

SPARKLE (SOUTH WALES)

England & Wales · Charity number 1093690

Details

Other names	SOUTH GWENT CHILDREN'S FOUNDATION, SPARKLE (SOUTH WALES) LIMITED
Status	Registered
Legal form	Charitable company
Company number	04238990
Registered	2002-09-04
Register	View on the Charity Commission register

Contact

Address	Serennu Children's Centre Cwrt Camlas Rogerstone Newport NP10 9LY
Phone	01633748092
Email	Carla.Hopkins@wales.nhs.uk
Website	http://www.sparkleappeal.org/

Activities

Objects: THE RELIEF OF POVERTY, SICKNESS AND DISTRESS AMONG CHILDREN IN PARTICULAR BY THE PROVISION OF FACILITIES, EQUIPMENT AND SERVICES AND THE RELIEF OF SIBLINGS, PARENTS AND CARERS OF SUCH CHILDREN WHO ARE IN NECESSITOUS CIRCUMSTANCES THROUGH THE PROVISION OF ADVICE, INFORMATION AND ADVOCACY AND THE PROVISION IN THE INTERESTS OF SOCIAL WELFARE OF FACILITIES FOR RECREATIONAL AND LEISURE TIME OCCUPATION WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE OF THE AFOREMENTIONED

Activities: Sparkle (South Wales) Limited under appeal name "the Sparkle Appeal" provides sporting, leisure and support services for the 1200 children with complex disabilities in the Gwent areas and their families. It provides many enhanced services for children with wide ranging disabilities and supports provision of treatment, consultation, care, leisure and information all under one roof.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Amateur Sport, Recreation
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE. NEWPORT (GWENT) MONMOUTHSHIRE TORFAEN
- Blaenau Gwent
- Caerphilly
- Monmouthshire
- Newport City
- Torfaen

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£917,022	£759,668	£813,448	124
2024-03-31	£639,374	£787,224	£656,094	111
2023-03-31	£647,367	£671,395	£803,944	110
2022-03-31	£728,687	£699,043	£827,972	96
2021-03-31	£526,894	£502,686	£798,328	83

Trustees

Name	Role	Appointed
Janet Mary Kelly	Chair	2019-09-19
Gary Handley		2025-12-18
JOAN YVONNE SHEPPARD		
Martin Gerrard		2019-09-19
NICOLE GARNON		2021-04-29
Noel Geoffrey Williams		2019-08-08
Siobhan Downes		2025-07-10
Tracey Ann Pead		2023-03-30

SPARKLE (SOUTH WALES)

England & Wales - Charity number 1093690

Accounts

**SPARKLE (SOUTH WALES)
TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

Sparkle (South Wales) Contents

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Sparkle (South Wales)
Company No. 04238990
Trustees' Report For The Year Ended 31 March 2025

The trustees present their report and the financial statements for the year ended 31 March 2025.

Objectives and Activities

Aims and Objectives

Objects and aims

Sparkle (South Wales), 'Sparkle', has a vision that all children and young people with additional needs should be able to achieve their full potential, regardless of their disability or learning difficulties Sparkle works to achieve this directly with families in Gwent, and with the knowledge gained, influence change within Wales and across the UK when opportunities arise. Our aim is to achieve this through four key areas of work:

1. Equitable enhanced service provision for children and young people with disabilities and developmental difficulties aligned with the three children's centres in Gwent
2. Training, educating, and working with other providers to enable children and young people with additional needs to realise their potential
3. Advocacy within Gwent, across Wales (and ultimately the UK) to advance the optimal model of care and support. This includes working with statutory agencies in Gwent to align Sparkles aims with local aspirations for improved care.
4. Conduct in depth evaluations of our services, and exploring unmet needs among our families. Sharing these results with other provides and grant giving bodies to enable improvements in local care.

Public Benefit

The charity's purpose is to benefit children and young people with disabilities and developmental difficulties, and their families in Gwent. The trustees can evidence that the activities carried out by the charity throughout the last year have been for the benefit of those children and families who have identified additional and special needs.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. Our memorandum and articles have been updated in May 2021 to reflect current legislation

The trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Volunteers

We have continued to benefit from fantastic volunteers, currently we have 35 weekly volunteers, ranging in age from 16-70+, including some of our former service users. This equates to 6181 hours of work, at an annual cost saving of £75,649.

Strategy

The Sparkle 5 year strategy came to an end in March 2025 and work on a new 3 year strategy has begun. The new strategy will focus on service enhancement and financial stability with a renewed focus on partnership working with other statutory and voluntary agencies to maximise opportunities for developing and delivering enhanced leisure activities for children and young people with disabilities and developmental difficulties.

Achievements and Performance

Main Achievements

The charity pursues a range of objectives in line with its overarching role in providing services and support to children and young people with additional needs, and to their families. However there has been a continuing rise in the number of children & young people (CYP) needing our specialist support, with on average 20 referrals being received per month. There are currently 68 CYP across the patch, on a waiting list, broken down as follows- Serennu 47 / North 2 / West 19.

In 2024/25 an average of 205 children attended clubs in Serennu fortnightly, in addition to 72 children accessing specialist swimming lessons per week.

In North Gwent, we have continued to expand the number of places for CYP, and currently have 24 children attending fortnightly clubs.

In Caerphilly, we have 25 CYP accessing fortnightly clubs. We have also hired a local play centre to provide exclusive activities for our families in this region.

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Sparkle (South Wales) Trustees' Report (continued) For The Year Ended 31 March 2025

Main Achievements - continued

We offer three MediCinema screenings per week, family swim opportunities, family fun days– 776 families are registered to attend all of these activities. These activities are open to families across the whole of Gwent. We have also expanded our services by offering to facilitate children's parties in Serennu, which has been very popular with families who have nowhere else that is safe or appropriate for their children.

Following an in-depth evaluation of 'unmet needs' in the North of Gwent, Sparkle identified that the facilities at Nevill Hall hospital are at the wrong location and are no longer fit for purpose to deliver optimal care and support to children with complex needs. Sparkle was commissioned by the Regional Partnership Board to undertake a feasibility study in respect of the need for a new children's centre. The final report was submitted to the Regional Partnership Board (RPB) in February 2023, following consultation with our families and partners in Health, Social Care. However, to date there has been little action on the part of the RPB to progress this important gap in services for the north children, young people and families. In January 2025 Sparkle was invited to join a multi-agency task and finish group, as directed by the RPB which agreed a set of recommendations for service improvements for CYP with disabilities and developmental difficulties which should lead to better outcomes. At the time of writing this report Sparkle remains concerned that the inequities that exist between north and south Gwent are not being addressed in a manner that would make any meaningful difference to the children, young people and families living in the north of Gwent. Sparkle will continue to advocate through whatever means available to it, for a fairer, more equitable, levelling up of services.

Our fundraising activities continue to be challenging in terms of raising enough funds to support all our current activities and clubs. We remain heavily reliant on grant funding and our existing relationships with individual and corporate donors. However, the year 2024 / 2025 saw a measurable improvement in our fundraising efforts and income, although this still falls short of the amount Sparkle needs to raise to fund all its current activities.

We have also noted a number of grants giving bodies are no longer able to award grants at the scale that they had previously. We continue to work hard to secure grants and other income streams. The trustees are committed to ensuring that we maximise every grant opportunity that is available to us and has initiated an internal staffing restructure which will allow for more grant writing time.

There has been a greater effort on behalf of Sparkle to bring to the attention of families and all other relevant stakeholders that Sparkle does not receive any statutory funding to deliver services. In response to the financial challenges that it experiences, Sparkle has increased fundraising support by becoming charity of the year for businesses and recruiting 9 fundraising volunteers part of which includes developing a fundraising team made up of parents and carers. In addition, we were the charity of the year for the Newport Mayor, we engaged more with the community which included being a part of local supermarket voting schemes, we utilised the fundraising team to improve our reach with collection tins, we ran a successful toy appeal, supported by the local community, providing over 400 presents to families in need.

Since the service review and restructuring undertaken in early 2024 and finalised in December 2024 with the consolidation of a new senior leadership team, Sparkle has strengthened its management / leadership within the charity leading to a more committed and productive staff team, who feel more supported, are afforded greater flexibility in terms of their working patterns and with improved career advancement opportunities. Sparkle carries out an annual staff survey to ensure that the views and voices of staff are heard and taken into consideration in how the trustees manage both the charities activities and its employees.

Research and Development

Our Research and Development Officer has been extremely busy over the last year, conducting in-depth evaluations of our services and researching issues which are important to children with disabilities, their families and the organisations working with them. We produced an impact report for 2023, which collated figures on our reach, formal evaluation findings and informal feedback from children and families. We have been working with Children's Centre Psychology in Aneurin Bevan University Health Board on an in-depth evaluation of Sparkle's Continuing Care club, a leisure provision for children and young people with the most complex needs. We have also conducted an evaluation of all of our other leisure clubs, including parent-report surveys on goals and family wellbeing. Our impact report 2023 can be found on our website: <https://www.sparkleappeal.org/ckfinder/userfiles/files/Sparkle%20Impact%20Report%202023.pdf>

We also published the following reports:

[https://www.sparkleappeal.org/ckfinder/userfiles/files/Sparkle%20Disability%20Prevalence%20Report%20\(002\).pdf](https://www.sparkleappeal.org/ckfinder/userfiles/files/Sparkle%20Disability%20Prevalence%20Report%20(002).pdf)

<https://www.sparkleappeal.org/ckfinder/userfiles/files/Swimming%20evaluation%202024.pdf>

In line with our strategic aim of promoting optimal models of care for children with complex needs, we continue to conduct in-depth evaluations into services developed and delivered by Sparkle, and to disseminate these locally and nationally. The evaluations have directly informed our service delivery, and helped us to refine the services and facilities we offer. All of our evaluation reports and research papers can be found on our website, including lay summaries: <https://www.sparkleappeal.org/research>.

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Sparkle (South Wales) Trustees' Report (continued) For The Year Ended 31 March 2025

Research and Development - continued

As part of our research activities, Sparkle has also produced a series of webinars/podcasts with As You See It Media on co-location of health, social care and third sector services; providing holistic support for families; delivering specialist leisure services for children with disabilities; and the importance of research and evaluation to service development. These webinars included a variety of experts, including health and social care professionals, young people and family-carers, a researcher from Cardiff University, and Sparkle staff. A video tour of Serennu Children's Centre and Sparkle services was filmed alongside the webinars, which are also available as podcasts. These can be found on Sparkle's website: <https://www.sparkleappeal.org/about/webinars>

Financial Review

Financial Position

Funds raised via grants, our existing individual donors and corporate supporters, and the small amount raised by our café and activities resulted in a total income of £917,022.

Successful grant funding from Newport and Caerphilly Councils, and grants from, Health Lottery Foundation, St James Place Charitable Foundation, Barbara Ward Foundation, Hargreaves Foundation and the National Lottery Awards for All.

All of the above funding has had huge impacts on our children's leisure services at Serennu Children's Centre, Caerphilly Children's Centre and Blaina Integrated Children's Centre. A significant award of unrestricted funds from Garfield Weston Foundation ensured the continuation and growth of the charity. Millenium Stadium Charitable Trust supported our MediCinema screenings this year. The Waterloo Foundation supported the delivery of the Family Liaison Service.

Grants and donations have been essential and our main sources of income, given the Charity's limited fundraising opportunities in the context of our location in a low-income area, and current cost of living crisis.

Sparkle's unrestricted reserves have increased to £457,414 as of 31 March 2025. This reserve will be used to safeguard existing activities and support the operation of the Charity.

Our forecast for the coming year is that our running costs will be in excess of our income and as such our unrestricted reserves will diminish. We are satisfied we have sufficient reserves to cover this deficit. In the new year we have appointed a further grants officer to increase income from this source.

Reserves Policy

The trustees have reviewed the reserves policy and, in accordance with Charity Commission guidelines, have considered the level of unrestricted reserves which it is appropriate for the charity to hold, with the imperative that it should be able to continue to meet its charitable objectives in the short term, in the event of a temporary shortfall in unrestricted income. The trustees have concluded that given the inherent risks as noted above it is appropriate to hold sufficient free reserves to cover the core expenditure required to maintain activities for six months.

Sparkle (South Wales) Trustees' Report (continued) For The Year Ended 31 March 2025

Future Developments

Aims and key objectives for future periods

- Continue to offer a diverse range of activities and support to children and young people with disabilities/complex needs and their families in Gwent.
- Continue to offer the opportunity for children and young people with disabilities/complex needs to develop skills and try new activities in a safe and non-judgmental environment.
- Continue to develop services to reach children with the most severe complex health care needs in liaison with partner agencies.
- To expand our staffing where feasible to run the clubs at capacity and offer the best outcomes for the children and young people we support.
- To explore options for upskilling community providers to accommodate more of our young people in an integrated community setting.
- To continue undertaking high quality service evaluations, to identify whether additional services provided by Sparkle are having a positive impact on the lives of children with disabilities and their families.
- To use the data obtained from in depth evaluations to both market our services to potential funders, and to promote the optimal model of care for these children and young people across Wales and the remainder of the UK.
- To continue to develop and implement robust performance management and monitoring systems to support the needs of a growing and successful charity, enabling Sparkle to develop and be more sustainable for the future.
- To continue to develop and implement quality control frameworks and strategy to ensure that all children and young people and their families receive an equitable and high-quality service from Sparkle.
- To continue to recruit, train and retain regular volunteers, without whom we wouldn't be able to carry out our work.
- To increase our collaborative working with Local Authorities and statutory agencies to attract more commissioned work.
- Review and streamline policies and procedures within Sparkle to ensure greater efficiency and sustainability.

Structure, Governance and Management

Governing Document

The governing document of the charity is its Memorandum and Articles of Association – incorporated on 21 June 2001, as amended by special resolution on 15 July 2002, and again on 27 May 2021.

The charity is registered as a private company, limited by guarantee.

Trustee Selection Methods

New trustees are recruited following an open application process, in line with specific roles and responsibilities required by the Board. All interested applicants are interviewed by the Chairperson, and independently by at least one other trustee. Following this, if appropriate, they are appointed by a resolution of the existing trustees, in accordance with the charity's constitution.

Induction and Training of Trustees

Consideration of appropriate and relevant skills and experience is given when introducing new trustees to the charity. The Chairperson is responsible for making new trustees aware of their responsibilities under charity law, and arranging appropriate induction and training, to include safeguarding. The Business Service Manager will ensure that disclosure and barring checks are undertaken, and that they complete the appropriate paperwork and training relating to confidentiality, conflict of interest and all relevant policies pertaining to the charity's business.

Major risks and management of those risks

The trustees have considered the major risks to which the charity is exposed, have reviewed these risks and have established systems and procedures to manage them.

The key risks identified by trustees include:

- increasing demand and costs without a similar increase in income – the charity has plans to employ a new funding and impact officer, to strengthen the fundraising element of Sparkle's operations.

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**Sparkle (South Wales)
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Major risks and management of those risks - continued

- the Charity helps vulnerable young people and as such there is a need for very good systems, controls and training to ensure appropriate safeguarding standards are maintained – this will be achieved through the newly created senior leadership team, headed up by the Head of Sparkle Operations who is directly accountable to the Board Chair.
- the ability to retain key staff members – this will be managed through an identified process for salary enhancement, an improved senior leadership team management structure, regular communication with staff by the chair and board of trustees, and a commitment to staff wellbeing.
- Sparkle's relationship with the Health Board – a new communications structure with the health board has been implemented following the development of a memorandum of understanding agreed by both parties, and quarterly meetings are taking place to ensure that there is an open and honest partnership

Reference and Administrative Details

Trustees

Miss J M Kelly
Mr A D Durston (resigned 14/11/2024)
Miss S C Downes (appointed 10/07/2025)
Mrs J Sheppard
Ms N Garnon
Mr M Gerrard
Mrs T A Pead
Mr N G Williams
Dr S Maguire (resigned 29/05/2025)
Mrs S E Hawdon (resigned 21/08/2025)

Company Secretary

Mr M Gerrard

Charity Number

1093690

Company Number

04238990

Principal Address

Sparkle Appeal Office
Serennu Children's Centre
High Cross Road
Newport
NP10 9LY

Registered Office

Serennu Children's Centre Cwrt Camlas
Rogerstone
Newport
NP10 9LY

Independent Examiner

Andrew Hill FCCA ACA DChA BFP
HSJ Accountants Ltd
Severn House
Hazell Drive
Newport
NP10 8FY

**Sparkle (South Wales)
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Bankers

Barclays Bank Plc
Newport Commercial Street
14 Commercial Street
Newport

**Sparkle (South Wales)
Trustees' Report (continued)
For The Year Ended 31 March 2025**

Other Information

Objectives and policies

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at settlement value.

Small Company Rules

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The trustees' report was approved by the board of trustees and signed on its behalf by:

Mr M Gerrard

Trustee

18 December 2025

Sparkle (South Wales)
Independent Examiner's Report to the Trustees of Sparkle (South Wales)
For The Year Ended 31 March 2025

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

Responsibilities and Basis of Report

As the charity trustees of the Company (and also its directors for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

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

Independent Examiner's Statement

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

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

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

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

Andrew Hill FCCA ACA DChA BFP
23 December 2025
Severn House
Hazell Drive
Newport
NP10 8FY

Sparkle (South Wales)
Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 31 March 2025

				2025	2024
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	357,938	449,776	807,714	544,903
Charitable activities:	4				
Clubs, activities and cafe sales		92,324	-	92,324	82,695
Other trading activities	5	5,204	-	5,204	6,671
Investments	6	11,780	-	11,780	5,105
		<u>467,246</u>	<u>449,776</u>	<u>917,022</u>	<u>639,374</u>
EXPENDITURE ON:					
Raising funds	8	(47,376)	(49,172)	(96,548)	(47,297)
Charitable activities:	8				
Clubs, activities and cafe sales		(336,685)	(326,435)	(663,120)	(739,927)
		<u>(384,061)</u>	<u>(375,607)</u>	<u>(759,668)</u>	<u>(787,224)</u>
NET INCOME/(EXPENDITURE)		83,185	74,169	157,354	(147,850)
Transfers between funds	17	(1,138)	1,138	-	-
NET MOVEMENT IN FUNDS		<u>82,047</u>	<u>75,307</u>	<u>157,354</u>	<u>(147,850)</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward		<u>375,367</u>	<u>280,727</u>	<u>656,094</u>	<u>803,944</u>
TOTAL FUNDS CARRIED FORWARD	17	<u><u>457,414</u></u>	<u><u>356,034</u></u>	<u><u>813,448</u></u>	<u><u>656,094</u></u>

The notes on pages 13 to 22 form part of these financial statements.

Sparkle (South Wales)
Comparative Statement of Financial Activities (including Income and Expenditure
Account)
For The Year Ended 31 March 2025

				2024
		Unrestricted	Restricted	Total
	Notes	funds	funds	funds
		£	£	£
INCOME AND ENDOWMENTS FROM:				
Donations and legacies	3	245,056	299,847	544,903
Charitable activities:	4			
Clubs, activities and cafe sales		82,695	-	82,695
Other trading activities	5	6,671	-	6,671
Investments	6	5,105	-	5,105
		<u>339,527</u>	<u>299,847</u>	<u>639,374</u>
EXPENDITURE ON:				
Raising funds	8	(30,144)	(17,153)	(47,297)
Charitable activities:	8			
Clubs, activities and cafe sales		(382,062)	(357,865)	(739,927)
		<u>(412,206)</u>	<u>(375,018)</u>	<u>(787,224)</u>
NET EXPENDITURE		<u>(72,679)</u>	<u>(75,171)</u>	<u>(147,850)</u>
NET MOVEMENT IN FUNDS		<u>(72,679)</u>	<u>(75,171)</u>	<u>(147,850)</u>
RECONCILIATION OF FUNDS:				
Total funds brought forward		448,046	355,898	803,944
TOTAL FUNDS CARRIED FORWARD	17	<u><u>375,367</u></u>	<u><u>280,727</u></u>	<u><u>656,094</u></u>

The notes on pages 13 to 22 form part of these financial statements.

**Sparkle (South Wales)
Balance Sheet
As At 31 March 2025**

				2025	2024
		Unrestricted	Restricted	Total	Total
	Notes	funds	funds	funds	funds
		£	£	£	£
FIXED ASSETS					
Tangible Assets	13	569	-	569	1,290
		569	-	569	1,290
CURRENT ASSETS					
Debtors	14	807,673	59,924	46,679	78,592
Cash at bank and in hand		481,452	1,170,560	785,233	613,846
		1,289,125	1,230,484	831,912	692,438
Creditors: Amounts Falling Due Within One Year	15	(832,280)	(874,450)	(19,033)	(37,634)
NET CURRENT ASSETS (LIABILITIES)		456,845	356,034	812,879	654,804
TOTAL ASSETS LESS CURRENT LIABILITIES		457,414	356,034	813,448	656,094
NET ASSETS		457,414	356,034	813,448	656,094
FUNDS OF THE CHARITY					
Restricted Funds				356,034	280,727
Unrestricted Funds				457,414	375,367
TOTAL FUNDS	17			813,448	656,094

For the year ending 31 March 2025 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

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

On behalf of the board

Mr M Gerrard

Trustee

18 December 2025

The notes on pages 13 to 22 form part of these financial statements.

