

Registered number: 08093052
Charity number: 1153130

**SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR
SOCIAL FRANCHISING**

**TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

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SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2017

Trustees

Christopher Underhill, Chair
Simon Myers, Treasurer
Neil Marshall
Kate Wareing
Emma Cooper
Christopher Cuthbert
Peter Weiss
Alix Zwane (appointed 1 December 2017)
Peter Freedman (appointed 1 December 2017)

Company registered number

08093052

Charity registered number

1153130

Registered office

Calder & Co
16 Charles II Street
London
SW1Y 4NW

Principal operating office

Phoenix Yard
65 Kings Cross Road
London
WC1X 9LW

Chief executive officer

Dan Berelowitz

Bankers

HSBC Bank Plc
8 Canada Square
London
E14 5HQ

Co-operative Bank
Skelmersdale
WN8 6WT

**SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2017**

The Trustees (who are also directors of the Company for the purposes of the Companies Act) present their annual report together with the financial statements of International Centre for Social Franchising ("ICSF" or "the charity") for the year ending 30 June 2017. The Trustees confirm that the annual report and financial statements of ICSF comply with current statutory requirements, the requirements of ICSF's governing documents 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).

On 22 November 2017 the company changed its name from International Centre for Social Franchising to Spring Impact. The subsidiaries also changed their names from ICSF (Trading) Limited and International Centre for Social Franchising Incorporated to Spring Impact (Trading) Limited and Spring Impact Incorporated respectively. The Trustee's report and accounting notes use the names in place at the balance sheet date.

OBJECTIVES AND ACTIVITIES

a. Policies And Objectives

Our focus is on one specific issue: scaling social impact. We believe that solutions with proven social impact need to operate at a much greater scale truly to address our most significant social problems.

We know solutions with proven social impact are out there; what they need is a broader, bigger reach, while maintaining depth of impact. We believe transformational change will be achieved by building on what already works, rather than reinventing the wheel.

As such, we partner with organisations that have demonstrated their models' tangible impact to expand their reach and realise their aspirations. We believe many of these models have the potential to address some of the world's greatest social issues.

In setting its programme each year, due regard is given to the Charity Commission's general guidance on public benefit.

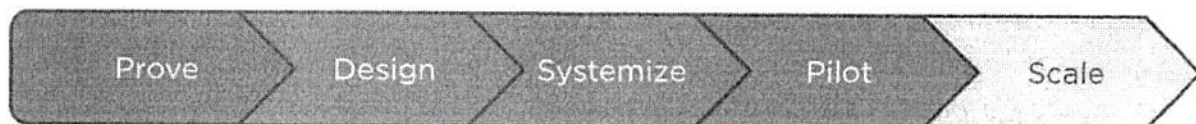
b. Activities For Achieving Objectives

We have pioneered a framework to unpack and demystify the complex area of scaling social impact. There are a number of routes to scaling; our specific focus is on replication. Replication refers broadly to taking an organisation, a programme or set of core principles to new locations.

Our systematic 5-stage methodology, detailed in our open source toolkit, is designed to enable organisations to identify, design and implement the right model to achieve their impact at a much larger scale. We assist our clients wherever they are on their journey to scale, whether it be proving their readiness to scale (stage one) or helping get their pilot off the ground (stage four) and beyond.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017



Assess replication readiness	Define scale goals	Document relevant systems and processes	Pilot in 2-4 locations	Rapid roll out of replications
Validate social impact	Develop replication model	Develop recruitment and support functions	Create feedback loop to improve systems	On-going support
Validate business model	Identify replication partners	Draft legal documentation	Evaluate and iterate	Continued learning and innovation
	Create scale strategy			

Our formula:

- **Strategic and practical.** We challenge clients to set ambitious social targets, and then help them develop pragmatic strategies to achieve them.
- **Commercial and social.** Our team brings both commercial and social expertise from working with some of the world's most impactful purpose organisations and our own research. We are a not-for-profit social enterprise ourselves, investing any surplus back into our social mission, so we 'get' the sector.
- **Rigorous process.** Scaling is challenging, but not impossible. It requires careful design of a system that works, monitoring improvement, backed by solid systems and processes which we help design and implement.
- **Connected.** We help facilitate the links needed for clients to implement their strategies, from funding to service providers.
- **Successful.** We only count our work as a success if our clients create genuine and lasting social impact.

Our central value is to strive to create, scale and sustain the maximum social impact, working towards our impact goal to assist ten solutions to social issues to replicate to achieve scale by 2018.

We carry out three main activities to work towards our charitable mission:

Consultancy: We deliver consultancy through our five-stage process, helping our clients to achieve their social mission by scaling their impact through replication. This consultancy is delivered through workshops, field visits, staff meetings and reports and financial model development. Where clients have already reached scale, we help them review their existing network to consider how it can be strengthened to better help them work towards their organisational goals.

