

# THE ERIC F SPARKES CHARITABLE TRUST

England & Wales · Charity number 233085

## Details

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**Status** Registered

**Legal form** Other

**Registered** 1964-07-28

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** 20 Essex Street  
London  
-  
WC2R 3AL

**Phone** 02078421200

## Activities

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**Objects:** TO OR FOR CHARITABLE INSTITUTIONS AND CHARITABLE PURPOSES.

**Activities:** General support for charities throughout England and Wales, particularly in Birmingham, Devon, South Wales and London.

## Classification

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- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

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- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£41,219	£45,848	-	-
2023-12-31	£39,113	£45,032	-	-
2022-12-31	£37,515	£44,261	-	-
2021-12-31	£35,485	£45,467	-	-
2020-12-31	£36,076	£38,741	-	-

## Trustees

Name	Role	Appointed
JOHN MICHAEL DAVIES		1977-11-28
JOSEPHINE CELIA DAVIES		

**THE ERIC F SPARKES CHARITABLE TRUST**

England & Wales - Charity number 233085

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# Accounts

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**THE ERIC F. SPARKES CHARITABLE TRUST**

(Registered Charity - Registration Number:- 233085)

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31st DECEMBER 2024**

**Reference and Administrative Information**

**Trustees**

Mr J.M. Davies  
Miss J.C. P. Davies

**Charity Correspondent and Principal Address**

Miss J.C.P.Davies  
20 Essex Street  
LONDON WC2R 3AL

**Investment Advisors**

Charles Stanley & Co Ltd  
Broadwalk House  
Southernhay West  
EXETER EX1 1TS

**Bankers**

Barclays Bank plc

**Independent Examiner**

T. E. Reynolds FCA  
23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

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**THE ERIC F. SPARKES CHARITABLE TRUST**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2024**

The Trustees present their annual report along with the financial statements of the charity for the year ended 31st December 2024. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed, the Charities Acts 2011 and 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published January 2022.

**Objectives and activities for the public benefit**

The purposes of the Trust are to provide support to other charities to enable them to achieve their objectives by making donations to appropriate institutions. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and in setting the donation policy for the year.

The Trust furthers its charitable purposes for the public benefit through its donations to other charities.

**Donation policy**

The Trust has established its donation policy to achieve its objects for the public benefit. Donations are made primarily to charities that the Trust has supported annually for years and are focussed on the young favouring local rather than national charities. The Trustees consider national guidelines on equality and diversity when making donations

**A review of our activities: How our donations have delivered public benefit**

The charitable organisations to which donations were made are detailed in Note 4 to the accounts.

**Financial review**

The Trust's work is entirely reliant on income and investment returns from its endowments. The permanent endowment (the E. F. Sparkes bequest) is invested on a total return basis.

Overall the Fund has increased by 5.48% over the year.

The net income of the Fund (total income less investment management and administrative costs amounted to £25,081 (2023 - £23,590. Grants made during the year totalled £29,710 (2023 - £29,510). As in previous years the level of investment income generated by the Fund (net of costs) is not sufficient to cover this level of donations. However, the Trustees are of the view that this deficit of £4,629 is acceptable as it is more than covered by the increase in the value of the Fund during the year of £74,927 and the importance to the grant recipients of the grants made by the Trust.

**Investment policy and performance**

The Trust operates a total return approach to the investment of the permanent endowment and our investment advisors (Charles Stanley) are instructed to invest the investment portfolio on this basis.

When determining the level of funds available for donations the trustees have considered the amount of income required to maintain the current level of charitable activity and the likely needs of future beneficiaries. Additionally, when reaching on the level of available funds the trustees have taken professional advice from their investment advisers regarding the market outlook, investment trends and yield and the prospect for future capital growth.

The high levels of stock market volatility combined with the continuing uncertainty regarding world economic prospects continues to make the management of investments difficult. The charity is a long-term investor and the trustees, on professional advice, continue to hold a mixed portfolio of equities, bonds, cash and other investments designed to provide a level of stable income and the possibility of investment gains.

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2024 (continued)**

#### **Investment policy and performance (continued)**

Details of the investment performance of the Fund investments compared to previous years and other indices is set out below and is rebased to 100 at 1<sup>st</sup> January in the relevant year and calculated on a total return basis:

	<b>2024</b>	<b>2023</b>
E.F. Sparkes Trust (including cash)	107.7	106.2
COIF Charities Investment Fund	105.5	112.3
FTSE 100	108.8	97.1
RPI	103.5	104.2

The Fund investments have outperformed the COIF Investment Fund that is used as a bench mark and also has generated a higher return than the RIP (which is an indicator of the cost increases being incurred by the grant receiving organisations) . However, it has not outperformed the FTSE 100. The relatively poor performance of the Fund compared to the FTSE 100 is, in part, due to the high level invested in Fixed Interest (c 21% of the Fund) and the poor performance of this investment class in the year.

Overall the Trustees consider that 7.7% net gain (realised and unrealised) on the investment portfolio represents a satisfactory performance.

At 30<sup>th</sup> September 2025 the value of the Trust's investments totalled £1,313,340 compared to £1,244,933 at 31<sup>st</sup> December 2023

#### **Risk management**

The Trustees have considered the major strategic, business and operational risks that the charity faces. As a result of this examination the Trustees have identified poor investment performance as the major risk that could adversely impinge on the Fund. The Trustees confirm that processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen this and other risks. As part of their consideration of operation risks the Trustees have identified that risks arising from data protection failures represent a low level of risk as the charity only holds data on other charities rather than personal data of possible donees.

