

COMPANY REGISTRATION NUMBER: 12897013

CHARITY REGISTRATION NUMBER: 1193418



WHERE EVERY CHILD IS A SUCCESS STORY

SPARKS OF SUCCESS LTD
Company Limited by Guarantee
Unaudited Financial Statements
30 September 2023



WHITESIDE AND DAVIES LTD
Chartered Accountants
158 Cromwell Road
Salford
M6 6DE

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What We Do

Sparks of Success was founded to offer leisure, recreational, and skill-building opportunities to disadvantaged children in Salford, Manchester.

The charity is committed to creating the best possible opportunities for these children to thrive and develop their skills and emotional well-being, preparing them for the workplace despite their challenging circumstances. This initiative aims to enhance the quality of life for many disadvantaged children.



WHAT WE DID

We were excited to support our 'GEMS' after-school club, which served as a haven of warmth and happiness for children living in poverty and disadvantage. At GEMS, children received nutritious snacks and had the opportunity to complete their school homework with the help and support of volunteers, resources that were not readily available to them at home. Activities included, but were not limited to:



Activities included, but not limited to,

- Monday: Free arts, including painting, sculpture, and junk modeling
- Tuesday: Fitness Club
- Wednesday: Jewelry making
- Thursday: Poetry and writing club

Our Programs



AFTER SCHOOL CLUBS (GEMS)

Our GEMS after-school clubs provide a welcoming and supportive environment for disadvantaged children in Salford, Manchester. At GEMS, children receive nutritious snacks, homework assistance from dedicated volunteers, and participate in a variety of activities, including a keep-fit program that promotes physical health. These activities encourage skill-building, emotional well-being, and social development. The club aims to improve academic performance, enhance overall health, and foster a sense of community and belonging.



HERITAGE/ HOLIDAY TRIPS



Our heritage and holiday trips offer disadvantaged children in Salford, Manchester, enriching experiences beyond their daily environment. These trips expose children to cultural heritage sites and new recreational opportunities, broadening their horizons and fostering a deeper appreciation for history and different cultures. Through these excursions, children gain valuable experiences that enhance their learning, promote social interaction, and contribute to their overall personal development.

ANNUAL PERFORMANCE SHOWS (TALENT SHOWCASING)

Our Annual Performance Shows provide a platform for children to showcase their talents, building their confidence and self-esteem. These events celebrate the diverse abilities of our participants, fostering a sense of achievement and community pride.

Evidence of Need



There is evidence that, over the pandemic, disadvantaged children have had poorer mental health and wellbeing outcomes than those with greater advantage.

GEMS after-school club will combat that by providing a range of stimulating after-school activities to foster wellbeing and positivity. Limited access to outdoor space and the suspension of sports have also damaged young people's physical wellbeing.



IMPACT REPORTS

The outcomes of our activities at the 'GEMS' after-school club were highly positive:



Academic Improvement: 90% of the children who regularly attended the club showed significant improvement in their schoolwork, with many achieving higher grades and completing their homework more consistently.



Enhanced Nutrition: 85% of parents reported that their children had better nutrition and overall health due to the nutritious snacks provided at the club.



Emotional and Social Development: 80% of children demonstrated improved emotional stability and social skills. Teachers and parents noted a marked increase in confidence and resilience among the children.



Skill Building: 70% of the children developed new skills through the various activities offered at the club, which are expected to benefit them in their future endeavors.



Community Connection: 95% of families felt more connected to the community, with a stronger sense of belonging and reduced feelings of isolation.



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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 September 2023.

Reference and administrative details

Registered charity name	SPARKS OF SUCCESS LTD
Charity registration number	1193418
Company registration number	12897013
Principal office and registered	52 Symons Street office Salford England M7 4AP
The trustees	M B Schonfeld H Grossberger
Independent examiner	David Pollak 158 Cromwell Road Salford M6 6DE

Structure, governance and management

The Trustees in office during the year were Mr Menachem Friedman (resigned on the 13/02/2024), Mr Yaacov Dov Goldberg (resigned on the 13/02/2024), Mrs Helen Grossberger & Mrs Malka Brucha Schonfeld. They were also directors for the purposes of company law. All trustees give of their time freely and no trustee remuneration was paid in the year.

Objectives and activities

The charity/company is established for the purpose of:

Advancing the quality of life and helping young people by providing;

1. recreational and leisure time activities in the interest of social welfare, designed so as to improve their conditions of life.
2. support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals,
3. grants for the prevention or relief of poverty.

These objects were achieved through various activities such as the hire of a jumping castle, soft play and use of educational sensory equipment. Additionally, day trips such as going to the beach were arranged. The recipients all benefited greatly from these activities and the trustees believe the activities have helped tremendously in advancing the charity's aforementioned objects.

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Objectives and activities (continued)

Public benefit

The trustees confirm that they 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 future activities and setting grant making policy for the year.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

During the year, the charity received £36,823 (2022 - £8,254) in grants of which £12,475 were restricted. The charity continued distribution of its charitable funds in accordance with its objectives. There was a significant increase of direct charitable activities this year in line with the increase of received grants (last year's income and expenditure was low as was its first year). The charity is satisfied that it is achieving its objects over the year and anticipates further demand and success in the future.

There was an overall net surplus in resources during the year amounting to £1,295.

Financial review

The trustees consider that the year was an excellent one in terms of donations received and the progress made towards achieving its objects.

Reserves policy

The Unrestricted Fund represents the unrestricted funds arising from past operating results. The charity is currently distributing as much of its income as possible.

