaw Trust preferred supplier for Work & Health DWP Programme

Future Plans:

There are a number of significant developments planned for 2017-2018:

- Launch of national older people's strand of work in England through Nesta Second Half Fund, including new programmes in Kent and Manchester, and all- Wales Sustainable Social Services Grant
- Launch of new programmes in Cornwall, Thanet, Lancashire (Mobilising Communities), Carmarthenshire (social prescribing)

Trustees' Report 2016-17

- Piloting of community-led delivery model in West Norfolk and scoping of arms-length delivery model supported by a regional spend network in the East, with the aim of developing a nationally scalable model
- Full implementation of online reporting and re-vamped earn and spend tool to support members to more easily find new opportunities to spend Time Credits
- Potential implementation of a regional delivery model supporting DWP Work & Health Programme (results announced Sept 17)
- Increased focus on grant applications to support regional expansion and leverage new funding partners
- Development and finalisation of 5-year strategy by September 17

Financial Review and Reserves Policy:

At the end of the year our unrestricted balance is £347,290 and the restricted balance is £109,950.

Going into 2017-18, 76% of income is already secure with a strong new business pipeline. This has been achieved through a combination of renewals or expansion of existing contracts together with a stronger focus on new business development by the expanded team.

Our reserves policy is to hold free reserves equal to three months of all costs. We currently have free reserves of £347,290. Due to our increased income and associated costs, the estimated reserve policy budget for 2017-18 is currently £568,000. At the end of March 2017, while our unrestricted reserves were sufficient to cover our Q1 unrestricted costs, we have fallen short of the target reserve level of three months of total costs. Growing our reserves is part of our wider programme not only to increase the financial resilience of the organisation but also to allow us to invest in further expansion of our activities. We will be reviewing our reserves policy and target reserves levels during 2017-18 as part of our growth strategy.

Risk Management:

Spice's risk assessment process includes an organisation-wide risk register that is reviewed quarterly by the Board's finance and audit committee and by the board.

We have identified the following principal risks and uncertainties and key mitigation strategies:

1. Challenging economic climate for key clients: this remains a key risk. High levels of uncertainty continue to surround Brexit, a slowdown in economic growth is expected in 2nd HY 2017 and into 2018 and there is a continued reduction in government spending. Key clients such as Local Authorities and Charity sector partners are continuing to have to make cuts to key services. Although we continue to gain business and to experience high renewal rate amongst clients we will be addressing this risk in a number of ways:

- a) Meeting regularly with partners to understand more about their context and how they see Spice supporting them to achieve their core objectives.
- b) Investing in continued evaluation and in particular return on investment to ensure that partners have clear evidence on the impact of our work.
- c) Diversifying our client base from both a locality and thematic point of view.
- d) Developing lighter-touch packages of delivery to appeal to different clients with different levels of resourcing.
- e) Delivering high quality programmes with clear and consistent high impact results.

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2. Spice name: increasingly our name and its association with the destructive legal high are causing negative client and member feedback, particularly amongst those working with homelessness and substance misuse. While this has not prevented us from winning contracts to date, we do not believe we can retain our current name for much longer without appearing either naïve or uncaring with regard to some of the most vulnerable groups we are trying to help. We will be addressing this risk as follows:

- a) Using our Time Credits name in client and member facing materials and assets, including our web-based Spend & Earn tool, www.TimeCredits.com
- b) Seeking resources and professional advice to support a re-branding proposal for launch by end of 2017-18 financial year

3. Loss of key staff: our staff remain our biggest asset. Retention of high quality staff is vital to the ongoing success of the organisation, as is maintaining their high quality of performance. It is important that we support staff to progress within the organisation as well as developing new leaders. We continue to take a broad set of actions to address this risk.

- a) Supporting staff to take up new leadership and other opportunities within the organisation
- b) Providing appropriate learning and development opportunities
- c) Conducting a pay and reward review in 17-18
- d) Continuing to develop our wellbeing work

4. GDPR: new legislation May 2018. Our increasing emphasis on digital Time Credit offerings for groups and their members underlines the need to be both responsible and compliant in terms of protecting their personal data as well as that of our staff. It is clear that we must take action during 2017-18 financial year in order to be ready for GDPR implementation. We will be taking the following steps:

- a) Designating a Data Protection Officer
- b) Developing a GDPR plan to cover all aspects of the new regulations
- c) Implementation in a timely manner before May 2018

In addition to the organisational wide risk register our local projects jointly develop risk assessments with our host organisations.