#### **Reserves policy**

The Trustees aim to maintain sufficient reserves to generate sufficient investment income, on a total return basis, to maintain the Trust's level of donations in real terms on an ongoing basis. In view of the potentially volatile nature of stock markets a prudent approach is taken with regard to unrealised gains on investments when assessing the amount of available investment income to be distributed as donations each year.

#### **Plans for the future**

The E.F. Sparkes Trust is a lasting testimony to the generosity and charitable concerns of the donors, the Sparkes Family. The core of the trustees' approach is to support other charities operating in the areas set out in the Trust's donation policy.

#### **Structure, governance and management**

The Trust is a registered charity, number 233085, and is constituted under a trust deed dated 19<sup>th</sup> November 1963. The Trust was established by an initial gift from Eric Frank and Doris May Sparkes to provide funds to enable grants to be made to charitable institutions and for charitable purposes at the absolute discretion of the Trustees.

The Trust does not actively fund raise and seeks to continue the charitable work desired by the donors through the careful stewardship of its existing resources.

Trustees are appointed by the existing Trustees and serve for an unspecified period. The induction process for any newly-appointed Trustee comprises a meeting with the existing Trustees at a pre-meeting separate in advance of the new Trustee's first attendance at a meeting of the Trustees.

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2024 (continued)**

#### **Structure, governance and management (continued)**

At this meeting the existing Trustees brief the new Trustee on investments, the grant making process, powers and responsibilities of the Trustees and provide a welcome pack. This welcome pack includes a brief history of the Trust, copy of the recent minutes of the meetings of the Trustees, a copy of the last three years' annual reports and accounts, a copy of the governing trust deeds and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know'.

#### **Conflicts of interest**

Trustees are required to disclose all relevant interests and register them with the other trustees and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with the organisations to which the Trust has given grants and, if there were such interests, these would be disclosed.

#### **Trustees remuneration.**

All of the trustees give their time freely and no trustee information was paid in the year. Details of transactions in the year between the Managing Trustees and the Charity are set out in Note 7 to these accounts

#### **Reference and administrative information**

The names of the Trustees throughout the year and at the date of this report along with other key information are set out on Page 1.

#### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Acts 2011 and 2022, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

J. M. DAVIES  
Trustee

J. C. P. Davies  
Trustee

24th October 2025

**THE ERIC F. SPARKES CHARITABLE TRUST FUND**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE**  
**E. F. SPARKES CHARITABLE TRUST FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

I report to the Trustees on my examination of the accounts of the E. F. Sparkes Charitable Trust (the Trust) for the year ended 31 December 2024, which are set out on pages 6 to 11.

**Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Acts 2011 and 2022 ('the Acts').

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 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 2011 Act

**Independent examiner's statement**

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:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

T. E. REYNOLDS FCA

23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

24th October 2025

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Statement of Financial Activities for the year ending 31 December 2024**

	Notes	2024 £	2023 £
<b>Income and endowments</b>			
Investment income	2	39,217	37,485
Interest receivable		839	1,177
Donations		1,163	450
<b>Total income</b>		<b><u>41,219</u></b>	<b><u>39,112</u></b>
<b>Expenditure</b>			
Costs of raising funds			
- Management and administration	3	16,138	15,522
		<u>16,138</u>	<u>15,522</u>
Expenditure on charitable activities			
- Grants payable	4	29,710	29,510
		<u>29,710</u>	<u>29,510</u>
<b>Total expenditure</b>		<b><u>45,848</u></b>	<b><u>45,032</u></b>
<b>Net income/(expenditure) before gains and losses on investments</b>		<b><u>(4,629)</u></b>	<b><u>(5,920)</u></b>
Net gains/(losses) on investments	5		
- Realised gains/(losses) on investments sold in year		5,038	6,497
- Unrealised gains/(losses) on year end revaluation		69,889	46,614
		<u>74,927</u>	<u>53,110</u>
<b>Net movement in fund</b>		<b><u>70,298</u></b>	<b><u>47,190</u></b>
Fund at 1st January brought forward		1,282,360	1,235,170
<b>Fund at 31st December carried forward</b>		<b><u>£1,352,658</u></b>	<b><u>£1,282,360</u></b>

The notes on pages 8 to 11 form part of these accounts

**THE ERIC F. SPARKES CHARITABLE TRUST**

<b><u>Balance Sheet as at</u></b>	<b><u>31 December 2024</u></b>		
	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Investments	5	<u>1,244,933</u>	<u>1,184,170</u>
<b>Current assets</b>			
Debtors: interest and taxation recoverable		1,343	641
Balances at banks		89,666	82,310
Balances with other financial institutions		22,087	21,094
<b>Total current assets</b>		<u>113,096</u>	<u>104,045</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year		(5,371)	(5,855)
<b>Total current assets less current liabilities</b>		<u>107,725</u>	<u>98,190</u>
<b>Net assets</b>		<u>£1,352,658</u>	<u>£1,282,360</u>
<b>Total charity funds</b>			
Unrestricted income and capital fund		<u>£1,352,658</u>	<u>£1,282,360</u>

JOHN M. DAVIES  
Trustee

JOSEPHINE C. P. DAVIES  
Trustee

Date:- 24th October 2025

The notes on pages 8 to 11 form part of these accounts

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **Notes to the accounts for the year ended 31 December 2024**

#### **1 Accounting policies**

##### **(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance 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) (effective 1 January 2019) and the Charities Acts 2011 and 2022.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### **(b) Funds structure**

The charity has a single unrestricted fund which the trustees are free to use for any purpose in furtherance of the charitable objectives.