Sparkle (South Wales)
Statement of Cash Flows
For The Year Ended 31 March 2025

		2025	2024
	Notes	£	£
Cash flows from operating activities			
Net cash generated from/(used in) operations	1	160,230	(83,238)
Interest paid		(623)	(637)
Net cash generated from/(used in) operating activities		<u>159,607</u>	<u>(83,875)</u>
Cash flows from investing activities			
Purchase of tangible assets		-	(1,193)
Interest received		11,780	5,105
Net cash generated from investing activities		<u>11,780</u>	<u>3,912</u>
Increase/(decrease) in cash and cash equivalents		<u>171,387</u>	<u>(79,963)</u>
Cash and cash equivalents at beginning of year	2	613,846	693,809
Cash and cash equivalents at end of year	2	<u><u>785,233</u></u>	<u><u>613,846</u></u>

Sparkle (South Wales)
Notes to the Statement of Cash Flows
For The Year Ended 31 March 2025

1. Reconciliation of income/(expenditure) to cash generated from/(used in) operations

	2025	2024
	£	£
Net income/(expenditure)	157,354	(147,850)
<i>Adjustments for:</i>		
Interest expense	623	637
Interest income	(11,780)	(5,105)
Depreciation of tangible assets	721	1,814
<i>Movements in working capital:</i>		
Decrease in trade and other debtors	31,913	70,182
Decrease in trade and other creditors	(18,601)	(2,916)
Net cash generated from/(used in) operations	<u>160,230</u>	<u>(83,238)</u>

2. Cash and cash equivalents

Cash and cash equivalents, as stated in the Statement of Cash Flows, relates to the following items in the Balance Sheet:

	2025	2024
	£	£
Cash at bank and in hand	<u>785,233</u>	<u>613,846</u>

3. Analysis of changes in net funds

	As at 1 April 2024	Cash flows	As at 31 March 2025
	£	£	£
Cash at bank and in hand	<u>613,846</u>	<u>171,387</u>	<u>785,233</u>

Sparkle (South Wales)

Notes to the Financial Statements

For The Year Ended 31 March 2025

1. General Information

Sparkle (South Wales) is a company limited by guarantee, incorporated in England & Wales, registered number 04238990 and registered charity number 1093690. The registered office is Serennu Children's Centre Cwrt Camlas, Rogerstone, Newport, NP10 9LY.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The charitable company is a Public Benefit Entity as defined by FRS 102.

2.2. Going Concern Disclosure

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements

2.3. Fund Accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for a specific purpose.

Restricted funds are to be used for specific purposes as laid down by the donor. The cost of raising and administering such funds are charged against the specific fund.

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

2.4. Incoming Resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

Donations are recognised when there is entitlement, when receipt is probable and the amount can be reliably measured. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received in respect of future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Gift aid

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

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Sparkle (South Wales)
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

2.4. Incoming Resources - continued

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

2.5. Donated Goods and Services

Gifts in kind have been valued in the accounts at the cost to the charity had it purchased the items directly.

2.6. Resources Expended

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent review, strategic management and Trustee's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

2.7. Tangible Fixed Assets and Depreciation

Tangible fixed assets costing £500 or more are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer Equipment	33% straight line
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2.8. Cash and Cash Equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks, other short-term highly liquid investments that mature in no more than three months from the date of acquisition and are readily convertible to a known amount of cash with insignificant risk of change in value, and bank overdrafts.

2.9. Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.10. Pensions

The charitable company operates a defined pension contribution scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Sparkle (South Wales)
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

2.11. Trade debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

2.12. Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

3. Income from Donations and Legacies

	2025		
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Donations and gifts	154,274	65,200	219,474
Gift aid	1,341	15,000	16,341
Legacies	175,478	-	175,478
Grants	26,845	369,576	396,421
	<u>357,938</u>	<u>449,776</u>	<u>807,714</u>
	2024		
	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Donations and gifts	214,329	85,285	299,614
Gift aid	6,341	7,500	13,841
Legacies	21,214	-	21,214
Grants	3,172	207,062	210,234
	<u>245,056</u>	<u>299,847</u>	<u>544,903</u>

4. Income from Charitable Activities

	2025	2024
	Unrestricted funds	Unrestricted funds
	£	£
Clubs, activities and cafe sales	<u>92,324</u>	<u>82,695</u>

5. Income from Other Trading Activities

	2025	2024
	Unrestricted funds	Unrestricted funds
	£	£
Fundraising events	4,543	6,378
Sale of donated and bought in goods	661	293
	<u>5,204</u>	<u>6,671</u>

Sparkle (South Wales)
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

6. Investment Income

2025	2024
Unrestricted funds	Unrestricted funds
£	£
11,780	5,105

Bank interest receivable

7. Net Income/(Expenditure)

The net income/(expenditure) is stated after charging/(crediting):

2025	2024
£	£
721	1,814

Depreciation of tangible fixed assets - owned

8. Analysis of Expenditure

	Activities undertaken directly	Support costs (see note 9)	2025 Total
	£	£	£
Raising funds	96,548	-	96,548
Clubs, activities and cafe sales	595,989	67,131	663,120
	<u>692,537</u>	<u>67,131</u>	<u>759,668</u>

	Activities undertaken directly	Support costs (see note 9)	2024 Total
	£	£	£
Raising funds	47,297	-	47,297
Clubs, activities and cafe sales	678,201	61,726	739,927
	<u>725,498</u>	<u>61,726</u>	<u>787,224</u>

Of the above costs in relation to raising funds £49,170 (2024: £17,153) were attributable to restricted funds, and £47,376 (2024: £30,144) were attributable to unrestricted funds.

Of the above costs in relation to charitable activities £329,741 (2024: £357,866) were attributable to restricted funds, and £333,381 (2024: £382,061) were attributable to unrestricted funds.

Sparkle (South Wales)
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

9. Support Costs

	2025
	Clubs, activities and cafe sales
	£
Employee costs	62,196
Depreciation	721
Governance costs	4,214
	<u>67,131</u>
	<u><u>67,131</u></u>
	2024
	Clubs, activities and cafe sales
	£
Employee costs	57,199
Depreciation	1,814
Governance costs	2,713
	<u>61,726</u>
	<u><u>61,726</u></u>

10. Independent Examiner's Remuneration

	2025	2024
	£	£
Independent examination of the financial statements	2,820	2,713
	<u>2,820</u>	<u>2,713</u>

11. Staff Costs

Staff costs were as follows:

	2025	2024
	£	£
Wages and salaries	496,776	564,903
Social security costs	29,710	19,321
Other pension costs	27,255	15,035
	<u>553,741</u>	<u>599,259</u>
	<u><u>553,741</u></u>	<u><u>599,259</u></u>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000.

The total employee benefits of the key management personnel of the charity were £143,677 (2024: £102,719).

The average number of full time staff employed in the period was 7, and the average number of part time staff employed was 117. The equivalent number of full time staff employed would be estimated as 16.

Sparkle (South Wales)
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

12. Average Number of Employees

Average number of employees during the year was as follows:

	2025	2024
Charitable Activities	106	96
Administration	2	2
Governance	12	13
	<u>120</u>	<u>111</u>

13. Tangible Assets

	Computer Equipment £
Cost	
As at 1 April 2024	11,733
As at 31 March 2025	<u>11,733</u>
Depreciation	
As at 1 April 2024	10,443
Provided during the period	721
As at 31 March 2025	<u>11,164</u>
Net Book Value	
As at 31 March 2025	<u>569</u>
As at 1 April 2024	<u>1,290</u>

14. Debtors

	2025 £	2024 £
Due within one year		
Other debtors	<u>46,679</u>	<u>78,592</u>

15. Creditors: Amounts Falling Due Within One Year

	2025 £	2024 £
Other creditors	2,649	2,183
Taxation and social security	-	6,604
Accruals and deferred income	<u>16,384</u>	<u>28,847</u>
	<u>19,033</u>	<u>37,634</u>

16. Pension Commitments

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

During the year the charge to the statement of financial activities in respect of defined contribution schemes was £27,255 (2024: £15,035).

At the balance sheet date contributions of £NIL were due to the fund and are included in creditors.

Sparkle (South Wales)
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

17. Movement in Funds

	As at 1 April 2024	Income	Expenditure	Transfers	As at 31 March 2025
	£	£	£	£	£
Unrestricted funds					
General:					
General unrestricted fund	375,367	467,246	(384,061)	(1,138)	457,414
Restricted funds					
AB Invoice	113,457	14,428	48,154	-	176,039
ALN Parents Engagement	23,000	-	-	-	23,000
Bailey	5,522	-	(5,522)	-	-
BG UK	-	39,870	(39,870)	-	-
Big Lottery	1,212	-	(1,212)	-	-
Caerphilly CBC	-	9,622	(7,879)	-	1,743
Community Foundation Wales	2,000	-	(2,000)	-	-
Edward Gostling Foundation	10,876	-	(10,876)	-	-
Gwen Mags	1,940	-	(1,940)	-	-
Heb Ffin	4,793	-	(4,793)	-	-
ISCAN	14,751	-	(11,913)	-	2,838
KLA	25,000	35,000	(27,109)	-	32,891
Masonic Charitable Foundation	10,341	-	(10,341)	-	-
Mr J Harris	8,966	26,200	(15,612)	-	19,554
Mr N Harris	-	54,000	(54,000)	-	-
NCC Family First Play Club	-	97,993	(99,131)	1,138	-
Nevill Hall	471	-	(471)	-	-
O2E Clubs	52,999	20,000	(25,621)	-	47,378
St James	2,500	-	(2,500)	-	-
Tesco Bags of Help Funding	-	750	(750)	-	-
The Waterloo Foundation	6	500	(506)	-	-
Woodspoon	2,893	-	(2,893)	-	-
Boshier	-	1,746	(1,746)	-	-
Bruce Wake	-	2,000	(2,000)	-	-
Cash 4 Kids	-	3,208	-	-	3,208
Garfield	-	30,000	(13,060)	-	16,940
Gavo	-	1,000	(1,000)	-	-
Hargreaves	-	8,103	(3,910)	-	4,193
Hedley	-	3,000	(3,000)	-	-
Jane Hodge	-	10,000	(10,000)	-	-
MSCT	-	10,000	-	-	10,000
NPT SPF	-	23,900	(23,900)	-	-
Npt Youth	-	8,000	(8,000)	-	-
Oakdale	-	1,500	(1,500)	-	-
Postcode	-	25,000	(25,000)	-	-
RIF Slippa	-	1,906	(1,906)	-	-
SFFTD	-	2,500	(2,500)	-	-
STA	-	1,000	-	-	1,000

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Sparkle (South Wales)
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

TNLCF	-	17,250	-	-	17,250
Viridor	-	1,300	(1,300)	-	-
Total restricted funds	280,727	449,776	(375,607)	1,138	356,034
Total funds	656,094	917,022	(759,668)	-	813,448

	As at 1 April 2023	Income	Expenditure	As at 31 March 2024
	£	£	£	£
Unrestricted funds				
General:				
General unrestricted fund	448,046	339,527	(412,206)	375,367
Restricted funds				
AB Invoice	113,586	14,109	(14,238)	113,457
ALN Parents Engagement	23,000	-	-	23,000
Bailey	-	10,000	(4,478)	5,522
Barclays	9,581	-	(9,581)	-
BG UK	-	9,659	(9,659)	-
Big Lottery	-	9,920	(8,708)	1,212
Blackwood Engineering	6,000	2,000	(8,000)	-
Caerphilly CBC	264	1,950	(2,214)	-
Children in Need	1,087	-	(1,087)	-
Community Foundation Wales	-	2,000	-	2,000
Edward Gostling Foundation	-	25,000	(14,124)	10,876
Gwen Mags	-	3,000	(1,060)	1,940
Heb Ffin	-	10,000	(5,207)	4,793
ISCAN	22,936	-	(8,185)	14,751
KLA	-	25,000	-	25,000
Masonic Charitable Foundation	16,919	19,847	(26,425)	10,341
Mr J Harris	16,191	8,285	(15,510)	8,966
Mr N Harris	67,382	37,500	(104,882)	-
NCC Family First Play Club	771	89,827	(90,598)	-
NCC PBP	14,219	-	(14,219)	-
Nevill Hall	471	-	-	471
O2E Clubs	59,523	22,000	(28,524)	52,999
Peter Harrison Foundation	1,429	-	(1,429)	-
Prin Wales	1,544	-	(1,544)	-
St James	-	2,500	-	2,500
Tesco Bags of Help Funding	-	2,250	(2,250)	-
The Waterloo Foundation	995	-	(989)	6
Woodspoon	-	5,000	(2,107)	2,893
Total restricted funds	355,898	299,847	(375,018)	280,727
Total funds	803,944	639,374	(787,224)	656,094

Sparkle (South Wales)
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2025

- AB Invoice - To contribute towards the Caretaker costs and fund the Helping Hands service.
- ALN Parent Engagement - Received from ABUHB, for providing parents support and engagement.
- Baily Thomas Charitable Trust – Funding allocated to support MediCinema operations and associated staffing costs.
- Big Lottery - To fund leisure staffing costs of new clubs.
- Blaenau Gwent UK Shared Prosperity Fund – Provided to develop clubs promoting sports, arts, and social engagement within Blaenau Gwent.
- Boshier Hinton Foundation – Contributed towards Team Teach training for leisure staff.
- Bruce Wake Trust – Supported salary costs for leisure staff within the Continuing Care Club.
- Caerphilly County Borough Council – Funded holiday activity programmes in Caerphilly.
- Cash4Kids (Bauer Radio) – Provided financial support for holiday activity sessions.
- Community Foundation Wales – Offered unrestricted funding to support general operations.
- Edward Gostling Foundation – Assisted with core operational expenses.
- Families First Play Club, Newport City Council – Funded play and youth provision initiatives in Newport.
- Garfield Weston Foundation – Provided unrestricted funding for organisational needs.
- GAVO RIF – Supported staffing costs for After School Club provision.
- GAVO RIF Slippage - To fund consumables and activities for After School Club provision.
- Gwendoline and Margaret Davies Charity – Funded play provision activities in Blaenau Gwent.
- Hargreaves Foundation – Contributed towards swimming session costs for families in the North.
- Heb Ffin – Supported play provision programmes in Blaenau Gwent.
- Headley Foundation – Funded Aquatic Helpers and Lifeguard staffing for swimming sessions in Serennu Children's Centre.
- ISCAN (via ABUHB) – Allocated for staff training and professional development.
- Jane Hodge Foundation – Supported costs for Aquatic Helpers and Lifeguards for swimming sessions in Serennu Children's Centre.
- KLA – Funded salaries and equipment for technology-focused clubs.
- Masonic Charitable Foundation – Provided funding for leisure staff salaries in Caerphilly.
- Millennium Stadium Charitable Trust – Contributed to core costs associated with MediCinema.
- Mr Nigel Harris – Supported research and development costs.
- Mr John Harris – Funded enrichment and engagement activities.
- Nevill Hall – Funded the Family Liaison officer role based at Nevill hall Children's Centre
- Newport Shared Prosperity Fund – To fund Independent Living Skills in youth club and support employment and create voluntary opportunities.
- Newport Youth Participation – Funding to support and enhance participation of young people across the City of Newport
- Ordinary 2 Extraordinary (O2e) – Supported delivery of after school activity programmes.
- Oakdale Trust – Funded Monday Play Club sessions in the South.
- Postcode Lottery – Provided unrestricted funding for general use.
- Sports Foundation for the Disabled – Contributed to swimming provision in the South.
- St. James's Place Foundation – Supported swimming activities in the South.
- Swimming Teachers Association – Funded Aquatic Helper staffing costs.
- Tesco Groundworks (Bags of Help Funding) – Enabled purchase of equipment from the "Sparkle Wish List".
- The National Lottery Community Fund, Awards for All (TNLCF)– Supported leisure provision in the North.
- Viridor Prosiect Gwyrdd – Funded outdoor sensory equipment and swimming toys.
- Waterloo Foundation – Supported dissemination of research related to child development.
- Wooden Spoon Charity – Funded Rugby and Skills development sessions.

18. Transactions with Trustees

None of the trustees received any remuneration or any other benefits from an employment with the charity or a related entity during the current or previous year.

No trustee expenses have been incurred.

19. Related Party Disclosures

During the year Mr N Harris, the spouse of a trustee, made restricted donations of £44,000 (2023 - £30,000) to Sparkle (South Wales). At the balance sheet date the amount due from Mr N Harris was £nil (2024: £nil).

20. Company limited by guarantee

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

Sparkle (South Wales)
Detailed Statement of Financial Activities (including Income and Expenditure Account)
For The Year Ended 31 March 2025

	2025	2024
	Total funds	Total funds
	£	£
INCOME AND ENDOWMENTS FROM:		
Donations and legacies		
Donations and gifts	174,213	148,361
Donations from organisations	45,261	151,253
Gift aid	16,341	13,841
Legacies	175,478	21,214
Grants	396,421	210,234
	807,714	544,903
Charitable Activities:		
Clubs, activities and cafe sales		
Sale of goods or services	28,297	27,882
Playclubs	35,561	35,129
Swim lessons	28,466	19,684
	92,324	82,695
Other trading activities		
Fundraising events	4,543	6,378
Sale of donated and bought in goods	661	293
	5,204	6,671
Investments		
Bank interest receivable	11,780	5,105
	11,780	5,105
	917,022	639,374
EXPENDITURE ON:		
Raising funds		
Fundraising costs	(6,007)	(1,784)
Publicity and advertising costs	(1,522)	(7,955)
Wages and salaries	(78,227)	(32,886)
Employers NI	(4,890)	(3,032)
Employers pensions - defined contribution schemes	(5,902)	(1,640)
	(96,548)	(47,297)
Charitable Activities:		
Clubs, activities and cafe sales		
Purchases	(11,115)	(15,958)
Medicinema	(11,598)	(10,626)
Club equipment	(32,654)	(16,220)
Specialist equipment	-	(720)
Swim costs	(29,804)	(23,038)
Club activities	(4,422)	(4,867)
Other equipment	(4,613)	(172)
Trips	(3,223)	(9,972)
Other activities	(306)	(218)
Fundraising costs	(5,910)	(5,412)
Subcontractor costs	(5,815)	(6,436)

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Sparkle (South Wales)
Detailed Statement of Financial Activities (including Income and Expenditure Account)
(continued)
For The Year Ended 31 March 2025

Wages and salaries	(364,577)	(478,998)
Employers NI	(21,690)	(13,740)
Employers pensions - defined contribution schemes	(16,259)	(11,764)
Travel and subsistence expenses	(2,277)	(2,129)
Employee training	(13,654)	(16,819)
Other staffing costs	(12,492)	(6,381)
Recruitment costs	(4,317)	(3,233)
Building running costs	(26,708)	(22,438)
Computer software, IT consumables and website	(15,678)	(15,717)
Repairs, renewals and maintenance	(265)	(1,863)
Insurance	(6,487)	(6,227)
Telephone	(651)	(755)
Printing, postage and stationery	(524)	(3,488)
Subscriptions	(277)	(307)
Support groups	(50)	(66)
Bank charges	(623)	(637)
Wages and salaries	(53,972)	(53,019)
Employers NI	(3,130)	(2,549)
Employers pensions - defined contributions scheme	(5,094)	(1,631)
Depreciation	(721)	(1,814)
Independent examiner's fees	(2,820)	(2,713)
Accountancy fees	(1,074)	-
Legal fees	(320)	-
	(663,120)	(739,927)
	(759,668)	(787,224)
NET INCOME/(EXPENDITURE)	157,354	(147,850)

SPARKLE (SOUTH WALES)

England & Wales - Charity number 1093690

Accounts

Company registration number: 04238990

Charity registration number: 1093690

Sparkle (South Wales)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

HSJ Accountants Ltd
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Sparkle (South Wales)

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Sparkle (South Wales)

Reference and Administrative Details

Trustees	Mr M Gerrard Ms Kelly Dr S Maguire Mrs J Sheppard Mr N G Williams Ms N Garnon Mr A Durston Mrs T A Pead Mrs S E Hawdon
Secretary	Mr M Gerrard
Charity Registration Number	1093690
Company Registration Number	04238990
Registered Office	The charity is incorporated in the United Kingdom. Serennu Children's Centre Cwrt Camlas Rogerstone Newport South Wales NP10 9LY
Principal Office	Sparkle Appeal Office Serennu Children's Centre High Cross Road Newport NP10 9LY
Independent Examiner	HSJ Accountants Ltd Severn House Hazell Drive Newport South Wales NP10 8FY
Accountants	HSJ Accountants Ltd Severn House Hazell Drive Newport South Wales NP10 8FY
Bankers	Barclays Bank Plc Newport Commercial Street 14 Commercial Street Newport South Wales NP20 1HE

Sparkle (South Wales)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2024.

