



# Social Ark Annual Report & Accounts 2021

**social** **ARK**

**Company Registration Number : CE021106**  
**Registered Charity : 1188519**

**SOCIAL ARK**  
**ANNUAL REPORT AND ACCOUNTS**

**31<sup>st</sup> March 2021**

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## Social Ark – Trustee’s Annual Report

The Trustees present their annual report together with the financial statements of the Charity for the year 30<sup>th</sup> March 2020 to 31<sup>st</sup> March 2021.

### Objectives and Activities

#### a. Policies and Objectives

The objects of Social Ark, as set out in our governing document are:

To act as a resource for young people up to the age of 30 living in London and the surrounding areas by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:

- (a) advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
- (b) advancing education;
- (c) relieving unemployment.

#### b. Activities for achieving objectives

Social Ark started as a CIC in 2015 and converted to a CIO, gaining charitable status in March 2020. Set up by Lisa Stepanovic, Social Ark is a charity that works with young people from under-resourced East London backgrounds. Social Ark empowers young people to use their lived experience to start social enterprises through structured learning, influential expert mentoring, and wrap-around support.

All our business learning programmes have been co-designed by our alumni, creating universal, accessible, and easy-to-understand programmes. The tried and tested programmes work for all backgrounds and educational experiences. Young people receive high-quality learning that builds on their assets and talents, ensuring they become more confident and ‘tender ready’ for business, funding and other opportunities.

Our beneficiaries experience intersecting social and economic barriers, including poverty and social exclusion. We’ve found that no matter how determined they may be, the young people often come to us with personal issues and ‘baggage’ that weighs them down, holds them back and prevents them from moving forward. We help young people take control of improving their lives and focus their talents and expertise on bettering their own lives while tackling social issues that are important to them.

#### Current Programming:

[The Step Up Programme](#) offers exceptional 1:1, group and peer learning, personalised support and expert mentoring. Sessions cover everything needed to develop and sustain a social business, including piloting, business planning, financial management, monitoring, evaluation, marketing and other relevant training. The programme is accessible, inclusive and provides industry-standard learning. From October 2019 to July 2020, the Social Ark team and mentors delivered 35 weekly 3-hour learning workshops for 10 dedicated young entrepreneurs. At least 100 individuals from the community benefited from each project piloted – which means that 1,000 people across East London have directly benefited from Social Ark’s Step Up Programme during this period.

[The Investment Ready Programme](#) supports entrepreneurs to be ‘tender ready’. The course involves workshops and 1:1 business support, covering business planning & strategy, personal leadership & branding, impact measurement &

evaluation, communication & marketing, pitching & presenting, budgeting & finance, and policies & procedures. Thanks to funding from the Social Enterprise Support Fund and Paul Hamlyn Foundation, from November 2020 to March 2021, 13 young entrepreneurs completed the course online. The entrepreneurs worked with a peer-partner to encourage accountability, receiving £250 per month for peer mentoring so they could 'earn while they learn'. Trustee Heidi Fisher was employed on a one-off basis as a chartered accountant to deliver specialist support to our young entrepreneurs, helping them get their finances in order to secure funding for their own enterprises. Heidi Fisher has now retired from the board, effective from 6<sup>th</sup> August 2021, offering to continue support in a voluntary capacity. As a result of the programme, the entrepreneurs each have impact reports, budgets, management accounts, and a proposal/funding bid in place. All saw an increase in income, and collectively they secured over £200,000 in revenue or funding in 16 weeks.

