

The Sparkle Foundation

Report and financial statements

For the year ended 31st December 2020



www.sparklemalawi.org

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Reference and Administrative Information

For the year ended 31st December 2020

Charity number: 1161708

Registered office and operational address: Office 44733
PO BOX 6945
London
W1A 6US

Trustees: Trustees who served during the year and up to the date of this report were as follows:

Michelle Wisbey	Appointed 09/09/2017
Anthony Paul Trew	Resigned 01/11/2020
Dr Neville Prior	Chair Appointed 4/12/2018
Mike Burton	Appointed 22/06/2019
Paul Hayward	Resigned 20/12/2020
Stephanie Holme	Appointed 20/11/2019
Martin Waud	Treasurer Appointed 19/02/2020
Amit Popat	Resigned 01/02/2020
Christopher Townsend	Resigned 05/02/2020
David Towers	Appointed 24/04/2020
Bertha Wakisa Chiudza	Appointed 22/02/2021

C.E.O.: Sarah Brook

**Independent
Examiner:** Sean Rowe
Chartered Accountant
Office K, The Dutch Barn
Old Park Farm
Ford End
CM3 1LN

Trustees' Annual Report

For the year ended 31st December 2020

The trustees present their report and financial statements for the year ended 31st December 2020.

Reference and administrative information set out on page 1 and forms part of this report. The financial statements comply with current statutory requirements, the charity's governing document and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The trustees regularly review the aims, objectives and activities of the charity. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees also report the success of each key activity and the benefits the charity has brought to the groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

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

The objective of The Sparkle Foundation is to provide advancement in education and health for the public benefit of vulnerable children and young adults in the Republic of Malawi. This is being achieved through continued development of their individual capabilities, competencies, skills, and understanding in subjects of educational value and the provision of food and water and sanitation facilities.

Our Vision: To create a future in which every community has an equal opportunity to live a life of health and self-sufficiency.

Our Mission: To drive positive change within the charity sector through the delivery of a sustainable and replicable best-practice community model.

Our core focus is to provide a holistic approach to self-sufficiency through four main pillars:

Sector	Target
Health	Enhance the life chances of vulnerable children by ensuring access to free outpatient services.
Nutrition	Enhance the life chances of vulnerable children by ensuring access to free nutritious meals (breakfast and lunch) and delivering a growing programme to build food security.
Education	Enhance the life chances of vulnerable children by ensuring access to quality education (pre-school, primary after school program, adult literacy)
Community Empowerment	Empower target communities to take an initiative in community-driven development activities towards improved livelihood, which is intended to be achieved as a direct benefit to the target group as well as other beneficiaries of The Sparkle Foundation.

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Summary of the main activities

In planning our activities for the year, we kept in mind the Charity Commission's guidance on public benefit at our trustees' meetings.

The focus of our activities remains the establishment of the site in Sogoja village, near Zomba, Malawi and the ongoing advancement of education and health for the vulnerable children and young adults in Sogoja and the surrounding 17 communities. However, with COVID-19 forcing Malawi into a lockdown, our aims shifted towards supporting as many households as possible within our catchment area, dependent on their need.

			
Youth group sewing over 1000+ face masks for villagers	Handwashing training to 200 families	Cardiac assessments for all our children	
			
Making our own hand sanitizer	Expanding our clinic services	Providing education packs to 100 + children	Distributing 300 + care packages

With the Sparkle School closed under government guidelines, Sparkle had to innovate all of its programmes to ensure its beneficiaries were still able to access its services. Originally at the end of 2019 the plan was to continue the expansion of its permanent base in Malawi, however these funds were reallocated towards the outreach programmes so that our services could still be delivered out in the community.

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Our ethos has always been to provide a hand-up and not a hand-out. Therefore, we work directly with the communities we support to ensure all of our initiatives are locally led. We conduct thorough needs assessments before the implementation of our programmes. We aim to ensure our programmes are at least, 50% self-sustaining within three years of implementation.

Highlights of Sparkle's 2020 response to Covid-19

- Sparkle accredited and recognised by the NGO Board in Malawi as one of the organisations responding to COVID-19
- Sparkle named in the top 6 Third Sector Awards in the UK for our response to the pandemic
- Sparkle's development of COVID-19 handbook and safe return to School manual which was recognised by the NGO board and shared and used by other NGOs in the sector
- Securing medical donations in kind locally. Generating funds in Malawi is difficult but we were delighted to be recognised by Round Table Malawi Blantyre Chapter, who sponsored us with assorted drugs and sexual reproductive health items. This was later acknowledged in the national newspaper.

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The Team

In the UK, our Founder Sarah Brook is the full time CEO and is supported by one other remote part-time paid member of staff, a Volunteer and Admin Officer. Additionally, we have a full-time Apprentice from the UK Government Scheme who supports with Business Administration. We also contracted a Marketing Manager to support us with several projects across the year on an ad hoc basis including a new website, developing our brand guidelines and supporting us with our CRM system.

All of our UK salaries and administration costs were kindly covered through our corporate partnership with Cornelius Group and one other individual donor. This meant all of our additional donations went directly to the running of our programmes in Malawi.

Our Malawi operations are run entirely by our local team and we have a Country Director and 22 Malawian staff, five of whom hold management positions. We have full-time locum nurses and a part-time clinician who manage the medical clinic and outreach programmes. We continue to work with District Health Office in Malawi (DHO) through Matawale Clinic, who support us with our medical services. In partnership with Catholic University Malawi, we also take on interns who are completing their graduate studies and in 2020 we hosted two students.

We have a Community Committee who are voluntary members of the community who support us with our projects. Over 200 people who live in our catchment area work with us voluntarily to deliver our community programmes.

Mentoring and training are at the heart of what we do as we are a young and aspiring organisation who are keen to develop both personally and professionally. Due to travel restrictions and changes in office working, 2020 saw all of our team go digital and all of our meetings became virtual. We had to quickly upskill all of our Management to use Microsoft teams and SharePoint and ensure we had adequate resources in place so that staff could work from home, if required. We partnered our Management team with mentors across the world and developed and implemented training workshops from industry professionals for all of our staff to take part in. In 2020 our staff body collectively took part in 822 hours' of training, which was provided through volunteers and our corporate partners. Highlights were providing all of our team with Covid-19 training, having some of our education team trained on Montessori special needs, delivering hygiene training to our community members, getting our Education Team Leader accepted onto an Education degree at Catholic University, two of our senior leaders passing their theory driving tests and our youths learning how to sew and make face masks which were later distributed in our community.

Our Volunteers and Visitors in Malawi

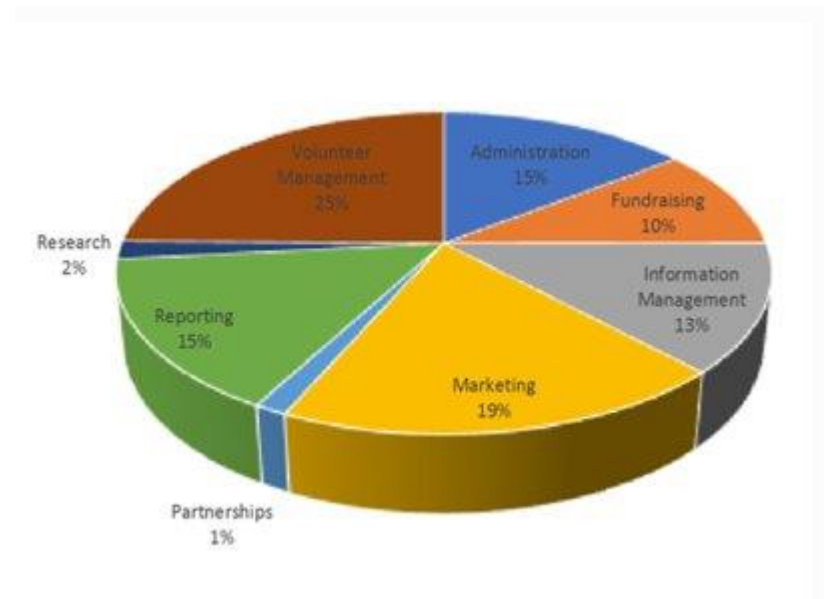
Due to travel restrictions and COVID-19 lockdown we had no volunteers or visitors to the Sparkle site.