##### **(c) Income recognition**

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

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised either once notification has been received of the dividend due or when the dividend is credited to the Trust's bank accounts.

##### **(d) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

##### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it is incurred.

## **THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2024**

### **(f) Costs of raising funds**

The costs of raising funds consist of the costs of managing the investment portfolio plus various administrative costs incurred in the operation of the Trust.

### **(g) Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

### **(h) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

<b>2 Investment income received</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Equities -UK	9,246	8,748
Equities - International	13,496	15,840
Property Funds	0	848
Alternative investments	5,940	4,296
Fixed Interest	9,537	6,736
Mixed investments	998	1,017
	<u>£39,217</u>	<u>£37,485</u>

  

<b>3 Management and administration</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Portfolio management fees	14,754	14,259
Independent examination fees	475	650
Administrative expenses	908	613
	<u>£16,138</u>	<u>£15,522</u>

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2024**

<b>4 Grants payable in the year</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
All Saints Youth Project	800	800
Bede	500	550
Birmingham Peoples Centre	350	350
Birmingham Settlement Aston	450	450
Braille Chess Association	500	500
Brecon Mountain Rescue	200	200
Calthorpe Community Garden	800	800
CASE	-	500
CF Dream Holidays	600	600
Children & Families in Grief	300	300
Children's Hospice South West	300	300
Children's Hospice Ty Hafan Cardiff	1,100	1,100
Children Today	200	200
Clothing solutions	500	500
Coram	1,850	1,850
Derby Toc H Children's Camp	2,200	2,200
Devon Air Ambulance Trust	450	450
Devon Safer Communities Trust	-	(550)
Eastside Community Trust/Felix Road Adventure Playground	550	550
Free Representation Unit (FRU)	600	600
Gifted Women	500	500
Go Beyond	1,000	1,000
Little Hicups	210	210
Llamau	500	500
Malakai Kids	2,000	2,000
Midland Sports Centre for the Disabled Trust Ltd	200	200
Narthex Sparkhill	1,100	1,100
New Horizon Youth Centre	500	500
Pecan	500	500
Regenerate	1,000	1,000
Refuge	3,000	3,000
Ronald McDonald Houses	300	300
Rowcroft Hospice	700	700
Royal National Lifeboats Institution	400	400
Sea Scouts - 6th Torbay	200	-
Seeing	1,100	1,100
Siblings Together	800	800
Stroke Association	200	200
Support Through Court/PSU	250	250
Swansea Samaritans	350	350
Tarka Child Contact Centre	550	550
The Lake District Search & Mountain Rescue Association	1,000	1,000
Time and Talents	550	550
YMCA South Devon	550	550
	<u>£ 29,710</u>	<u>£ 29,510</u>

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2024**

**5 Investments - at fair value**

	At 02-Jan-24 £	Purchases (at cost) £	Sales proceeds £	Gain/(loss) on sales in year £	Gain/ (Loss) on revaluation £	At 31-Dec-24 £
Equities -UK	245,118	0	(17,029)	997	11,879	240,965
Equities - International	557,754	54,436	(80,960)	4,681	64,760	600,671
Property Funds	5,426	0	0	0	0	5,426
Alternative investments	124,971	0	0	0	(5,072)	119,899
Fixed Interest	227,441	103,979	(66,590)	(513)	(1,537)	262,780
Mixed investments	23,460	0	(8,000)	(127)	(141)	15,192
<b>Total at fair value</b>	<b>£1,184,170</b>	<b>£158,415</b>	<b>£(172,579)</b>	<b>£5,038</b>	<b>£69,889</b>	<b>£1,244,933</b>
Year to 31 Dec 2023	£1,113,836	£190,461	£(173,237)	£6,497	£46,614	£1,184,170

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value)

**6 Analysis of assets between funds**

	General Fund £	Total funds 2024 £	2023 £
Capital investments	1,244,933	1,244,933	1,184,170
Net current assets	107,725	107,725	98,190
	<b>£1,352,658</b>	<b>£1,352,658</b>	<b>£1,282,360</b>

**7 Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2022 - £NIL). Expenses paid to the trustees in the year totalled £NIL (2022 - £NIL).

Additionally trustees incurred costs of £1,163 on behalf of the Trust (2023 - £450) which they have waived as a donation to the fund. This amount has been added to Donations and to the relevant expense headings.

**THE ERIC F SPARKES CHARITABLE TRUST**

England & Wales - Charity number 233085

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# Accounts

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**THE ERIC F. SPARKES CHARITABLE TRUST**

(Registered Charity - Registration Number:- 233085)

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31st DECEMBER 2023**

**Reference and Administrative Information**

**Trustees**

Mr J.M. Davies  
Miss J.C. P. Davies

**Charity Correspondent and Principal Address**

Miss J.C.P.Davies  
20 Essex Street  
LONDON WC2R 3AL

**Investment Advisors**

Charles Stanley & Co Ltd  
Broadwalk House  
Southernhay West  
EXETER EX1 1TS

**Bankers**

Barclays Bank plc

**Independent Examiner**

T. E. Reynolds FCA  
23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

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**THE ERIC F. SPARKES CHARITABLE TRUST**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2023**

The Trustees present their annual report along with the financial statements of the charity for the year ended 31st December 2023. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed, the Charities Acts 2011 and 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published January 2022.

**Objectives and activities for the public benefit**

The purposes of the Trust are to provide support to other charities to enable them to achieve their objectives by making donations to appropriate institutions. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and in setting the donation policy for the year.

The Trust furthers its charitable purposes for the public benefit through its donations to other charities.