*"I loved every moment of this programme; the topics are set out in a really progressive way that allows you to build on previous learning. There's so much support to help implement the learning to make sure it goes beyond just sitting in a workshop and taking notes, it makes you have to take action to stay on track and can really help to get your business to a good place."* – Project beneficiary

*"There's so much reassurance from my peers, for me, that is the most important thing. As a newcomer I didn't know anyone, we've literally built our relationships on Zoom and the group chat. I highly recommend it- I've learned so much. The Social Ark programme gives me something positive to look forward to during the week, it gets my head in the game and has made me want to work 10 times harder. The support we give each other in the group chat is phenomenal and the programme literally gives you everything you need - this programme is one of a kind-I love this programme and I love our sessions"* – Project beneficiary

*"When COVID hit, I lost my contracts overnight, I didn't know where I was going with my business. This programme has put me back on track and kept me focused. The support from Social Ark helped me get through a situation that I couldn't have got through on my own. I've learned so much from my peers and the mentors, knowing that I can trust them and that they've got my back makes me even more determined to make a success of my business and give back to our Social Ark family."* – Project beneficiary

The National Lottery 'Young Leaders in Lockdown' project was an immediate response to the COVID-19 pandemic in March 2020. We worked with 40 of our beneficiaries, providing virtual peer group 2-hour wellbeing and emotional support sessions twice weekly for 6 months. Sessions were split in 2 parts – the first half was facilitated by qualified expert volunteer mental health counsellors, and the second half was delivered by freelance wellbeing experts. These freelancers were from our own community, with lived experience of the issues affecting our beneficiaries. This was the first time we provided specialist wellbeing support online and in peer groups. All accessed virtual wellbeing activities, including fitness, creative baking, and peer-led emotional support groups. They've told us "it's literally been a lifeline" for them.

*"The daily check-ins have been so good, it's made me feel like I'm not actually alone during this COVID crisis. I've joined in baking sessions, digital wellness, music therapy, mindfulness and even boxercise."* – 'Young Leaders in Lockdown' Participant

The East End Community Foundation (EECF) 'Mind Over Matter' project: We worked with 29 young entrepreneurs who told us they were in need of wellbeing support. Many were impacted by COVID-related bereavements and ill health, caring responsibilities, being single parents and struggling generally with lockdown-related isolation. Our entrepreneurs have accessed 1:1 confidential support and coaching. They've told us that by accessing this specialist intervention, they're more able to cope with life's challenges and also remain focused and committed to their social enterprises.

*"During the pandemic, I began to find daily life difficult, especially running my own business at the same time. Receiving 1:1 coaching enabled me to look deep within my thought processes, reimagining ways to reclaim my confidence and devote more time to the things I love the most, spending time with my family, friends and my social enterprise."* – 'Mind over Matter' project beneficiary

**Continued Personal Development Programme – Ongoing family support:** At Social Ark, we operate an open-door policy, meaning beneficiaries can come-and-go, and get help as and when they need it. 92% of the young entrepreneurs have remained part of the Social Ark Family, accessing ongoing guidance and peer-mentoring newcomers. They have told us that our reliable support is vital to their personal development, wellbeing and their enterprises' growth. Alumni stay involved, they are prioritised for paid employment opportunities, support us to codesign programmes, fill back-office roles and facilitate expert sessions. We pride ourselves on being a family, sharing the same values and journey, empowering and uplifting one another.

**Wrap-around support:** An integral part of our work is 1:1 support which is often out of hours and goes hand in hand when supporting marginalised young people. Often, our young people can only turn their lives around and showcase transformational outcomes due to intensive behind-the-scenes support. Sometimes, we help young people who have been involved in gangs, grooming, victims of violent crime or are at risk of suicide. A consistent and trusted professional is available every step of the journey, to ensure young people are supported with any issues they may have, enabling them to go on and thrive.

**Mentoring:** Each beneficiary is matched with three mentors - an industry expert to help them deliver their ideas, a corporate mentor to share business knowledge and skills, and an Alumni peer mentor. Our mentors include individuals from corporate backgrounds, private business owners, community support experts, and experts by experience, such as ex-offenders and other individuals with the life experiences required to influence others.