Volunteers around the world

On average, 300 hours per month was being contributed by volunteers in 12 different countries. During peak lockdown in the UK, we had over 500 hours' worth of voluntary support. These hours were distributed across several operational areas - percentage split as follows:

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Achievements and Performance

Health

Sparkle's on-site clinic, which is registered with the Medical Council of Malawi, provided Outpatient services to its programme beneficiaries, as well as the surrounding 17 communities. With COVID-19 adding strain to an already under resourced health system, the Sparkle clinic increased its services to ease the pressure on the emergency ward at the nearby local hospitals, by opening its doors to more people and offering more services.

In 2020, the clinic attended to 1113 cases. 93% of these cases were treated on-site and 9% were referred to Matawale Health Center. The most common illnesses and injuries seen were Tenia Capitis, wounds, upper respiratory tract infections, ringworm and stomach ulcers. Our mobile clinics continued to operate in rural communities giving thousands of people access to a nurse and a clinician regularly.



Matron Aida providing first aid to one of our children at Sparkle Clinic

At the start of the year Sparkle completed the first ever Cardiac Assessment Project in the district. This saw 300 children, staff and members of the community screened for cardiac issues for the first time in their lives. Four cases were identified, and further treatment was provided.

Handwashing facilities were fitted in 17 villages and hygiene training and COVID awareness and prevention workshops were conducted to thousands of community members across a six-month campaign. Supplies were purchased for Matawale Health Centre to support their COVID 19 ward and our vehicles were used to transport 51 patients from remote villages, as well as critically ill patients from our clinic, to the hospital who needed life-saving treatment.

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Due to social distancing measures and a number of charities ceasing to operate during lockdown, Sparkle's medical partnerships including Operation Smile, MAP (Malawi Action for Physical Disability - Physiotherapy) and Zomba Central were put on hold and will restart at the beginning of 2021.

Nutrition

The Sparkle Foundation runs the breakfast feeding program, in partnership with Mary's Meals, for all pre-school learners. The lunch programme targets a select group of pre-primary and primary children, who are selected based on our vulnerability assessment. This is done in line with the WHO and UNICEF criteria and all children who qualify are provided with a nutrient dense meal five times a week. In Q1 and Q4 when Sparkle was open 12,118 breakfast meals were served to children between the age of 2 -6 and 14,450 lunch meals were provided to children between the age of 2 – 14 in the afternoon.



Food distribution by two of our staff members

As Sparkle had to close its School in Q2 and Q3 due to government restrictions, we had to find an alternative solution to feeding our children. We worked with local partners to create a Sparkle care package which contained enough maize, sugar, salt, soya and soap to support a household for a month. A vulnerability assessment was carried out in our catchment area to identify 100 of the most vulnerable households and these were distributed accordingly. Our M and E Officer and Matron carried out household assessments and MUAC testing to ensure our children's weight was being maintained. Any indications that a child's weight was declining, training was provided to parents and support snacks were given.

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Our Agriculture Officer watering our vegetable garden

Our partner Mary's Meals also distributed Likuni Phala at the Sparkle site to 100 pre-school children during the closure of schools.

Our Agriculture programme supplements our feeding programme. We mainly grew a variety of crops namely: Chinese and Pumpkin leaves which complemented the feeding program supplies. In the process of our agriculture activities there was zero use of fertilizer, all growing grounds were prepared and improved by use of manure. The agriculture growing program also aims to instil good ecosystem practices within our learners/community. We provide lessons in our vegetable garden for some of our learners to understand the importance of good and safe farming techniques.

Parents and Guardians continued to send firewood and different fruits when Sparkle was open, depending on what was in season, as a contribution towards the support we offer them.

Education

Our Education department is implementing three notable programmes targeting different age ranges.

1. Pre-Primary Early Childhood Development (ECD) Programme

With evidence showing that early years – especially the first 1000 days – are crucially important for lifetime health learning and productivity of a child. Our ECD programme supports the most vulnerable children in our community.

Combining Malawi's national ECD curriculum with the Montessori method and UNICEF's Care for a Child development framework, we have created a programme which holistically addresses every development component of a child from 2-6 years, as well as supporting the learning and stimulation of pre-school children.

Running from 7am to 12pm daily, we offer the only free Montessori based nursery school in the region.

We have partnered with London's Montessori Training Centre, who deliver free online training to all of our staff in Malawi on a monthly basis and send volunteers across to our site, to work with our staff on the ground. Due to COVID-19 restrictions all of this training was carried out virtually.



Village Chief Andiyasamwana congratulating one of our graduates

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Four of our teachers completed their Level 1 and 2 Special needs Montessori training and one of our Teachers is still in the process of becoming the first UK qualified Montessori trainer in Sub-Saharan Africa, so we can eventually use Sparkle as a training centre to generate an income through training other teachers who want to use this method for ECD.

Montessori and ECD refresher training on child behaviour management, child development and observation were also carried out for all of our teachers to impart knowledge and skills on child behaviour management and performance tracking. An immediate impact was witnessed after this training as 75% of Preschool children's behaviour improved due to behaviour management interventions that were put in place by the education department.

As a flagship nursery school in the Zomba region, Sparkle also supports smaller ECDs in a variety of ways. In 2020 we worked with CEPERAM, a Community Based Organisation (CBO) sharing our resources and policies, providing free training, hosting meetings and mentoring their staff in the 'Sparkle Model'.

We have a number of children with a range of mental and physical disabilities in our care. Varying from autism, cerebral palsy, blindness and deafness, to medical related issues such as HIV and TB. These children fall into the high-risk category and therefore during the school closures, we ensured regular household visits were carried out to their homes and if special requirements were needed, they were provided. This varied from donating clothes and medical supplies to counselling and referrals to social services.

We registered 38 new children at the start of the school year (2019/2020) and saw 33 children leave our programme to graduate to Primary School at the end of 2020.

Due to School closures in Q2 and Q3 we carried out home schooling which saw 88 out of 100 children provided with an education socially distanced in their homes. The other 12 students spent their lockdown with extended family in villages outside of our catchment area.

With no stimulus at home for children to play with or be entertained, our teachers created education packs which consisted of colouring books, story books, pencils and toys. These were donated to 100 households at the start of lockdown.

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2. Primary after school Programme

Supporting children from 6 through to 14, this programme provides additional learning opportunities for primary aged children in accordance with the national curriculum. Extra support was given to students to help them with their school learning and increase their chances of progressing into Secondary School. Additional programmes are run alongside the curriculum including life skills training, sport, drama, art and dance.

We have developed strong relationships with the two local Primary Schools all of our children attend and work hand in hand with them to monitor and track our children's progress.

Similar to our pre-school children, those primary school children, whose vulnerabilities require additional support, our teachers work directly with their parents or guardians, community members (where necessary) and our medical and nutrition staff (if required) to ensure they are given all the help they need to reach their maximum potential within education.



Two of our Primary girls passing their end of year examinations

In 2020 we enrolled 135 students into our after school programme. During Q1 we provided after school support to 102 primary aged children from 1 – 5pm daily. We also carried out a number of workshops including arts and crafts, talent shows, a Christmas party and inspirational and educational talks from local role models. Over 280 children took part in at least one of these activities.

However due to closures in Q2 and Q3, we were unable to open our campus to our children, so we carried out household assessments on each of our Primary children and registered them on Sparkle vulnerability assessment ahead of the new term. Hand washing and hygiene awareness workshops were also carried out remotely for all of our Primary aged children.