Trustees' Report 2016-17

Trustees' responsibilities in relation to the financial statements:

The charity trustees (who are also the directors of Spice Innovations Ltd for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the 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 judgements and 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 charity will continue in business.

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

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

Dr William Norman
Director


Date: 14th September 2017

Company No 6593956

Independent Auditor's Report To The Members And Trustees Of Spice Innovations Limited

We have audited the financial statements of Spice Innovations Ltd for the year ended 31 March 2017 which comprise the Charitable Company Statement of Financial Activities, the Charitable Company Balance Sheet, the Charitable Company Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of the group's and the parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. [or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

Kathryn Burton (Senior statutory auditor)
for and on behalf of Haysmacintyre, Statutory Auditor



Date: 14th September 2017

26 Red Lion Square
London

Spice Innovations Limited
(A company limited by guarantee)

Statement of financial activities
(incorporating the income and expenditure Account)
for the year ended 31 March 2017

	Note	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Income from:					
Investments	2	501	-	501	15
Charitable Activities	3	1,183,138	601,086	1,784,224	1,582,841
Total Income		1,183,639	601,086	1,784,725	1,582,856
Expenditure on:					
Charitable activities	4	1,164,397	526,231	1,690,628	1,650,670
Total Expenditure		1,164,397	526,231	1,690,628	1,650,670
Net income / (expenditure) for the year		19,242	74,855	94,097	(67,814)
Transfers between funds		-	-	-	-
Net movement in funds		19,242	74,855	94,097	(67,814)
Fund balances at 1 April 2016		328,048	35,095	363,143	430,957
Fund balances at 31 March 2017		347,290	109,950	457,240	363,143

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

Full comparative figures for the year ended 31 March 2016 are shown in each relevant note.

The notes on pages 15 - 22 form part of these financial statements.

Spice Innovations Limited
(A company limited by guarantee)

Balance sheet
as at 31 March 2017

	Notes	2017 £	2016 £
Fixed Assets	10	2,752	5,346
Current Assets			
Debtors	11	468,145	331,168
Cash at bank and in hand		400,338	290,877
		<u>868,483</u>	<u>622,045</u>
Creditors: amounts falling due within one year	12	(413,995)	(264,248)
Net current assets		454,488	357,797
Net assets		457,240	363,143
Funds			
Restricted fund	14	109,950	35,095
General fund	14	347,290	328,048
Total funds		457,240	363,143

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 15 - 22 form part of these financial statements.

The financial statements were approved by the board and signed on its behalf by:

Dr William Norman
Director



Date: 14th September 2017

Company No 6593956

Spice Innovations Limited
(A company limited by guarantee)

Cash Flow Statement
as at 31 March 2017

	2017	2017	2016	2016
	£	£	£	£
Cash flow from operating activities				
Net (expenditure)/income	94,097		(67,814)	
Adjustments for:				
Interest income	(501)		(15)	
Depreciation	4,144		5,083	
(Increase)/Decrease in debtors	(136,977)		295,911	
(Decrease)/Increase in creditors	149,747		(130,150)	
Net cash provided by/(used in) operating activities		110,510		103,015
Cash flow from investing activities				
Investment income – bank interest	501		15	
Purchase of tangible fixed assets	(1,550)		(1,613)	
Net cash provided by/(used in) investing activities		(1,049)		(1,598)
Change in cash and cash equivalents in the year		109,461		101,417
Cash and cash equivalents at the beginning of the year		290,877		189,460
Cash and cash equivalents at the end of the year		400,338		290,877

Notes to the financial statements for the year ended 31 March 2017
for the year ended 31 March 2017

1.01 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding period.

1.02 Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (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. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Spice Innovations Limited 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 note(s).

1.03 General information

The charity is a private company limited by guarantee, incorporated in England and Wales (company number: 6593956) and a charity registered in England and Wales (charity number: 1135143). The charity's registered address is shown on page 3.

1.04 Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charities forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.05 Fund accounting

Funds held by the charity are either:

Unrestricted general funds - these are funds which can be used in accordance with the charity's objectives, at the discretion of the trustees.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.06 Income

All income is included in the statement of financial activities when the charity is entitled to the income, receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

Notes to the financial statements for the year ended 31 March 2017
for the year ended 31 March 2017

1.07 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

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

1.08 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets over their estimated useful lives on the following rates:

Computer Equipment	33 1/3 % Straight line
Fixtures, Fittings & Equipment	33 1/3 % Straight line

All assets costing more than £1,000 are capitalised.