Trustees

Mr M Gerrard

Ms Kelly

Dr S Maguire

Mrs J Sheppard

Mr N G Williams

Ms N Garnon

Mr A Durston

Mrs T A Pead

Mrs S E Hawdon (appointed 4 May 2023)

Objectives and activities

Objects and aims

Sparkle (South Wales), 'Sparkle', has a vision that all children and young people with additional needs should be able to achieve their full potential, regardless of their disability or learning difficulties. Sparkle will work to achieve this directly with families in Gwent, and with the knowledge gained, influence change across the UK. Our aim is to achieve this through four key areas of work:

1. Equitable enhanced service provision for children with additional needs across Gwent;
2. Training, educating, and working with other providers to enable children with additional needs to realise their potential;
3. Advocacy within Gwent, across Wales (and ultimately the UK) to advance the optimal model of care and support;
4. Conduct in-depth evaluations of our services and explore unmet needs among our families.

Public benefit

The charity's purpose is to benefit the children with disability or developmental difficulties, and their families in Gwent. The trustees can evidence that the activities carried out by the charity throughout the last year have been for the benefit of those children and families who have identified additional and special needs.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. Our memorandum and articles have been updated in May 2021 to reflect current legislation

Use of volunteers

We have continued to benefit from fantastic volunteers, currently we have 40 weekly volunteers, ranging in age from 16-70+, including some of our former service users. This equates to 7,497 hours of work, at a cost saving of £78,114.

Sparkle (South Wales)

Trustees' Report

Achievements and performance

The charity pursues a range of objectives in line with its overarching role in providing services and support to children with additional needs, and to their families. However there has been a continuing rise in the number of children & young people (CYP) needing our specialist support, with 15-20 referrals being received per month. This has led to a waiting list of 158 children and young people across the patch, broken down as follows - Serennu 106 / North 14 / West 38.

In 2023/24 an average of 150 children attended clubs in Serennu every week, in addition to 72 children accessing specialist swimming lessons per week.

In North Gwent, we have continued to expand the number of places for CYP, and currently have 16 children attending weekly clubs.

In Caerphilly, we have 13 CYP accessing weekly clubs. We have also hired a local play centre to provide exclusive activities for our families in this region.

We offer three MediCinema screenings per week, family swim opportunities, family fun days, and a 'stay and play' weekly session - 1,505 families are registered to attend all of these activities. These activities are open to families across the whole of Gwent. We have also expanded our services by offering to facilitate children's parties in Serennu, which has been very popular with families who have nowhere else that is safe or appropriate for their children.

Following an in-depth evaluation of 'unmet needs' in the North of Gwent, we identified that the facilities at Nevill Hall hospital are at the wrong location and are no longer fit for purpose to deliver optimal care and support to children with complex needs. Sparkle was commissioned by the Regional Partnership Board to undertake a feasibility study in respect of the need for a new children's centre. The final report was submitted to the Regional Partnership Board (RPB) in February 2023, following consultation with our families and partners in Health, Social Care. However there has been little action on the part of the RPB to progress this important gap in services for the north children, young people and families.

Our fundraising activities continue to be challenging in terms of raising enough funds to support all our current activities and clubs. We remain heavily reliant on grant funding and our existing relationships with individual and corporate donors.

We have also noted a number of grants giving bodies are no longer able to award grants at the scale that they had previously. We continue to work hard to secure grants and other income streams. The trustees are committed to ensuring that we maximise every grant opportunity that is available to us and lack of grant writing team within the Sparkle team has been a barrier to that.

Prior to COVID 19 we further expanded our services in an effort to provide equitable provision across Gwent, which added to the financial pressures on the charity. This necessitated a service review during January to March 2024 which resulted in the loss of 4 clubs, 1 member of staff was reduced in the service and a reduction in admin hours from 74.5 to 37.5 was implemented. Team Lead hours for the north and west leisure service were also reduced from 37.5 to 24. There was a huge awareness raising campaign on behalf of Sparkle to bring to the attention of families and all other relevant stakeholders the fact that Sparkle does not receive any statutory funding to deliver services. In response to the financial situation Sparkle has increased fundraising support either through becoming charity of the year for businesses, recruiting 2 fundraising volunteers and establishing a parent-led fundraising committee.

Sparkle (South Wales)

Trustees' Report

Research and Development

Our Research and Development Officer has been extremely busy over the last year, conducting in-depth evaluations of our services and researching issues which are important to children with disabilities, their families and the organisations working with them. We produced an impact report for 2023, which collated figures on our reach, formal evaluation findings and informal feedback from children and families. We have been working with Children's Centre Psychology in Aneurin Bevan University Health Board on an in-depth evaluation of Sparkle's Continuing Care club, a leisure provision for children and young people with the most complex needs. We have also conducted an evaluation of all of our other leisure clubs, including parent-report surveys on goals and family wellbeing. Our impact report 2023 can be found on our website: <https://www.sparkleappeal.org/ckfinder/userfiles/files/Sparkle%20Impact%20Report%202023.pdf>

The high standard of research being conducted within Sparkle is recognised by our links with universities and other organisations keen to collaborate with us on our work. We have facilitated Master's students from the School of Psychology at Cardiff University to conduct observations of children within the clubs to assess goals relating to wellbeing and social development. We are exploring the accessibility of swimming lessons for children with disabilities with Disability Sport Wales, including conducting an evaluation of Sparkle's swimming lessons, and we continue to analyse current trends and future rates of childhood disability with the support of the Royal Statistical Society's initiative, Statisticians for Society and colleagues in Cardiff University and Aneurin Bevan Health Board.

In line with our strategic aim of promoting optimal models of care for children with complex needs, we continue to conduct in-depth evaluations into services developed and delivered by Sparkle, and to disseminate these locally and nationally. The evaluations have directly informed our service delivery, and helped us to refine the services and facilities we offer. Over the past year, Sparkle's Research Officer presented our evaluation findings at three national conferences: the Royal College of Paediatric and Child Health Conference, British Psychological Society Health Psychology Conference, and the British Academy of Childhood Disability Annual Scientific Meeting. Two of our papers were published in peer-reviewed academic journals, and a further three papers were uploaded to MedRxiv, a pre-print server, while under review at peer review journals. All of our evaluation reports and research papers can be found on our website, including lay summaries: <https://www.sparkleappeal.org/research>.

As part of our research activities, Sparkle has also produced a series of webinars/podcasts with As You See It Media on co-location of health, social care and third sector services; providing holistic support for families; delivering specialist leisure services for children with disabilities; and the importance of research and evaluation to service development. These webinars included a variety of experts, including health and social care professionals, young people and family-carers, a researcher from Cardiff University, and Sparkle staff. A video tour of Serennu Children's Centre and Sparkle services was filmed alongside the webinars, which are also available as podcasts. These can be found on Sparkle's website: <https://www.sparkleappeal.org/about/webinars>

Sparkle (South Wales)

Trustees' Report

Financial review

Funds raised via grants, our existing individual donors and corporate supporters, and the small amount raised by our café and activities resulted in a total income of £639,374.

Successful grant funding from Newport and Caerphilly Councils, and grants from National Lottery Awards for All, Masonic Charitable Foundation, Blaenau Gwent Shared Prosperity Fund and Heb Ffin, had huge impacts on our children's leisure services at Serennu Children's Centre, Caerphilly Children's Centre and Blaina Integrated Children's Centre. A significant award of unrestricted funds from Edward Gosling Foundation ensured the continuation and growth of the charity, whilst a grant from Wooden Spoon allowed us to provide sports skills and rugby sessions for children with disabilities. The Bailey Thomas Charitable Fund supported our MediCinema screenings this year.

Following an emergency appeal to previous donors, there were also 2 separate donations amounting to £150K which helped to reduce the extent of the end of year loss that the charity was facing.

Grants and donations have been essential and our main sources of income, given the Charity's limited fundraising opportunities in the context of our location in a low-income area, and current cost of living crisis.

Sparkle's unrestricted reserves have reduced to £375,367 as of 31 March 2024. This reserve will be used to safeguard existing activities and support the operation of the Charity.

The Charity's expansion into North Gwent and Caerphilly, and the recommencement of full activities following the easing of COVID restrictions, has resulted in a major increase in payroll and other costs. The statement of financial activities for the year on pages 11 & 12 show how income and costs varied compared to the prior year.

For the new year costs are forecast to increase, reflecting our expansion, and the need to address the ever-increasing waiting list of CYP who need to join our service. Our forecast for the coming year is that our running costs will be in excess of our income and as such our unrestricted reserves will diminish. We are satisfied we have sufficient reserves to cover this deficit. In the new year we have appointed a further grants officer to increase income from this source.

Policy on reserves

The trustees have reviewed the reserves policy and, in accordance with Charity Commission guidelines, have considered the level of unrestricted reserves which it is appropriate for the charity to hold, with the imperative that it should be able to continue to meet its charitable objectives in the short term, in the event of a temporary shortfall in unrestricted income. The trustees have concluded that given the inherent risks as noted above it is appropriate to hold sufficient free reserves to cover the core expenditure required to maintain activities for six months.

Sparkle (South Wales)

Trustees' Report

Plans for future periods

- Continue to offer a diverse range of activities and support to children and young people with disabilities/complex needs and their families in Gwent.
- Continue to offer the opportunity for children and young people with disabilities/complex needs to develop skills and try new activities in a safe and non-judgmental environment.
- Continue to develop services to reach children with the most severe complex health care needs in liaison with partner agencies.
- To expand our staffing where feasible to run the clubs at capacity and offer the best outcomes for the children and young people we support.
- To explore options for upskilling community providers to accommodate more of our young people in an integrated community setting.
- To continue undertaking high quality service evaluations, to identify whether additional services provided by Sparkle are having a positive impact on the lives of children with disabilities and their families.
- To use the data obtained from in depth evaluations to both market our services to potential funders, and to promote the optimal model of care for these children and young people across Wales and the remainder of the UK.
- To continue to develop and implement robust performance management and monitoring systems to support the needs of a growing and successful charity, enabling Sparkle to develop and be more sustainable for the future.
- To continue to develop and implement quality control frameworks and strategy to ensure that all children and young people and their families receive an equitable and high-quality service from Sparkle.
- To continue to recruit, train and retain regular volunteers, without whom we wouldn't be able to carry out our work.
- To promote the development of a new Children's Centre to serve North Gwent, in line with the outcome of our Feasibility study.
- To increase our collaborative working with Local Authorities and statutory agencies to attract more commissioned work.
- Review and streamline policies and procedures within Sparkle to ensure greater efficiency and sustainability.

Sparkle (South Wales)

Trustees' Report

Structure, governance and management

Nature of governing document

The governing document of the charity is its Memorandum and Articles of Association – incorporated on 21 June 2001, as amended by special resolution on 15 July 2002, and again on 27 May 2021.

The charity is registered as a private company, limited by guarantee.

Recruitment and appointment of trustees

New trustees are recruited following an open application process, in line with specific roles and responsibilities required by the Board. All interested applicants are interviewed by the Chairperson, and independently by at least one other trustee. Following this, if appropriate, they are appointed by a resolution of the existing trustees, in accordance with the charity's constitution.

Induction and training of trustees

Consideration of appropriate and relevant skills and experience is given when introducing new trustees to the charity. The Chairperson is responsible for making new trustees aware of their responsibilities under charity law, and arranging appropriate induction and training, to include safeguarding. The Business Service Manager will ensure that disclosure and barring checks are undertaken, and that they complete the appropriate paperwork and training relating to confidentiality, conflict of interest and all relevant policies pertaining to the charity's business.

Major risks and management of those risks

The trustees have considered the major risks to which the charity is exposed, have reviewed these risks and have established systems and procedures to manage them.

The key risks identified by trustees include:

- increasing demand and costs without a similar increase in income – the charity has employed a new grant writing officer, has reorganised the fundraising element of Sparkles operations and has a proposal in hand called Sparkle Outreach, which could potential generate a regular and significant income;
- reliance on grants and a small number of large benefactors – the charity has employed a new grant writing officer and has a proposal in hand to generate regular income through a new scheme called Sparkle Outreach;
- the Charity helps vulnerable young people and as such there is a need for very good systems, controls and training to ensure appropriate standards are maintained – this will be achieved through the newly created senior leadership team, headed up by the Action Head of Sparkle Operations who is directly accountably to the Board Chair;
- the ability to retain key staff members – this will be managed through an identified process for salary enhancement, an improved senior leadership team management structure, regular communication with staff by the chair and board of trustees, a commitment to staff wellbeing;
- Sparkle's relationship with the Health Board – a new communications structure with the health board is being proposed to include a memorandum of understanding agreed by both parties and quarterly meetings to ensure that there is an open and honest partnership.

Sparkle (South Wales)

Trustees' Report

Retired trustees

The other trustees who served and retired during the year were:

Mrs R Harwood Lincoln (resigned 8 June 2023)

Financial instruments

Objectives and policies

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at settlement value.

The annual report was approved by the trustees of the charity on 19 September 2024 and signed on its behalf by:



.....
Ms Kelly
Trustee

Sparkle (South Wales)

Statement of Trustees' Responsibilities

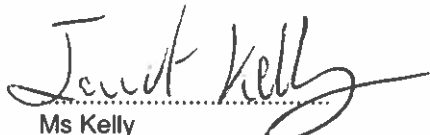
The trustees (who are also the directors of Sparkle (South Wales) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 19 September 2024 and signed on its behalf by:


Ms Kelly
Trustee

Sparkle (South Wales)

Independent Examiner's Report to the trustees of Sparkle (South Wales) ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

Responsibilities and basis of report

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

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

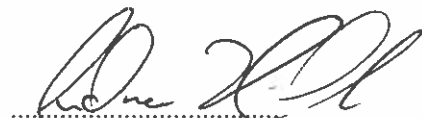
Independent examiner's statement

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

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

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

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



Andrew Hill FCCA ACA DChA BFP

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Date: 20/9/24.....

Sparkle (South Wales)

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	245,056	299,847	544,903
Charitable activities	4	82,695	-	82,695
Other trading activities	5	6,671	-	6,671
Investment income	6	5,105	-	5,105
Total income		<u>339,527</u>	<u>299,847</u>	<u>639,374</u>
Expenditure on:				
Raising funds	7	(30,144)	(17,153)	(47,297)
Charitable activities	8	<u>(382,061)</u>	<u>(357,866)</u>	<u>(739,927)</u>
Total expenditure		<u>(412,205)</u>	<u>(375,019)</u>	<u>(787,224)</u>
Net expenditure		<u>(72,678)</u>	<u>(75,172)</u>	<u>(147,850)</u>
Net movement in funds		(72,678)	(75,172)	(147,850)
Reconciliation of funds				
Total funds brought forward		<u>448,045</u>	<u>355,899</u>	<u>803,944</u>
Total funds carried forward	20	<u><u>375,367</u></u>	<u><u>280,727</u></u>	<u><u>656,094</u></u>

The notes on pages 15 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Statement of Financial Activities for the Year Ended 31 March 2023

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	138,602	438,166	576,768
Charitable activities	4	64,879	198	65,077
Other trading activities	5	4,563	-	4,563
Investment income	6	959	-	959
Total income		<u>209,003</u>	<u>438,364</u>	<u>647,367</u>
Expenditure on:				
Raising funds	7	(2,673)	(8,852)	(11,525)
Charitable activities	8	<u>(143,616)</u>	<u>(516,254)</u>	<u>(659,870)</u>
Total expenditure		<u>(146,289)</u>	<u>(525,106)</u>	<u>(671,395)</u>
Net income/(expenditure)		<u>62,714</u>	<u>(86,742)</u>	<u>(24,028)</u>
Net movement in funds		62,714	(86,742)	(24,028)
Reconciliation of funds				
Total funds brought forward		<u>385,331</u>	<u>442,641</u>	<u>827,972</u>
Total funds carried forward	20	<u>448,045</u>	<u>355,899</u>	<u>803,944</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2023 is shown in note 20.

The notes on pages 15 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

(Registration number: 04238990)
Balance Sheet as at 31 March 2024

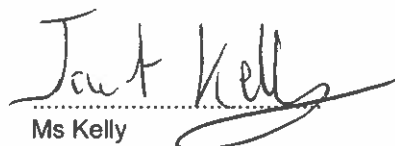
	Note	2024 £	2023 £
Fixed assets			
Tangible assets	16	1,290	1,911
Current assets			
Debtors	17	78,592	148,774
Cash at bank and in hand	18	<u>613,846</u>	<u>693,809</u>
		692,438	842,583
Creditors: Amounts falling due within one year	19	<u>(37,634)</u>	<u>(40,550)</u>
Net current assets		<u>654,804</u>	<u>802,033</u>
Net assets		<u>656,094</u>	<u>803,944</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	20	280,727	355,899
Unrestricted income funds			
Unrestricted funds		<u>375,367</u>	<u>448,045</u>
Total funds	20	<u>656,094</u>	<u>803,944</u>

For the financial year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 11 to 30 were approved by the trustees, and authorised for issue on 19 September 2024 and signed on their behalf by:


Ms Kelly
Trustee

The notes on pages 15 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash expenditure		(147,850)	(24,028)
Adjustments to cash flows from non-cash items			
Depreciation	9	1,814	1,668
Investment income	6	<u>(5,105)</u>	<u>(959)</u>
		(151,141)	(23,319)
Working capital adjustments			
Decrease in debtors	17	70,182	79,950
Increase/(decrease) in creditors	19	7,931	(19,813)
(Decrease)/increase in deferred income	19	<u>(10,847)</u>	<u>39,694</u>
Net cash flows from operating activities		<u>(83,875)</u>	<u>76,512</u>
Cash flows from investing activities			
Interest receivable and similar income	6	5,105	959
Purchase of tangible fixed assets	16	<u>(1,193)</u>	<u>-</u>
Net cash flows from investing activities		3,912	959
Cash flows from financing activities			
Repayment of loans and borrowings		<u>-</u>	<u>(25,000)</u>
Net (decrease)/increase in cash and cash equivalents		(79,963)	52,471
Cash and cash equivalents at 1 April		<u>693,809</u>	<u>641,338</u>
Cash and cash equivalents at 31 March		<u>613,846</u>	<u>693,809</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by share capital, incorporated in the United Kingdom.

The address of its registered office is:

Serennu Children's Centre

Cwrt Camlas

Rogerstone

Newport

South Wales

NP10 9LY

These financial statements were authorised for issue by the trustees on 19 September 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102.

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 United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

Donations are recognised when there is entitlement, when receipt is probable and the amount can be reliably measured. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received in respect of future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Gifts in kind

Gifts in kind have been valued in the accounts at the cost to the charity had it purchased the items directly.

Gift aid

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent review, strategic management and Trustee's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	33% Straightline

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

Trade debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

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 charity for particular purposes. The cost 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.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	125,753	55,285	181,038	147,762
Donations from individuals	88,576	30,000	118,576	42,343
Legacies	21,214	-	21,214	1,537
Gift aid reclaimed	6,341	7,500	13,841	15,335
Grants, including capital grants;				
Grants from other charities	-	114,985	114,985	237,041
Grants from companies	-	2,250	2,250	-
Grants from trusts and other fundors	3,172	89,827	92,999	132,750
	<u>245,056</u>	<u>299,847</u>	<u>544,903</u>	<u>576,768</u>

4 Income from charitable activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Clubs, activities and cafe sales	<u>82,695</u>	<u>82,695</u>	<u>65,077</u>

5 Income from other trading activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Events income;			
Fundraising events	<u>6,671</u>	<u>6,671</u>	<u>4,563</u>

6 Investment income

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>5,105</u>	<u>5,105</u>	<u>959</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

7 Expenditure on raising funds

	Direct costs £	Total 2024 £	Total 2023 £
Costs of generating donations and legacies	47,297	47,297	11,525

Of the above costs £17,153 (2023 - £8,852) were attributable to restricted funds and £30,144 (2023 - £2,673) were attributable to unrestricted funds.

8 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2024 £	2023 £
Centre maintenance and upkeep and play equipment	52,257	-	52,257	67,607
Clubs, activities and cafe sales	625,944	57,199	683,143	588,182
Governance	-	4,527	4,527	4,081
	<u>678,201</u>	<u>61,726</u>	<u>739,927</u>	<u>659,870</u>

In addition to the expenditure analysed above there are also governance costs of £4,527 (2023 - £4,081) which relate directly to charitable activities. See note 9 for further details.