59 primary children; 25 girls and 34 boys from standard 1 to 4 passed 2019/2020 end of term three examination and they have now moved to another class.

3. Adult Literacy Program

This programme aims at eradicating illiteracy levels among the adults living in our catchment area to bridge the knowledge gap which exists between the illiterate and literate adults. As a result, parental involvement in children's education progress increases.

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We had 23 people enrolled in our programme in 2020. As a result of the sessions nine parents are now able to read and write Chichewa.

Aside of our three core programmes, the department also offers a series of community education programmes, across the 17 villages we support, which vary from term to term. From the start of the year, we ran tailoring lessons, computer training, COVID-19 preventative measures, signs and symptoms workshops, advocacy seminars and a variety of other extra curriculum activities which involved various members of the community.

This involved engaging with over 150 parents and guardians to actively show the importance of sending their children to school and the difference it can make to their lives. This had a positive impact and by October 2020 our attendance had increased from 84% before lockdown to 88% afterwards.



Maria taking part in our Adult Literacy Programme

Community Empowerment

Community engagement is at the core of what we do at Sparkle. We work with a number of key stakeholders in our traditional authority, including village chiefs, community committees and community groups who all share our interest in community development, poverty reduction, and improvement of livelihoods.

1. Community Committee

In the year, 2020 the Community Committee comprised of a total 10 active members from 10 respective surrounding villages. 12 monthly meetings were held to share updates of on-going activities and challenges faced within the institution. An additional three parental meetings were also conducted in coordination with the education department. The purpose of the meetings was to sensitize the community to take a leading role in supporting ongoing programs being implemented at The Sparkle Foundation and encourage engagement from community stakeholders. The platform was also used to sensitize the community on health issues such as the Covid-19 pandemic. The community committee also initiated the following:

- (a) Attendance follow up mechanism which aimed at reducing absenteeism rates through following up on children who frequently absconded from classes for no reason. It also helped the guardians to understand the importance of education for their children.
- (b) Promoting community ownership, the community committee implemented an initiative which encouraged households to contribute what they can in form of materials or in-kind. Due to this initiative parents/guardians agreed to volunteer that time to help in cleaning and meals preparation for their children. A minimum of two volunteers were supporting the

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feeding program on each and every weekday. Additionally, the community committee were responsible for sourcing chitenje cloth to be used for the face mask project.

(c) The Community Committee provided bicycle transportation services for children from vulnerable households who were unable to bring their children to School throughout the year 2020. These included the cases of an albino child who was at risk if she was to walk alone to School of being kidnapped.

d) Channel of information from Sparkle to the Community, vice versa. In the year 2020 Committee has successfully acted as a link between the organisation and the community to raise and resolve any issues between both parties. With transparency and accountability at the forefront of Sparkle's work, the organisation maintained a close relationship with the community through the committee by informing them of the developments affecting them. With such a large area to cover in our TA, having representatives from each village in the committee was vital to ensure accurate information was disseminated to parents and guardians in a timely manner.

2. Women's Group

The Women's Group was established to empower women and provide them with life sustaining skills, as well as capacity building to facilitate behaviour change in areas such as communication and income generating activities. The programme imparts knowledge on pressing health issues which are affecting the community and then uses the women as a tool for society enlightenment on identified issues.

With 17 members registered in 2020 from four different villages, the women's group participated in a number of trainings and capacity building exercises. 15 members were trained on Parental: Journey of Love facilitated by the Education Team Leader and 17 women on Village Savings and Loans. Following this training 126 additional households were educated on good parenting by the women's group through the train the trainer model. Additionally, three women from the sessions who put forward strong business cases for investment were provided with start-up loans. As a result, their income has now increased by 10% and they are able to provide more support for their families.



Some of our women's group receiving nutrition training

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3. Youth Group

We established a youth group in January 2019, which used theatre for change and sports as a way of addressing issues and challenges affecting the youth. Our aim for 2020 was to build capacity amongst our youths and get them enrolled in a number of trainings. In Q1 our netball and football team competed against other NGOs in the district to raise awareness through role plays and workshops on HIV, Teenage Pregnancies and Gender-Based Violence.

Due to the pandemic we had to scale back on some of our activities and change direction with some of our trainings. At the start of Q2, 25 youth were trained on tailoring and designing and as a result 1,500 face masks were sewed. These were then distributed to Matawale Health Centre, Zomba Central Hospital, Chikamveka Primary School, Chakhaza Trading Centre and all the villages in GVH Nyanya.

All 64 youth members were educated on Covid-19 signs and symptoms and prevention measures and were tasked to speak to their peers about what they had learnt. This was executed through an exercise which saw the youth distribute buckets, brooms and soap at Matawale Health Centre and raise awareness to other youth groups in the area about how they too could make a difference.

Continual access to games, computers, counselling, mentoring and private tuition - for those who are still in secondary school to support them through their studies - was available when the Sparkle School was open.

With a high rate of teenage pregnancies during the lockdown, Sparkle ran a pilot intervention to provide 27 youths with educational workshops on sexual reproductive health services and rights. This proved extremely successful with over 70 other youths requesting to participate in the next training. Sparkle remained opened to youths and created a safe space for them to come and discuss their issues. Counselling was offered to students, particularly targeting the girls, to encourage them to return to School, once the restrictions were lifted.



Jonas, one of our youth group members showcasing the masks he has made



Safe re-opening of Schools handbook


Governance and Strategy

With Sparkle School closed in Q2 and Q3 this gave the organisation an opportunity to update its policies and procedures and internal processes both on-site in Malawi and in the UK operation. The Sparkle Foundation joined forces with 30 other NGOs working in Malawi and developed a COVID-19 strategy and policy and a safe return to School handbook which was recognised by the NGO board and rolled out across other organisations.

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We had planned to open a satellite ECD centre in Nyanya by October 2020, however due to COVID restrictions this has been put on hold. In the interim we collected all of the data for the 74 beneficiaries that will be supported, and we now are ready to go as soon as things resume back to normal.



Sparkle's COVID-19 Strategy and Response

CV 19 Strategy - Sparkle

Immediately	Short Term 1 - 3 months
Communicate with Staff – what the organization is doing Establish who can work from home (electricity and internet)? Who is better to work from Sparkle? What jobs can continue? What training can be undertaken by staff in Malawi Purchase extra supplies for the organization – food, gloves, masks, soap Who can take paid / unpaid leave Establish a network with other local NGO to see what they are doing in relation to CV19 / local government	No redundancies Amend contracts to work from home Amend contracts to reflect a salary reduction Establish plan for all employees based on feedback Commence working from the office, but utilising individual rooms, and ensure social distancing (2 meters apart), wearing masks when outside and ensuring hygiene. Establish escalations loop and maintain daily communications Sparkle manager to be on site at all times
Mid Term 3 – 6 months	Consultation
Review impact on Sparkle programmes Offer Sparkle facilities e.g. overflow hospital Adapt to meet local requirements Review budget / forecast and potential review of roles depending on what activities are being undertaken	We want to be honest and upfront about the potential impact of CV19 We have budget but we need to be mindful that our funding from the UK will not. At all times we are looking to our local team to provide updates on

Most significant Case Study

Growing up in extreme poverty is unimaginable for most, but it is the daily life of Azibo who, raised by a single mother, does not have a stable place to call home. Living in a run down, unfinished house, clean clothes and bathing have not been top priorities for this child, and he would often come to Sparkle in dirty clothing. In December 2019, the Malawi education department attempted to help Azibo and his family, giving his mother advice on how to improve the hygiene of her child. However, with no job and little funds to help her, the situation did not improve and by Q1 of 2020 Sparkle carried out a further vulnerability assessment and decided to carry out a series of interventions to support the family.