In considering the financial obligations of the charity, the trustees have resolved to maintain a minimum reserve, being the current assets of the charity. The fixed assets are not deemed by the trustees to be freely available to distribute.

The Trustees are satisfied that the balance of the Fund is an acceptable level of reserves given the nature of revenue receipts against grants payable.

The net reserves carried forward stands at £3,100.

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The trustees' annual report and the strategic report were approved on 22 May 2024 and signed on behalf of the board of trustees by:



H Grossberger
Trustee

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I report to the trustees on my examination of the financial statements of SPARKS OF SUCCESS LTD ('the charity') for the year ended 30 September 2023.

Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements 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 the 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

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 charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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.

David Pollak
 Independent Examiner

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		Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds £
	Note				
Income and endowments					
Donations and legacies	5	27,648	12,475	40,123	8,254
Total income		<u>27,648</u>	<u>12,475</u>	<u>40,123</u>	<u>8,254</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	—	—	—	85
Expenditure on charitable activities	7,8	26,328	9,200	35,528	6,364
Total expenditure		<u>26,328</u>	<u>9,200</u>	<u>35,528</u>	<u>6,449</u>
Net income and net movement in funds		<u>1,320</u>	<u>3,275</u>	<u>4,595</u>	<u>1,805</u>
Reconciliation of funds					
Total funds brought forward		1,805	—	1,805	—
Total funds carried forward		<u>3,125</u>	<u>3,275</u>	<u>6,400</u>	<u>1,805</u>

The statement of financial activities includes all gains and losses recognised in the year.
 All income and expenditure derive from continuing activities.

The notes on pages 7 to 14 form part of these financial statements

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	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	15	3,404	1,861
Current assets			
Cash at bank and in hand		4,971	444
Creditors: amounts falling due within one year	16	1,975	500
Net current assets		2,996	(56)
Total assets less current liabilities		6,400	1,805
Net assets		6,400	1,805
Funds of the charity			
Restricted funds		3,275	—
Unrestricted funds		3,125	1,805
Total charity funds	17	6,400	1,805

For the year ending 30 September 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 company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 22 May 2024, and are signed on behalf of the board by:



H Grossberger
 Trustee

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1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 52 Symons Street, Salford, England, M7 4AP.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

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3. Accounting policies (continued)

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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3. Accounting policies (continued)

Tangible assets (continued)

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 15% reducing balance
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Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

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3. Accounting policies (continued)

Financial instruments (continued)

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

Sparks Of Success Ltd is a registered charity and a company limited by guarantee and does not have a share capital. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Grants			
Grants receivable	<u>27,648</u>	<u>12,475</u>	<u>40,123</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grants			
Grants receivable	<u>8,254</u>	<u>—</u>	<u>8,254</u>

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6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies	—	—	85	85

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Charitable expenditure	23,225	9,200	32,425
Support costs	3,103	—	3,103
	<u>26,328</u>	<u>9,200</u>	<u>35,528</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable expenditure	5,536	—	5,536
Support costs	828	—	828
	<u>6,364</u>	<u>—</u>	<u>6,364</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable expenditure	30,580	1,845	2,203	34,628	5,864
Governance costs	—	—	900	900	500
	<u>30,580</u>	<u>1,845</u>	<u>3,103</u>	<u>35,528</u>	<u>6,364</u>

9. Analysis of support costs

	Analysis of support costs £	Total 2023 £	Total 2022 £
Communications and IT	1,322	1,322	—
General office	280	280	—
Finance costs	601	601	328
Governance costs	900	900	500
	<u>3,103</u>	<u>3,103</u>	<u>828</u>

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10. Analysis of grants

	2023	2022
	£	£
Grants to individuals		
Grants to individuals	1,845	1,380
Total grants	<u>1,845</u>	<u>1,380</u>

11. Net income

Net income is stated after charging/(crediting):	2023	2022
	£	£
Depreciation of tangible fixed assets	<u>601</u>	<u>328</u>

12. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>900</u>	<u>500</u>

13. Staff costs

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

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15. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 October 2022	2,189
Additions	2,144
At 30 September 2023	<u>4,333</u>
Depreciation	
At 1 October 2022	328
Charge for the year	601
At 30 September 2023	<u>929</u>
Carrying amount	
At 30 September 2023	<u>3,404</u>
At 30 September 2022	<u>1,861</u>

16. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	<u>1,975</u>	<u>500</u>

17. Analysis of charitable funds

Unrestricted funds

	At 1 October '22 £	Income £	Expenditure £	At 30 September '23 £
General funds	<u>1,805</u>	<u>27,648</u>	<u>(26,328)</u>	<u>3,125</u>

	At 1 October '21 £	Income £	Expenditure £	At 30 September '22 £
General funds	<u>—</u>	<u>8,254</u>	<u>(6,449)</u>	<u>1,805</u>

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17. Analysis of charitable funds (continued)

Restricted funds

	At 1 October '22	Income	Expenditure	At 30 September '23
	£	£	£	£
Restricted Fund	—	12,475	(9,200)	3,275

	At 1 October '21	Income	Expenditure	At 30 September '22
	£	£	£	£
Restricted Fund	—	—	—	—

18. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Tangible fixed assets	3,404	—	3,404
Current assets	1,696	3,275	4,971
Creditors less than 1 year	(1,975)	—	(1,975)
Net assets	3,125	3,275	6,400

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	1,861	—	1,861
Current assets	444	—	444
Creditors less than 1 year	(500)	—	(500)
Net assets	1,805	—	1,805