Research: We contribute towards the global knowledge base on scale and replication, recognising areas where there are gaps in existing sector knowledge. We are currently updating our well-regarded, open source Toolkit (<http://toolkit.the-icsf.org/Home>) with fresh knowledge and research.

Advocacy: We promote sector-wide awareness and understanding of social replication as a method to scale social impact systematically.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

ACHIEVEMENTS AND PERFORMANCE

Overall

We have worked on over 120 projects, in 30 countries around the world, with engagements ranging from one-day workshops to multi-year partnerships. Across the board we received positive client satisfaction surveys for our work, with almost all saying they would recommend ICSF.

We have grown our total organisational revenue by over 35% compared to the previous financial year, giving us greater financial security and enabling us to consider how best to invest surplus to strengthen the organisation and work towards our mission.

We have continued to grow our team globally, to over 20 staff, supporting us with our wider advocacy activities.

We are working with the specialist evaluation agency RAND to develop a sector leading evaluation framework to help us better understand the impact we are having through our work, and to assess our progress in achieving our impact goal of replicating 10 projects by 2018. We are excited about putting this framework into practice, capturing our learning over the last 6 years and sharing our results with the sector. RAND will also be helping to develop a new strategy from 2018 onwards and how we measure our success.

We have continued to promote social replication more broadly across the sector, hoping to inspire others to consider a systematic replication approach when thinking about scale. Our toolkit has been downloaded almost 2000 times, and we have continued to receive positive feedback about how it is being used. We have spoken at a number of conferences in the year including EVPA, AVPN, Sankalp, SOCAP and the Skoll World Forum.

Project highlights

Marie Stopes Zambia (MSZ)

Marie Stopes Zambia is an NGO providing reproductive healthcare to the most vulnerable in Zambia. The William & Flora Hewlett Foundation has supported ICSF to work with MSZ to scale up their learnings from MSZ's work with the human-centered design approach to impact more adolescent girls. ICSF is working with the MSZ team to develop and test a replication model to scale up adolescent sexual reproductive health services through the public sector. In partnership with the Ministry of Health, MSZ is beginning a pilot of the model in the fall of 2017 with the support of an embedded in-country consultant from ICSF for three months. This phase of work will also incorporate in-depth research on scaling up innovative family planning solutions through the public sector, which will be used not only to inform the broader sector but also as guidance for MSZ as it pilots the model.

Scale Accelerator UK

We welcomed the second cohort of our Scale Accelerator programme in April 2017. Bringing together four major UK Foundations, we are working with the creators of six social innovations to embark on their scale journey – ranging from medical student volunteers tackling youth crime, to self-reliant, income-generation groups across Scotland.

As in the previous cohort, each participating organisation receives a bespoke package of group training and consultancy, in addition to M&E and leadership support, delivered with our partners the School for Social Entrepreneurs and The Social Innovation Partnership. Evaluation of the programme is underway and we look forward to sharing results later in 2017.

Sistema Biobolsa

Sistema Biobolsa is a social enterprise that sells biodigesters—which transform waste into biogas and high-nutrient fertilizer—to small farmers in Mexico. Since late 2015, ICSF has been helping Sistema Biobolsa develop the replication strategy, model, and codified operations to scale internationally. ICSF and Sistema has used the replication strategy to develop its model for Nicaragua in the first phase and Kenya in the second phase of engagement. Sistema has replicated to Nicaragua and Nairobi with a lean branch on-the-ground and partnering

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

with existing local partners.

Health Foundation

We are working with Health Foundation on an exciting project to explore the potential for social franchising and licensing to scale innovation across the National Health Service. ICSF carried out workshops with 15 teams across the UK to scope how these replication models could be operationalised, questioning the types of innovations and contexts where they would successfully scale social impact.

We are now contracting to work with four chosen innovations on a more extensive project to help them Design and Systemise their replication model, and prepare for pilot.

GSK and Save the Children Healthcare Innovation Award

ICSF was commissioned by GSK and Save the Children to provide consultancy support to a selection of their Healthcare Innovation Award winners in 2016/17 – Child PIP, a mortality audit tool being used to identify issues and improve quality of care for children in public hospitals across South Africa; VIHDA, an Ecuadorian foundation focused on eradicating mother-to-child transmission of HIV in the country; and Operation Karibu, a programme in Western Kenya encouraging women to seek institutional deliveries.

ICSF provided bespoke support to each organisation, helping them to plan the next steps to scale their operations. ICSF is now in discussions to support this year's Innovation Award winners.

Foundation for Ecological Security (FES)

Based in India, FES work towards the conservation of natural resources through community action. ICSF has been working with FES to design a branch replication model to support them to scale their rural college training program. Having completed the strategy and replication modeling in the first phase of work, ICSF is currently supporting FES to systemize their branch model operations. In addition, ICSF conducted a larger-scale replication strategy workshop with 40+ of their key leaders across major programs in FES, so that FES leaders may use a similar process internally when thinking about scaling their other programs.