Azibo and his Mother during one of his monthly check-ups by Sparkle staff

1. A donation of clothes and household hygiene items were provided for the family
2. The mother received continual education about hygiene and good sanitation

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3. Counselling was offered to the mother to understand her history and if there were any areas for concern regarding the neglect of Azibo
4. Monthly check-ups on the child were carried out at Sparkle medical clinic
5. Azibo was enrolled on the Sparkle feeding programme and received care packages when the School was closed
6. An education pack was provided to Azibo during the School closure
7. A community committee member was assigned to the family to offer local support and do regular check-ups
8. The mother was invited to attend trainings with the women's group to learn new skills

As a result, Azibo is now thriving in life and has a 100% attendance record at Sparkle. His mother has been able to secure some piece work within the community and as a result has been able to purchase him some more clothes and buy soap for the household.

Fundraising and Marketing

In the middle of Q1 we had to reforecast for 2020 as it became apparent that we would be unable to generate as much income this year due to the pandemic. With our two big fundraisers cancelled which were anticipated to raise £60,000 + we had to look at the different ways we could reduce our expenditure. We reduced our operating costs by 25% and started to apply for grants, which was a new funding stream we had never previously tapped into.

With our income growing significantly in 2019 and a healthy reserves policy in place, we wanted to ensure we maintained at least six months reserves, should 2021 see a continuation of lockdown restrictions and no events being held.

We had to make the shift to virtual events and understand the different ways we could engage with our donors online. We invested in marketing, which proved hugely successful, and the return led to an increase in our following and engagement across all of our social media platforms, which as a result enlarged our donor database.

From the launch of Sparkle Gift Cards to making and selling face masks in the UK, to sponsored runs and online campaigns, we were able to maximise our fundraising efforts and lean on previous donors to ensure a steady flow of donations continued to come into the charity.

Additional contribution made by partners and volunteers

Our partnerships with different companies continued throughout 2020 who provided pro-bono support for any of our overheads to reduce our administration costs. For example, all of our Marketing and Comms was covered by PHD agency, who donate £500 worth of services monthly. Our legal work is carried out by Clifford Chance and HR and logistics by Cornelius Group, with an estimated value of £5.4k per month.

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This is also mirrored in Malawi, where the team established three local partnerships, which have reduced our operational costs on food by 80%, e.g., Partnering with Mary's Meals who provide our breakfast and a local business who donate maize flour and cooking oil monthly.

Implementing a robust monitoring and evaluation framework enabled the organisation to provide detailed impact reports of where donors money was being spent, which led to increased support as we were able to track where every penny was being used. This enabled us in 2020 to help us start applying for grants and trust funding which will help us in the long-term diversify our sources of income.

Additionally, through hours of training and resource donated for our communication team, we were able to provide live updates daily on social media from Malawi to give supporters a real insight into the work we are doing and the difference we are making.

Main achievements during the period

The highlights being: -

1. Sparkle recognised as a centre of excellence for its response to COVID-19
2. Sparkle being able to carry on running all of its programmes and services to its beneficiaries throughout the pandemic with no cuts having to be made
3. The medical clinic continuing with its expanded service delivery for the entire year, providing additional support to 1000 + community members
4. Sparkle providing 822 hours' worth of training to its local staff body and matching all of the management with mentors who are now running all of the Sparkle operations without international support
5. Maintaining the weight of all our children even when the Sparkle School was closed through care package distribution and household assessments
6. Home Schooling our nursery children which led to 59 children progressing to another class and 34 children graduating to Primary School
7. Training our youths how to make face masks which were distributed to 1,500 + people
8. Running our first online fundraising campaign which generated over £5,000 and increased our donor data base by 11%
9. Generating enough funds throughout the year to replace the full time Administration Officer with a part-time Volunteer and Admin Officer, a full-time Business Apprentice and a part-time Marketing and Fundraising Manager
10. Fitting 17 handwashing facilities in different villages and training over 3,000 people on COVID-19 awareness and prevention campaigns

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Achievements against objectives set for the 2020 financial year and performance of fundraising activities against objectives set

Our 2020 income held up verses the original budget in first half of 2020. However as expected levels dropped off in the second half of the year verses expectations due to the impact of COVID-19. This resulted in both of our fundraising events being cancelled. However, we still exceeded our revised forecast we did in Q1 by £31,000 (+17%).

This was made possible due to reductions in Malawi and UK overheads. A hiring freeze was put in place for Q2 and Q3 and recruitments were not made in the UK team until Q4. With travel no longer possible, this was eliminated from the budget and marketing costs for events were also reduced to nil.

Financial review

Result for the year

This is the second year the Charity's income has exceeded the £250,000 threshold and therefore this is the second year the charity has prepared its financial statements in accordance with the Charity SORP.

The summary of results for the year are shown in the Statement of Financial Activities. The charity received income in the year totalling £288k (2019: £283k), including services with a value of £72k. The charity incurred expenditure totalling £236k (2019: £329k) which resulted in a net increase in funds for the year of £52k (2019: decrease of £46k).

At the year end, the charity had net funds totalling £263k (2019: £211k). The charity continues to hold at least six months of operating expenses in reserve.

Charity's principle source of funds

Corporate and School partnerships and individual donors.

Reserves policy and going concern

All charities are required to consider how much they need to hold in reserves. The level of reserves will vary depending on the scale and nature of the charity's activities.

The trustees carry out a risk- based analysis in arriving at the level of reserves needed to protect against these unforeseen events. This risk based analysis looks at the amount of reserves that would be needed if there were a significant fall in income and in light of the continued volatility of the Malawian Kwacha, the charity aims to keep at least six months running costs in reserve at any point in time. The reserves totalled £263k as at 31 December 2020.

The trustees have reviewed the circumstances of The Sparkle Foundation and its company under the control of this charity, in Malawi, and consider that adequate resources continue to be available to fund the activities of the charity and its company in Malawi for the foreseeable future. The trustees are of the view that The Sparkle Foundation is a going concern.

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Principal risks and uncertainties

The principal risks and uncertainties facing the charity are as follows:

1. COVID-19 (Medical)

The impact of COVID-19 continues to hit our operations in Malawi with the Sparkle School closed for the majority of Q1 in 2021. The highest number of COVID cases were reported in the first month of the year and new restrictions were implemented in the country. With hospitals overrun and a limited oxygen supply available, the demand on Sparkle's medical clinic increased significantly. However, with certain drugs not able to be supplied without a poison board certificate license – which we are currently waiting for – we are only able to treat a certain number of cases and the rest have to be referred.

2. COVID-19 (Nutrition)

With lots of flooding throughout 2020 and many people losing their jobs and thus not able to harvest their own maize, there are many households who are without food. With less supply and more demand, food prices have increased significantly, meaning the cost of our feeding programme has also increased. Additionally, Mary's Meals continue to distribute food directly to the household, which means Sparkle is no longer able to ensure that the said beneficiary is receiving the correct nutritional requirements, as more often than not, the food is shared among the household.

3. Covid-19 (Education)

With Schools closed for majority of 2020 and for the first quarter of 2021, students have fallen very far behind in their studies. Exams have been cancelled and no support has been provided to help those vulnerable children reintegrate back into School. Many girls are not returning due to family and personal circumstances. Since we reopened in Q2 attendance to Sparkle has been extremely low. Sparkle was only able to open on reduced capacity and doing a timetable for various age groups has led to some children no longer wanting to attend if they cannot come every day.

4. Covid-19 (Community)

With the majority of our community programmes halting during lockdown, a lot of our members have been forced to relocate due to loss of jobs in the household or having to move back to their parent's village to save money. This will mean we will have to relaunch our groups when restrictions are lifted which may prove challenging under the current circumstances.