**Donation policy**

The Trust has established its donation policy to achieve its objects for the public benefit. Donations are made primarily to charities that the Trust has supported annually for years and are focussed on the young favouring local rather than national charities. The Trustees consider national guidelines on equality and diversity when making donations

**A review of our activities: How our donations have delivered public benefit**

The charitable organisations to which donations were made are detailed in Note 4 to the accounts.

**Financial review**

The Trust's work is entirely reliant on income and investment returns from its endowments. The permanent endowment (the E. F. Sparkes bequest) is invested on a total return basis.

The Fund shown significant growth in the year and has outperformed the FTSE 100 but not one of the COIF Investment Fund that is used as a bench mark. The high level of non-UK equities held by the Fund is a contributor to this improved performance compared to the FTSE 100 in this and previous years. The Trustees consider that 4.3% net gain (realised and unrealised) on the investment portfolio represents a satisfactory performance.

Grants made during the year totalled £30,060 (2022 - £28,560). Whilst the level of investment income generated by the Fund (net of costs) is not sufficient to cover the level of donations the Trustees are of the view that this deficit of £5,920 is acceptable as it is more than covered by the increase in the value of the Fund during the year and the importance to the grant recipients of the grants made by the Trust.

At 30<sup>th</sup> September 2024 the value of the Trust's investments totalled £1,256,226 compared to £1,184,170 at 31<sup>st</sup> December 2023

**Investment policy and performance**

The Trust operates a total return approach to the investment of the permanent endowment.

When determining the level of funds available for donations the trustees have considered the amount of income required to maintain the current level of charitable activity and the likely needs of future beneficiaries. Additionally, when reaching on the level of available funds the trustees have taken professional advice from their investment advisers regarding the market outlook, investment trends and yield and the prospect for future capital growth.

Our investment advisors (Charles Stanley) are instructed to invest to maximise the total return on the investment portfolio.

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2023 (continued)**

#### **Investment policy and performance (continued)**

The high levels of stock market volatility, the continuing uncertainty regarding world economic prospects and the stability of certain banks continues to make the management of investments difficult. The charity is a long-term investor and the trustees, on professional advice, continue to hold a mixed portfolio of equities, bonds, cash and other investments designed to provide a level of stable income and the possibility of investment gains.

Details of the investment performance of the fund compared to previous years and other indices is set out below and is rebased to 100 at 1<sup>st</sup> January in the relevant year and calculated on a total return basis:

	<b>2023</b>	<b>2022</b>
E.F.Sparkes Trust (including cash)	106.2	91.7
COIF Charities Investment Fund	112.3	89.5
FTSE 100	97.1	97.0
RPI	104.2	113.4

The Fund has out performed the FTSE 100 for the year. This is a reflection that c 50% of the Fund is invested in non-UK equities.

#### **Risk management**

The Trustees have considered the major strategic, business and operational risks that the charity faces. As a result of this examination the Trustees have identified poor investment performance as the major risk that could adversely impinge on the Fund. The Trustees confirm that processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen this and other risks. As part of their consideration of operation risks the Trustees have identified that risks arising from data protection failures represent a low level of risk as the charity only holds data on other charities rather than personal data of possible donees.

#### **Reserves policy**

The Trustees aim to maintain sufficient reserves to generate sufficient investment income, on a total return basis, to maintain the Trust's level of donations in real terms on an ongoing basis. In view of the potentially volatile nature of stock markets a prudent approach is taken with regard to unrealised gains on investments when assessing the amount of available investment income to be distributed as donations each year.

#### **Plans for the future**

The E.F. Sparkes Trust is a lasting testimony to the generosity and charitable concerns of the donors, the Sparkes Family. The core of the trustees' approach is to support other charities operating in the areas set out in the Trust's donation policy.

#### **Structure, governance and management**

The Trust is a registered charity, number 233085, and is constituted under a trust deed dated 19<sup>th</sup> November 1963. The Trust was established by an initial gift from Eric Frank and Doris May Sparkes to provide funds to enable grants to be made to charitable institutions and for charitable purposes at the absolute discretion of the Trustees.

The Trust does not actively fund raise and seeks to continue the charitable work desired by the donors through the careful stewardship of its existing resources.

Trustees are appointed by the existing Trustees and serve for an unspecified period. The induction process for any newly-appointed Trustee comprises a meeting with the existing Trustees at a pre-meeting separate in advance of the new Trustee's first attendance at a meeting of the Trustees.

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2023 (continued)**

#### **Structure, governance and management (continued)**

At this meeting the existing Trustees brief the new Trustee on investments, the grant making process, powers and responsibilities of the Trustees and provide a welcome pack. This welcome pack includes a brief history of the Trust, copy of the recent minutes of the meetings of the Trustees, a copy of the last three years' annual reports and accounts, a copy of the governing trust deeds and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know'.

#### **Conflicts of interest**

Trustees are required to disclose all relevant interests and register them with the other trustees and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with the organisations to which the Trust has given grants and, if there were such interests, these would be disclosed.

#### **Trustees remuneration.**

All of the trustees give their time freely and no trustee information was paid in the year. Details of transactions in the year between the Managing Trustees and the Charity are set out in Note 7 to these accounts

#### **Reference and administrative information**

The names of the Trustees throughout the year and at the date of this report along with other key information are set out on Page 1.

#### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Acts 2011 and 2022, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

J. M. DAVIES  
Trustee

J. C. P. DAVIES  
Trustee

25th October 2024

**THE ERIC F. SPARKES CHARITABLE TRUST FUND**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE**  
**E. F. SPARKES CHARITABLE TRUST FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2023**

I report to the Trustees on my examination of the accounts of the E. F. Sparkes Charitable Trust (the Trust) for the year ended 31 December 2023, which are set out on pages 6 to 11.

**Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Acts 2011 and 2022 ('the Acts').

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 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 2011 Act

**Independent examiner's statement**

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:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

T E. REYNOLDS FCA

23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

25th October 2024

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Statement of Financial Activities for the year ending 31 December 2023**

	Notes	2023 £	2022 £
<b>Income and endowments</b>			
Investment income	2	37,485	36,810
Interest receivable		1,177	30
Donations		450	675
<b>Total income</b>		<b><u>39,113</u></b>	<b><u>37,514</u></b>
<b>Expenditure</b>			
Costs of raising funds			
- Management and administration	3	15,522	15,701
		<u>15,522</u>	<u>15,701</u>
Expenditure on charitable activities			
- Grants payable	4	29,510	28,560
		<u>29,510</u>	<u>28,560</u>
<b>Total expenditure</b>		<b><u>45,032</u></b>	<b><u>44,261</u></b>
<b>Net income/(expenditure) before gains and losses on investments</b>		<b><u>(5,920)</u></b>	<b><u>(6,747)</u></b>
Net gains/(losses) on investments	5		
- Realised gains/(losses) on investments sold in year		6,497	(2,993)
- Unrealised gains/(losses) on year end revaluation		46,614	(132,983)
		<u>53,110</u>	<u>(135,976)</u>
<b>Net movement in fund</b>		<b><u>47,190</u></b>	<b><u>(142,723)</u></b>
Fund at 1st January brought forward		1,235,170	1,377,893
<b>Fund at 31st December carried forward</b>		<b><u>£1,282,360</u></b>	<b><u>£1,235,170</u></b>

The notes on pages 8 to 11 form part of these accounts

**THE ERIC F. SPARKES CHARITABLE TRUST**

<b>Balance Sheet as at</b>	<b>31 December 2023</b>		
	<b>Notes</b>	<b>2023 £</b>	<b>2022 £</b>
<b>Fixed assets</b>			
Investments	5	<u>1,184,170</u>	<u>1,113,836</u>
<b>Current assets</b>			
Debtors: interest and taxation recoverable		641	12
Balances at banks		82,310	74,156
Balances with other financial institutions		21,094	52,221
<b>Total current assets</b>		<u>104,045</u>	<u>126,389</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year		(5,854)	(5,055)
<b>Total current assets less current liabilities</b>		<u>98,190</u>	<u>121,334</u>
<b>Net assets</b>		<u>£1,282,360</u>	<u>£1,235,170</u>
<b>Total charity funds</b>			
Unrestricted income and capital fund		<u>£1,282,360</u>	<u>£1,235,170</u>

JOHN M. DAVIES  
Trustee

JOSEPHINE C. P. DAVIES  
Trustee

Date:- 25th October 2024

The notes on pages 8 to 11 form part of these accounts

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **Notes to the accounts for the year ended 31 December 2023**

#### **1 Accounting policies**

##### **(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance 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) (effective 1 January 2019) and the Charities Acts 2011 and 2022.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### **(b) Funds structure**

The charity has a single unrestricted fund which the trustees are free to use for any purpose in furtherance of the charitable objectives.

##### **(c) Income recognition**

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

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised either once notification has been received of the dividend due or when the dividend is credited to the Trust's bank accounts.

##### **(d) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

##### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it is incurred.

## **THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2023**

### **(f) Costs of raising funds**

The costs of raising funds consist of the costs of managing the investment portfolio plus various administrative costs incurred in the operation of the Trust.

### **(g) Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

### **(h) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

<b>2 Investment income received</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Equities -UK	8,748	10,019
Equities - International	15,840	14,684
Property Funds	848	1,117
Alternative investments	4,296	3,655
Fixed Interest	6,736	6,106
Mixed investments	1,017	1,229
	<u>£37,485</u>	<u>£36,810</u>
<b>3 Management and administration</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Portfolio management fees	14,259	14,475
Accountancy fees	650	525
Administrative expenses	613	701
	<u>£15,522</u>	<u>£15,701</u>

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2023**

<b>4 Grants payable in the year</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
All Saints Youth Project	800	800
Bede	550	550
Birmingham Peoples Centre	350	350
Birmingham Settlement Aston	450	450
Braille Chess Association	500	500
Brecon Mountain Rescue	200	200
Calthorpe Community Garden	800	-
CASE	500	500
Children & Families in Grief	300	300
Children's Hospice South West	300	300
Children's Hospice Ty Hafan Cardiff	1,100	1,100
Children Today	200	200
Clothing solutions	500	500
Coram	1,850	1,850
Derby Toc H Children's Camp	2,200	2,200
Devon Air Ambulance Trust	450	450
Devon Safer Communities Trust	(550)	-
Dream Holidays	600	600
Eastside Community Trust/Felix Road Adventure Playground	550	550
Free Representation Unit (FRU)	600	-
Gifted Women	500	-
Go Beyond	1,000	1,000
Grove Adventure Playground	-	800
Home Start Torridge & North Devon	-	1,100
Little Hicups	210	210
Llamau	500	500
Malakai Kids	2,000	2,000
Midland Sports Centre for the Disabled Trust Ltd	200	200
Narthex Sparkhill	1,100	1,100
New Horizon Youth Centre	500	500
Pecan	500	500
Regenerate	1,000	1,000
Refuge	3,000	-
Ronald McDonald Houses	300	300
Rowcroft Hospice	700	700
Royal National Lifeboats Institution	400	400
Seeing	1,100	1,100
Senghenydd Youth Drop in Centre	-	1,000
Siblings Together	800	800
Stroke Association	200	200
Support Through Court/PSU	250	250
Swansea Samaritans	350	350
Tarka Child Contact Centre	550	550
The Migraine Trust	-	500
The Lake District Search & Mountain Rescure Association	1,000	1,000
Time and Talents	550	550
YMCA South Devon	550	550
	<u>£ 29,510</u>	<u>£ 28,560</u>