Dance4Life

ICSF are working with the innovative NGO Dance4Life who empower and educate young people to protect their health and promote safe sexual choices. Using edutainment, Dance4Life and their partners support young people across nearly 20 countries to become agents for change, and promote healthy sexual behaviours in their communities. ICSF supported Dance4Life to develop a true social franchise model to scale their reach even further and become the leading engagement model for young people. Dance4Life is now piloting this new model in Africa, and seeking partners to support and rigorously assess its impact.

Yaajeende

Yaajeende is a pioneering agricultural project in Senegal that's improving nutrition and food security by connecting suppliers of quality nutrition and agricultural products to farmers and communities through a network of local entrepreneurs. After helping assessing readiness, developing and codifying a franchise model, ICSF worked with the spun-off social enterprise to pilot the replication model. CultiVert, as it is now called, has been launched in four regions of Senegal, and has approximately 80 franchisees delivering products and services in their local communities.

Lava Mae

Lava Mae is a nonprofit focused on radical hospitality for those experiencing homelessness by providing showers and hygiene services via retrofitted buses, started in San Francisco. ICSF supported Lava Mae to develop and codify a branch model in that is being used in Lava Mae's new operational branch in Los Angeles. Additionally, Lava Mae and ICSF worked together on developing Lava Mae's operational documentation, which contributed to their open source toolkit.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

Success for All (SFA)

SFA is a nonprofit that provides comprehensive school reform for the highest-need communities across the U.S. and Canada. ICSF worked with SFA to help replicate one highly effective component of their model, a tutoring program called Tutoring with Alphie, as a standalone product. We helped SFA develop and codify a replication strategy and model to work in partnership with large networks of schools or sites that work with children. SFA is moving forward by piloting its model with 4-5 partners.

The BOMA Project (BOMA)

BOMA implements a sustainable, high-impact poverty graduation program for extremely poor women of the Arid and Semi-Arid Lands of Africa. The strategy is focused on bringing the program to larger, well-established non-governmental organizations (NGOs) in new sub-Saharan African countries to reach 1 million women and children by 2023. ICSF has helped develop and codify the strategic partnership model. BOMA is currently using the model and materials with partners such as Mercy Corps and other NGO partners.

Population Services International (PSI) India:

PSI India is a part of Population Services International (PSI), a global health network of more than 50 local organizations dedicated to improving the health of people in the developing world. PSI India has been testing the viability and scalability of a "screen and treat" approach for cervical cancer prevention in India as an effective approach to deliver affordable and effective population-based screening. ICSF worked with the PSI India team to capture the critical lessons learned that could guide other cervical cancer prevention programming in a report that will be disseminated widely in the sector.

PLANS FOR FUTURE PERIODS

We have been able to work with a range of inspiring and impactful organisations over the last year and are excited to continue to do so in the next year, including ongoing partnerships with a range of organisations and funders.

Strategic Direction

The whole organisation is engaged in a strategic planning period, with our new six-year strategy to be shared in 2018. This strategy will enable us to build on our impactful work in our first six years, whilst taking further strides to our overall organisational mission.

Re-brand

We have selected a new name for the organisation, "Spring Impact", and are in the process of developing a new visual brand. The rebrand is an opportunity to build and strengthen our reputation in the market, and we look forward to launching them in November 2017.

Relocation of CEO

Dan Berelowitz, Founder and CEO is relocating to California in November 2017 to continue to build the organisation there. The primary purpose for the move is to develop new opportunities to further increase ICSF's social impact. We forecast that the relocation will ensure continued significant growth in revenue, allowing the global organisation to tap into further US funding sources to benefit both the UK and US entities.

FINANCIAL REVIEW

a. Financial Risk Management Objectives And Policies

The charity's income of £1,482,000 and surplus of £179,000 reflect ICSF's continued growth and sound management. The surplus helps us meet our long-term reserves target and supports our continued expansion,

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

enabling us to work with more social replication projects.

The principal funding sources of the charity in the reporting period were £307,000 of grants and £1,175,000 of contract income for our work on social replication projects. Grants recognised in the period include £47,000 from US charitable foundations restricted to the activities in the US and passed by UK ICSF as a grant to US ICSF Inc during the period.

ICSF Inc made a surplus of £124,000 on income of £650,000 over the accounting period, reflecting income growth of 89% on the prior year.

The charity's trading subsidiary made a small loss during the year.

b. Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity 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.

c. Principal Risks And Uncertainties

In accordance with the recommendations of the Statement of Recommended Practice the trustees confirm that they have reviewed the major risks to which the charity might be exposed and identified plans and strategies to mitigate those risks.

The principal risks are:

- Loss of key staff. This risk is mitigated by our Remuneration Policy noted below and our internal "Systemise" project which documents all internal processes and our approach to delivering client assignments
- Dan Berelowitz, Chief Executive Officer (CEO), move from the UK to US office. This risk is mitigated by the thorough handover of the CEO's relationships with European funders to senior UK staff and the CEO'S continued supervision of those staff. The CEO's status as a World Economic Forum Young Global Leader which adds credibility when seeking to expand the ICSF's US funding network.