5. Current economic climate

We have planned two large events in the second half of 2021 which were anticipated to generate over £70,000 worth of funding. Our first Sparkle ball and our fourth Sparkle Sevens Tournament. Both were cancelled in 2020 due to COVID restrictions and it is now more than likely this will be the same again for 2021. All of our School partners have said they are unable to carry out their usual fundraising events and a few of our individual donors and regular sponsors have had to stop donating due to losing their jobs. Our

Trustees' Annual Report

For the year ended 31st December 2020

Volunteer programme to Malawi is currently on hold because of travel restrictions and our CEO has been unable to network and do speaking events because of the UK lockdown. However, as we do have a good reporting system in place which measures all of our impact, we have been able to start applying for grants.

6. I.T. Risk

With many people losing their jobs in the current pandemic, the number of volunteers who have signed up to support Sparkle from home has increased. All of these volunteers use their personal laptops and work with different software and security systems. We have partnered with a data protection and cyber security company to help us streamline all of our IT processes and ensure we are as secure as possible.

7. Non-compliance with fundraising, data and other regulations

The Sparkle Foundation, as with other charities, is subject to an ever-increasing number of regulations. Non-compliance could result in fines or reputational damage, which threatens the future of the charity. The trustees have considered this risk and in order to help mitigate against it they have created a Board Governance Committee, which has as one of its objectives to ensure that all compliance matters are dealt with properly. The Chair and the C.E.O. have been tasked to complete a Board Assurance Framework, which will assure the board that there is good compliance across the organisation.

8. UK team

With uncertainties about what the next 12 months will look like, it is difficult to forecast what our fundraising target will be, depending on what event can or cannot take place. With the Executive Officer role becoming too much for one person, the charity needed to split the role into two as it was clearly two very different skillsets. Ideally it would be two full-time positions but with the current climate so uncertain, we do not want to take that risk. We have recruited a part-time Fundraising / Marketing Manager and a part-time Volunteer / Admin Officer, however attracting talent long-term on a small salary for these roles is difficult but we are working closely with professionals who are supporting us pro-bono with the recruitment.

Plans for the future

Majority of these have stayed the same from 2020 as we were not able to implement them due to the pandemic

SECTOR	PLANS
Education	To build capacity amongst the team and manage them effectively to ensure departmental/programme staff can deliver the key strategic objectives focusing on the Education Programme.
	To register more children in our Primary Programme
	Deliver programmes to increase the number of girls attending School
	Deliver education awareness programmes and offer a support network for girls at risk or teenage pregnancies or those who have already given birth

Trustees' Annual Report

For the year ended 31st December 2020

	<p>To improve the literacy (Chichewa) and numeracy of parents by 40%.</p> <ul style="list-style-type: none"> • Conduct capacity needs assessments/baseline survey • Register more women/men into the adult literacy programme
	To return to the same attendance rates we had for our children Pre-Covid (80%)
Community	Establish additional ECD centres in the catchment area
	Build capacity of community committee members in leadership and management
	Develop community profile/mapping with updated data base
	Establish new community committee members in all the 17 villages
	Establish/Revamp youth clubs within the catchment area
Health	Recruit a full-time nurse who will be available 5 days a week on site to attend to patients.
	Develop a clinic outreach program in partnership with Matawale Health Centre to be able to reach out to more clients who are not able to access proper health care due to the long distance as well as lack of resources in the mainstream health Centre.
	Acquire the Malawi Poisons Board Certificate which will allow us to purchase other medication which will enable the clinic treat more cases.
	To start making and distributing washable sanitary pads to encourage girls to stay in School
Nutrition	Expand our feeding programme to support more children
	Purchase land to grow more crops for the feeding programme
	Deliver more environmental awareness campaigns regarding deforestation, waste management and recycling
HR	Get all of our Managers driving
	Recruit a HR and Admin Officer in Malawi
	Recruit another paid member of staff for the UK team
	Expand our training offerings to all staff

Structure, governance and management

Structure

The charity is a Charitable Incorporated Organisation. The charity's model constitution was adopted on the 18 May 2015.

Appointment of trustees

When vacancies occur, trustees are recruited using a widespread recruitment campaign or in response to an approach by an interested party. They are interviewed by the chair, or at least one other trustee and the C.E.O. If suitable, having the right breadth of skills and experience, they will attend a board meeting and will then join the board if they and the rest of the board agree.

Trustees' Annual Report

For the year ended 31st December 2020

Trustee Induction and Training

New trustees are supplied with a comprehensive induction pack and meetings with the C.E.O. and the chair before their arrival.

Chair

Trustees elect a chair from the current serving trustees. The term of office for each position is two years. Mr Neville Prior was unanimously selected as the chair in 2020, and he is the current chair.

Governance

Through the support of our legal partners Clifford Chance and by working hand in hand with our Malawian NGO board, we updated all of our policies, to reflect any changes in government laws both in Malawi and the UK, and also to ensure any potential risks were mitigated and accounted for in our policies. We carried out monthly sessions with all of our employees to ensure all of the team were clear of the processes and procedures they needed to follow. From Child Safeguarding to Whistle Blowing to Risk Registers, 22 training meetings were held across the year.

Related Parties and relationships with other organisations

None of the trustees receive remuneration or other benefits from their work with the charity. The Sparkle Foundation requires trustees and senior managers to declare any interests that they may have outside of the charity. Transactions and contractual relationships with related parties must be disclosed.

On the 11 January 2018, the charity set up a new company, limited by guarantee, in Malawi, under their Companies Act, No. 15 of 2013. The name of the company is The Sparkle Foundation Malawi. Some of the Trustees are members of this company and this company is under the control of this charity.

Setting up this company in Malawi was necessary to comply with local legislation. All transactions undertaken in Malawi are recorded within the accounts of that company. This has meant that these accounts for The Sparkle Foundation in the UK show transactions undertaken by this charity and do not include the transactions undertaken in Malawi. Transfers are made monthly from the UK to Malawi and are therefore shown as charitable donations in this company's accounts and are shown as income in the accounts for the company in Malawi, which it then utilises for the objectives of this charity.

Remuneration policy for key management personnel

The board of The Sparkle Foundation considers the pay and terms and conditions of the key management personnel. Pay is benchmarked by individual posts against roles in similar organisations through an external benchmarking process.

Trustees' Annual Report

For the year ended 31st December 2020

The trustees' annual report, which includes the trustees report, has been approved by the trustees on 11/05/2021 and signed on their behalf by:



.....
Neville Prior
Chair



.....
Martin Waud
Treasurer

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE SPARKLE FOUNDATION

I report to the trustees on my examination of the financial statements of The Sparkle Foundation ('the charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit go beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair' view, and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

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

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

I have 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 financial statements to be reached.

Sean Rowe ACA

Member of ICAEW

Office K, The Dutch Barn, Old Park Farm, Ford End CM3 1LN



11/05/2021

The Sparkle Foundation			1161708		
Annual accounts for the period					
Period start date	01/01/2020	To	Period end date	31/12/2020	

Section A Statement of financial activities

Recommended categories by activity	Unrestricted funds £ F01	Restricted income funds £ F02	Endowment funds £ F03	Total funds £ F04	Prior year funds £ F05
Incoming resources (Note 3)					
Income and endowments from:					
Donations and legacies	246,325	10,000	-	256,325	234,335
Charitable activities	-	-	-	-	-
Other trading activities	31,706	-	-	31,706	49,096
Investments	1	-		1	31
Separate material item of income	-	-	-	-	-
Other	-	-	-	-	-
Total	278,032	10,000	-	288,032	283,462
Resources expended (Note 5)					
Expenditure on:					
Raising funds	10,048	-	-	10,048	6,226
Charitable activities	159,167	-	-	159,167	296,581
Separate material item of expense	-	-	-	-	-
Other	67,290	-	-	67,290	26,586
Total	236,505	-	-	236,505	329,393
Net income/(expenditure) before investment gains/(losses)	41,527	10,000	-	51,527	-
Net gains/(losses) on investments	-	-	-	-	-