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2023**

**5 Investments - at fair value**

	<b>At 01-Jan-23 £</b>	<b>Purchases (at cost) £</b>	<b>Sales proceeds £</b>	<b>Gain/(loss) on sales in year £</b>	<b>Gain/ (Loss) on revaluation £</b>	<b>At 31-Dec-23 £</b>
Equities -UK	274,063	0	(45,038)	1,366	14,728	245,118
Equities - International	516,439	105,462	(95,400)	2,694	28,558	557,754
Property Funds	27,263	0	(19,793)	(2,043)	0	5,426
Alternative investments	108,466	17,000	0	0	(495)	124,971
Fixed Interest	164,477	67,999	(13,006)	4,480	3,492	227,441
Mixed investments	23,129	0	0	0	331	23,460
<b>Total at fair value</b>	<b>£1,113,836</b>	<b>£190,461</b>	<b>£(173,237)</b>	<b>£6,497</b>	<b>£46,614</b>	<b>£1,184,170</b>
Year to 31 Dec 2020	<u>£1,289,724</u>	<u>£103,436</u>	<u>£(143,348)</u>	<u>£(2,993)</u>	<u>£(132,983)</u>	<u>£1,113,836</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value)

**6 Analysis of assets between funds**

	<b>General Fund £</b>	<b>Total funds 2023 £</b>	<b>2022 £</b>
Capital investments	1,184,170	1,184,170	1,113,836
Net current assets	98,190	98,190	121,334
	<u>£1,282,360</u>	<u>£1,282,360</u>	<u>£1,235,170</u>

**7 Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2022 - £NIL). Expenses paid to the trustees in the year totalled £NIL (2022 - £NIL).

Additionally trustees incurred costs of £450 on behalf of the Trust (2022 - £675) which they have waived as a donation to the fund. This amount has been added to Donations and to the relevant expense headings.

**THE ERIC F SPARKES CHARITABLE TRUST**

England & Wales - Charity number 233085

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# Accounts

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**THE ERIC F. SPARKES CHARITABLE TRUST**

(Registered Charity - Registration Number:- 233085)

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31st DECEMBER 2022**

**Reference and Administrative Information**

**Trustees**

Mr J.M. Davies  
Miss J.C. P. Davies

**Charity Correspondent and Principal Address**

Miss J.C.P.Davies  
20 Essex Street  
LONDON WC2R 3AL

**Investment Advisors**

Charles Stanley & Co Ltd  
Broadwalk House  
Southernhay West  
EXETER EX1 1TS

**Bankers**

Barclays Bank plc

**Independent Examiner**

T. E. Reynolds FCA  
23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

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5	Independent Examiner's Report
6	Statement of Financial Activities
7	Balance Sheet
8	Cash flow
9	Notes to the accounts

**THE ERIC F. SPARKES CHARITABLE TRUST**  
**REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2022**

The Trustees present their annual report along with the financial statements of the charity for the year ended 31st December 2022. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed, the Charities Acts 2011 and 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published January 2022.

**Objectives and activities for the public benefit**

The purposes of the Trust are to provide support to other charities to enable them to achieve their objectives by making donations to appropriate institutions. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and in setting the donation policy for the year.

The Trust furthers its charitable purposes for the public benefit through its donations to other charities.

**Donation policy**

The Trust has established its donation policy to achieve its objects for the public benefit. Donations are made primarily to charities that the Trust has supported annually for years and are focussed on the young favouring local rather than national charities. The Trustees consider national guidelines on equality and diversity when making donations

**A review of our activities: How our donations have delivered public benefit**

The charitable organisations to which donations were made are detailed in Note 4 to the accounts.

**Financial review**

The Trust's work is entirely reliant on income and investment returns from its endowments. The permanent endowment (the E. F. Sparkes bequest) is invested on a total return basis.

The combination of high inflation, rising interest rates, the turmoil in the markets generated by the October "mini-budget" and the war in Ukraine has meant that 2022 has been a difficult year for investors generally. In spite of these factors, whilst the Fund has underperformed the FTSE 100 index, it has out performed the two investment trust indices used as performance comparators (COIF Charities Investment Fund and the relevant AIC sector averages). As was to be expected under the circumstances the Fund performance was not able to match the RPI increase in the year.

Grants made during the year totalled £32,960 (2022 - £29,350). The increase in the level of investment income available to the Trust has enabled the Trustees to increase the level of grants. This has resulted in a deficit of income compared to expenditure which has not, as in previous years, been offset by gains on the value of the investment portfolio. The Trustees are of the view that this deficit is acceptable in view of what is considered to be a temporary situation and the importance to the grant recipients in the grants made by the Trust.

At 5<sup>th</sup> October 2023 the value of the Trust's investments totalled £1,166,772 compared to £1,113,836 at 31<sup>st</sup> December 2022

**Investment policy and performance**

The Trust operates a total return approach to the investment of the permanent endowment.

When determining the level of funds available for donations the trustees have considered the amount of income required to maintain the current level of charitable activity and the likely needs of future beneficiaries. Additionally, when reaching on the level of available funds the trustees have taken professional advice from their investment advisers regarding the market outlook, investment trends and yield and the prospect for future capital growth.