Of the above costs £357,866 (2023 - £516,254) were attributable to restricted funds and £382,061 (2023 - £143,616) were attributable to unrestricted funds.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Analysis of governance and support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Staff costs £	Total 2024 £	Total 2023 £
Clubs, activities and cafe sales	Hours	-	57,199	57,199	70,292
Governance	% of total activity costs	4,527	-	4,527	4,081
		<u>4,527</u>	<u>57,199</u>	<u>61,726</u>	<u>74,373</u>

Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2024 £	Total 2023 £
Independent examiner fees				
Examination of the financial statements	2,713	-	2,713	2,413
Depreciation, amortisation and other similar costs	1,141	673	1,814	1,668
	<u>3,854</u>	<u>673</u>	<u>4,527</u>	<u>4,081</u>

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2024 £	2023 £
Depreciation of fixed assets	<u>1,814</u>	<u>1,668</u>

11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

£nil (2023 - £71) of expenses were reimbursed to during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

12 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	571,007	455,030
Social security costs	19,321	15,987
Pension costs	15,034	11,094
Other staff costs	25,308	40,115
	<u>630,670</u>	<u>522,226</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2024 No	2023 No
Charitable activities	96	94
Governance	13	11
Administration	2	5
	<u>111</u>	<u>110</u>

13 (2023 - 10) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £102,719 (2023 - £89,820).

The average number of full time staff employed in the period was 9, and the average number of part time staff employed was 102. The equivalent number of full time staff employed would be estimated as 17.

13 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	<u>2,713</u>	<u>2,413</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

15 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £15,035 (2023 - £11,094).

16 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2023	10,540	10,540
Additions	<u>1,193</u>	<u>1,193</u>
At 31 March 2024	<u>11,733</u>	<u>11,733</u>
Depreciation		
At 1 April 2023	8,629	8,629
Charge for the year	<u>1,814</u>	<u>1,814</u>
At 31 March 2024	<u>10,443</u>	<u>10,443</u>
Net book value		
At 31 March 2024	<u>1,290</u>	<u>1,290</u>
At 31 March 2023	<u>1,911</u>	<u>1,911</u>

17 Debtors

	2024 £	2023 £
Other debtors	<u>78,592</u>	<u>148,774</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

18 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	-	21
Cash at bank	613,846	693,788
	<u>613,846</u>	<u>693,809</u>

19 Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	8,787	856
Deferred income	28,847	39,694
	<u>37,634</u>	<u>40,550</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

20 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
<i>General</i>				
Unrestricted income fund	448,045	339,527	(412,205)	375,367
Restricted funds				
AB Invoice	113,585	14,109	(14,237)	113,457
ALN Parents Engagement	23,000	-	-	23,000
Bailey	-	10,000	(4,478)	5,522
Barclays	9,581	-	(9,581)	-
BG UK	-	9,659	(9,659)	-
Big Lottery	-	9,920	(8,708)	1,212
Blackwood Engineering	6,000	2,000	(8,000)	-
Caerphilly CBC	264	1,950	(2,214)	-
Children in Need	1,089	-	(1,089)	-
Community Foundation Wales	-	2,000	-	2,000
Edward Gostling Foundation	-	25,000	(14,124)	10,876
Gwen Mags	-	3,000	(1,060)	1,940
Heb Ffin	-	10,000	(5,207)	4,793
ISCAN	22,936	-	(8,185)	14,751
KLA	-	25,000	-	25,000
Masonic Charitable Foundation	16,919	19,847	(26,425)	10,341
Mr J Harris	16,191	8,285	(15,510)	8,966
Mr N Harris	67,382	37,500	(104,882)	-
NCC Family First Play Club	771	89,827	(90,598)	-
NCC PBP	14,219	-	(14,219)	-
Nevill Hall	471	-	-	471
O2E Clubs	59,523	22,000	(28,524)	52,999
Peter Harrison Foundation	1,429	-	(1,429)	-
Prin Wales	1,544	-	(1,544)	-
St James	-	2,500	-	2,500
Tesco Bags of Help Funding	-	2,250	(2,250)	-
The Waterloo Foundation	995	-	(989)	6
Woodspoon	-	5,000	(2,107)	2,893
Total restricted funds	355,899	299,847	(375,019)	280,727
Total funds	803,944	639,374	(787,224)	656,094

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

Funds for the Year Ended 31 March 2023

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General				
Unrestricted income fund	385,331	209,004	(146,290)	448,045
Restricted				
AB Invoice	113,585	12,180	(12,180)	113,585
AB Medi Swim	6,760	-	(6,760)	-
ALN Parents Engagement	23,000	-	-	23,000
Barclays	29,612	-	(20,031)	9,581
Blackwood Engineering	-	6,000	-	6,000
Blaenau Gwent CC	-	1,535	(1,535)	-
Caerphilly CBC	-	2,941	(2,677)	264
Children in Need	17,152	30,500	(46,563)	1,089
Covid Emergency Appeal	4,908	-	(4,908)	-
Edward Gostling Foundation	-	25,000	(25,000)	-
Frontier Medical Group Ltd	71,645	-	(71,645)	-
Gavo	-	5,000	(5,000)	-
Hodge Foundation	-	5,000	(5,000)	-
Holiday Club	1,899	-	(1,899)	-
ICF NG	-	33,900	(33,900)	-
ISCAN	44,522	-	(21,586)	22,936
Mary Homfray Charitable Trust	-	2,000	(2,000)	-
Masonic Charitable Foundation	-	19,847	(2,928)	16,919
Mr J Harris	-	21,250	(5,059)	16,191
Mr N Harris	51,000	92,750	(76,368)	67,382
NCC Family First Play Club	1,358	43,841	(44,428)	771
NCC Family First Youth Club	-	15,519	(15,519)	-
NCC FF FLO	-	49,514	(49,514)	-
NCC PBP	-	14,219	-	14,219
NCC Summer	-	10,346	(10,346)	-
Nevill Hall	13,671	198	(13,398)	471
Newsquest	3,484	-	(3,484)	-
O2E Clubs	52,210	27,500	(20,187)	59,523
Peter Harrison Foundation	-	7,000	(5,571)	1,429
Postcode	4,153	-	(4,153)	-
Prin Wales	-	5,000	(3,456)	1,544
Sport Foundation	-	2,500	(2,500)	-
Tesco Bags of Help Funding	297	-	(297)	-

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
The Percy Bilton Charity	-	4,584	(4,584)	-
The Waterloo Foundation	-	1,500	(505)	995
TVA Third Sector ICF Funding	2,789	-	(2,789)	-
Winter of Wellbeing	596	-	(596)	-
Total restricted funds	<u>442,641</u>	<u>439,624</u>	<u>(526,366)</u>	<u>355,899</u>
Total funds	<u>827,972</u>	<u>648,628</u>	<u>(672,656)</u>	<u>803,944</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

The specific purposes for which the funds are to be applied are as follows:

AB Invoice - To contribute towards the Caretaker costs and fund the Helping Hands service.

ALN Parents Engagement - Received from ABUHB, for providing parents support and engagement.

Baily Thomas Charitable Trust - To contribute towards MediCinema costs and staffing.

Barclays - To be used to support the delivery of Sparkle activities.

Blaenau Gwent UK Shared Prosperity Fund - To fund clubs to increase sports, arts and social action in Blaenau Gwent.

Big Lottery (National Lottery Awards for All) - To fund leisure staffing costs of new clubs.

Blackwood Engineering Trust - To equip an art room at Serennu Children's Centre.

Caerphilly County Borough Council - To fund holiday activities in Caerphilly.

Children in Need - To fund equipment, trips and activities.

Community Foundation Wales - To fund a toddler stay and play group.

Edward Gostling Foundation - To contribute towards operational core costs.

Families First, Newport City Council - To fund play provisions

Gwendoline and Margaret Davies Charity - To fund play provisions in Blaenau Gwent.

Heb Ffin - To fund play provisions in Blaenau Gwent.

ISCAN - Received from ABUHB, for staff training and development.

KLA - To fund tech club salaries and equipment

Masonic Charitable Foundation - To fund leisure staff salaries in Caerphilly.

Mr Nigel Harris - To fund research and development.

Mr John Harris - To fund enrichment activities.

Newport City Council Participatory Budget - To fund after school activities.

Ordinary 2 Extraordinary Clubs (O2e) - To fund after school activities.

Percy Bilton - To fund outdoor leisure equipment for Serennu Children's Centre.

Peter Harrison Foundation - To fund swimming staff costs.

Principality Building Society's Future Generation Fund - To fund administration salaries in Gwent.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

St James Place - To fund holiday activities in Blaenau Gwent.

Tesco Groundworks -To purchase equipment from the "Sparkle Wish List".

Waterloo Foundation - To fund dissemination of research related to child development.

Wooden Spoon - To fund Rugby and Skills sessions.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2024

21 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £
Tangible fixed assets	963	327	1,290
Current assets	379,677	312,761	692,438
Current liabilities	<u>(5,273)</u>	<u>(32,361)</u>	<u>(37,634)</u>
Total net assets	<u>375,367</u>	<u>280,727</u>	<u>656,094</u>

22 Analysis of net funds

	At 1 April 2023 £	Financing cash flows £	At 31 March 2024 £
Cash at bank and in hand	<u>693,809</u>	<u>(79,963)</u>	<u>613,846</u>
Net debt	<u>693,809</u>	<u>(79,963)</u>	<u>613,846</u>

23 Related party transactions

During the year the charity made the following related party transactions:

Mr N Harris

Spouse of trustee

During the year Mr N Harris, the spouse of a trustee, made restricted donations of £30,000 (2023 - £80,000) and unrestricted donations of £nil (2023 - £10,080) to Sparkle (South Wales). At the balance sheet date the amount due to/from Mr N Harris was £nil (2023 - £nil).

24 Non-adjusting events after the financial period

The charity received a significant will and donation legacy after the year ended on 30 August 2024 of £175,000. Given the expected level of costs in the coming year this income is very important to ensure that the charity can match levels of expenditure with incoming resources and ensure that its policy on reserves held can continue to be adhered to.

SPARKLE (SOUTH WALES)

England & Wales - Charity number 1093690

Accounts

Company registration number: 04238990

Charity registration number: 1093690

Sparkle (South Wales)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2023

HSJ Accountants Ltd
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Sparkle (South Wales)

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Sparkle (South Wales)

Reference and Administrative Details

Trustees	Mr M Gerrard Ms J Kelly Dr S Maguire Mrs J Sheppard Mr N G Williams Ms N Garnon Mr A Durston Stacey Elizabeth Hawdon Tracey Ann Pead
Charity Registration Number	1093690
Company Registration Number	04238990
	The charity is incorporated in the United Kingdom.
Registered Office	Serennu Children's Centre Cwrt Camlas Rogerstone Newport South Wales NP10 9LY
Principal Office	Sparkle Appeal Office Serennu Children's Centre High Cross Road Newport NP10 9LY
Independent Examiner	HSJ Accountants Ltd Severn House Hazell Drive Newport South Wales NP10 8FY
Bankers	Barclays Bank Plc Newport Commercial Street 14 Commercial Street Newport South Wales NP20 1HE

Sparkle (South Wales)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2023.

Trustees

Mr M Gerrard

Ms J Kelly

Dr S Maguire

Mrs J Sheppard

Mr N G Williams

Ms N Garnon

Mr A Durston

Stacey Elizabeth Hawdon (appointed 4 May 2023)

Tracey Ann Pead (appointed 30 March 2023)

Objectives and activities

Objects and aims

Sparkle (South Wales), 'Sparkle', has a vision that all children and young people with additional needs should be able to achieve their full potential, regardless of their disability or learning difficulties. Sparkle will work to achieve this directly with families in Gwent, and with the knowledge gained, influence change across the UK. Our aim is to achieve this through four key areas of work:

1. Equitable enhanced service provision for children with additional needs across Gwent;
2. Training, educating, and working with other providers to enable children with additional needs to realise their potential;
3. Advocacy within Gwent, across Wales (and ultimately the UK) to advance the optimal model of care and support;
4. Conduct in-depth evaluations of our services and explore unmet needs among our families.

The high standard of research being conducted within Sparkle is recognised by our links with Universities, keen to collaborate with us on our work. Currently we are formally collaborating with Cardiff University regarding the impact on children and their caregivers of our specialist leisure provision, and a collaboration with the University of South Wales regarding an analysis of trends in disability rates in Gwent and Wales overall, including modelling predictions for future rates of childhood disability. We are also working with partners in the Department of Child Psychology in ABUHB around an in-depth evaluation of the impact of specialist leisure provision for the most severely affected children, and working with our colleagues in Newport Childhood Disability team in the Local Authority around the development of an online tool to support young people and their carers at transition to adult services.

Public benefit

The charity's purpose is to benefit the children with disability or developmental difficulties, and their families in Gwent. The trustees can evidence that the activities carried out by the charity throughout the last year have been for the benefit of those children and families who have identified additional and special needs.

Sparkle (South Wales)

Trustees' Report

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. Our memorandum and articles have been updated in May 2021 to reflect current legislation

Use of volunteers

We have continued to benefit from fantastic volunteers, currently we have 38 weekly volunteers, ranging in age from 16-70+, including some of our former service users. This equates to 6,815 hours of work, at a cost saving of £65,151.

Achievements and performance

Following our in-depth evaluation of 'unmet needs' in the North of Gwent, we identified that the existing facilities at Nevill Hall hospital are no longer fit for purpose to deliver optimal care and support to children with complex needs. At the request of our partners in Health and Social Care, we successfully bid for a grant via the Capital stream of the Integrated Care Fund, to conduct an in-depth feasibility study for the building of a new Children's Centre with a Transition Hub in North Gwent. This major piece of work is being undertaken by Sparkle Trustees and staff. The final report was submitted to the Regional Partnership Board in February 2023, following consultation with our families and partners in Health, Social Care.

Our fundraising activities continue to be negatively impacted by the COVID-19 pandemic, and the national crisis in recruitment, as a result of which we have been heavily reliant on grant funding and our existing relationships with individual and corporate donors. We continue to adapt to meet the needs of children and families and have seen demand grow exponentially during the pandemic. We have further expanded our services in an effort to provide equitable provision across Gwent, despite the added financial pressures this causes the charity.

The charity pursues a range of objectives in line with its overarching role in providing services and support to children with additional needs, and to their families. The COVID-19 Pandemic created significant challenges, both to our income, and our service delivery. Added to this, there has been a continuing rise in the number of children & young people (CYP) needing our specialist support, with an average of 10-15 new referrals per month.

Despite these challenges, we were pleased to resume all of our specialist leisure activities, and have expanded the number of places offered to CYP, such that we now have on average 150 children attending clubs in Serennu every week, in addition to 72 children accessing specialist swimming lessons per week.

In North Gwent, we have continued to expand the number of places for CYP, and currently have 38 children attending weekly clubs. These operate from a number of different sites as there is no suitable children's centre in North Gwent currently.

Further to our agreement to support Caerphilly, we now support all 5 local authorities within Gwent. We have commenced weekly clubs in Caerphilly Children's Centre and have 17 CYP accessing weekly clubs. We have also hired a local play centre to provide exclusive activities for our families in this region.

Sparkle (South Wales)

Trustees' Report

In addition to this, we offer three Medicinema screenings per week, family swim opportunities, family fun days and a 'stay and play' weekly session – 935 families are registered to attend all of these activities. These activities are open to families across the whole of Gwent, and we aim to provide Fun Days in different sites across the region to minimise travel time for families. We have also expanded our services by offering to facilitate children's parties in Serennu, which has been very popular with families who have nowhere else that is safe or appropriate for their children.

In line with our strategic aim of promoting optimal models of care for children with complex needs, we continue to conduct in-depth evaluations into services developed and delivered by Sparkle, and to disseminate these locally and nationally. The evaluations have directly informed our service delivery, and helped us to refine the services and facilities we offer. Our research officer is presenting the results of these evaluations at the Royal College of Paediatrics and Child Health, British Psychological Society, and the British Association of Childhood Disability. Two further scientific publications are under review with peer reviewed journals relating to disability. All of our in-depth evaluations are available as a 'lay summary' on our website: <https://www.sparkleappeal.org/research>.

Further to a grant from the Integrated Care Fund of Wales, we undertook an in-depth feasibility study on the need for, and proposed design of, a new Children's Centre to serve the families living in Blaenau Gwent, north Torfaen, north Caerphilly and north Monmouthshire. This report has now been submitted to the Children and Families Board, and will proceed to the Regional Partnership Board for consideration.

The fundraising environment remains challenging, with increased cost of living pressures restricting the amount that individuals or corporate donors have at their disposal. We have also noted a number of grant giving bodies are no longer able to award grants at the scale that they have previously. In this context, we are pleased that we have been able to expand and develop our services, without drawing too heavily on our financial reserves. We continue to work hard to secure grants and other income streams.

Our Research and Development Officer has been extremely busy over the last year, conducting in-depth evaluations of our services, and exploring unmet needs among our families. This work has included an annual survey of parent caregivers and young people themselves, an evaluation of the impact our outward bound residential trip had on the young people, and two in-depth reports relating to gaps in Childcare provision for families whose child is disabled (sent to the Chairman of the Local Government committee in Welsh Government) and the impact of co-location of health, social care and the voluntary sector on families and professionals (provided to Aneurin Bevan University Health Board - ABUHB). Furthermore, the unique work taking place in Gwent as a result of Sparkle's innovation and service provision has generated considerable interest around the UK, as highlighted by our Research Officer having papers accepted for presentation at the British Psychological Society annual conference, the Royal College of Paediatrics and Child Health annual conference and locally at Living our Best Lives conference in Wales.

Furthermore, the in-depth work we have undertaken to evaluate the impact of our services has been recognised by having two scientific papers published this year, one relating to our Family Liaison Service, and an evaluation of the Care Co-ordination service, which arose from feasibility work undertaken by Sparkle. All of these reports can be found on our website www.sparkleappeal.org/research.

Sparkle (South Wales)

Trustees' Report

Financial review

Funds raised via grants, our existing individual donors and corporate supporters, and the small amount raised by our café and activities resulted in a total income of £647,367.

Successful grant funding from the Children's and Communities Grant from Newport City Council and an extension grant from Children in Need had huge impacts on our family support and children's leisure services at Serennu Children's Centre. Significant awards of unrestricted funds from Edward Gostling Foundation, Garfield Weston Foundation and Postcode Community Trust ensured the continuation and growth of the charity, whilst the first instalment of a three-year grant from Masonic Charitable Foundation helped secure ongoing services in Caerphilly County Borough for the first time. Significant donations were received from Mr N Harris - £80,000, and the O2E charity - £27,500.

Grants and donations have been essential and our main sources of income, given the Charity's limited fundraising opportunities in the context of our location in a low income area, and current cost of living crisis.

Sparkle's unrestricted reserves have increased to £488,045 as of 31 March 2023. This reserve will be used if required to safeguard existing activities and support the operation of the Charity.

The Charity's expansion into North Gwent and Caerphilly, and the recommencement of full activities following the easing of COVID restrictions, has resulted in a major increase in payroll and other costs. The statement of financial activities for the year on pages 12 & 13 show how income and costs varied compared to the prior year.

For the new year costs are forecast to increase, reflecting our expansion, and the need to address the ever increasing waiting list of CYP who need to join our service. Our forecast for the coming year is that our running costs will be significantly in excess of our income and as such our unrestricted reserves will diminish. We are satisfied we have sufficient reserves to cover this deficit. Our newly appointed fundraising and communications team are tasked with increasing our fundraising income this year.

Policy on reserves

The trustees have reviewed the reserves policy and, in accordance with Charity Commission guidelines, have considered the level of unrestricted reserves which it is appropriate for the charity to hold, with the imperative that it should be able to continue to meet its charitable objectives in the short term, in the event of a temporary shortfall in unrestricted income. The trustees have decided that given the inherent risks as noted above it is appropriate to hold sufficient free reserves to cover the core expenditure required to maintain activities for six months.