The Sparkle Foundation

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

Net income/(expenditure)	41,527	10,000	-	51,527	- 45,931
Extraordinary items	-	-	-	-	-
Transfers between funds	-	-	-	-	-
Other recognised gains/(losses):					
Gains and losses on revaluation of fixed assets for the charity's own use	-	-	-	-	-
Other gains/(losses)	-	-	-	-	-
Net movement in funds	41,527	10,000	-	51,527	- 45,931
Reconciliation of funds:					
Total funds brought forward	211,235	-	-	211,235	257,166
Total funds carried forward	252,762	10,000	-	262,762	211,235

Section B Balance sheet

	Unrestricted funds	Restricted income funds	Endowment funds	Total this year	Total last year
	£	£	£	£	£
	F01	F02	F03	F04	F05
Fixed assets					
Intangible assets	-	-	-	-	-
Tangible assets (Note 10)	1,551	-	-	1,551	1,972
Heritage assets	-	-	-	-	-
Investments	-	-	-	-	-
Total fixed assets	1,551	-	-	1,551	1,972
Current assets					
Stocks	-	-	-	-	-
Debtors (Note 11)	8,606	-	-	8,606	6,074
Investments	-	-	-	-	-
Cash at bank and in hand (Note 13)	242,605	10,000	-	252,605	208,189
Total current assets	251,211	10,000	-	261,211	214,263
Creditors: amounts falling due within one year (Note 12)	-	-	-	-	5,000
Net current assets/(liabilities)	251,211	10,000	-	261,211	209,263
Total assets less current liabilities	252,762	10,000	-	262,762	211,235
Creditors: amounts falling due after one year (Note 12)	-	-	-	-	-
Provisions for liabilities	-	-	-	-	-
Total net assets or liabilities	252,762	10,000	-	262,762	211,235

The Sparkle Foundation

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

Funds of the Charity

Endowment funds

Restricted income funds (Note 15)



Unrestricted funds

Revaluation reserve

Total funds

-			-	-
-	10,000		10,000	-
252,762		-	252,762	211,235
			-	
252,762	10,000	-	262,762	211,235

Signed by two trustees on behalf of all the trustees:

Signature	Print Name	Date of approval dd/mm/yyyy
	Dr Neville Prior	11/05/2021
	Martin Waud	11/05/2021

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

Section C Notes to the accounts

Note 1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared in accordance with:

- and with*

✓

 the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- and with the Charities Act 2011.

1.2 Going concern

An explanation as to those factors that support the conclusion that the charity is a going concern;

The charity has sufficient reserves and has continued to generate funds during and since the year end, to enable it to meet its charitable activities for the foreseeable future, despite the impact of COVID-19 on the global economy. Therefore the Trustees believe the charity is a going concern.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined below.

Yes*	<input type="checkbox"/>	This is the first year the charity has prepared accounts in accordance with the Charities SORP (FRS 102) as its income has exceeded the £250,000 threshold this year.
No*	<input checked="" type="checkbox"/>	

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period (3.46 FRS 102 SORP).

Yes*	<input type="checkbox"/>	No changes from the prior year
No*	<input checked="" type="checkbox"/>	

1.5 Material prior year errors

No material prior year error have been identified in the reporting period (3.47 FRS 102 SORP).

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

Section C		Notes to the accounts	(cont)	
Note 2	Accounting policies			
2.1 INCOME				
Recognition of income	These are included in the Statement of Financial Activities (SoFA) when: <ul style="list-style-type: none">the charity becomes entitled to the resources;it is more likely than not that the trustees will receive the resources; andthe monetary value can be measured with sufficient reliability.			
		Yes	No	N/a
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Offsetting	There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.			
		Yes	No	N/a
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Grants and donations	Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP).			
		Yes	No	N/a
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	In the case of performance related grants, income must only be recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met (5.16 FRS 102 SORP).			
		Yes	No	N/a
		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legacies	Legacies are included in the SOFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the charity or have been met.			
		Yes	No	N/a
		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Government grants	The charity has received government grants in the reporting period			
		Yes	No	N/a
		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Tax reclaims on donations and gifts	Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.			
		Yes	No	N/a
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Contractual income and performance related grants	This is only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.			
		Yes	No	N/a
		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Donated goods	Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.			
		Yes	No	N/a
		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.			
		Yes	No	N/a
		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

	Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.	Yes	No	N/a
				✓
	Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.	Yes	No	N/a
				✓
	Gifts in kind for use by the charity are included in the SoFA as income from donations when receivable.	Yes	No	N/a
				✓
Donated services and facilities	Donated services and facilities are included in the SOFA when received at the value of the gift to the charity provided the value of the gift can be measured reliably.	Yes	No	N/a
		✓		
	Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.	Yes	No	N/a
		✓		
Support costs	The charity has incurred expenditure on support costs.	Yes	No	N/a
		✓		
Volunteer help	The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.	Yes	No	N/a
		✓		
Income from interest, royalties and dividends	This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.	Yes	No	N/a
		✓		
Income from membership subscriptions	Membership subscriptions received in the nature of a gift are recognised in Donations and Legacies.	Yes	No	N/a
		✓		
	Membership subscriptions which gives a member the right to buy services or other benefits are recognised as income earned from the provision of goods and services as income from charitable activities.	Yes	No	N/a
				✓
Settlement of insurance claims	Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS102 SORP) and are included as an item of other income in the SoFA.	Yes	No	N/a
				✓
Investment gains and losses	This includes any realised or unrealised gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.	Yes	No	N/a
				✓

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

2.2 EXPENDITURE AND LIABILITIES

Liability recognition	Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/a <input type="checkbox"/>
Governance and support costs	Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/a <input type="checkbox"/>
	Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, eg allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/a <input type="checkbox"/>
Grants with performance conditions	Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/a <input checked="" type="checkbox"/>
Grants payable without performance conditions	Where there are no conditions attaching to the grant that enables the donor charity to realistically avoid the commitment, a liability for the full funding obligation must be recognised.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/a <input type="checkbox"/>
Redundancy cost	The charity made no redundancy payments during the reporting period.	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/a <input checked="" type="checkbox"/>
Deferred income	No material item of deferred income has been included in the accounts.	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/a <input checked="" type="checkbox"/>
Creditors	The charity has creditors which are measured at settlement amounts less any trade discounts	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/a <input type="checkbox"/>
Provisions for liabilities	A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/a <input type="checkbox"/>
Basic financial instruments	The charity accounts for basic financial instruments on initial recognition as per paragraph 11.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/a <input type="checkbox"/>

2.3 ASSETS

Tangible fixed assets for use by charity	These are capitalised if they can be used for more than one year, and cost at least	<input checked="" type="checkbox"/>
	They are valued at cost.	Yes <input checked="" type="checkbox"/>
	The depreciation rates and methods used are disclosed in note 9.2.	No <input type="checkbox"/>
		N/a <input type="checkbox"/>

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

Intangible fixed assets	The charity has intangible fixed assets, that is, non-monetary assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. The amortisation rates and methods used are disclosed in note 9.5	Yes	No	N/a
				✓
Heritage assets	They are valued at cost.	Yes	No	N/a
				✓
	The charity has heritage assets, that is, non-monetary assets with historic, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture. The depreciation rates and methods used as disclosed in note 9.6.1.4.	Yes	No	N/a
				✓
	They are valued at cost.	Yes	No	N/a
				✓
Investments	Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.	Yes	No	N/a
				✓
	Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments	Yes	No	N/a
				✓
Stocks and work in progress	Stocks held for sale as part of non-charitable trade are measured at the lower or cost or net realisable value.	Yes	No	N/a
				✓
	Goods or services provided as part of a charitable activity are measured at net realisable value based on the service potential provided by items of stock.	Yes	No	N/a
				✓
	Work in progress is valued at cost less any foreseeable loss that is likely to occur on the contract.	Yes	No	N/a
				✓
Debtors	Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.	Yes	No	N/a
		✓		
Current asset investments	The charity has investments which it holds for resale or pending their sale and cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date of less than one year held for investment purposes rather than to meet short term cash commitments as they fall due.	Yes	No	N/a
				✓
	They are valued at fair value except where they qualify as basic financial instruments.	Yes	No	N/a
				✓