An indemnity policy is in place to cover the negligence or default of trustees or employees

d. Reserves Policy

ICSF's ongoing Reserves Policy is to ensure that a level of resources is always retained to continue funding:

- its core structure and activities for a minimum period of 3 months. Longer term, the intention is to increase this to 6 months
- its existing commitments to charitable projects

The Reserves Policy is reviewed at least annually in the light of the Charity's changing circumstances. The ongoing situation is monitored by the Treasurer and Chief Executive Officer and is formally presented at each Trustee meeting, together with a cash flow forecast.

Our unrestricted net current assets at year-end were £541,000 which met our short term aim to cover our core structure and activities for at least a three month period.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017**

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The charity is registered as a charitable company limited by guarantee number 1153130 and constituted under a Memorandum of Association.

The principal objects of the charity are:

- The promotion of the efficiency and effectiveness of charities and the effective use of charitable-resources through:
 - The provision of services, including but not limited to, research, advice and consultancy services –to individuals, charities and/or other organisations, and
 - The promotion of the replication, systemisation and increased efficiency and reach of successful charitable projects
- Such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

b. Method Of Appointment Or Election Of Trustees

The oversight of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Organisation Structure And Decision Making

Legal control of the charity is in the hands of the Board of Trustees. Every trustee has been appointed a director of the company. Trustees are either the original subscribers to the company's Memorandum of Association or joined the Board by election at Trustee meetings or by written resolution signed by all Trustees.

The Board of Trustees works with the charity's CEO on strategic development and policy implementation. The trustees receive periodic training on trustee responsibilities and are made aware of relevant training opportunities. The CEO and senior staff team carry out one-on-one inductions with new trustees.

Subsidiaries

• ICSF (Trading) Ltd: ICSF carries out projects where charities or voluntary organisations benefit from the work. Any other projects managed by the UK office are carried out by ICSF (Trading) Ltd, a wholly owned subsidiary of the ICSF. The trading subsidiary benefits from tax relief on profits donated to the parent charity ICSF.

• International Centre for Social Franchising Incorporated (ICSF Inc): The US entity ICSF Inc's bylaws state that the UK charity ICSF is a member of ICSF Inc and has powers to nominate or remove ICSF Inc board directors. ICSF Inc's articles of incorporation note that one of its purposes is to support the UK ICSF charity. ICSF Inc was awarded non-profit status by the US Internal Revenue Service on the basis that ICSF Inc is a supporting organisation of the UK ICSF charity.

International Advisory Board

This team of industry experts, run on an informal basis, volunteer their time periodically, helping to generate project ideas and giving advisory support.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2017

d. Remuneration Policy

Delivery of ICSF's charitable vision and purpose is primarily dependent on our staff. Personnel costs are the largest single element of charitable expenditure. ICSF is committed to ensuring that we pay our staff fairly and in a way that ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

ICSF has a Remuneration Committee which meets annually and sets the pay for all staff. It comprises the ICSF Chair of Trustees and two other trustees. The committee's responsibilities are to determine annual pay increases and benefits, taking account of salary bands and market data.

The objective of the policy is to ensure that the Chief Executive and staff team are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Charity.

We pay at least the London living wage for all our staff.

e. Finance Committee

ICSF has a Finance Committee comprised of the UK and US Treasurers, Chief Executive Officer, Finance Director and a volunteer accountant with tax expertise. The committee's responsibilities are to review quarterly management accounts and consider and make recommendations to the Board of Trustees on all finance matters. The Board of Trustees is responsible for the final decision.

This report was approved by the Trustees, in their capacity as company directors, and signed on their behalf by:

Christopher Underhill, Chair
Trustee



Date: 29 January 2018

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SPRING IMPACT, FORMERLY KNOWN AS
INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING**

OPINION

We have audited the financial statements of Spring Impact, Formerly Known as International Centre For Social Franchising (the 'parent charity') and its subsidiaries (the 'group') for the year ended 30 June 2017 set out on pages 13 to 36. 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 trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2017 and of the group's incoming resources and application of resources, including its 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 Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SPRING IMPACT, FORMERLY KNOWN AS
INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING**

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SPRING IMPACT, FORMERLY KNOWN AS
INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.



Calder & Co

Chartered Accountants
and Statutory Auditors

16 Charles II Street
London

SW1Y 4NW

Date: 2/2/18

Calder & Co are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and legacies	2	38,531	268,175	306,706	248,528
Charitable activities	5	1,169,151	-	1,169,151	724,804
Other trading activities:					
Royalties	3	635	-	635	-
Trading activities	4	5,409	-	5,409	101,689
Investments	6	60	-	60	118
Other income		196	-	196	71
TOTAL INCOME		1,213,982	268,175	1,482,157	1,075,210
EXPENDITURE ON:					
Generating funds	4	208,321	-	208,321	155,246
Charitable activities:					
Other charitable activities		794,359	266,825	1,061,184	764,188
Governance	7	32,323	1,350	33,673	22,380
TOTAL EXPENDITURE	9	1,035,003	268,175	1,303,178	941,814
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		178,979	-	178,979	133,396
NET MOVEMENT IN FUNDS		178,979	-	178,979	133,396
RECONCILIATION OF FUNDS:					
Total funds brought forward		362,478	-	362,478	229,082
TOTAL FUNDS CARRIED FORWARD		541,457	-	541,457	362,478

The notes on pages 18 to 36 form part of these financial statements.