Sparkle (South Wales)

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

- Continue to offer a diverse range of activities and support to children and young people with disabilities/complex needs and their families in Gwent.
- Continue to offer the opportunity for children and young people with disabilities/complex needs to develop skills and try new activities in a safe and non-judgmental environment.
- Expand on existing links with local schools, to help raise awareness regarding disability and inclusion, for example through school assemblies, school visits to Serennu, engagement with Teaching Assistants and pupil groups, etc.
- Continue to develop services to reach children with the most severe complex health care needs in liaison with partner agencies.
- To expand our staffing where feasible to run the clubs at capacity and offer the best outcomes for the children and young people we support.
- To explore options for upskilling community providers to accommodate more of our young people in an integrated community setting.
- To continue undertaking high quality service evaluations, to identify whether additional services provided by Sparkle are having a positive impact on the lives of children with disabilities and their families.
- To use the data obtained from in-depth evaluations to both market our services to potential funders, and to promote the optimal model of care for these children and young people across Wales and the remainder of the UK.
- Continue to ensure transition pathways are in place for children and young people we support to access community provisions, where appropriate.
- To continue to develop and implement robust performance management and monitoring systems to support the needs of a growing and successful charity, enabling Sparkle to develop and be more sustainable for the future.
- To continue to develop and implement quality control frameworks and strategy to ensure that all children and young people and their families receive an equitable and high quality service from Sparkle.
- To continue to recruit, train and retain regular volunteers, without whom we wouldn't be able to carry out our work.
- To promote the development of a new Children's Centre to serve North Gwent, in line with the outcome of our Feasibility study.
- To increase our collaborative working with Local Authorities and statutory agencies to attract more commissioned work.

Sparkle (South Wales)

Trustees' Report

- Review and streamline policies and procedures within Sparkle to ensure greater robustness, efficiency, effectiveness and sustainability.
- To develop and expand our service offering to families within Caerphilly, subject to appropriate funding.
- Continue to conduct in depth evaluations of our services, and exploring unmet needs among our families.
- To collaborate with schools.
- To develop low-cost activities with families.

Structure, governance and management

Nature of governing document

The governing document of the charity is its Memorandum and Articles of Association – incorporated on 21 June 2001, as amended by special resolution on 15 July 2002, and again on 27 May 2021.

The charity is registered as a private company, limited by guarantee.

Recruitment and appointment of trustees

New trustees are recruited following an open application process, in line with specific roles and responsibilities required by the Board. All interested applicants are interviewed by the Chairperson, and independently by at least one other trustee. Following this, if appropriate, they are appointed by a resolution of the existing trustees, in accordance with the charity's constitution.

Induction and training of trustees

Consideration of appropriate and relevant skills and experience is given when introducing new trustees to the charity. The Chairperson is responsible for making new trustees aware of their responsibilities under charity law, and arranging appropriate induction and training, to include safeguarding and autism awareness training. The Office Manager will ensure that disclosure and barring checks are undertaken, and that they complete the appropriate paperwork relating to confidentiality, conflict of interest and all relevant policies pertaining to the charity's business.

Sparkle (South Wales)

Trustees' Report

Major risks and management of those risks

The trustees have considered the major risks to which the charity is exposed, have reviewed these risks and have established systems and procedures to manage them. The key risks identified by trustees include:

- increasing demand and costs without a similar increase in income;
- reliance on grants and a small number of large benefactors;
- the Charity helps vulnerable young people and as such there is a need for very good systems, controls and training to ensure appropriate standards are maintained;
- COVID-19 and the challenges this poses to our operation and income;
- the ability to retain key staff members;
- the relationship with the Health Board.

Retired trustees

The other trustees who served and retired during the year were:

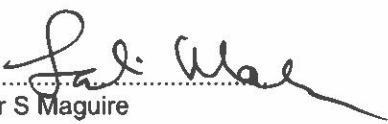
Rebecca Wright (appointed 19 May 2022, resigned 19 January 2023)
Mrs R Harwood Lincoln (resigned 8 June 2023)

Financial instruments

Objectives and policies

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at settlement value.

The annual report was approved by the trustees of the charity on 21 September 2023 and signed on its behalf by:


Dr S Maguire
Trustee

Sparkle (South Wales)

Statement of Trustees' Responsibilities

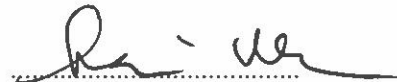
The trustees (who are also the directors of Sparkle (South Wales) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 21 September 2023 and signed on its behalf by:



Dr S Maguire
Trustee

Sparkle (South Wales)

Independent Examiner's Report to the trustees of Sparkle (South Wales) ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

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



Andrew Hill FCCA ACA DChA BFP

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Date: 6/10/23

Sparkle (South Wales)

Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	138,602	438,166	576,768
Charitable activities	4	64,879	198	65,077
Other trading activities	5	4,563	-	4,563
Investment income	6	959	-	959
Total income		<u>209,003</u>	<u>438,364</u>	<u>647,367</u>
Expenditure on:				
Raising funds	7	(2,673)	(8,852)	(11,525)
Charitable activities	8	<u>(143,616)</u>	<u>(516,254)</u>	<u>(659,870)</u>
Total expenditure		<u>(146,289)</u>	<u>(525,106)</u>	<u>(671,395)</u>
Net income/(expenditure)		<u>62,714</u>	<u>(86,742)</u>	<u>(24,028)</u>
Net movement in funds		62,714	(86,742)	(24,028)
Reconciliation of funds				
Total funds brought forward		<u>385,331</u>	<u>442,641</u>	<u>827,972</u>
Total funds carried forward	21	<u><u>448,045</u></u>	<u><u>355,899</u></u>	<u><u>803,944</u></u>

The notes on pages 15 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Statement of Financial Activities for the Year Ended 31 March 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Statement of Financial Activities for the Year Ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	77,605	603,729	681,334
Charitable activities	4	38,793	4,680	43,473
Other trading activities	5	3,263	-	3,263
Investment income	6	617	-	617
Total income		<u>120,278</u>	<u>608,409</u>	<u>728,687</u>
Expenditure on:				
Raising funds	7	(2,715)	(7,920)	(10,635)
Charitable activities	8	<u>(45,746)</u>	<u>(642,662)</u>	<u>(688,408)</u>
Total expenditure		<u>(48,461)</u>	<u>(650,582)</u>	<u>(699,043)</u>
Net income/(expenditure)		<u>71,817</u>	<u>(42,173)</u>	<u>29,644</u>
Net movement in funds		71,817	(42,173)	29,644
Reconciliation of funds				
Total funds brought forward		<u>313,514</u>	<u>484,814</u>	<u>798,328</u>
Total funds carried forward	21	<u><u>385,331</u></u>	<u><u>442,641</u></u>	<u><u>827,972</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 21.

The notes on pages 15 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

(Registration number: 04238990)
Balance Sheet as at 31 March 2023

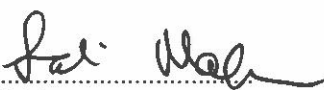
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	16	1,911	3,579
Current assets			
Debtors	17	148,774	228,724
Cash at bank and in hand	18	693,809	641,338
		842,583	870,062
Creditors: Amounts falling due within one year	19	(40,550)	(20,669)
Net current assets		802,033	849,393
Total assets less current liabilities		803,944	852,972
Creditors: Amounts falling due after more than one year	20	-	(25,000)
Net assets		803,944	827,972
Funds of the charity:			
Restricted income funds			
Restricted funds	21	355,899	442,641
Unrestricted income funds			
Unrestricted funds		448,045	385,331
Total funds	21	803,944	827,972

For the financial year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 11 to 30 were approved by the trustees, and authorised for issue on 21 September 2023 and signed on their behalf by:


Dr S Maguire
Trustee

The notes on pages 15 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (expenditure)/income		(24,028)	29,644
Adjustments to cash flows from non-cash items			
Depreciation	9	1,668	1,361
Investment income	6	(959)	(617)
		(23,319)	30,388
Working capital adjustments			
Decrease/(increase) in debtors	17	79,950	(208,464)
(Decrease)/increase in creditors	19	(19,813)	16,006
Increase in deferred income	19	39,694	-
Net cash flows from operating activities		76,512	(162,070)
Cash flows from investing activities			
Interest receivable and similar income	6	959	617
Purchase of tangible fixed assets	16	-	(2,040)
Net cash flows from investing activities		959	(1,423)
Cash flows from financing activities			
Repayment of loans and borrowings	20	(25,000)	25,000
Net increase/(decrease) in cash and cash equivalents		52,471	(138,493)
Cash and cash equivalents at 1 April		641,338	779,831
Cash and cash equivalents at 31 March		693,809	641,338

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Charity status

The charity is limited by share capital, incorporated in the United Kingdom.

The address of its registered office is:

Serennu Children's Centre

Cwrt Camlas

Rogerstone

Newport

South Wales

NP10 9LY

These financial statements were authorised for issue by the trustees on 21 September 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102.

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 United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

Donations are recognised when there is entitlement, when receipt is probable and the amount can be reliably measured. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received in respect of future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Gifts in kind

Gifts in kind have been valued in the accounts at the cost to the charity had it purchased the items directly.

Gift aid

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent review, strategic management and Trustee's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	33% Straightline

Trade debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

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 charity for particular purposes. The cost 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.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	19,998	127,764	147,762	7,969
Donations from individuals	42,343	-	42,343	81,509
Legacies	1,537	-	1,537	-
Gift aid reclaimed	1,335	14,000	15,335	1,335
Grants, including capital grants;				
Grants from other charities	-	237,041	237,041	463,839
Grants from companies	-	-	-	2,000
Donations from trusts and other funders	73,389	59,361	132,750	124,682
	<u>138,602</u>	<u>438,166</u>	<u>576,768</u>	<u>681,334</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Clubs, activities and cafe sales	<u>64,879</u>	<u>198</u>	<u>65,077</u>	<u>43,473</u>

5 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2022 £
Events income;			
Fundraising events	<u>4,563</u>	<u>4,563</u>	<u>3,263</u>

6 Investment income

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>959</u>	<u>959</u>	<u>617</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

7 Expenditure on raising funds

	Direct costs £	Total 2023 £	Total 2022 £
Costs of generating donations and legacies	<u>11,525</u>	<u>11,525</u>	<u>10,635</u>

Of the above costs £8,852 (2022 - £7,920) were attributable to restricted funds and £2,673 (2022 - £2,715) were attributable to unrestricted funds.

8 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2023 £	2022 £
Centre maintenance and upkeep and play equipment	67,607	-	67,607	189,938
Clubs, activities and cafe sales	517,890	70,292	588,182	494,083
Governance	<u>-</u>	<u>4,081</u>	<u>4,081</u>	<u>4,387</u>
	<u>585,497</u>	<u>74,373</u>	<u>659,870</u>	<u>688,408</u>

In addition to the expenditure analysed above there are also governance costs of £4,081 (2022 - £4,387) which relate directly to charitable activities. See note 9 for further details.

Of the above costs £516,254 (2022 - £642,662) were attributable to restricted funds and £143,616 (2022 - £45,746) were attributable to unrestricted funds.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

9 Analysis of governance and support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Staff costs £	Total 2023 £	Total 2022 £
Centre and play equipment maintenance and upkeep	Hours	-	-	-	27
Clubs, activities and cafe sales	Hours	-	70,292	70,292	90,738
Governance	% of total activity costs	4,081	-	4,081	4,387
		<u>4,081</u>	<u>70,292</u>	<u>74,373</u>	<u>95,152</u>

Governance costs

	Unrestricted funds General £	Restricted funds £	Total 2023 £	Total 2022 £
Independent examiner fees				
Examination of the financial statements	2,413	-	2,413	1,740
Depreciation, amortisation and other similar costs	628	1,040	1,668	1,361
Other governance costs	-	-	-	13
Allocated support costs	-	-	-	1,273
	<u>3,041</u>	<u>1,040</u>	<u>4,081</u>	<u>4,387</u>

10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	<u>1,668</u>	<u>1,361</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

11 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Mrs R Harwood Lincoln

£71 (2022: £nil) of expenses were reimbursed to Mrs R Harwood Lincoln during the year.

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any other benefits from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	455,030	369,525
Social security costs	15,987	10,397
Pension costs	11,094	15,500
Other staff costs	40,115	24,304
	<u>522,226</u>	<u>419,726</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2023 No	2022 No
Charitable activities	94	79
Governance	11	8
Administration	5	5
	<u>110</u>	<u>92</u>

10 (2022 - 11) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £11,094 (2022 - £15,500).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £89,820 (2022 - £75,941).

The average number of full time staff employed in the period was 9, and the average number of part time staff employed was 101. The equivalent number of full time staff employed would be estimated as 17.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

13 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>2,413</u>	<u>1,740</u>

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

15 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £11,094 (2022 - £15,500).

16 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2022	<u>10,540</u>	<u>10,540</u>
At 31 March 2023	<u>10,540</u>	<u>10,540</u>
Depreciation		
At 1 April 2022	6,961	6,961
Charge for the year	<u>1,668</u>	<u>1,668</u>
At 31 March 2023	<u>8,629</u>	<u>8,629</u>
Net book value		
At 31 March 2023	<u>1,911</u>	<u>1,911</u>
At 31 March 2022	<u>3,579</u>	<u>3,579</u>

17 Debtors

	2023 £	2022 £
Prepayments	-	185
Other debtors	<u>148,774</u>	<u>228,539</u>
	<u>148,774</u>	<u>228,724</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

18 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	21	21
Cash at bank	693,788	641,317
	<u>693,809</u>	<u>641,338</u>

19 Creditors: amounts falling due within one year

	2023 £	2022 £
Other creditors	856	87
Accruals	-	20,582
Deferred income	39,694	-
	<u>40,550</u>	<u>20,669</u>

20 Creditors: amounts falling due after one year

	2023 £	2022 £
Other loans	-	25,000

The £25,000 blended grant loan from Wales Council for Voluntary Action was repaid in March 2023. There was no interest due on the loan at the date of repayment and no penalty charges incurred for early repayment.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

21 Funds

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Unrestricted funds				
General				
Unrestricted income fund	385,331	209,004	(146,290)	448,045
Restricted funds				
AB Invoice	113,585	12,180	(12,180)	113,585
AB Medi Swim	6,760	-	(6,760)	-
ALN Parents Engagement	23,000	-	-	23,000
Barclays	29,612	-	(20,031)	9,581
Blackwood Engineering	-	6,000	-	6,000
Blaenau Gwent CC	-	1,535	(1,535)	-
Caerphilly CBC	-	2,941	(2,677)	264
Children in Need	17,152	30,500	(46,563)	1,089
Covid Emergency Appeal	4,908	-	(4,908)	-
Edward Gostling Foundation	-	25,000	(25,000)	-
Frontier Medical Group Ltd	71,645	-	(71,645)	-
Gavo	-	5,000	(5,000)	-
Hodge Foundation	-	5,000	(5,000)	-
Holiday Club	1,899	-	(1,899)	-
ICF NG	-	33,900	(33,900)	-
ISCAN	44,522	-	(21,586)	22,936
Mary Homfray Charitable Trust	-	2,000	(2,000)	-
Masonic Charitable Foundation	-	19,847	(2,928)	16,919
Mr J Harris	-	21,250	(5,059)	16,191
Mr N Harris	51,000	92,750	(76,368)	67,382
NCC Family First Play Club	1,358	43,841	(44,428)	771
NCC Family First Youth Club	-	15,519	(15,519)	-
NCC FF FLO	-	49,514	(49,514)	-
NCC PBP	-	14,219	-	14,219
NCC Summer	-	10,346	(10,346)	-
Nevill Hall	13,671	198	(13,398)	471
Newsquest	3,484	-	(3,484)	-
O2E Clubs	52,210	27,500	(20,187)	59,523
Peter Harrison Foundation	-	7,000	(5,571)	1,429
Postcode	4,153	-	(4,153)	-
Prin Wales	-	5,000	(3,456)	1,544
Sport Foundation	-	2,500	(2,500)	-

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
Tesco Bags of Help Funding	297	-	(297)	-
The Percy Bilton Charity	-	4,584	(4,584)	-
The Waterloo Foundation	-	1,500	(505)	995
TVA Third Sector ICF Funding	2,789	-	(2,789)	-
Winter of Wellbeing	596	-	(596)	-
Total restricted funds	442,641	439,624	(526,366)	355,899
Total funds	827,972	648,628	(672,656)	803,944

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

Funds for the Year Ended 31 March 2022

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
Unrestricted income fund	313,514	119,798	(47,981)	385,331
Restricted				
AB Invoice	1,953	179,020	(67,388)	113,585
AB Medi Swim	14,648	-	(7,888)	6,760
ALN Parents Engagement	-	23,000	-	23,000
Barclays	29,612	-	-	29,612
Boshier	-	1,350	(1,350)	-
Cash 4 U	248	-	(248)	-
Children in Need	17,283	30,000	(30,131)	17,152
Covid Emergency Appeal	69,085	-	(64,177)	4,908
Frontier Medical Group Ltd	249,028	-	(177,383)	71,645
Gavo	-	4,836	(4,836)	-
HA ICC	-	2,898	(2,898)	-
Holiday Club	2,266	-	(367)	1,899
ICF	-	8,500	(8,500)	-
ICF NG	-	45,000	(45,000)	-
ISCAN	21,197	25,000	(1,675)	44,522
Mr N Harris	-	51,000	-	51,000
NCC Family First Play Club	-	72,809	(71,451)	1,358
NCC Family First Youth Club	-	14,081	(14,081)	-
Nevill Hall	25,327	4,680	(16,336)	13,671
Newsquest	-	3,484	-	3,484
O2E Clubs	54,167	15,000	(16,957)	52,210
Postcode	-	15,513	(11,360)	4,153
SF ICC	-	5,287	(5,287)	-
SF Serennu	-	10,020	(10,020)	-
Sport Foundation	-	5,000	(5,000)	-
Summer of Fun (SenCom)	-	2,001	(2,001)	-
Tesco Bags of Help Funding	-	2,000	(1,703)	297
TVA Third Sector ICF Funding	-	75,000	(72,211)	2,789
Winter of Wellbeing	-	12,930	(12,334)	596
Total restricted funds	484,814	608,409	(650,582)	442,641
Total funds	798,328	728,207	(698,563)	827,972

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

The specific purposes for which the funds are to be applied are as follows:

AB Invoice - To fund the Caretaker and Helping Hands parent support.

AB Medi Swim – Received from ABUHB, for funding leisure provisions.

ALN Parents Engagement – Received from ABUHB, for providing parents support and engagement.

Barclays – To be used to support the delivery of Sparkle activities.

Blackwood Engineering Trust – To equip an art room at Serennu Children's Centre.

Blaenau Gwent County Council, Loneliness and Isolation Fund - To fund activities in Blaenau Gwent.

Caerphilly County Borough Council - To fund sensory resources.

Children in Need - To fund equipment, trips and activities.

Covid Emergency Appeal - To support staffing costs during the COVID-19 crisis.

Edward Gostling Foundation - Towards core costs.

Frontier Medical Group Limited - To contribute to the administrative staff wage costs.

GAVO Regional Integration Fund - To fund leisure staff salaries in Blaenau Gwent.

Hodge Foundation - To fund leisure staff salaries in the North and West of Gwent leisure.

Holiday Club - To support clubs run during the holidays.

ICF - To conduct a feasibility study into the development of a new Children's Centre and Transition Hub in North Gwent.

ISCAN - Received from ABUHB, for training and development.

Mary Homfray Charitable Trust - To fund leisure staff salaries in Caerphilly.

Masonic Charitable Foundation - To fund leisure staff salaries in Caerphilly.

Mr Nigel Harris - To fund research and development activities and administrative staff salaries.

Mr John Harris - To fund enrichment activities.

Newport City Council Families First (Play Club) -To fund play provisions for children aged 5 to 11 years.

Newport City Council Families First (Youth Club) -To fund provide youth provisions for young people aged 12 to 17 years.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

Newport City Council Participatory Budget - To fund after school activities.

Newport City Council Summer of Fun - To the charity to run summer activities.

Newport City Council Winter of Wellbeing - To improve social and emotional wellbeing via activities during the winter.

Nevill Hall - To support Nevill Hall services.

Newsquest, Gannett Foundation - To contribute towards the creation of a woodland walk at Serennu Children's Centre.

Ordinary 2 Extraordinary Clubs (O2E) - To provide after school clubs for children to develop independent living and social skills whilst making friends and having fun.

Peter Harrison Foundation - To fund swimming staff costs.

Postcode Community Trust - Towards core costs.

Principality Building Society's Future Generation Fund - To fund administration salaries in Gwent.

Sports Foundation for the Disabled - To fund swimming direct costs.

Tesco Groundworks - To equip Little Stars stay and play provision.

TVA Third Sector ICF Funding - Was granted to the charity to contribute to the Family Liaison service costs which supports parents/carers of children with complex needs.

Waterloo Foundation - To fund dissemination of research related to child development.

Welsh Government Third Sector Resilience Fund - For Play Worker salaries in North Gwent, communications officer salary, website development, venue hire, equipment, staff costs including training and uniform, and accredited courses to be completed by staff.