**Section C
(cont)**
Notes to the accounts
Note 3
Analysis of income

		Unrestricted funds	Restricted income funds	Endowment funds	Total funds £	Prior year £
	Analysis					
Donations and legacies:	Donations and gifts	162,879	10,000	-	172,879	201,822
	Gift Aid	3,006	-	-	3,006	4,030
	Legacies	-	-	-	-	-
	General grants provided by government/other charities	-	-	-	-	-
	Membership subscriptions and sponsorships which are in substance donations	8,390	-	-	8,390	4,933
	Donated goods, facilities and services	72,050	-	-	72,050	23,550
	Other	-	-	-	-	-
	Total	246,325	10,000	-	256,325	234,335
Charitable activities:		-	-	-	-	-
	Other	-	-	-	-	-
	Total	-	-	-	-	-
Other trading activities:	Fundraising	31,706	-	-	31,706	49,096
	Other	-	-	-	-	-
	Total	31,706	-	-	31,706	49,096
Income from investments:	Interest income	1	-	-	1	31
	Dividend income	-	-	-	-	-

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

Rental and leasing income	-	-	-	-	-
Other	-	-	-	-	-
Total	1	-	-	1	31

Separate material item of income:

Other income	-	-	-	-	-
Total	-	-	-	-	-

Other:

Conversion of endowment funds into income	-	-	-	-	-
Gain on disposal of a tangible fixed asset held for charity's own use	-	-	-	-	-
Gain on disposal of a programme related investment	-	-	-	-	-
Royalties from the exploitation of intellectual property rights	-	-	-	-	-
Other	-	-	-	-	-
Total	-	-	-	-	-

TOTAL INCOME

278,032	10,000	-	288,032	283,462
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Other information:

All income in the prior year was unrestricted except for: (please provide description and amounts)

No income received in the prior year was restricted.

Within the income items above the following items are material: (please disclose the nature, amount and any prior year amounts)

Large donations in the year include £10,442 (2019: £25,000) from a private individual and £22,368 (2019: £24,599) from schools as well as amounts from a corporate sponsor totalling £65,192 (2019: £68,320).

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

Section C	Notes to the accounts	(cont)
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Note 4 Donated goods, facilities and services

	This year	Last year
Please provide details of the accounting policy for the recognition and valuation of donated goods, facilities and services.	The charity has accounted for the value of services provided free of charge, based on what the charity would expect to pay for these services received and included these services as a donation and an expense. The total value of these services amounted to £72,050.	The charity has accounted for the value of services provided free of charge, based on what the charity would expect to pay for these services received and included these services as a donation and an expense. The total value of these services amounted to £23,550.
Please provide details of any unfulfilled conditions and other contingencies attaching to resources from donated goods and services not recognised in income.	None	None
Please give details of other forms of other donated goods and services not recognised in the accounts, eg contribution of unpaid volunteers.	Please see details provided in the Trustees Report.	Please see details provided in the Trustees Report.

**Section C
(cont)**

Notes to the accounts

Note 5

Analysis of expenditure

This year

Last year

	Unrestricted funds	Restricted income funds	Endowment funds	Total funds	Unrestricted funds	Restricted income funds	Endowment funds	Total funds
Analysis of expenditure on raising funds:								
	£				£			
Incurred seeking donations	-	-	-	-	-	-	-	-
Staging fundraising events	760	-	-	760	5,227	-	-	5,227
Marketing, website, database costs and charges	9,288	-	-	9,288	999	-	-	999
	-	-	-	-	-	-	-	-
Total expenditure on raising funds	10,048	-	-	10,048	6,226	-	-	6,226

Expenditure on charitable activities:

Malawi Expenses								
Donations to The Sparkle Foundation Limited in Malawi	90,427			90,427	145,091	33,588		178,679
Staffing	-			-	21,840	-		21,840
Supplies	482			482	6,606	-		6,606

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

U.K. Expenses								
Travelling expenses	620			620	4,261			4,261
Staff salaries, N.I. & pension contributions	59,960			59,960	70,027			70,027
Subscriptions and sundry	494			494	2,252			2,252
Printing and stationary	121			121	5,913			5,913
Training	211			211	84			84
Insurance	4,826			4,826	4,785			4,785
Exchange rate variance	586			586	574			574
Telephone	416			416	687			687
Depreciation	1,024			1,024	873			873
Total expenditure on charitable activities	159,167	-	-	159,167	262,993	33,588	-	296,581

Other

Trustee and staff recruitment	450	-	-	450	540	-	-	540
Sundry	-	-	-	-	-	-	-	-
Legal & professional	66,212	-	-	66,212	25,324	-	-	25,324
Rent	312			312	438			438
Bank charge	316			316	284			284
	-	-	-	-	-	-	-	-
Total other expenditure	67,290	-	-	67,290	26,586	-	-	26,586
TOTAL EXPENDITURE	236,505	-	-	236,505	295,805	33,588	-	329,393

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

**Other
information:**

**Analysis of expenditure on
charitable activities**

Activity or programme	This year				Last year			
	Activities undertaken directly	Grant funding of activities	Support Costs	Total this year	Activities undertaken directly	Grant funding of activities	Support Costs	Total last year
	£	£	£	£	£	£	£	£
Funds utilised in Malawi	90,909	-	-	90,909	207,125	-	-	207,125
Funds incurred in UK for charitable activities in Malawi	68,258	-	-	68,258	89,456	-	-	89,456
Total	159,167	-	-	159,167	296,581	-	-	296,581

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

**Section C
(cont)**

Notes to the accounts

Note 6 Details of certain items of expenditure

6.1 Fees for examination of the accounts

Independent examiner's fees - This was carried out without charge and has been reflected in note 4.

Assurance services other than audit or independent examination

Tax advisory fees

Other fees (for example: financial advice, consultancy, accountancy services) paid to the independent examiner

This year £	Last year £
1,050	1,050
-	-
-	-
-	-

Section C (cont)	Notes to the accounts
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Note 7 Paid employees

7.1 Staff Costs

	This year £	Last year £
Salaries and wages	56,241	65,814
Social security costs	2,614	3,137
Pension costs (defined contribution scheme)	1,105	1,076
Other employee benefits	-	-
Total staff costs	59,960	70,027

This year:

Please provide details of expenditure on staff working for the charity whose contracts are with and are paid by a related party

None

Last year:

Please provide details of expenditure on staff working for the charity whose contracts are with and are paid by a related party

None

Please give details of the number of employees whose total employee benefits (excluding employer pension costs) fell within each band of £10,000 from £60,000 upwards. If there are no such transactions, please enter 'true' in the box provided.

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

None

Independent Examiner's Report to the Trustees of The Sparkle Foundation

For the year ended 31st December 2020

Band	Number of employees	
	This year	Last year
£60,000 to £69,999	-	-
£70,000 to £79,999	-	-
£80,000 to £89,999	-	-
£90,000 to £99,999	-	-
£100,000 to £109,999	-	-

Please provide the total amount paid to key management personnel (includes trustees and senior management) for their services to the charity. For specific amounts paid to trustees, see Note 16.

This year	Last year
£	£
49,143	35,488

7.2 Average head count in the year

The parts of the charity in which the employees work

	This year Number	Last year Number
Fundraising	-	-
Charitable Activities	2	2
Governance	-	-
Other	-	-
Total	2	2

**Section C
(cont)**

Notes to the accounts

Note 8 **Defined contribution pension scheme or defined benefit scheme accounted for as a defined contribution scheme.**

Amount of contributions recognised in the SOFA as an expense

This year	Last year
£ 1,105	£ 1,076

Please explain the basis for allocating the liability and expense of defined contribution pension scheme between activities and between restricted and unrestricted funds.