1.09 Pension

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities. The total contributions paid in the year are shown in note 8.

1.10 Employee Benefits & Termination

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

1.11 Operating leases

Rental charges are charged on a straight line basis over the life of the lease.

1.12 Financial Instruments

Financial assets such as cash and debtors are measured at their present value of the amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities such as trade creditors, loans and finance leases are measured at the present value of the obligation.

1.13 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Debtors

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

1.15 Cash at bank and in hand

Cash at bank and cash 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.

1.16 Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately differ from those estimates. The Trustees have found no areas of judgement with a significant effect on the financial statements. Further details on this judgement are provided in the relevant section above.

Notes to the financial statements for the year ended 31 March 2017
for the year ended 31 March 2017

2. Investment Income	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Bank interest receivable	501	-	501	15
	501	-	501	15

All bank interest receivables in 2017 & 2016 are unrestricted.

3. Income from:	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Wales unrestricted	-	-	-	155
Waterloo Foundation	-	29,671	29,671	-
Cardiff and Vale Substance Misuse	50,000	-	50,000	-
Wales Schools Unrestricted	20,374	-	20,374	12,409
Wales Housing Unrestricted	4,167	-	4,167	86,590
Locality Unrestricted	24,180	-	24,180	81,103
Interreg	-	-	-	30,290
PCC Victim Services	-	-	-	61,455
Newport C1st Clusters	17,904	-	17,904	-
Cascade: Cardiff University	5,400	-	5,400	3,800
United Welsh	4,733	-	4,733	3,750
Carmarthenshire Council Housing	77,635	-	77,635	-
Carmarthenshire Council Community	46,969	-	46,969	2,545
Rhondda-Cynon-Taf Council	67,287	-	67,287	-
Wales: Section 64 Schools	-	60,923	60,923	60,923
Wales: Cardiff Council (Families First)	77,710	-	77,710	88,098
Wales: Section 64 Social Services	-	97,140	97,140	-
England City Bridge	-	112,400	112,400	138,400
England Esmee Fairbairn	-	91,934	91,934	90,276
NESTA	-	-	-	108,972
Big Potential	-	28,898	28,898	-
Fidelity Trust	-	54,875	54,875	-
England Locality Unrestricted	5,875	-	5,875	8,850
EUL West Norfolk	71,322	-	71,322	68,710
EUL Chorley	122,957	-	122,957	63,374
EUL Buckinghamshire	34,338	-	34,338	92,032
EUL City of London	48,822	-	48,822	50,393
EUL Cambridgeshire	83,590	-	83,590	79,641
EUL Westminster	71,475	-	71,475	65,975
EUL Lancs	162,540	-	162,540	165,911
EUL Harringay	89,656	-	89,656	75,197
Dimensions	-	-	-	9,375
Garfield Weston	-	-	-	30,000
NHS City and Hackney CCG	-	24,423	24,423	53,565
Tudor Trust	-	75,000	75,000	-
Look Ahead	8,500	-	8,500	3,333
Medway CCG	310	-	310	-
RPLC Richmond	2,608	-	2,608	-
Lancs Mobilising Communities	714	-	714	-
BBO Lancs 1	-	1,220	1,220	-
BBO Lancs 2	-	1,262	1,262	-
Tidworth	-	-	-	4,079
Haringey Mental Health	74,842	-	74,842	43,640
Core unrestricted	9,230	-	9,230	-
Core restricted	-	350	350	-
NHS - IPC	-	22,990	22,990	-
2017 Total	1,183,138	601,086	1,784,224	1,582,841
2016 Total	1,004,881	577,960	1,582,841	

Notes to the financial statements for the year ended 31 March 2017
for the year ended 31 March 2017

4. Costs of charitable activities - by fund type	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2017	2017	2017	2016
	£	£	£	£
Charitable activities	1,164,397	526,231	1,690,628	1,650,670
2017 Total	1,164,397	526,231	1,690,628	1,650,670
2016 Total	1,060,256	590,414	1,650,670	

The charity's charitable activities are "Developing and delivering projects, events and training that enable individuals to become more actively involved in their communities".