**Diversity and Inclusion Training:** Bespoke sessions for corporates, co-designed and delivered by our Alumni, who are respectfully paid as the experts they are. The facilitators are Social Ark entrepreneurs from all backgrounds and walks of life. Sessions involve sharing lived experiences about structural racism and sensitising participants to concepts of privilege, power, biases and othering. These bespoke workshops give corporate employees an insight into the lives of grassroots social entrepreneurs, affirming employees' passion and purpose through thought provoking activities, reaffirming that their contributions to under-resourced communities are needed and valued.

### **c. Contribution made by Volunteers**

Social Ark values and recognises volunteering is at the core of its work. Beneficiaries are matched with three mentors: an expert in their field, a corporate, and a peer mentor. Our expert volunteers and mentors deliver custom and engaging business workshops; topics include: finance management, pitching and presenting, bid and proposal writing, digital know-how, web design, social media, sales and marketing, risk management, safeguarding and more.

We work with driven people who have impressive track records, who are the authority on their specialist subject, and are able to inspire, influence and support our young people. We are proud to have such a varied network of professionals that share our values, and champion our work. Mentors often support more than one young person at any one time and collaborate to support one another's mentees.

*"My mentor, Jim Blakemore, CEO and co-founder of Bikeworks CIC, has played a significant part in my enterprise's journey, his extensive knowledge of the social enterprise sector has been invaluable. Jim's belief in my business was there from the get-go, he gave us our first order, commissioning us to design the new BikeWorks t-shirts. I've received 'mentoring' before but not like this, my mentor experience as part of the Social Ark family has been truly stand out!"*

– Saif Bhoja, founder of @HuriahHemp

We openly advertise volunteering opportunities and recruit through social media, corporates and other nonprofit platforms. It is often the case that we gain new volunteers through our network of influential mentors and advisors; many referrals are made by word-of-mouth and personal recommendation. Social Ark volunteers remain at the core of everything we do; in addition to supporting our young entrepreneurs, volunteers also support the Social Ark core team with strategy, fundraising, HR, governance, bookkeeping, referrals and social media. We tailor all volunteering roles and support volunteers with safeguarding training, conducting DBS checks as and when required.

The number of volunteers we've worked with has steadily increased, amounting to over 50 volunteers between 2020-2021.

## **Achievements and Performance**

### **a. Our Impact**

Measured up to March 2021, Social Ark directly nurtured 38 social enterprises and supported an additional 200 young people. We provided over 4,800 hours of business learning and 1:1 support. While the young entrepreneurs were establishing proof of concept for their business ideas, Social Ark assisted and funded over 600 free inclusive community activities. These directly benefited over 1,000 East London residents and spread the concept of social entrepreneurship and what it means to be socially conscious in the borough. We've worked with 50 volunteers and mentors who provided expertise and professional support for our young entrepreneurs and spent over 200 hours providing ongoing support through the Continued Personal Development programme.

Our entrepreneurs have started a range of businesses and projects, including online fitness and youth mentoring; wellbeing; music and artistic development; education on domestic violence; floristry; dance and drama; sustainable hemp clothing; creative ways to engage with human rights; support for young carers; cleaning services.

As a result of the Social Ark programmes, our young entrepreneurs have gained many skills. In addition to the brilliant projects and start-ups they've created, below are some of the other benefits they have taken away from our programmes:

- Increased self-confidence.
- Greater recognition of the value of their own lived experiences.
- Greater understanding of business and legal requirements.
- Developed a better understanding of social entrepreneurship and community leadership.
- A more open attitude to embracing opportunities and challenges.
- Established new supportive friendships with people they wouldn't have met otherwise.
- Developed a greater understanding and sense of responsibility to social issues.

We are extremely proud to have been recognised for the following awards: Social Enterprise UK Roll of Honour 2020, NatWest SE100 Finalist 2021, and the 2021 University of Cambridge Social Innovation Prize.

### **b. Key financial performance indicators**

We don't currently have reserves as such, we are a recently converted charity and our funding is mostly restricted for projects, staff costs and organisational development. However, through 2021, our aim is to invest in our core team and build reserves to 6-months running costs as part of our business planning, income generation and fundraising activities – to be reviewed end 2021.