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(A company limited by guarantee)
REGISTERED NUMBER: 08093052

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	15		5,848		5,040
CURRENT ASSETS					
Debtors	18	260,495		199,518	
Cash at bank and in hand		542,951		330,419	
		<u>803,446</u>		<u>529,937</u>	
CREDITORS: amounts falling due within one year	19	<u>(265,337)</u>		<u>(167,499)</u>	
NET CURRENT ASSETS			<u>538,109</u>		<u>362,438</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>543,957</u>		<u>367,478</u>
CREDITORS: amounts falling due after more than one year	20		<u>(2,500)</u>		<u>(5,000)</u>
NET ASSETS			<u><u>541,457</u></u>		<u><u>362,478</u></u>
FUNDS					
Unrestricted funds	21		<u>541,457</u>		<u>362,478</u>
TOTAL FUNDS			<u><u>541,457</u></u>		<u><u>362,478</u></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. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

The financial statements were approved and authorised for issue by the Trustees on 29 January 2018 and signed on their behalf, by:



Christopher Underhill, Chair



Simon Myers, Treasurer

The notes on pages 18 to 36 form part of these financial statements.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)
REGISTERED NUMBER: 08093052

COMPANY BALANCE SHEET
AS AT 30 JUNE 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	15		3,453		3,419
Investments	16		1		1
			3,454		3,420
CURRENT ASSETS					
Debtors	18	208,228		196,336	
Cash at bank		343,407		252,914	
		551,635		449,250	
CREDITORS: amounts falling due within one year	19	(174,267)		(130,772)	
NET CURRENT ASSETS			377,368		318,478
TOTAL ASSETS LESS CURRENT LIABILITIES			380,822		321,898
CREDITORS: amounts falling due after more than one year	20		(2,500)		(5,000)
NET ASSETS			378,322		316,898
CHARITY FUNDS					
Unrestricted funds	21		378,322		316,898
TOTAL FUNDS			378,322		316,898

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. However, an audit is required in accordance with section 151 of the Charities Act 2011.

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

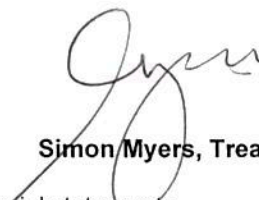
SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

COMPANY BALANCE SHEET (continued)
AS AT 30 JUNE 2017

The financial statements were approved and authorised for issue by the Trustees on 29 January 2018 and signed on their behalf, by:



Christopher Underhill, Chair



Simon Myers, Treasurer

The notes on pages 18 to 36 form part of these financial statements.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	23	<u>217,664</u>	<u>180,932</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		60	118
Purchase of tangible fixed assets		<u>(5,192)</u>	<u>(6,607)</u>
Net cash used in investing activities		<u>(5,132)</u>	<u>(6,489)</u>
Change in cash and cash equivalents in the year		212,532	174,443
Cash and cash equivalents brought forward		<u>330,419</u>	<u>155,976</u>
Cash and cash equivalents carried forward	24	<u><u>542,951</u></u>	<u><u>330,419</u></u>

The notes on pages 18 to 36 form part of these financial statements.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

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.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Spring Impact (Formerly Known as International Centre For Social Franchising) 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 Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. ACCOUNTING POLICIES (continued)

1.4 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.

1.5 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.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. ACCOUNTING POLICIES (continued)

1.6 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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. 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.

1.7 Basis of consolidation

The financial statements consolidate the accounts of Spring Impact (Formerly Known as International Centre For Social Franchising) and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.8 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.9 Tangible fixed assets and depreciation

All assets costing more than £400 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment - 33% straight line

1.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.11 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.

1.12 Debtors

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

1.13 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.

1.14 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 or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

1. ACCOUNTING POLICIES (continued)

1.15 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.16 Pensions

The Charity contributes to employee personal pension schemes where provided for in the employee's contract and in line with pension auto enrolment regulations. The pension charge represents the amounts payable by the company to the funds in respect of the year.

2. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	26,531	-	26,531	19,136
Grants	12,000	268,175	280,175	229,392
	<u>38,531</u>	<u>268,175</u>	<u>306,706</u>	<u>248,528</u>
Total donations and grants	<u>38,531</u>	<u>268,175</u>	<u>306,706</u>	<u>248,528</u>

In 2016, of the total income from donations and legacies, £229,392 was in respect of restricted funds and £19,136 was in respect of unrestricted funds.