Our investment advisors (Charles Stanley) are instructed to invest to maximise the total return on the investment portfolio.

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2022 (continued)**

#### **Investment policy and performance (continued)**

The high levels of stock market volatility, the continuing uncertainty regarding world economic prospects and the stability of certain banks continues to make the management of investments difficult. The charity is a long-term investor and the trustees, on professional advice, continue to hold a mixed portfolio of equities, bonds, cash and other investments designed to provide a level of stable income and the possibility of investment gains.

Details of the investment performance of the fund compared to previous years and other indices is set out below and is rebased to 100 at 1<sup>st</sup> January in the relevant year and calculated on a total return basis:

	<b>2022</b>	<b>2021</b>
E.F.Sparkes Trust (including cash)	91.7	109.4
COIF Charities Investment Fund	89.5	117.2
AIC Sector Equity Income NAV	84.6	116.5
FTSE 100	97.0	118.9
RPI	113.4	104.0

The performance of the Fund reflects the overall decline in markets over the year and has shown better performance than similar mixed funds.

#### **Risk management**

The Trustees have considered the major strategic, business and operational risks that the charity faces. As a result of this examination the Trustees have identified poor investment performance as the major risk that could adversely impinge on the Fund. The Trustees confirm that processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen this and other risks. As part of their consideration of operation risks the Trustees have identified that risks arising from data protection failures represent a low level of risk as the charity only holds data on other charities rather than personal data of possible donees.

#### **Reserves policy**

The Trustees aim to maintain sufficient reserves to generate sufficient investment income, on a total return basis, to maintain the Trust's level of donations in real terms on an ongoing basis. In view of the potentially volatile nature of stock markets a prudent approach is taken with regard to unrealised gains on investments when assessing the amount of available investment income to be distributed as donations each year.

#### **Plans for the future**

The E.F. Sparkes Trust is a lasting testimony to the generosity and charitable concerns of the donors, the Sparkes Family. The core of the trustees' approach is to support other charities operating in the areas set out in the Trust's donation policy.

#### **Structure, governance and management**

The Trust is a registered charity, number 233085, and is constituted under a trust deed dated 19<sup>th</sup> November 1963. The Trust was established by an initial gift from Eric Frank and Doris May Sparkes to provide funds to enable grants to be made to charitable institutions and for charitable purposes at the absolute discretion of the Trustees.

The Trust does not actively fund raise and seeks to continue the charitable work desired by the donors through the careful stewardship of its existing resources.

Trustees are appointed by the existing Trustees and serve for an unspecified period. The induction process for any newly-appointed Trustee comprises a meeting with the existing Trustees at a pre-meeting separate in advance of the new Trustee's first attendance at a meeting of the Trustees.

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2022 (continued)**

#### **Structure, governance and management (continued)**

At this meeting the existing Trustees brief the new Trustee on investments, the grant making process, powers and responsibilities of the Trustees and provide a welcome pack. This welcome pack includes a brief history of the Trust, copy of the recent minutes of the meetings of the Trustees, a copy of the last three years' annual reports and accounts, a copy of the governing trust deeds and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know'.

#### **Conflicts of interest**

Trustees are required to disclose all relevant interests and register them with the other trustees and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with the organisations to which the Trust has given grants and, if there were such interests, these would be disclosed.

#### **Trustees remuneration.**

All of the trustees give their time freely and no trustee information was paid in the year. Details of transactions in the year between the Managing Trustees and the Charity are set out in Note 7 to these accounts

#### **Reference and administrative information**

The names of the Trustees throughout the year and at the date of this report along with other key information are set out on Page 1.

#### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Acts 2011 and 2022, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

J. M. DAVIES  
Trustee

J. C. P. DAVIES  
Trustee

31<sup>st</sup> October 2023

**THE ERIC F. SPARKES CHARITABLE TRUST FUND**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE**  
**E. F. SPARKES CHARITABLE TRUST FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

I report to the Trustees on my examination of the accounts of the E. F. Sparkes Charitable Trust (the Trust) for the year ended 31 December 2022, which are set out on pages 6 to 12.

**Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Acts 2011 and 2022 ('the Acts').

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 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 2011 Act

**Independent examiner's statement**

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:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

T E. REYNOLDS FCA

23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

31st October 2023

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Statement of Financial Activities for the year ending 31 December 2022**

	Notes	2022 £	2021 £
<b>Income and endowments</b>			
Investment income	2	36,810	34,901
Interest receivable		30	-
Donations		675	584
<b>Total income</b>		<b><u>37,515</u></b>	<b><u>35,485</u></b>
<b>Expenditure</b>			
Costs of raising funds			
- Management and administration	3	15,701	16,117
		<u>15,701</u>	<u>16,117</u>
Expenditure on charitable activities			
- Grants payable	4	28,560	29,350
		<u>28,560</u>	<u>29,350</u>
<b>Total expenditure</b>		<b><u>44,261</u></b>	<b><u>45,467</u></b>
<b>Net income/(expenditure) before gains and losses on investments</b>		<b><u>(6,747)</u></b>	<b><u>(9,982)</u></b>
Net gains/(losses) on investments	5		
- Realised gains/(losses) on investments sold in year		(2,993)	7,872
- Unrealised gains/(losses) on year end revaluation		(132,983)	93,429
		<u>(135,976)</u>	<u>101,301</u>
<b>Net movement in fund</b>		<b><u>(142,723)</u></b>	<b><u>91,319</u></b>
Fund at 1st January brought forward		1,377,893	1,286,574
<b>Fund at 31st December carried forward</b>		<b><u>£1,235,170</u></b>	<b><u>£1,377,893</u></b>