22 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	1,911	-	1,911
Current assets	446,990	395,593	842,583
Current liabilities	(856)	(39,694)	(40,550)
Total net assets	<u>448,045</u>	<u>355,899</u>	<u>803,944</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2023

23 Analysis of net funds

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash at bank and in hand	641,338	52,471	693,809
Net debt	641,338	52,471	693,809

24 Related party transactions

During the year the charity made the following related party transactions:

Frontier Medical Group Ltd

Relationship: Entity in which the spouse of a trustee has significant influence

During the year Frontier Medical Group Ltd, a company in which the spouse of a charity trustee has significant influence, made restricted donations of £nil (2021 - £67,983) to Sparkle (South Wales). At the balance sheet date the amount due to/from Frontier Medical Group Ltd was £nil (2022 - £nil).

Mr N Harris

Spouse of trustee

During the year Mr N Harris, the spouse of a trustee, made restricted donations of £80,000 (2022 - £51,000) and unrestricted donation of £10,080 (2022 - £nil) to Sparkle (South Wales). At the balance sheet date the amount due to/from Mr N Harris was £nil (2022 - £nil).

SPARKLE (SOUTH WALES)

England & Wales - Charity number 1093690

Accounts

Company registration number: 04238990

Charity registration number: 1093690

Sparkle (South Wales)

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

HSJ Accountants Ltd
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Sparkle (South Wales)

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Sparkle (South Wales)

Reference and Administrative Details

Trustees	Mr M Gerrard Mrs J Kelly Dr S Maguire Mrs J Sheppard Mr N G Williams Ms N Garnon (appointed 29 April 2021) Mr A Durston (appointed 17 March 2022) Mrs R Harwood Lincoln (appointed 2 September 2021)
Charity Registration Number	1093690
Company Registration Number	04238990
Registered Office	The charity is incorporated in the United Kingdom. Serennu Children's Centre Cwrt Camlas Rogerstone Newport South Wales NP10 9LY
Principal Office	Sparkle Appeal Office Serennu Children's Centre High Cross Road Newport NP10 9LY
Independent Examiner	HSJ Accountants Ltd Severn House Hazell Drive Newport South Wales NP10 8FY
Bankers	Barclays Bank Plc Newport Commercial Street 14 Commercial Street Newport South Wales NP20 1HE

Sparkle (South Wales)

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2022.

Trustees

Mr M Gerrard

Mrs J Kelly

Dr S Maguire

Mrs J Sheppard

Mr N G Williams

Ms N Garnon (appointed 29 April 2021)

Mr A Durston (appointed 17 March 2022)

Mrs R Harwood Lincoln (appointed 2 September 2021)

Objectives and activities

Objects and aims

Sparkle (South Wales), 'Sparkle', has a vision that all children and young people with additional needs should be able to achieve their full potential, regardless of their disability or learning difficulties. Sparkle will work to achieve this directly with families in Gwent, and with the knowledge gained, influence change across the UK. Our aim is to achieve this through three key areas of work:

1. Equitable enhanced service provision for children with additional needs across Gwent
2. Training, educating, and working with other providers to enable children with additional needs to realise their potential
3. Advocacy within Gwent, across Wales (and ultimately the UK) to advance the optimal model of care and support

Public benefit

The charity's purpose is to benefit the children and families in Gwent. The trustees can confirm and evidence that the activities carried out by the charity throughout the last year have been for the benefit of those children and families who have identified additional and special needs.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. Our memorandum and articles have been updated in May 2021 to reflect current legislation.

Use of volunteers

On the volunteer front, 5280 hours were logged from the 1st April 2021 to 31st March 2022 in support of Sparkle services, which based on an hourly rate of £9.01 per hour represents a cost saving of £47,572.80 to Sparkle.

Sparkle (South Wales)

Trustees' Report

Achievements and performance

The charity pursues a range of objectives in line with its overarching role in providing services and support to children with additional needs, including their families. Over the past year we have continued to face the challenges of the COVID-19 SARS Pandemic and resultant restrictions, however we have been able to continue delivering services in strict accordance with COVID-19 risk guidance.

We have supported children and young people directly via our specialist leisure clubs, including the new clubs we began delivering from community venues in North Gwent last year. Our Family Liaison Service continued to help families via email and telephone support, and hosting virtual 'coffee mornings' and information events. In February 2022, our Family Liaison Officers were able to resume offering in-person support at the Children's Centres, including hosting coffee mornings for families and external support groups.

This year we have been running weekly clubs for 126 children and young people at Serennu and 36 in North Gwent. Clubs have adhered strictly with Sparkle, Welsh Government and Aneurin Bevan University Health Board COVID-19 guidance, including pre-session COVID-19 checks, temperature checks on arrival, staff using personal protective equipment, twice weekly lateral flow testing of staff, extensive cleaning regimes, ventilation and social distancing during sessions. These measures, as well as an increase in the number of children requiring 1:1 and 2:1 support following the pandemic, have resulted in higher staff and club costs.

After becoming a charity partner of Caerphilly Children's Centre in 2020, we conducted a consultation with families and professionals in the catchment area to determine the gaps in service provision. The outcome of this consultation led to the development of a new Play Club for children with additional needs at Caerphilly Children's Centre, which commenced March 2022. There are currently 6 children accessing this provision, with plans to expand this service to meet the need in Caerphilly, subject to recruitment of appropriate staff. This club received a donation of restricted funding to support it for one year.

In May 2021, we were able to reopen the MediCinema at Serennu Children's Centre, with reduced capacity screenings to allow for social distancing and following Welsh Government requirements for cinemas. We introduced a third weekly screening to allow more families to access the facility in September 2021, as we extended the catchment area to include all five Local Authorities in Gwent. Family swim sessions resumed in May 2021 and swimming lessons in March 2022. We hosted our first family event since the pandemic began, an outside fun day at Serennu Children's Centre, in August 2021 and have continued to run COVID secure events for families throughout the year. These included 'drive-thru' style Santa's grotto events at Christmas in both North and South Gwent.

In line with our strategic aim of promoting optimal models of care for children with complex needs, we have conducted in-depth evaluations into services developed and delivered by Sparkle. All of these are available on our website, in addition to being presented throughout the Gwent region. Our evaluation of the Integrated Service for Children with Additional Needs Care Coordination service was presented at the British Academy of Childhood Disability Annual Scientific Meeting in March 2022, where it won the MacKeith Press Best Poster Prize. Further in depth service evaluations have been submitted to national conferences across the UK.

Sparkle (South Wales)

Trustees' Report

Following our in depth evaluation of 'unmet needs' in the North of Gwent, we identified that the existing facilities at Nevill Hall hospital are no longer fit for purpose to deliver optimal care and support to children with complex needs. At the request of our partners in Health and Social Care, we successfully bid for a grant via the Capital stream of the Integrated Care Fund, to conduct an in-depth feasibility study for the building of a new Children's Centre with a Transition Hub in North Gwent. This major piece of work is being undertaken by Sparkle Trustees and staff, and the final report is due for submission to the Regional Partnership Board in October 2022, following consultation with our families and partners in Health, Social Care.

Our fundraising activities continue to be negatively impact by the COVID-19 pandemic, and the national crisis in recruitment, as a result of which we have been heavily reliant on grant funding and our existing relationships with individual and corporate donors this year. We have continued to adapt to meet the needs of children and families and have seen demand grow exponentially during the pandemic. We are pleased to have been able to expand our services in an effort to provide equitable provision across Gwent, despite the added financial pressures this causes the charity.

Financial review

Funds raised via grants, our existing individual donors and corporate supporters, and the small amount raised by our café and activities resulted in a total income of £728,687.

Resilience funding from Welsh Government, via the Third Sector Resilience Fund, and additional funding from the Children's and Communities Grant from Newport City Council helped the charity adapt and deliver our services throughout a challenging year. Further grant funding from sources such as Children in Need, Postcode Community Trust, and the Garfield Weston Foundation also played a major role in ensuring the continuation of our vital services. Significant donations were received from N Harris - £92,982, and O2E - £15,000.

Grants and donations have been essential and our main sources of income, given the Charity's limited fundraising opportunities during the pandemic and the Fundraising Manager post remaining vacant. Our fundraising activities secured only £3,263.

Sparkle's unrestricted reserves have increased to £385,331 as of 31st March 2022. This reserve will be used if required to safeguard existing activities and support the operation of the Charity.

The Charity's expansion into North Gwent and Caerphilly, and the recommencement of family activities following the easing of COVID restrictions, has resulted in a major increase in payroll and other costs. The statement of financial activities for the year on page 11 show how income and costs varied compared to the prior year.

For the new year costs are forecast to increase, reflecting our expansion, and recommencement of all services. Our forecast for the coming year is that our running costs will be significantly in excess of our income and as such our unrestricted reserves will diminish. We are satisfied we have sufficient reserves to cover this deficit. We are however hopefully that recruitment to our fundraising and communications team will result in increased income in the latter part of the year.

Sparkle (South Wales)

Trustees' Report

Policy on reserves

The trustees have reviewed the reserves policy and, in accordance with Charity Commission guidelines, have considered the level of unrestricted reserves, which it is appropriate for the charity to hold, with the imperative that it should be able to continue to meet its charitable objectives in the short term, in the event of a temporary shortfall in unrestricted income. The trustees have decided that given the inherent risks as noted above, it is appropriate to hold sufficient free reserves to cover the core expenditure required to maintain activities for six months.

Plans for future periods

Aims and key objectives for future periods

- Continue to offer a diverse range of activities and support to children and young people with disabilities/complex needs and their families in Gwent.
- Continue to offer the opportunity for children and young people with disabilities/complex needs to develop skills and try new activities in a safe and non-judgmental environment.
- Develop the link between Sparkle services and ABUHB Integrated Services for Children with Additional Needs (ISCAN) to enable Sparkle to reach/support more families early on in their journey.
- Continue to develop Sparkle Youth Forum to allow the voice of young people to be heard both within Sparkle and the Children's Centres, and in the community, for example by visiting places like the Senedd and taking part in the Welsh Youth Parliament Consultation.
- Develop new, and maintain existing, links with local schools to help raise awareness regarding disability and inclusion, for example through school assemblies, school visits to Serennu, engagement with Teaching Assistants and pupil groups, etc.
- Continue to develop services to reach children with the most severe complex health care needs in liaison with partner agencies.
- To run the clubs at capacity and offer the best outcomes for the children and young people we support.
- To support parents around key transition stages, such as post diagnosis and transitions to school/adulthood, by delivering 1:1 sessions or workshops where possible and creating links with outside agencies.
- To begin monthly group work with a small number of children and young people in order to build on their self-esteem to enable them to accept and appreciate their differences.

Sparkle (South Wales)

Trustees' Report

- To continue undertaking high quality service evaluations, to identify whether additional services provided by Sparkle are having a positive impact on the lives of children with disabilities and their families.
- To use the data obtained from in depth evaluations to both market our services to potential funders, and to promote the optimal model of care for these children and young people across Wales and the remainder of the UK.
- Continue to ensure transition pathways are in place for children and young people we support to access community provisions, where appropriate.
- To continue Develop and implement robust performance management and monitoring systems to support the needs of a growing and successful charity, enabling Sparkle to develop and be more sustainable for the future.
- To continue Develop and implement quality control frameworks and strategy to ensure that all children and young people and their families receive an equitable and high quality service from Sparkle.
- Review and streamline policies and procedures within Sparkle to ensure greater robustness, efficiency, effectiveness and sustainability.
- To continue to recruit, train and retain regular volunteers, without whom we wouldn't be able to carry out our work.
- To promote the development of a new Children's Centre to serve North Gwent, in line with the outcome of our Feasibility study.
- To develop and expand our service offering to families within Caerphilly, subject to appropriate funding.

Structure, governance and management

Nature of governing document

The governing document of the charity is its Memorandum and Articles of Association – incorporated on 21 June 2001, as amended by special resolution on 15 July 2002, and again on 27 May 2021.

The charity is registered as a private company, limited by guarantee.

Recruitment and appointment of trustees

New trustees are recruited either by personal introduction and interview by the Chair person, or following external recruitment, with a two-stage interview process by the Chair person, followed by a second interview with two other trustees. Following this, they are appointed by a resolution of the existing trustees, in accordance with the charity's constitution.

Sparkle (South Wales)

Trustees' Report

Induction and training of trustees

Consideration of appropriate and relevant skills and experience is given when introducing new trustees to the charity. The Chair person is responsible for making new trustees aware of their responsibilities under charity law, and arranging appropriate induction and training, to include safeguarding and autism awareness training. The Office Manager will ensure that disclosure and barring checks are undertaken where required, and that they complete the appropriate paperwork relating to confidentiality, conflict of interest and all relevant policies pertaining to the charity's business.

Major risks and management of those risks

The trustees have considered the major risks to which the charity is exposed, have reviewed these risks and have established systems and procedures to manage them. The key risks identified by trustees include;

- increasing demand and costs without a similar increase in income.
- reliance on grants and small number of large benefactors.
- The Charity helps vulnerable young people and as such there is a need for very good systems, controls and training to ensure appropriate standards are maintained.
- COVID-19 and the challenges this poses to our operation and income.
- The ability to retain key staff members.

Retired trustees

The other trustees who served and retired during the year were:

Dr M A Barber (resigned 30 April 2021)
Ms M Ali (resigned 23 August 2021)
Mr K Rutherford (resigned 9 December 2021)
Mrs H Salmon (resigned 22 July 2021)

Financial instruments

Objectives and policies

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at settlement value.

The trustees have considered the major risks to which the Charity is exposed, have reviewed these risks and have established internal systems and procedures to manage them.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Sparkle (South Wales)

Trustees' Report

The annual report was approved by the trustees of the charity on 13 October 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Dr S Maguire', written over a dotted line.

Dr S Maguire
Trustee

Sparkle (South Wales)

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Sparkle (South Wales) for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 13 October 2022 and signed on its behalf by:


Dr S Maguire
Trustee

Sparkle (South Wales)

Independent Examiner's Report to the trustees of Sparkle (South Wales) ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

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

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

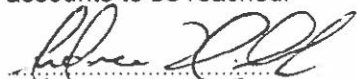
Independent examiner's statement

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

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

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

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



Andrew Hill FCCA ACA DChA BFP

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Date: 25/10/22

Sparkle (South Wales)

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	77,605	603,729	681,334
Charitable activities	4	38,793	4,680	43,473
Other trading activities	5	3,263	-	3,263
Investment income	6	617	-	617
Total income		<u>120,278</u>	<u>608,409</u>	<u>728,687</u>
Expenditure on:				
Raising funds	7	(2,715)	(7,920)	(10,635)
Charitable activities	8	<u>(45,746)</u>	<u>(642,662)</u>	<u>(688,408)</u>
Total expenditure		<u>(48,461)</u>	<u>(650,582)</u>	<u>(699,043)</u>
Net income/(expenditure)		<u>71,817</u>	<u>(42,173)</u>	<u>29,644</u>
Net movement in funds		71,817	(42,173)	29,644
Reconciliation of funds				
Total funds brought forward		<u>313,514</u>	<u>484,814</u>	<u>798,328</u>
Total funds carried forward	21	<u><u>385,331</u></u>	<u><u>442,641</u></u>	<u><u>827,972</u></u>

The notes on pages 16 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Statement of Financial Activities for the Year Ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	86,053	406,345	492,398
Charitable activities	4	28,426	478	28,904
Other trading activities	5	3,169	68	3,237
Investment income	6	2,355	-	2,355
Total income		<u>120,003</u>	<u>406,891</u>	<u>526,894</u>
Expenditure on:				
Raising funds	7	(16,004)	-	(16,004)
Charitable activities	8	<u>(39,379)</u>	<u>(447,303)</u>	<u>(486,682)</u>
Total expenditure		<u>(55,383)</u>	<u>(447,303)</u>	<u>(502,686)</u>
Net income/(expenditure)		64,620	(40,412)	24,208
Transfers between funds		<u>2,013</u>	<u>(2,013)</u>	-
Net movement in funds		66,633	(42,425)	24,208
Reconciliation of funds				
Total funds brought forward		<u>246,881</u>	<u>527,239</u>	<u>774,120</u>
Total funds carried forward	21	<u>313,514</u>	<u>484,814</u>	<u>798,328</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 21.

The notes on pages 16 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

(Registration number: 04238990)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	3,579	2,900
Current assets			
Debtors	17	228,724	20,260
Cash at bank and in hand	18	641,338	779,831
		870,062	800,091
Creditors: Amounts falling due within one year	19	(20,669)	(4,663)
Net current assets		849,393	795,428
Total assets less current liabilities		852,972	798,328
Creditors: Amounts falling due after more than one year	20	(25,000)	-
Net assets		827,972	798,328
Funds of the charity:			
Restricted income funds			
Restricted funds	21	442,641	484,814
Unrestricted income funds			
Unrestricted funds		385,331	313,514
Total funds	21	827,972	798,328

For the financial year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 16 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

**(Registration number: 04238990)
Balance Sheet as at 31 March 2022**

The financial statements on pages 11 to 30 were approved by the trustees, and authorised for issue on 13 October 2022 and signed on their behalf by:


.....
Dr S Maguire
Trustee

The notes on pages 16 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		29,644	24,208
Adjustments to cash flows from non-cash items			
Depreciation	7	1,361	113
Investment income	6	<u>(617)</u>	<u>(2,355)</u>
		30,388	21,966
Working capital adjustments			
(Increase)/decrease in debtors	17	(208,464)	16,217
Increase/(decrease) in creditors	19	<u>16,006</u>	<u>(8,778)</u>
Net cash flows from operating activities		<u>(162,070)</u>	<u>29,405</u>
Cash flows from investing activities			
Interest receivable and similar income	6	617	2,355
Purchase of tangible fixed assets	16	<u>(2,040)</u>	<u>(3,013)</u>
Net cash flows from investing activities		(1,423)	(658)
Cash flows from financing activities			
Repayment of loans and borrowings	19	<u>25,000</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents		(138,493)	28,747
Cash and cash equivalents at 1 April		<u>779,831</u>	<u>751,084</u>
Cash and cash equivalents at 31 March		<u><u>641,338</u></u>	<u><u>779,831</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 16 to 30 form an integral part of these financial statements.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Charity status

The charity is limited by guarantee, incorporated in the United Kingdom, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Serennu Children's Centre

Cwrt Camlas

Rogerstone

Newport

South Wales

NP10 9LY

These financial statements were authorised for issue by the trustees on 13 October 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102.

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 United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations and legacies

Donations are recognised when there is entitlement, when receipt is probable and the amount can be reliably measured. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received in respect of future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Gifts in kind

Gifts in kind have been valued in the accounts at the cost to the charity had it purchased the items directly.

Gift aid

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent review, strategic management and Trustee's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	33% Straightline

Trade debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

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 charity for particular purposes. The cost 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.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	7,969	-	7,969	69,228
Donations from individuals	30,509	51,000	81,509	70,948
Gift aid reclaimed	1,335	-	1,335	3,848
Grants, including capital grants;				
Grants from other charities	-	463,839	463,839	185,741
Grants from companies	-	2,000	2,000	(1,000)
Donations from trusts and other funders	37,792	86,890	124,682	163,633
	<u>77,605</u>	<u>603,729</u>	<u>681,334</u>	<u>492,398</u>

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Clubs, activities and cafe sales	<u>38,793</u>	<u>4,680</u>	<u>43,473</u>	<u>28,904</u>

5 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2021 £
Events income;			
Fundraising events	<u>3,263</u>	<u>3,263</u>	<u>3,237</u>
	<u>3,263</u>	<u>3,263</u>	<u>3,237</u>

6 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>617</u>	<u>617</u>	<u>2,355</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

7 Expenditure on raising funds

	Direct costs £	Total 2022 £	Total 2021 £
Costs of generating donations and legacies	<u>10,635</u>	<u>10,635</u>	<u>16,004</u>

Of the above costs, £7,920 (2021 - £nil) were attributable to restricted funds and £2,715 (2021 - £16,004) were attributable to unrestricted funds.

8 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2022 £	2021 £
Centre maintenance and upkeep and play equipment	189,911	27	189,938	114,321
Clubs, activities and cafe sales	403,345	90,738	494,083	369,935
Governance	-	4,387	4,387	2,426
	<u>593,256</u>	<u>95,152</u>	<u>688,408</u>	<u>486,682</u>

In addition to the expenditure analysed above, there are also governance costs of £4,387 (2021 - £3,140) which relate directly to charitable activities. See note 9 for further details.