3. ROYALTY INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Royalties	635	-	635	-
	<u>635</u>	<u>-</u>	<u>635</u>	<u>-</u>

ICSF is represented in Australia under a licensing agreement with Community Works Associates Pty. Ltd., a consulting company based in Melbourne that has a long-standing commitment to replication and scaling.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

4. TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Charity trading income				
Charity trading income	5,409	-	5,409	101,689
Trading expenses				
Trading expense	1,956	-	1,956	24,993
Net income from trading activities	3,453	-	3,453	76,696

Trading income is generated from the subsidiary ICSF (Trading) Ltd.

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Consultancy	1,169,151	-	1,169,151	724,804

In 2016, of the total income from charitable activities £NIL was in respect of restricted funds and £724,804 was in respect of unrestricted funds.

6. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Interest received	60	-	60	118
	60	-	60	118

In 2016, of the total investment income £NIL was in respect of restricted funds and £118 was in respect of unrestricted funds.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

7. GOVERNANCE COSTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
Accountancy	8,070	1,350	9,420	8,579
Trustee & governance costs	278	-	278	1,086
Payroll and HR costs	13,113	-	13,113	5,552
Foreign tax	-	-	-	310
Support costs	1,982	-	1,982	1,037
Staff costs	8,836	-	8,836	5,781
Depreciation	44	-	44	35
Total	32,323	1,350	33,673	22,380

8. DIRECT COSTS

	Consultancy £	Advocacy £	Total 2017 £	<i>Total 2016 £</i>
Consultancy	66,800	-	66,800	135,347
Advocacy	-	22,121	22,121	16,678
Monitoring and evaluation	13,543	-	13,543	-
Travel and licensing costs	89,825	-	89,825	63,731
	170,168	22,121	192,289	215,756

In 2016, the group incurred the following Direct costs:

£199,079 in respect of Consultancy

£16,678 in respect of Advocacy

The figures shown above represent expenditure with external partners and suppliers and do not include, for example, allocations of staff and other administrative costs.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

9. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Cost of generating charitable income	167,875	832	37,658	206,365	130,253
Cost of generating trading income	-	-	1,956	1,956	24,993
Costs of generating funds	167,875	832	39,614	208,321	155,246
Consultancy	636,156	3,153	312,868	952,177	692,668
Advocacy	44,177	219	32,029	76,425	50,955
Research	26,506	131	5,945	32,582	20,565
Charitable activities	706,839	3,503	350,842	1,061,184	764,188
Expenditure on governance	8,836	44	24,793	33,673	22,380
	883,550	4,379	415,249	1,303,178	941,814

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

10. SUPPORT AND STAFF COSTS

	Consultancy £	Advocacy £	Research £	Total 2017 £	Total 2016 £
Advertising and marketing	25,812	1,792	1,075	28,679	1,471
Rent	39,307	2,730	1,638	43,675	38,355
Telephone & internet	853	59	36	948	1,140
Staff recruitment	10,256	712	427	11,395	5,376
Travel and subsistence	14,306	993	596	15,895	11,021
Entertainment - staff	7,833	544	326	8,703	4,184
Entertainment - clients	2,465	171	103	2,739	1,825
Consulting fees and expenses	1,890	131	79	2,100	4,078
Printing, postage and stationary	495	34	21	550	903
Insurance	8,794	611	366	9,771	7,696
General expenses	1,916	133	80	2,129	1,558
Bank charges	2,067	144	86	2,297	1,658
IT software and consumables	12,167	845	507	13,519	17,084
Profit/loss on foreign exchange	(2,915)	(203)	(122)	(3,240)	(21,968)
Staff training	16,895	1,173	704	18,772	8,194
Subscriptions	559	39	23	621	508
Wages and salaries	551,508	38,299	22,979	612,786	402,133
National insurance	52,981	3,679	2,208	58,868	37,468
Pension cost	31,667	2,199	1,319	35,185	22,915
Depreciation	3,153	219	131	3,503	2,832
	<u>782,009</u>	<u>54,304</u>	<u>32,582</u>	<u>868,895</u>	<u>548,431</u>

The figures shown above represent the portion of Support and Staff costs allocated across our charitable activities; the portion allocated to governance and our work generating funds is not shown here.

11. TURNOVER

41% (2016 - 25%) of group turnover arose in the United States of America and 59% (2016 - 75%) arose in the United Kingdom.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

12. NET INCOMING RESOURCES

This is stated after charging:	2017 £	2016 £
Depreciation of tangible fixed assets	4,379	3,540
Accountancy costs	9,420	8,579
Pension costs	43,982	28,643

During the year, no Trustees received any remuneration (2016 - £NIL)

During the year, no Trustees received any benefits in kind (2016 - £NIL)

During the year, 1 Trustee received reimbursement of expenses totalling £278 (2016 - 2 Trustees - £476)

13. AUDITORS' REMUNERATION

The Auditor's remuneration amounts to an audit fee of £6,240 (2016 - £5,800), and accountancy fees of £1,480 (2016 - £1,350).