5. Costs of charitable activities - by activity	Activities Undertaken		Total Funds	Total Funds
	Directly	Support Costs	2017	2016
	2017	2017	2017	2016
	£	£	£	£
Charitable activities	1,257,659	432,969	1,690,628	1,650,670
Total	1,257,659	432,969	1,690,628	1,650,670

The charity's charitable activities are "Developing and delivering projects, events and training that enable individuals to become more actively involved in their communities".

6. Support costs	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2017	2017	2017	2016
	£	£	£	£
Overheads	424,542	-	424,542	493,344
Governance:				
Cost of trustees' meetings	427	-	427	2,442
Statutory Audit Fee	8,000	-	8,000	8,000
Other Audit Fee	-	-	-	-
2017 Total	432,969	-	432,969	503,786
2016 Total	503,786	-	503,786	

7. Net Income

Net income for the year is stated after charging:	2017	2016
	£	£
Statutory Auditor's remuneration	8,000	8,000
Other Auditor's remuneration	-	-
Expenses to Trustees	427	2,442
Depreciation	4,144	5,083

Spice Innovations Limited
(A company limited by guarantee)

Notes to the financial statements for the year ended 31 March 2017
for the year ended 31 March 2017

8. Staff Costs

Number of employees

The average monthly head count in the year was 34 staff (2016: 32), and the average monthly number of full-time equivalents was as follows:

	2017	2016
Average Monthly Numbers of Employees	<u>32</u>	<u>30</u>

Employment Costs

	Total Funds 2017 £	Total Funds 2016 £
Wages and salaries	1,018,508	1,035,008
Social security costs	97,778	101,880
Pension costs	26,806	25,568
	<u>1,143,092</u>	<u>1,162,456</u>

There were no employees who received emoluments equal to or greater than £60,000 (2016 : One between £60,000 - £70,000).

One trustee received remuneration or reimbursement during the year, totalling £151 (2016: £nil).

The total employee benefits including pension contributions of the key management personnel were £247,320 (2016: £299,700).

Redundancy and termination costs in the year totalled £nil (2016:£15,000).

9. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

Notes to the financial statements for the year ended 31 March 2017
for the year ended 31 March 2017

10. Fixed Assets	Computer Equipment £	Fixtures, Fittings and Equipment £	Total £
Cost			
At 1 April 2016	22,393	3,364	25,757
Additions	1,550	-	1,550
At 31 March 2017	23,943	3,364	27,307
Depreciation			
At 1 April 2016	18,169	2,242	20,411
Charge for the year	3,022	1,122	4,144
At 31 March 2017	21,191	3,364	24,555
Net book value			
At 31 March 2016	4,224	1,122	5,346
At 31 March 2017	2,752	-	2,752

11. Debtors	Total Funds 2017 £	Total Funds 2016 £
Trade debtors	335,648	262,820
Accrued income	105,232	64,058
Prepayments	27,265	4,290
	468,145	331,168
Included within debtors were financial instruments measured at amortised cost of:	440,880	326,878

12a. Creditors: amounts falling due within one year	Total Funds 2017 £	Total Funds 2016 £
Trade Creditors	80,869	38,774
Deferred income (12b)	177,324	119,434
Accruals	24,431	36,105
Other taxes and social security	117,152	62,471
Other creditors	14,219	7,464
	413,995	264,248

12b. Opening deferred income	119,434	223,374
Released in the year	(119,434)	(223,374)
Income deferred in the current year	177,324	119,434
	177,324	119,434
Included within creditors were financial instruments measured at amortised cost of:	119,519	82,343

Notes to the financial statements for the year ended 31 March 2017
for the year ended 31 March 2017

13. Analysis of net assets between funds	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Total Funds 2016 £
Fund balance at 31 March 2017 as represented by:				
Fixed Assets	2,752	-	2,752	5,346
Current assets	758,533	109,950	868,483	622,045
Current liabilities	(413,995)	-	(413,995)	(264,248)
	<u>347,290</u>	<u>109,950</u>	<u>457,240</u>	<u>363,143</u>