Of the above costs, £642,662 (2021 - £447,303) were attributable to restricted funds and £45,746 (2021 - £39,379) were attributable to unrestricted funds.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

9 Analysis of governance and support costs

Support costs allocated to charitable activities

	Basis of allocation	Governance costs £	Staff costs £	Administration costs £	Total 2022 £	Total 2021 £
Centre and play equipment maintenance and upkeep	Hours	-	-	27	27	714
Clubs, activities and cafe sales	Hours	-	90,638	100	90,738	63,319
Governance	% of total activity costs	4,387	-	-	4,387	2,426
		<u>4,387</u>	<u>90,638</u>	<u>127</u>	<u>95,152</u>	<u>66,459</u>

Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Independent examiner fees			
Examination of the financial statements	1,740	1,740	1,651
Depreciation, amortisation and other similar costs	1,361	1,361	113
Other governance costs	13	13	13
Allocated support costs	<u>1,273</u>	<u>1,273</u>	<u>1,362</u>
	<u>4,387</u>	<u>4,387</u>	<u>3,139</u>

10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	<u>1,361</u>	<u>113</u>

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

12 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	369,525	293,020
Social security costs	10,397	10,566
Pension costs	15,500	16,168
Other staff costs	24,304	11,319
	<u>419,726</u>	<u>331,073</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year was as follows:

	2022 No	2021 No
Charitable activities	79	71
Governance	8	9
Administration	5	4
	<u>92</u>	<u>84</u>

11 (2021 - 9) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £15,502 (2021 - £16,168).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £75,941 (2021 - £48,883).

The average number of full time staff employed in the period was 10, and the average number of part time staff employed was 86. The equivalent number of full time staff employed would be estimated as 17.

13 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	<u>1,740</u>	<u>1,651</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

15 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £15,501 (2021 - £16,168).

16 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 April 2021	8,500	8,500
Additions	<u>2,040</u>	<u>2,040</u>
At 31 March 2022	<u>10,540</u>	<u>10,540</u>
Depreciation		
At 1 April 2021	5,600	5,600
Charge for the year	<u>1,361</u>	<u>1,361</u>
At 31 March 2022	<u>6,961</u>	<u>6,961</u>
Net book value		
At 31 March 2022	<u>3,579</u>	<u>3,579</u>
At 31 March 2021	<u>2,900</u>	<u>2,900</u>

17 Debtors

	2022 £	2021 £
Prepayments	185	185
Other debtors	<u>228,539</u>	<u>20,075</u>
	<u>228,724</u>	<u>20,260</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

18 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	21	21
Cash at bank	641,317	779,810
	<u>641,338</u>	<u>779,831</u>

19 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	87	4,663
Accruals	20,582	-
	<u>20,669</u>	<u>4,663</u>

Other borrowings

Government Resilience Fund loan with a carrying amount of £25,000 (2021 - £nil) is denominated in sterling with a nominal interest rate of 3% (2021 - 0%). The final instalment is due on 26 April 2031.

Repayments of this loan will commence in April 2023 with repayment amounts to be determined. There is no interest on the loan for the first two years after receipt, and then the rate of 3% will apply from the twenty fifth month onwards. There are no penalty charges should the loan be repaid early.

20 Creditors: amounts falling due after one year

	2022 £
Other loans	<u>25,000</u>

Included in other loans is a £25,000 blended grant loan from Wales Council for Voluntary Action. Repayments of this loan will commence in April 2023 with repayment amounts to be determined, and will be repaid in full by April 2031. There is no interest on the loan for the first two years after receipt, and then the rate of 3% will apply from the twenty fifth month onwards. There are no penalty charges should the loan be repaid early.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

21 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General				
Unrestricted income fund	313,514	119,798	(47,981)	385,331
Restricted funds				
AB Invoice	1,953	179,020	(67,388)	113,585
AB Medi Swim	14,648	-	(7,888)	6,760
ALN Parents Engagement	-	23,000	-	23,000
Barclays	29,612	-	-	29,612
Boshier	-	1,350	(1,350)	-
Cash 4 U	248	-	(248)	-
Children in Need	17,283	30,000	(30,131)	17,152
Covid Emergency Appeal	69,085	-	(64,177)	4,908
Frontier Medical Group Ltd	249,028	-	(177,383)	71,645
Gavo	-	4,836	(4,836)	-
HA ICC	-	2,898	(2,898)	-
Holiday Club	2,266	-	(367)	1,899
ICF	-	8,500	(8,500)	-
ICF NG	-	45,000	(45,000)	-
ISCAN	21,197	25,000	(1,675)	44,522
Mr N Harris	-	51,000	-	51,000
NCC Family First Play Club	-	72,809	(71,451)	1,358
NCC Family First Youth Club	-	14,081	(14,081)	-
Nevill Hall	25,327	4,680	(16,336)	13,671
Newsquest	-	3,484	-	3,484
O2E Clubs	54,167	15,000	(16,957)	52,210
Postcode	-	15,513	(11,360)	4,153
SF ICC	-	5,287	(5,287)	-
SF Serennu	-	10,020	(10,020)	-
Sport Foundation	-	5,000	(5,000)	-
Summer of Fun (SenCom)	-	2,001	(2,001)	-
Tesco Bags of Help Funding	-	2,000	(1,703)	297
TVA Third Sector ICF Funding	-	75,000	(72,211)	2,789
Winter of Wellbeing	-	12,930	(12,334)	596
Total restricted funds	484,814	608,409	(650,582)	442,641
Total funds	798,328	728,207	(698,563)	827,972

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

Funds for the Year Ended 31 March 2021

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General					
Unrestricted income fund	246,881	120,003	(55,383)	2,013	313,514
Restricted					
AB Invoice	-	43,811	(41,858)	-	1,953
AB Medi Swim	-	35,000	(20,352)	-	14,648
ALN Parents Engagement	4,348	-	(4,348)	-	-
Barclays	33,537	-	(3,925)	-	29,612
Cash 4 U	-	932	(155)	(529)	248
Children in Need	1,766	32,934	(17,417)	-	17,283
Community Foundation Wales	-	5,772	(4,469)	(1,303)	-
Covid Emergency Appeal	99,864	35,170	(65,949)	-	69,085
Frontier Medical Group Ltd	286,082	26,000	(63,054)	-	249,028
Gavo	-	2,324	(2,324)	-	-
Holiday Club	3,107	-	(841)	-	2,266
ICF	-	6,968	(6,968)	-	-
ISCAN	23,275	-	(2,078)	-	21,197
NCC Additional	-	17,542	(16,361)	(1,181)	-
NCC Family First Play Club	-	39,708	(39,708)	-	-
NCC Family First Youth Club	-	12,141	(12,141)	-	-
Nevill Hall	29,658	879	(5,210)	-	25,327
O2E Clubs	33,746	23,000	(2,579)	-	54,167
Tesco Bags of Help Funding	-	(1,000)	-	1,000	-
The Waterloo Foundation	4,048	35,000	(39,048)	-	-
TVA Third Sector ICF Funding	7,808	-	(7,808)	-	-
Wales Council for Voluntary Action	-	90,710	(90,710)	-	-
Total restricted funds	<u>527,239</u>	<u>406,891</u>	<u>(447,303)</u>	<u>(2,013)</u>	<u>484,814</u>
Total funds	<u>774,120</u>	<u>526,894</u>	<u>(502,686)</u>	<u>-</u>	<u>798,328</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

The specific purposes for which the funds are to be applied are as follows:

AB Invoice - To fund the Caretaker and Helping Hands parent support.

AB Medi Swim – Received from ABUHB, for funding leisure provisions.

ALN Parents Engagement – Received from ABUHB, for providing parents support and engagement.

Barclays – To be used to support the delivery of Sparkle activities.

Blaenau Gwent County Borough Council (HA ICC) – To provide leisure activities during the winter in Blaenau Gwent.

Blaenau Gwent County Borough Council Summer of Fun (SF ICC) – To provide leisure activities during the summer in Blaenau Gwent.

Boshier-Hinton Foundation - Funded Key Create music sessions in the clubs.

Cash 4 U - To set up a virtual youth forum, where young people attending Sparkle activities could volunteer their time to discuss how to improve our clubs and what activities they would like to be available.

Children in Need - To fund equipment, trips and activities.

Covid Emergency Appeal - To support staffing costs during the COVID-19 crisis.

Frontier Medical Group Limited - To contribute to the administrative staff wage costs, involved in running the Sparkle office, and also the caretaker wage costs.

GAVO Voluntary Sector Recovery Fund - To fund activities in Blaenau Gwent, Caerphilly, and Newport.

Holiday Club - To support clubs run during the holidays.

ICF Small Grants - To set up specialist leisure provision in Caerphilly.

ICF - To conduct a feasibility study into the development of a new Children's Centre and Transition Hub in North Gwent.

ISCAN - Received from ABUHB, for training and development.

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

Newport City Council Families First (Play Club) - To provide play provisions for children aged 5 to 11 years.

Newport City Council Families First additional funding, Children's and Communities Grant - For salaries of the Family Liaison Officers (South) and team teach and bouldering wall training.

Newport City Council Families First (Youth Club) - To provide youth provisions for young people aged 12 to 17 years.

Newport City Council Summer of Fun - To run summer activities.

Newport City Council Winter of Wellbeing - To improve social and emotional wellbeing via activities during the winter.

Newsquest, Gannett Foundation- To create a woodland walk at Serennu Children's Centre.

Nevill Hall - To support Nevill Hall services.

Ordinary 2 Extraordinary Clubs (O2E) - To provide after school clubs for children to develop independent living and social skills whilst making friends and having fun.

Postcode Community Trust - To fund MediCinema screenings at Serennu Children's Centre.

Sports Foundation for the Disabled - Towards Dragons rugby sessions in clubs and training for leisure staff to use the new rebound facility at Serennu Children's Centre.

Torfaen County Borough Council Summer of Fun (SenCom) - To run summer activities.

Tesco Groundworks - To equip Little Stars stay and play provision.

Welsh Government Third Sector Resilience Fund - For Play Worker salaries in North Gwent, communications officer salary, website development, venue hire, equipment, staff costs including training and uniform, and accredited courses to be completed by staff.

22 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2022 £
Tangible fixed assets	3,579	-	3,579
Current assets	381,839	488,223	870,062
Current liabilities	(87)	(20,582)	(20,669)
Creditors over 1 year	-	(25,000)	(25,000)
Total net assets	<u>385,331</u>	<u>442,641</u>	<u>827,972</u>

Sparkle (South Wales)

Notes to the Financial Statements for the Year Ended 31 March 2022

23 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	779,831	(138,493)	641,338
Net debt	779,831	(138,493)	641,338

24 Related party transactions

During the year the charity made the following related party transactions:

Frontier Medical Group Ltd

Relationship: Entity in which the spouse of a trustee has significant influence

During the year Frontier Medical Group Ltd, a company in which the spouse of a charity trustee has significant influence, made restricted donations of £67,983 (2021 - £26,000) to Sparkle (South Wales). At the balance sheet date the amount due to/from Frontier Medical Group Ltd was £nil (2021 - £nil).

Mr N Harris

Spouse of trustee

During the year Mr N Harris, the spouse of a trustee, made restricted donations totalling £51,000 (2021 - £nil) to Sparkle (South Wales). At the balance sheet date the amount due to/from Mr N Harris was £nil (2021 - £nil).

SPARKLE (SOUTH WALES)

England & Wales - Charity number 1093690

Accounts

Sparkle (South Wales) Limited

known as

The Sparkle Appeal

Previously named South Gwent Children's Foundation

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Company registration number: 04238990

Charity registration number: 1093690

HSJ Accountants Ltd
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Sparkle (South Wales) Limited

known as The Sparkle Appeal

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Sparkle (South Wales) Limited

known as The Sparkle Appeal

Reference and Administrative Details

Trustees

Dr S Maguire
Mrs J Sheppard
Dr M A Barber (resigned 30 April 2021)
Ms M Ali
Mrs H Salmon
Mr K Rutherford
Mr NG Williams
Mrs J Kelly
Mr M Gerrard
Ms N Garnon (appointed 29 April 2021)

Principal Office

Sparkle Appeal Office
Serennu Children's Centre
Cwrt Camlas
Newport
South Wales
NP10 9LY

Registered Office

Serennu Children's Centre
Cwrt Camlas
Newport
South Wales
NP10 9LY

The charity is incorporated in the United Kingdom.

Company Registration Number 04238990

Charity Registration Number 1093690

Bankers

Barclays Bank PLC
Newport Commercial Street
14-15 Commercial Street
Newport
South Wales
NP20 1HE

Independent Examiner

HSJ Accountants Ltd
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Trustees

Dr S Maguire
Mrs J Sheppard
Dr M A Barber (resigned 30 April 2021)
Ms M Ali
Mrs H Salmon
Mr K Rutherford
Mr NG Williams
Mrs J Kelly
Mr M Gerrard
Ms N Garnon (appointed 29 April 2021)

Objectives and activities

Objects and aims

Sparkle's vision is that 'all children and young people with additional needs should be able to achieve their full potential, regardless of their disability or learning difficulties. Sparkle will work to achieve this directly with families in Gwent, and with the knowledge gained, influence change across the UK. Our aim is to achieve this through three key areas of work:

1. Equitable enhanced service provision for children with additional needs across Gwent
2. Training, educating, and working with other providers to enable children with additional needs to realise their potential
3. Advocacy within Gwent, across Wales (and ultimately the UK) to advance the optimal model of care and support

Public benefit

The charity's purpose is to benefit the children and families in the area covered by the charity's activities. The trustees can confirm and evidence that the activities carried out by the charity throughout the last year have been for the benefit of those children and families who have identified additional and special needs.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales. Our memorandum and articles have been updated in May 2021 to reflect current legislation.

Use of volunteers

On the volunteer front, 3,147 hours were logged from 1 April 2020 to 31 March 2021 in support of Sparkle services, which based on an hourly rate of £8.30 per hour represents a cost saving of £26,120 to Sparkle.

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Trustees' Report

Achievements and performance

The charity pursues a range of objectives in line with its overarching role in providing services and support to children with additional needs including their families. This past year has been extremely challenging, in the light of the COVID-19 SARS Pandemic. In line with government guidance, all of our activities were suspended in March 2020 until July 2020 and again during January 2021.

During this time, we strived to continue providing our activities for children and young people (YP) 'virtually', where the YP were able to engage in this format. We also provided online and telephone support for parents and carers through our Family Liaison Officers and ran a parent support intervention for Flying Start families in the Torfaen area, which was very well received.

In February 2021, we recommenced face to face club activities for children and YP, in strict accordance with COVID-19 risk guidance. Since that time, we have been running clubs for 137 children in Serennu and 60 children in North Gwent, operating from a number of different community venues. The costs of these clubs is significantly higher than normal, due to the extra staffing required to accommodate extensive cleaning regimes, reduced numbers of children to achieve safe distancing, and an increase in 1:1 and 2:1 support for those children who are unable to understand 'social distancing' as a concept.

We have conducted in-depth evaluations, including one identifying the 'unmet needs' across North Gwent, having now become the charity partner supporting the Children's Centre, currently operating from Nevill Hall Hospital, Abergavenny. The outcome of this review has led to the development of new clubs and activities, delivered five days a week, across multiple sites in North Gwent. A clear conclusion from this work is that the existing Children's Centre is no longer fit for purpose, and thus Sparkle have now submitted a bid to Welsh Government, via the Capital stream of ICF fund, to conduct an in depth feasibility study for the building of a new Children's Centre with a Transition Hub.

Other evaluations relate to specific services for children with complex needs, which Sparkle have been instrumental in the development of, which have been presented to our partner agencies. We have had two evaluation reports accepted for scientific publication, examining the impact of services provided by Sparkle, including the 'Dad's group' and our 'residential trips'.

In October 2020 we were approached by the charity supporting Caerphilly Children's Centre, as they wish to gradually withdraw their support and are unable to meet the expectations of families. We have agreed to become a partner charity for this area, which means that Sparkle is now the charity supporting all five local authorities across Gwent. We are currently exploring unmet needs in the Caerphilly area, and will then create a funding strategy to enable us to commence activities there in the coming year. In the interim, children from this area are able to access our 'Family swim' and MediCinema sessions.

We have drawn up a 5 year strategic plan, outlining our key objectives and key performance indicators for each of these.

The impact of COVID-19 has been most acutely felt on our fundraising activities, as all of our normal activities had to be suspended, in response to which we launched an emergency appeal, and applied for Welsh Government support through their resilience program: full details below. Overall, we are pleased that we have been able to adapt our service to continue meeting the needs of our families, but clearly we are facing a challenging fundraising environment.

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Trustees' Report

Financial review

Like many others, the Charity's fundraising activities have been significantly impacted this year by the COVID-19 pandemic. However, funds raised from an public emergency appeal, as well as other sources such as grants, corporate sponsors, individual donations and the limited community fundraising activities held, has resulted in a total income of £526,894.

Emergency grant funding was received in the year from organisations such as the Waterloo Foundation, Wales Council for Voluntary Action and Comic Relief has helped ensure the Charity's survival, with further grant funding received from sources such as BBC Children in Need, Aneurin Bevan University Health Board Charitable Fund and Community Foundation Wales supporting the provision of COVID secure leisure services.

Significant donations were received from the Frontier Medical Group amounting to £26,000 to support existing services and O2E amounting to £23,000, which has supported the Charity's expansion into North Gwent and the development of a Rebound Centre at Serennu Children's Centre. A donation of £16,752 was received from Monmouthshire Building Society and the Charity's online emergency appeal at the beginning of the pandemic raised £35,170 in support of the Charity's activities.

These grants and donations have been essential as our main sources of income, given the Charity's limited fundraising opportunities during the pandemic and the Fundraising Manager post being vacant for over half of the year. This has meant that our fundraising activities secured only £3,237.

Sparkle's unrestricted reserves have increased to £313,514 as of 31 March 2021. This reserve will be used if required to safeguard existing activities, and to support the operation of the Charity in the event of further 'lockdown' periods relating to COVID-19.

The Charity's activities in the year grew in North Gwent as the number of playgroups and activities expanded. This led to an increase in the Charities payroll and other costs. The statement of financial accounts for the year on page 14 show how income and costs varied compared to prior year.

For the new year costs are again forecast to increase as the restrictions caused by Covid-19 are lifted and more activities can take place.

Our forecast for the coming year is that our running costs will be significantly in excess of income and as such our unrestricted reserves will diminish. We are however hopeful that with additional Trustee expertise in marketing and fundraising and the recruitment of the right person we will see additional income towards the second half of the year.

Policy on reserves

The trustees have reviewed the reserves policy and, in accordance with Charity Commission guidelines, have considered the level of unrestricted reserves, which it is appropriate for the charity to hold with the imperative that it should be able to continue to meet its charitable objectives in the short term in the event of a temporary shortfall in unrestricted income. The trustees have decided that given the inherent risks as noted above, it is appropriate to hold sufficient free funds to cover the core expenditure required to maintain activities for six months.

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

- Continue to offer a diverse range of activities and support to children and young people with disabilities/complex needs and their families in Gwent.
- Continue to offer the opportunity for children and young people with disabilities/complex needs to develop skills and try new activities in a safe and non-judgmental environment
- Develop the link between Sparkle services and ABUHB Integrated Services for Children with Additional Needs (ISCAN) to enable Sparkle to reach/support more families early on in their journey.
- Continue to develop Sparkle Youth Forum to allow the voice of young people to be heard both within Sparkle and the Children's Centres, and in the community, for example by visiting places like the Senedd and taking part in the Welsh Youth Parliament Consultation.
- Develop new, and maintain existing, links with local schools to help raise awareness regarding disability and inclusion, for example through school assemblies, school visits to Serennu, engagement with Teaching Assistants and pupil groups, etc.
- Continue to develop services to reach children with the most severe complex health care needs in liaison with partner agencies.
- To run the clubs at capacity and offer the best outcomes for the children and young people we support.
- To support parents around key transition stages, such as post diagnosis and transitions to school/adulthood, by delivering 1:1 sessions or workshops where possible and creating links with outside agencies.
- To consider the needs of the whole family by providing and developing the Sparkling Sibs group and Dads group whilst advertising appropriately in order to reach as wide an audience as possible.
- To begin monthly group work with a small number of children and young people in order to build on their self-esteem to enable them to accept and appreciate their differences.
- To evaluate the current holistic model at Serennu compared to that of a typical Children's Centre in order to gather concrete evidence that additional services provided by Sparkle are having a positive impact on the lives of children with disabilities and their families.
- Continue to ensure transition pathways are in place for children and young people we support to access community provisions.
- To work with community swim provisions to up-skill their staff team and ensure a smooth transition into community swim sessions.

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Trustees' Report

- Finalise the Care Co-ordination evaluation report and consult on the findings with key stakeholders. Once finalised and approved, commence a 'pilot' of the agreed Care Co-ordination model ensuring parents and carers are involved in decision-making throughout the process.
- Review and evaluate the outcome of the Care Co-ordination pilot and agree a way forward.
- To continue Develop and implement robust performance management and monitoring systems to support the needs of a growing and successful charity, enabling Sparkle to develop and be more sustainable for the future.
- To continue Develop and implement quality control frameworks and strategy to ensure that all children and young people and their families receive an equitable and high-quality service from Sparkle.
- Review and streamline policies and procedures within Sparkle to ensure greater robustness, efficiency, effectiveness and sustainability.
- To continue to recruit, train and retain regular volunteers, without whom we wouldn't be able to carry out our work.
- Set up a portal with other similar charities to share resources.
- To carry out a feasibility study for a new centre in North Gwent.