## **Financial Review**

### **a. Going concern**

The Coronavirus pandemic is creating uncertainty at the current time. The trustees are working to ensure the safety of all those involved with Social Ark and to maintain the continuity of its activities and to adhere to Government advice. After making appropriate enquiries, the trustees have a secure expectation that the Charity has adequate resources to continue in operational existence for the next twelve months, securing further funding and reserves. For this reason, they continue to adopt the going concern basis in the financial statements.

## **Structure, governance and management**

### **a. Constitution**

Social Ark has a Constitution of a Charitable Incorporated Organisation and is registered with the Charity Commission. (Charity number: 1188519). The principal object of the Charity is to act as a resource for young people up to the age of 30 living in London and the surrounding areas by providing advice and assistance and organising programmes of physical, educational and other activities.

### **b. Management Structure**

Social Ark has a charitable board of 6 trustees. Collectively, every trustee has lived experience of the issues faced by our beneficiaries. We currently have 3 alumni trustees, who have been through our programmes and play a vital role in shaping our work. The skills of our trustees include: safeguarding, finance, social services, diversity and inclusion, fundraising, wellbeing and community building, and impact measurement. The Social Ark CEO reports back to the board of trustees. The CEO supports and works closely with the project administrator, support worker, project facilitators and volunteers. The administrator and support worker report to the CEO on a weekly basis, or more often if required. Financial decisions are agreed by at least 2 trustees.

### **c. Method of Appointment or Election of Trustees**

The management of the Charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the Trust deed.



## 2. Statement of Trustee Responsibilities

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and charity and of application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 charity will continue in business.

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

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

In so far as the trustees are aware:

- there is no relevant information of which the Independent Examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant independent examination information and to establish that the Independent Examiner is aware of that information.

Approved by the Board of Trustees

Dated: 28<sup>th</sup> September 2021

Signed:



Sarah Castro MBE, Chair of Trustees

## **Independent Examiner's Report**

I report to the trustees of Social Ark (Charity No 1188519) on the accounts for the period ended 31<sup>st</sup> March 2021.

### **Respective Responsibilities of the trustees and the independent examiner**

The Charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act 2011, and
- to state whether particular matters have come to my attention

### **Basis of independent examiner's statement**

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act 2011; or
- the account did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Jaz Notay ACMA CGMA BEng (Hons)  
Zoneip Ltd

# STATEMENT OF FINANCIAL ACTIVITIES

For the period ended 31<sup>st</sup> March 2021

activity funds funds funds Total funds funds	Restricted				
	Unrestricted	income	Endowment	Prior year	Recommended categories by
	£ F01	£ F02	£ F03	£ F04	£ F05
<b>Income (Note 3)</b>					
<b>Income and endowments from:</b>					
Donations and legacies					
Charitable activities	41,124	156,529	-	197,653	-
Other trading activities Investments	-	-	-	-	-
Separate material item of income	-	-	-	-	-
Other	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>Expenditure (Notes 6)</b>					
	41,124	156,529	-	197,653	-
<b>Expenditure on:</b>					
Raising funds	-	-	-	-	-
Charitable activities					
Separate material expense item	1,052	63,657	-	64,709	-
Other					
<b>Total</b>	3,191	98,424	-	101,615	-
<b>Net income/(expenditure) before tax for the reporting period</b>	4,243	162,081	-	166,323	-
Tax payable					
		-			
<b>Net income/(expenditure) after tax before investment gains/(losses)</b>	36,881	5,552	-	31,330	-
Net gains/(losses) on investments					
		-			
<b>Net income/(expenditure) Extraordinary items</b>	36,881	5,552	-	31,330	-
<b>Transfers between funds</b>					
	-	-	-	-	-
<b>Other recognised gains/(losses):</b>					
Gains and losses on revaluation of fixed assets for the charity's own use	36,881	5,552	-	31,330	-
Other gains/(losses)	-	-	-	-	-
<b>Net movement in funds</b>	-	-	-	-	-
<b>Reconciliation of funds:</b>					
Total funds brought forward	-	-	-	-	-
<b>Total funds carried forward</b>					
	36,881	5,552	-	31,330	-
	-	-	-	-	-
	36,881	5,552	-	31,330	-