All wages and pensions costs were paid out of unrestricted funds	All wages and pensions costs were paid out of unrestricted funds
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Section C	Notes to the accounts	(cont)
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Note 9 Grantmaking and donations**This year:****9.1 Analysis of grants paid (included in cost of charitable activities)**

Analysis	Grants to institutions	Grants to individuals	Support costs	Total
			£	£
None	-	-	-	-
	-	-	-	-
Total	-	-	-	-

9.2 Donations made to institutions

My charity has made donations to particular institutions that are material in the context of its donations.

Yes	

Names of institution	Purpose	Total amount of donations paid £
The Sparkle Foundation Limited by Guarantee in Malawi	To transfer funds to The Sparkle Foundation Limited by Guarantee in Malawi, a company under the control of this charity, to enable it to carry out the charity's objectives	90,909
		-
		-
		-
Total donations to institutions in reporting period		90,909
Other unanalysed donations		-
TOTAL DONATIONS PAID		90,909

Section C	Notes to the accounts	(cont)
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Note 10 **Tangible fixed assets**

10.1 Cost or valuation

	Freehold land & buildings	Other land & buildings	Plant, machinery and motor vehicles	Fixtures, fittings and equipment	Total
	£	£	£	£	£
At the beginning of the year	-	-	3,489	-	3,489
Additions	-	-	603	-	603
Disposals	-	-	-	-	-
At end of the year	-	-	4,092	-	4,092

10.2 Depreciation and impairments

****Basis**

**** Rate**

		Straight Line		
		25%		

At beginning of the year	-	-	1,517	-	1,517
Disposals	-	-	-	-	-
Depreciation	-	-	1,024	-	1,024
At end of the year	-	-	2,541	-	2,541

10.3 Net book value

Net book value at the beginning of the year	-	-	1,972	-	1,972
Net book value at the end of the year	-	-	1,551	-	1,551

Section C

Notes to the accounts

(cont)

Note 11 Debtors and prepayments

11.1 Analysis of debtors

Trade debtors

Prepayments and accrued income

Other debtors

Total

This year	Last year
£	£
-	-
1,600	1,519
7,006	4,555
8,606	6,074

**Section C
(cont)**

Notes to the accounts

Note 12 Creditors and accruals

12.1 Analysis of creditors

	Amounts falling due within one year		Amounts falling due after more than one year	
	This year £	Last year £	This year £	Last year £
Accruals for grants payable	-	-	-	-
Bank loans and overdrafts	-	-	-	-
Trade creditors	-	-	-	-
Payments received on account for contracts or performance-related grants	-	-	-	-
Accruals and deferred income	-	5,000	-	-
Taxation and social security	-	-	-	-
Other creditors	-	-	-	-
Total	-	5,000	-	-

Section C

Notes to the accounts

(cont)

Note 13 Cash at bank and in hand

Short term cash investments (less than 3 months maturity date)

Short term deposits

Cash at bank and in hand

Other

Total

This year £	Last year £
-	-
-	-
252,605	208,189
-	-
252,605	208,189

Section C (cont)	Notes to the accounts
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Note 14 Fair value of assets and liabilities

14.1 Please provide details of the charity's exposure to credit risk (the risk of incurring a loss due to a debtor not paying what is owed) , liquidity risk (the risk of not being able to meet short term financial demands) and market risk (the risk that the value of an investment will fall due to changes in the market) arising from financial instruments to which the charity is exposed at the end of the reporting period and explain how the charity manages those risks.

14.2 Please give details of the amount of change in the fair value of basic financial instruments (debtors, creditors, investments (see section 11, FRS 102 SORP)) measured at fair value through the SoFA that is attributable to changes in credit risk.

This year	Last year
COVID-19 has had a major impact on the global economy during and since the year end. The Trustees do not believe there is any risk arising from debtor balances not being recovered or the charity not being able to meet its liabilities as they fall due.	Despite the impact of COVID-19 after the year end on the global economy, the Trustees do not believe there is any risk arising during the year in respect of debtor balances not being received or the charity not being able to meet its liabilities as they fall due.
None	None

Section C**Notes to the accounts****(cont)****Note 15****Charity funds****15.1 Details of material funds held and movements during the CURRENT reporting period**

Please give details of the movements of material individual funds in the reporting period together with a balancing figure for 'Other funds'. The 'Total funds' figure below should reconcile to 'Total funds' in the balance sheet.

** Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and U - unrestricted funds*

Fund names	Type PE, EE R or UR *	Purpose and Restrictions	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
U.A.E. registration	R	Funds have been received to enable the charity to set up a registration in the U.A.E.	-	10,000	-	-	-	10,000
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
Other funds	N/a	N/a	-	-	-	-	-	-
Total Funds			-	10,000	-	-	-	10,000

Section C

Notes to the accounts

(cont)

Note 15 Charity funds (cont)

15.2 Details of material funds held and movements during the PREVIOUS reporting period

Please give details of the movements of material individual funds in the reporting period together with a balancing figure for 'Other funds'. The 'Total funds' figure below should reconcile to 'Total funds' in the balance sheet.

** Key: PE - permanent endowment funds; EE - expendible endowment funds; R - restricted income funds, including special trusts, of the charity; and U - unrestricted funds*

Fund names	Type PE, EE R or UR *	Purpose and Restrictions	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Gains and losses £	Fund balances carried forward £
Malawi running costs	R	Funds to only be utilised for the running of the charity's site in Malawi	21,118	-	- 21,118	-	-	-
Fixed asset fund	R	Funds to only be used in connection with capital expenditure incurred by the charity	12,470	-	- 12,470	-	-	-
			-	-	-	-	-	-
			-	-	-	-	-	-
Other funds	N/a	N/a	-	-	-	-	-	-
Total Funds			33,588	-	- 33,588	-	-	-

Section C (cont)	Notes to the accounts
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Note 16 Transactions with trustees and related parties

16.1 Trustee remuneration and benefits

This year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity (True or False)

TRUE

Last year

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity (True or False)

TRUE

16.2 Trustees' expenses

No trustee expenses have been incurred (True or False)

TRUE

16.3 Transaction(s) with related parties

This year

There have been no related party transactions in the reporting period (True or False)

FALSE

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	Amount	Balance at period end	Provision for bad debts at period end	Amounts written off during reporting period
The Sparkle Foundation Limited by Guarantee in Malawi	Under the control of this charity	Donation to fund the charity's activities in Malawi through The Sparkle Foundation Limited by Guarantee in Malawi	£90,909	0	0	0

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In relation to the transactions above, please provide the terms and conditions, including any security and the nature of any payment (consideration) to be provided in settlement.

None

For any related party, please provide details of any guarantees given or received.

The charity has control over The Sparkle Foundation Limited, a company limited by guarantee in Malawi.

Last year

There have been no related party transactions in the reporting period (True or False)

FALSE

Name of the trustee or related party	Relationship to charity	Description of the transaction(s)	Amount	Balance at period end	Provision for bad debts at period end	Amounts written off during reporting period
The Sparkle Foundation Limited by Guarantee in Malawi	Under the control of this charity	Donations to fund the charity's activities in Malawi through The Sparkle Foundation Limited by Guarantee in Malawi	£88,181	£0	£0	£0
The Sparkle Foundation Limited by Guarantee in Malawi	Under the control of this charity	Fixed assets transferred to The Sparkle Foundation Limited by Guarantee in Malawi	£90,498	£0	£0	£0

In relation to the transactions above, please provide the terms and conditions, including any security and the nature of any payment (consideration) to be provided in settlement.

None

For any related party, please provide details of any guarantees given or received.

The charity has control over The Sparkle Foundation Limited, a company limited by guarantee in Malawi.