Structure, governance and management

This Trustees' Report and Final Accounts covers the year from 1 April 2020 to 31 March 2021.

Nature of governing document

The governing document of the charity is its Memorandum and Articles of Association – incorporated on 21 June 2001, as amended by special resolution on 15 July 2002, and again on 27 May 2021.

The charity is registered as a private company, limited by guarantee.

Recruitment and appointment of trustees

New trustees are recruited either by personal introduction and interview by the Chairperson, or following external recruitment, with a two-stage interview process by the Chair person, followed by a second interview with two other trustees. Following this, they are appointed by a resolution of the existing trustees, in accordance with the charity's constitution.

Induction and training of trustees

Consideration of appropriate and relevant skills and experience is given when introducing new trustees to the charity. The Chairperson is responsible for making new trustees aware of their responsibilities under charity law, and arranging appropriate induction and training, to include safeguarding and autism awareness training. The Office Manager will ensure that disclosure and barring checks are undertaken where required, and that they complete the appropriate paperwork relating to confidentiality, conflict of interest and all relevant policies pertaining to the charity's business.

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Trustees' Report

Major risks and management of those risks

The trustees have considered the major risks to which the charity is exposed, have reviewed these risks and have established systems and procedures to manage them. The key risks identified by trustees include;

- increasing demand and costs without a similar increase in income.
- Reliance on a small number of large benefactors.
- The Charity helps young people and as such there is a need for very good systems , controls and training to ensure appropriate standards are maintained.
- COVID-19 and the challenges this poses to our operation and income
- The ability to retain key staff members.

Financial Instruments

Objectives and policies

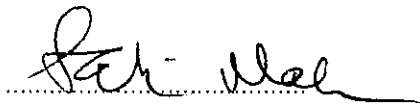
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at settlement value.

The trustees have considered the major risks to which the Charity is exposed, have reviewed these risks and have established internal systems and procedures to manage them.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 22 July 2021 and signed on its behalf by:



Dr S Maguire
Trustee

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Statement of Trustees' Responsibilities

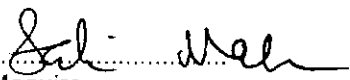
The trustees (who are also the directors of Sparkle (South Wales) Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on 22 July 2021 and signed on its behalf by:


.....
Dr S Maguire
Trustee

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Independent Examiner's Report to the trustees of Sparkle (South Wales) Limited

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 10 to 28.

Respective responsibilities of trustees and examiner

As the charity's trustees of Sparkle (South Wales) Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

Independent examiner's statement

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

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

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

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



Andrew Hill, FCCA

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

27 July 2021

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	2	86,053	406,345	492,398	485,664
Charitable activities	3	28,426	478	28,904	64,221
Other trading activities	4	3,169	68	3,237	3,773
Investment income	5	2,355	-	2,355	2,178
Total Income		<u>120,003</u>	<u>406,891</u>	<u>526,894</u>	<u>555,836</u>
Expenditure on:					
Raising funds	6	(16,004)	-	(16,004)	(17,888)
Charitable activities	7	<u>(39,379)</u>	<u>(447,303)</u>	<u>(486,682)</u>	<u>(523,309)</u>
Total Expenditure		<u>(55,383)</u>	<u>(447,303)</u>	<u>(502,686)</u>	<u>(541,197)</u>
Net income/(expenditure)		64,620	(40,412)	24,208	14,639
Transfers between funds		<u>2,013</u>	<u>(2,013)</u>	-	-
Net movement in funds		66,633	(42,425)	24,208	14,639
Reconciliation of funds					
Total funds brought forward		<u>246,881</u>	<u>527,239</u>	<u>774,120</u>	<u>759,481</u>
Total funds carried forward	17	<u>313,514</u>	<u>484,814</u>	<u>798,328</u>	<u>774,120</u>

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	51,680	433,984	485,664
Charitable activities	3	63,395	826	64,221
Other trading activities	4	3,679	94	3,773
Investment income	5	2,178	-	2,178
Total income		<u>120,932</u>	<u>434,904</u>	<u>555,836</u>
Expenditure on:				
Raising funds	6	(17,888)	-	(17,888)
Charitable activities	7	<u>(148,084)</u>	<u>(375,225)</u>	<u>(523,309)</u>
Total expenditure		<u>(165,972)</u>	<u>(375,225)</u>	<u>(541,197)</u>
Net (expenditure)/income		<u>(45,040)</u>	<u>59,679</u>	<u>14,639</u>
Net movement in funds		(45,040)	59,679	14,639
Reconciliation of funds				
Total funds brought forward		<u>291,921</u>	<u>467,560</u>	<u>759,481</u>
Total funds carried forward	17	<u>246,881</u>	<u>527,239</u>	<u>774,120</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 17.

Sparkle (South Wales) Limited

known as The Sparkle Appeal

(Company registration number: 04238990)

Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	2,900	-
Current assets			
Debtors	14	20,260	36,477
Cash at bank and in hand		<u>779,831</u>	<u>751,084</u>
		800,091	787,561
Creditors: Amounts falling due within one year	15	<u>(4,663)</u>	<u>(13,441)</u>
Net current assets		<u>795,428</u>	<u>774,120</u>
Net assets		<u>798,328</u>	<u>774,120</u>
Funds of the charity:			
Restricted funds		484,814	527,239
Unrestricted income funds			
Unrestricted funds		<u>313,514</u>	<u>246,881</u>
Total funds	17	<u>798,328</u>	<u>774,120</u>

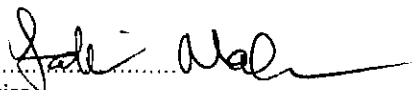
For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 10 to 28 were approved by the trustees, and authorised for issue on 22 July 2021 and signed on their behalf by:


Dr S Maguire
Trustee

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Cash Flow Statement for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		24,208	14,639
Adjustments to cash flows from non-cash items			
Depreciation	6	113	-
Investment income	5	(2,355)	(2,178)
		21,966	12,461
Working capital adjustments			
Decrease/(increase) in debtors	14	16,217	(9,997)
Decrease in creditors	15	(8,778)	(12,297)
Net cash flows from operating activities		29,405	(9,833)
Cash flows from investing activities			
Interest receivable and similar income	5	2,355	2,178
Purchase of tangible fixed assets	13	(3,013)	-
Net cash flows from investing activities		(658)	2,178
Net increase/(decrease) in cash and cash equivalents		28,747	(7,655)
Cash and cash equivalents at 1 April		751,084	758,739
Cash and cash equivalents at 31 March		779,831	751,084
Reconciliation of net cash flow to movement in net funds			
Increase/(decrease) in cash		28,747	(7,655)
Net funds at 1 April 2020		751,084	758,739
Net funds at 31 March 2021		779,831	751,084

All of the cash flows are derived from continuing operations during the above two periods.

Sparkle (South Wales) Limited

known as The Sparkle Appeal

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102.

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 United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

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Notes to the Financial Statements for the Year Ended 31 March 2021

Donations and legacies

Donations are recognised when there is entitlement, when receipt is probable and the amount can be reliably measured. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received in respect of future periods and is released to incoming resources in the period for which it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the Charity has unconditional entitlement.

Gifts in kind

Gifts in kind have been valued in the accounts at the cost to the charity had it purchased the items directly.

Gift aid

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including independent review, strategic management and Trustee's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	33% Straight line

Debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Notes to the Financial Statements for the Year Ended 31 March 2021

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

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 charity for particular purposes. The cost 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.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

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Notes to the Financial Statements for the Year Ended 31 March 2021

2 Income from donations and legacies

	Unrestricted funds		Total Period ended 2021	Total 2020
	General £	Restricted funds £	£	£
Donations and legacies;				
Donations from companies, trusts and similar proceeds	38,752	56,476	95,228	250,323
Donations from individuals	42,421	2,527	44,948	37,085
Gift aid reclaimed	1,348	2,500	3,848	7,582
Grants, including capital grants;				
Grants from trusts and other funders	3,532	160,101	163,633	53,832
Grants from other organisations	-	185,741	185,741	96,301
Grants from companies	-	(1,000)	(1,000)	40,541
	<u>86,053</u>	<u>406,345</u>	<u>492,398</u>	<u>485,664</u>

3 Income from charitable activities

	Unrestricted funds		Total Period ended 2021	Total 2020
	General £	Restricted funds £	£	£
Clubs, activities and cafe sales	<u>28,426</u>	<u>478</u>	<u>28,904</u>	<u>64,221</u>

4 Income from other trading activities

	Unrestricted funds		Total Period ended 2021	Total 2020
	General £	Restricted funds £	£	£
Events income;				
Fundraising events	<u>3,169</u>	<u>68</u>	<u>3,237</u>	<u>3,773</u>

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Notes to the Financial Statements for the Year Ended 31 March 2021

5 Investment Income

	Unrestricted funds		Total Period ended 2021	Total 2020
	General £	Restricted funds £	£	£
Interest receivable and similar income;				
Interest receivable on bank deposits	<u>2,355</u>	<u>-</u>	<u>2,355</u>	<u>2,178</u>

6 Expenditure on raising funds

	Direct costs £	Allocated support costs £	Total Period ended 2021 £	Total 2020 £
Costs of generating donations and legacies	<u>16,004</u>	<u>-</u>	<u>16,004</u>	<u>17,888</u>

Of the above costs, £nil (2020 - £nil) were attributable to restricted funds and £16,004 (2020 - £17,888) were attributable to unrestricted funds.

7 Charitable activities

	Activity undertaken directly £	Activity support costs £	Total Period ended 2021 £	Total 2020 £
Centre maintenance and upkeep and play equipment	113,607	-	113,607	82,678
Clubs, activities and cafe sales	306,616	63,319	369,935	437,091
Governance	-	3,140	3,140	3,540
	<u>420,223</u>	<u>66,459</u>	<u>486,682</u>	<u>523,309</u>

Of the above costs, £447,303 (2020 - £375,225) were attributable to restricted funds and £39,379 (2020 - £148,084) were attributable to unrestricted funds.

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Notes to the Financial Statements for the Year Ended 31 March 2021

8 Analysis of governance and support costs

Support costs allocated to charitable activities

	Basis of apportionment	Centre and play equipment maintenance and upkeep	Clubs, activities and cafe sales	Total Period ended 31 March 2021	Total Period ended 31 March 2020
		£	£	£	£
Employment costs	Hours spent	-	61,956	61,956	50,724
Legal and professional fees	Hours spent	-	1,363	1,363	2,150
Governance	% of total activity costs	714	2,426	3,140	4,214
		<u>714</u>	<u>65,745</u>	<u>66,459</u>	<u>57,088</u>

Governance costs

	Centre and play equipment maintenance and upkeep	Clubs, activities and cafe sales	Total Period ended 31 March 2021	Total Year ended 31 March 2020
	£	£	£	£
Independent examiners' remuneration	391	1,260	1,651	2,064
Legal and professional fees	323	1,053	1,376	2,150
Depreciation	-	113	113	-
	<u>714</u>	<u>2,426</u>	<u>3,140</u>	<u>4,214</u>

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Notes to the Financial Statements for the Year Ended 31 March 2021

9 Trustees remuneration and expenses

No trustees have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	293,020	322,977
Social security costs	10,566	15,374
Pension costs	16,168	14,978
Other staff costs	11,319	6,953
	<u>331,073</u>	<u>360,282</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2021 No	2020 No
Administration	4	3
Charitable activities	71	70
Governance	9	7
	<u>84</u>	<u>80</u>

9 (2020 - 6) of the above employees participated in the Defined Contribution Pension Scheme.

Contributions to the employee pension schemes for the year totalled £16,168 (2020 - £14,978).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £48,883 (2020 - £47,294).

The average number of full time staff employed in the period was 9, and the average number of part time staff employed was 74. The equivalent number of full time staff employed would be estimated as 15.

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Notes to the Financial Statements for the Year Ended 31 March 2021

11 Independent examiner's remuneration

	2021 £	2020 £
Other fees to examiners		
The examining of accounts of any associate of the charity	<u>1,651</u>	<u>2,064</u>

12 Taxation

No tax was charged in the year (2020 - £nil) . As disclosed in the accounting policies, the company is a registered charity and is, therefore, exempt from taxation.

13 Tangible fixed assets

	Computer equipment £	Total £
Cost		
At 1 April 2020	5,487	5,487
Additions	<u>3,013</u>	<u>3,013</u>
At 31 March 2021	<u>8,500</u>	<u>8,500</u>
Depreciation		
At 1 April 2020	5,487	5,487
Charge for the year	<u>113</u>	<u>113</u>
At 31 March 2021	<u>5,600</u>	<u>5,600</u>
Net book value		
At 31 March 2021	<u>2,900</u>	<u>2,900</u>
At 31 March 2020	<u>-</u>	<u>-</u>

14 Debtors

	2021 £	2020 £
Prepayments	185	185
Other debtors	<u>20,075</u>	<u>36,292</u>
	<u>20,260</u>	<u>36,477</u>

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Notes to the Financial Statements for the Year Ended 31 March 2021

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	-	3,893
Other creditors	-	7,229
Pension scheme creditor	4,663	2,319
	<u>4,663</u>	<u>13,441</u>

16 Charity status

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

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Notes to the Financial Statements for the Year Ended 31 March 2021

17 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
<i>General</i>					
Unrestricted income fund	246,881	120,003	(55,383)	2,013	313,514
Restricted funds					
AB Invoice	-	43,811	(41,858)	-	1,953
AB Medi Swim	-	35,000	(20,352)	-	14,648
Barclays	33,537	-	(3,925)	-	29,612
Cash 4 U	-	932	(155)	(529)	248
Community Foundation Wales	-	5,772	(4,469)	(1,303)	-
Children In Need	1,766	32,934	(17,417)	-	17,283
Covid 19 Emergency Appeal	99,864	35,170	(65,949)	-	69,085
NCC Family First Play Club	-	39,708	(39,708)	-	-
NCC Family First Youth Club	-	12,141	(12,141)	-	-
Frontier Medical Group Ltd	286,082	26,000	(63,054)	-	249,028
Gavo	-	2,324	(2,324)	-	-
Holiday Club	3,107	-	(841)	-	2,266
ICF	-	6,968	(6,968)	-	-
ISCAN	23,275	-	(2,078)	-	21,197
NCC - Additional	-	17,542	(16,361)	(1,181)	-
Nevill Hall	29,658	879	(5,210)	-	25,327
Ordinary 2 Extraordinary Clubs	33,746	23,000	(2,579)	-	54,167
ALN Parents Engagement	4,348	-	(4,348)	-	-
Tesco Bags of Help	-	(1,000)	-	1,000	-
TVA Third Sector ICF Funding	7,808	-	(7,808)	-	-
The Waterloo Foundation	4,048	35,000	(39,048)	-	-
Wales Council for Voluntary Action	-	90,710	(90,710)	-	-
Total restricted funds	<u>527,239</u>	<u>406,891</u>	<u>(447,303)</u>	<u>(2,013)</u>	<u>484,814</u>
Total funds	<u>774,120</u>	<u>526,894</u>	<u>(502,686)</u>	<u>-</u>	<u>798,328</u>

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Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
Unrestricted funds				
<i>General</i>				
Unrestricted income fund	291,921	120,932	(165,972)	246,881
Restricted funds				
Barclays	46,691	-	(13,154)	33,537
Children In Need	-	30,000	(28,234)	1,766
Covid 19 Emergency Appeal	-	99,864	-	99,864
NCC Family First Play Club	-	38,541	(38,541)	-
NCC Family First Youth Club	-	12,000	(12,000)	-
Frontier Medical Group Ltd	245,407	93,000	(52,325)	286,082
Holiday Club	3,989	-	(882)	3,107
ISCAN	24,728	-	(1,453)	23,275
NCC - Additional	-	10,000	(10,000)	-
Nevill Hall	-	50,639	(20,981)	29,658
Ordinary 2 Extraordinary Clubs	87,859	25,000	(79,113)	33,746
ALN Parents Engagement	-	5,000	(652)	4,348
Tesco Bags of Help	2,277	1,000	(3,277)	-
TVA Third Sector ICF Funding	-	7,808	-	7,808
The Waterloo Foundation	27,360	-	(23,312)	4,048
Trust for Sick Children in Wales	19,249	-	(19,249)	-
DM Thomas Foundation	10,000	-	(10,000)	-
Les Mills	-	1,000	(1,000)	-
Headley Foundation	-	2,500	(2,500)	-
Skipton	-	3,000	(3,000)	-
ABUHB Recharge Costs	-	29,558	(29,558)	-
Garfield Weston Foundation	-	25,000	(25,000)	-
Swim Costs	-	994	(994)	-
Total restricted funds	<u>467,560</u>	<u>434,904</u>	<u>(375,225)</u>	<u>527,239</u>
Total funds	<u>759,481</u>	<u>555,836</u>	<u>(541,197)</u>	<u>774,120</u>

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The specific purposes for which the funds are to be applied are as follows:

Newport City Council Family First Play Club - Was granted to the charity to provide a play club for children aged 5-10 years.

Newport City Council Family First Youth Club - Was granted to the charity to provide a youth club for young people aged 11 to 17.

Children in Need – Was granted to the charity to assist with the funding of After Schools Clubs, Skills and the Independent Living Skills groups, covering the delivery costs, equipment and trips and activities.

Ordinary 2 Extraordinary Clubs - This was donated to the charity to provide after school clubs for children to develop independent living and social skills whilst making friends and having fun.

Holiday Club Grant - a grant to provide additional clubs during the holiday periods.

Frontier Medical Group Limited – Donated to the charity to contribute to the administrative staff wage costs, involved in running the Sparkle office, and also the caretaker wage costs, towards the maintenance of the centre.

Barclays - Donated to the Charity and will be used to support the delivery of Sparkle activities.

The Waterloo Foundation - Additional emergency funds were granted to support the charity during the COVID-19 crisis.

ALN Parents Engagement - This is ring-fenced monies, received from ABUHB, for providing parents support and engagement.

Newport City Council Additional - Was granted to the charity to purchase equipment for the play and youth provisions.

Tesco Bags of Help Funding - The grant is to fund sparkle community days and events such as Christmas, fun days and the Halloween party.

Nevill Hall - This fund is ring-fenced to support Nevill Hall services.

ISCAN - This is ring-fenced monies, received from ABUHB, for training and staff development.

COVID-19 Emergency Appeal Campaign - Donations received to the charity to support staffing costs during the COVID-19 crisis.

AB Medi Swim - This is ring-fenced monies, received from ABUHB, for funding leisure provisions.

Cash 4 U - Was granted to the charity to set up a virtual youth forum, where young people attending Sparkle activities could volunteer their time to discuss how to improve our clubs and what activities they would like to be available.

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Community Foundation Wales - Was granted to the charity to support our leisure activities during the COVID-19 pandemic, including the purchase of PPE, a virtual platform licence, virtual animal encounter sessions and additional toys.

Gavo -Was granted to the charity to fund Little Stars.

TVA Third Sector ICF Funding (GAVO)- Was granted to the charity to contribute to the Family Liaison service costs which supports parents/carers of children with complex needs.

Wales Council for Voluntary Action - Was granted to the charity towards staff salaries.

The transfers of £529 from the Cash 4 U restricted fund, £1,303 from the Community Foundation Wales restricted fund and £1,181 from the Newport City Council Additional restricted fund to general unrestricted funds represents fixed assets acquired for the charities general purposes in accordance with paragraph 2.26 of Charities SORP FRS 102.

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	General £	funds £	£
Tangible fixed assets	2,900	-	2,900
Current assets	315,277	484,814	800,091
Current liabilities	(4,663)	-	(4,663)
Total net assets	<u>313,514</u>	<u>484,814</u>	<u>798,328</u>

19 Analysis of net funds

	At 1 April 2020 £	Cash flow £	At 31 March 2021 £
Cash at bank and in hand	751,084	28,747	779,831
Net debt	<u>751,084</u>	<u>28,747</u>	<u>779,831</u>

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Notes to the Financial Statements for the Year Ended 31 March 2021

20 Related party transactions

During the year the charity made the following related party transactions:

Frontier Medical Group Ltd

Relationship: Entity in which the spouse of a trustee has significant influence

During the period Frontier Medical Group Ltd, a company in which the spouse of a charity trustee has significant influence, made restricted donations of £26,000 (2020 - £93,000) to Sparkle (South Wales) Limited. This was primarily used to fund the Research and Development Officer post. At the balance sheet date the amount due Frontier Medical Group Ltd was £nil (2020 - £nil).