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

14. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	765,983	502,667
National Insurance	73,586	46,834
Other pension costs	43,982	28,643
Total	<u>883,551</u>	<u>578,144</u>

The number of higher paid employees:

	2017 No.	2016 No.
In the band £80,001 - £90,000	1	1

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

	2017 No.	2016 No.
UK employees	<u>13</u>	<u>12</u>

Details above relate to the UK entity only. Including the US there were 2 higher paid employees (2016 - 2) out of 19 employees (2016 - 15) across the group.

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

15. TANGIBLE FIXED ASSETS

	Office equipment £
Group	
Cost or valuation	
At 1 July 2016	13,731
Additions	5,192
	18,923
At 30 June 2017	18,923
Depreciation	
At 1 July 2016	8,691
Charge for the year	4,384
	13,075
At 30 June 2017	13,075
Net book value	
At 30 June 2017	5,848
	5,848
<i>At 30 June 2016</i>	<i>5,040</i>
Company	
Cost or valuation	
At 1 July 2016	10,616
Additions	3,192
	13,808
At 30 June 2017	13,808
Depreciation	
At 1 July 2016	7,197
Charge for the year	3,158
	10,355
At 30 June 2017	10,355
Net book value	
At 30 June 2017	3,453
	3,453
<i>At 30 June 2016</i>	<i>3,419</i>

**SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017**

16. FIXED ASSET INVESTMENTS

Subsidiary undertakings

The following were subsidiary undertakings of the charity:

Name	Holding
ICSF (Trading) Limited	100%

The aggregate of the share capital and reserves as at 30 June 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
ICSF (Trading) Limited	<u>1</u>	<u>1</u>

Company	Shares in group undertakings £
Market value	
At 1 July 2016 and 30 June 2017	<u>1</u>

17. PRINCIPAL SUBSIDIARIES

ICSF (Trading) Limited

Subsidiary name	ICSF (Trading) Limited
Equity shareholding %	100%
Total assets as at 30 June 2017	£ 4,660
Total liabilities as at 30 June 2017	£ (8,272)
Total equity as at 30 June 2017	£ (3,612)
Turnover for the year ended 30 June 2017	£ 5,409
Expenditure for the year ended 30 June 2017	£ (9,022)
Loss for the year ended 30 June 2017	£ (3,613)

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

17. PRINCIPAL SUBSIDIARIES (continued)

**International Centre for Social Franchising
Incorporated**

Subsidiary name	International Centre for Social Franchising Incorporate
Total assets as at 30 June 2017	£ 285,416
Total liabilities as at 30 June 2017	£ (122,775)
Total equity as at 30 June 2017	£ 162,641
Turnover for the year ended 30 June 2017	£ 650,135
Expenditure for the year ended 30 June 2017	£ (526,278)
Profit for the year ended 30 June 2017	£ 123,857

The US entity International Centre for Social Franchising Incorporated (ICSF Inc) has been treated as a subsidiary for the purpose of preparing consolidated accounts. ICSF exerts control over ICSF Inc through ICSF Inc's bylaws which state that ICSF is a member of ICSF Inc and has powers to nominate or remove ICSF Inc board directors.

18. DEBTORS

	<u>Group</u>		<u>Company</u>	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	144,224	88,501	107,236	49,881
Amounts owed by group undertakings	-	-	35,871	77,212
Prepayments and accrued income	116,271	111,017	65,121	69,243
	<u>260,495</u>	<u>199,518</u>	<u>208,228</u>	<u>196,336</u>

SPRING IMPACT, FORMERLY KNOWN AS INTERNATIONAL CENTRE FOR SOCIAL FRANCHISING
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

19. CREDITORS: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2017 £	2016 £	2017 £	2016 £
Other loans	2,500	2,500	2,500	2,500
Trade creditors	26,751	14,140	18,613	11,763
Other taxation and social security (see below)	42,765	28,632	42,765	28,632
Other creditors	2,427	-	2,427	-
Accruals and deferred income	190,894	122,227	107,962	87,877
	<u>265,337</u>	<u>167,499</u>	<u>174,267</u>	<u>130,772</u>

Other taxation and social security

	<u>Group</u>		<u>Company</u>	
	2017 £	2016 £	2017 £	2016 £
PAYE/NI control	15,647	12,651	15,647	12,651
VAT control	27,118	15,981	27,118	15,981
	<u>42,765</u>	<u>28,632</u>	<u>42,765</u>	<u>28,632</u>

20. CREDITORS: Amounts falling due after more than one year

	<u>Group</u>		<u>Company</u>	
	2017 £	2016 £	2017 £	2016 £
Other loans	2,500	5,000	2,500	5,000

ICSF received a loan from an independent third party on 3 March 2014. The loan is being repaid in 4 equal annual instalments of £2,500 commencing in the first quarter of 2015. There is no interest payable on the loan.