## BALANCE SHEET

As at 31st March 2021

	Unrestricted	Restricted	Endowment	Total	
	£	income funds	funds	this year	last year
	F01	F02	F03	F04	F05
<b>Fixed assets</b>					
Intangible assets	-	-	-	-	-
Tangible assets	-	-	-	-	-
Investments	-	-	-	-	-
<b>Heritage assets</b>					
<b>Total fixed assets</b>	-	-	-	-	-
<b>Current assets</b>					
Stocks	-	-	-	-	-
Debtors	-	-	-	-	-
Investments	-	-	-	-	-
Cash at bank and in hand (Note 4)	36,881	26,503	-	63,385	-
<b>Total current assets</b>	36,881	26,503	-	63,385	-
<b>Creditors: amounts falling due within one year (Note 3)</b>	-	-	-	-	-
<b>Net current assets/(liabilities)</b>	36,881	26,503	-	63,385	-
<b>Total assets less current liabilities</b>	36,881	26,503	-	63,385	-
<b>Creditors: amounts falling due after one year (Note 3) Provisions for liabilities</b>	-	4,200	-	4,200	-
<b>Total net assets or liabilities</b>	36,881	22,303	-	59,185	-
<b>Funds of the Charity</b>					
Endowment funds	-	-	-	-	-
Restricted income funds (Note 5)	-	22,303	-	22,303	-
Unrestricted funds	-	-	-	36,881	-
Revaluation reserve	-	-	-	-	-
Fair value reserve	36,881	-	-	-	-
<b>Total funds</b>	36,881	22,303	-	59,185	-

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

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

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Approved by the Board of Trustees

Dated: 28<sup>th</sup> September 2021



Signed:

Sarah Castro MBE, Chair of Trustees

## NOTES TO FINANCIAL STATEMENTS

### 1. Accounting Policies

#### Basis of preparing financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP (FRSSE) 'Accounting and Reporting' by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the provisions of FRS102 Section 1A Small Entities and the Companies Act 2006. The financial statements have been prepared under the historic cost convention.

#### Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

#### Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

#### Taxation

The charity is exempt from corporation tax on its charitable activities.

#### Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

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

### 2. Analysis of income

Analysis of income	Unrestricted	Restricted	Endowment	Total funds	Prior year
	funds	income	funds	£	£
Donations and gifts	40,075	-	-	40,075	-
Gift Aid	-	-	-	-	-
Legacies	-	-	-	-	-
General grants provided by government/other charities	-	155,529	-	155,529	-
Membership subscriptions and sponsorships which are in substance donations	-	-	-	-	-
Donated goods, facilities and services	-	1,000	-	1,000	-
Other	1,049	-	-	1,049	-
<b>Total</b>	<b>41,124</b>	<b>156,529</b>	<b>-</b>	<b>197,653</b>	<b>-</b>

Material Restricted funds are broken down as follows:

East Wick & Sweetwater	£13,500
Paul Hamlyn Foundation	£39,600
City of London	£25,920
COVID-19 Response	£9,900
Big Lottery Fund – SESF	£49,400
EECF	£15,709

### 3. Analysis of Creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year £	Last year £	This year £	Last year £
Accruals for grants payable	4,200	-	-	-

### 4. Cash in Bank and on Hand

	This year £	Last year £
Cash at bank and on hand	63,385	-

### 5. Charity Funds

Fund names	Type	Purpose and Restrictions	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
Social Ark CIC	Restricted	Suplus Funds from CIC	27,855	156,529	- 162,081	-	-	22,303