14. Funds	At 1 April 2016 £	Income £	Expenditure £	Transfer £	At 31 March 2017 £
Total Unrestricted Funds	328,048	1,183,639	(1,164,397)	-	347,290
Waterloo Foundation	-	29,671	(15,989)	-	13,682
PCC Victim Services	565	-	(565)	-	-
Section 64 Schools	215	60,923	(61,138)	-	-
Sustainable Social Services	-	97,140	(97,140)	-	-
City Bridge	-	112,400	(112,400)	-	-
Esmee Fairbairn	-	91,934	(91,934)	-	-
Big Potential	-	28,898	(8,978)	-	19,920
Fidelity Trust	-	54,875	(36,084)	-	18,791
Garfield Weston	2,190	-	(2,190)	-	-
NHS City and Hackney CCG	32,125	24,423	(32,125)	-	24,423
Tudor Trust	-	75,000	(50,000)	-	25,000
BBO Lancs 1	-	1,220	(909)	-	311
BBO Lancs 2	-	1,262	(941)	-	321
NHS IPC	-	22,990	(15,488)	-	7,502
Department for Workplace and Pensions	-	350	(350)	-	-
Total Restricted Funds	35,095	601,086	(526,231)	-	109,950
Total Funds	363,143	1,784,725	(1,690,628)	-	457,240

Purposes of restricted funds

Waterloo Foundation: Grant funding to extend the Spice Schools programme into 15 new Primary Schools in Wales.

PCC Victim Services: The SW Police Crime Commission is funding Spice to develop a co-production programme.

Section 64 Schools: The Wales Government is funding Spice to develop a health and wellbeing programme in secondary schools in Wales.

Sustainable Social Services: The Welsh Government is funding Prevention First: Timebanking for Positive Ageing, a project including a positive ageing campaign to tackle attitudes around ageing and work to increase active community participation by older people to support prevention of ill health.

City Bridge: City Bridge Trust is funding Spice to develop its Time Credit programmes across London.

Esmee Fairbairn: The Esmee Fairbairn Foundation is providing a contribution towards core costs to enable Spice to grow and deepen its work, to strengthen its culture of innovation & learning, and to lead thinking and practice for community currencies and co-production.

Big Potential: Big Potential is supporting Spice to assess and develop its readiness for social investment funding, through consultancy support.

Fidelity Trust: Fidelity Trust is funding Spice to develop and build the initial stages of its digital platform, Timecredits.com.

Garfield Weston: Garfield Weston is contributing to the core costs of Spice to support its growth in England and Wales.

NHS City and Hackney CCG: NHS City and Hackney CCG is funding Spice to design and develop a Time Credit programme in a homeless hostel in Hackney.

Tudor Trust: Tudor Trust is contributing to the core costs of Spice to support its growth in England and Wales.

RPLC Richmond: RPLC funded a coping exercise to assess the potential for a Time Credits programme in Richmond to address local need.

BBO Lancs 1: Building Better Opportunities Fund: Invest In Youth. A Big Lottery and EU funded partnership programme to support people aged 16 - 24 into learning, training or employment.

BBO Lancs 2: Building Better Opportunities Fund: Age of Opportunity. A Big Lottery and EU funded partnership programme to support people over 50 back into work.

NHS IPC: NHS England has funded Spice to support its Integrated Personal Commissioning programme, providing consultancy to NHS IPC sites to design community mapping approaches.

Department for Workplace and Pensions: Funding for reasonable adjustments as a result of individual staff assessments.

Notes to the financial statements for the year ended 31 March 2017
for the year ended 31 March 2017

14. Funds (continued)

Comparative Movement in Funds (2016)	At 1 April 2015 £	Income £	Expenditure £	Transfer £	At 31 March 2016 £
Total Unrestricted Funds	395,380	1,004,896	(1,060,256)	(11,972)	328,048
Wales: Interreg	-	30,290	(42,262)	11,972	-
Wales: Tongwynlais	866	-	(866)	-	-
Wales: PCC Victim Services	-	61,455	(60,890)	-	565
Wales: Section 64 Schools	-	60,923	(60,708)	-	215
England: City Bridge	-	138,400	(138,400)	-	-
England: Esmee Fairbairn	16,680	90,276	(106,956)	-	-
England: NESTA	10,251	108,972	(119,223)	-	-
England: Garfield Weston	-	30,000	(27,810)	-	2,190
England: NHS City and Hackney CCG	-	53,565	(21,440)	-	32,125
England: Tidworth	7,780	4,079	(11,859)	-	-
Total Restricted Funds	35,577	577,960	(590,414)	11,972	35,095
Total Funds	430,957	1,582,856	(1,650,670)	-	363,143

15. Company limited by guarantee

Spice Innovations Limited is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.