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NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2017 £
Designated funds					
Designated Funds - all funds	5,040	5,192	(4,384)	-	5,848
General funds					
General Funds - all funds	138,357	1,208,790	(1,030,619)	(143,397)	173,131
Reserves	219,081	-	-	143,397	362,478
	<u>357,438</u>	<u>1,208,790</u>	<u>(1,030,619)</u>	<u>-</u>	<u>535,609</u>
Total Unrestricted funds	<u>362,478</u>	<u>1,213,982</u>	<u>(1,035,003)</u>	<u>-</u>	<u>541,457</u>
Restricted funds					
Restricted Funds - all funds	-	268,175	(268,175)	-	-
Total of funds	<u><u>362,478</u></u>	<u><u>1,482,157</u></u>	<u><u>(1,303,178)</u></u>	<u><u>-</u></u>	<u><u>541,457</u></u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 July 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2016 £
Designated funds					
Designated Funds - all funds	1,973	6,607	(3,540)	-	5,040
	<u>1,973</u>	<u>6,607</u>	<u>(3,540)</u>	<u>-</u>	<u>5,040</u>
General funds					
General Funds - all funds	217,109	839,211	(698,882)	-	357,438
	<u>217,109</u>	<u>839,211</u>	<u>(698,882)</u>	<u>-</u>	<u>357,438</u>
Total Unrestricted funds	<u>219,082</u>	<u>845,818</u>	<u>(702,422)</u>	<u>-</u>	<u>362,478</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. STATEMENT OF FUNDS (continued)

Restricted funds

Restricted Funds - all funds	10,000	229,392	(239,392)	-	-
	<u>10,000</u>	<u>229,392</u>	<u>(239,392)</u>	<u>-</u>	<u>-</u>
Total of funds	<u>229,082</u>	<u>1,075,210</u>	<u>(941,814)</u>	<u>-</u>	<u>362,478</u>

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 July 2016 £	Income £	Expenditure £	Balance at 30 June 2017 £
Designated funds	5,040	5,192	(4,384)	5,848
General funds	357,438	1,208,790	(1,030,619)	535,609
	<u>362,478</u>	<u>1,213,982</u>	<u>(1,035,003)</u>	<u>541,457</u>
Restricted funds	-	268,175	(268,175)	-
	<u>362,478</u>	<u>1,482,157</u>	<u>(1,303,178)</u>	<u>541,457</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 July 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2016 £
Designated funds	1,973	6,607	(3,540)	-	5,040
General funds	217,109	839,211	(698,882)	-	357,438
	<u>219,082</u>	<u>845,818</u>	<u>(702,422)</u>	<u>-</u>	<u>362,478</u>
Restricted funds	10,000	229,392	(239,392)	-	-
	<u>229,082</u>	<u>1,075,210</u>	<u>(941,814)</u>	<u>-</u>	<u>362,478</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	5,846	-	5,846
Current assets	803,447	-	803,447
Creditors due within one year	(265,336)	-	(265,336)
Creditors due in more than one year	(2,500)	-	(2,500)
	<u>541,457</u>	<u>-</u>	<u>541,457</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	5,040	-	5,040
Current assets	529,937	-	529,937
Creditors due within one year	(167,499)	-	(167,499)
Creditors due in more than one year	(5,000)	-	(5,000)
	<u>362,478</u>	<u>-</u>	<u>362,478</u>

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	Group 2016 £
Net income for the year (as per Statement of Financial Activities)	178,979	133,396
Adjustment for:		
Depreciation charges	4,386	3,540
Losses on investments	(60)	(118)
Increase in debtors	(60,978)	(5,679)
Increase in creditors	95,337	49,793
Net cash provided by operating activities	<u>217,664</u>	<u>180,932</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group	
	2017	2016
	£	£
Cash in hand	542,951	330,419
Total	542,951	330,419

25. PENSION COMMITMENTS

The Charity contributes to employee personal pension schemes where provided for in the employee's contract and in line with pension auto enrolment regulations. The pension cost charge represents contributions payable by the charity to these schemes and amounted to £43,982 (2016 - £28,643). Contributions outstanding at the year end totalled £2,059 (2016 - £16,325).

26. RELATED PARTY TRANSACTIONS

ICSF (Trading) Limited, a 100% owned subsidiary, did not make a donation to the charity in 2017 (2016 - £4,473) at the balance sheet date.

In 2016, a grant of \$20,000 was awarded by The Vizas Family Philanthropy Fund to ICSF Inc. Kathryn Vizas is a trustee of the ICSF Inc board.

During the year, Lisa Rose and Bernadette Clavier, both whom are trustees of ICSF Inc, made donations of \$500 and \$5,000 respectively.

During the year, travel expenses for £278 were reimbursed to 1 trustee.

27. POST BALANCE SHEET EVENTS

On 22 November 2017, the company changed its name from International Centre for Social Franchising to Spring Impact. The subsidiaries also changed their names from ICSF (Trading) Limited and International Centre for Social Franchising Incorporated to Spring Impact (Trading) Limited and Spring Impact Incorporated respectively.