The notes on pages 9 to 12 form part of these accounts

**THE ERIC F. SPARKES CHARITABLE TRUST**

<b><u>Balance Sheet as at</u></b>	<b><u>31 December 2022</u></b>		
	<b>Notes</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Fixed assets</b>			
Investments	5	<u>1,113,836</u>	<u>1,289,724</u>
<b>Current assets</b>			
Debtors: interest and taxation recoverable		12	38
Balances at banks		74,156	65,176
Balances with other financial institutions		52,221	27,671
<b>Total current assets</b>		<u>126,389</u>	<u>92,885</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year		(5,055)	(4,716)
<b>Total current assets less current liabilities</b>		<u>121,334</u>	<u>88,169</u>
<b>Net assets</b>		<u>£1,235,170</u>	<u>£1,377,893</u>
<b>Total charity funds</b>			
Unrestricted income and capital fund		<u>£1,235,170</u>	<u>£1,377,893</u>

JOHN M. DAVIES  
Trustee

JOSEPHINE C. P. DAVIES  
Trustee

Date:- 31st October 2023

The notes on pages 9 to 12 form part of these accounts

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Statement of Cash Flows for the year ending 31 December 2022**

	Notes	2022 £	2021 £
<b>Net movement in fund</b>		(142,723)	91,319
Deduct investment income received	2	(36,810)	(34,901)
Deduct interest received		(30)	-
Deduct gains/add back losses on investments	5	135,976	(101,301)
Decrease/(increase) in debtors		26	0
Increase/(decrease) in creditors		339	192
<b>Net cash used in operating activities</b>		<u>(43,221)</u>	<u>(44,691)</u>
<b>Cash flows from investing activities</b>			
- Dividends and interest	2	36,840	34,901
- Purchases of investments	5	(103,436)	(247,475)
- Sales of investments	5	143,347	246,022
<b>Net cash provided by investing activities</b>		<u>76,751</u>	<u>33,448</u>
<b>Change in cash and cash equivalents for the year</b>		<u>33,530</u>	<u>(11,243)</u>
Cash and cash equivalents brought forward		92,847	104,090
<b>Cash and cash equivalents carried forward</b>		<u><b>£126,377</b></u>	<u><b>£92,847</b></u>
<b>Cash and cash equivalents comprises balances at:-</b>			
Balances at banks			
- Barclays Bank plc		74,156	65,176
		<u>74,156</u>	<u>65,176</u>
Balances at other financial institutions			
- Charles Stanley		52,221	27,671
		<u>52,221</u>	<u>27,671</u>
		<u><b>£126,377</b></u>	<u><b>£92,847</b></u>

The notes on pages 9 to 12 form part of these accounts

## **THE ERIC F. SPARKES CHARITABLE TRUST**

### **Notes to the accounts for the year ended 31 December 2022**

#### **1 Accounting policies**

##### **(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance 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) (effective 1 January 2019) and the Charities Acts 2011 and 2022.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### **(b) Funds structure**

The charity has a single unrestricted fund which the trustees are free to use for any purpose in furtherance of the charitable objectives.

##### **(c) Income recognition**

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

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised either once notification has been received of the dividend due or when the dividend is credited to the Trust's bank accounts.

##### **(d) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

##### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it is incurred.

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2022**

**(f) Costs of raising funds**

The costs of raising funds consist of the costs of managing the investment portfolio plus various administrative costs incurred in the operation of the Trust.

**(g) Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**(h) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

<b>2 Investment income received</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Equities -UK	10,019	12,005
Equities - International	14,684	13,199
Property Funds	1,117	552
Alternative investments	3,655	3,242
Fixed Interest	6,106	4,608
Mixed investments	1,229	1,295
	<u>£36,810</u>	<u>£34,901</u>
<b>3 Management and administration</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Portfolio management fees	14,475	14,559
Accountancy fees	525	550
Administrative expenses	701	1,008
	<u>£15,701</u>	<u>£16,117</u>

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2022**

<b>4 Grants payable in the year</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
All Saints Youth Project	800	750
Bede	550	500
Birmingham Fellowship of the Handicapped	-	300
Birmingham Peoples Centre	350	300
Birmingham Settlement Aston	450	400
Braille Chess Association	500	-
Brecon Mountain Rescue	200	-
Calthorpe Community Garden	-	750
CASE	500	500
Children & Families in Grief	300	250
Children's Hospice South West	300	250
Children's Hospice Ty Hafan Cardiff	1,100	1,000
Children Today	200	150
Clothing solutions	500	-
Coram	1,850	1,750
Derby Toc H Children's Camp	2,200	2,000
Devon Air Ambulance Trust	450	400
Devon Safer Communities Trust	-	550
Dream Holidays	600	500
Elim Pentacostal Church	-	250
Exe Access	-	500
Eastside Community Trust/Felix Road Adventure Playground	550	500
Free Representation Unit (FRU)	-	500
Go Beyond	1,000	-
Grove Adventure Playground	800	750
Home Start Torridge & North Devon	1,100	1,000
Lake District Search and Mountain Rescue Organisation	1,000	-
Little Hicups	210	-
Llamau	500	500
Malakai Kids	2,000	2,500
Midland Sports Centre for the Disabled Trust Ltd	200	200
Narthex Sparkhill	1,100	1,000
New Horizon Youth Centre	500	-
Pecan	500	-
Regenerate	1,000	-
Refuge	-	3,000
Ronald McDonald Houses	300	250
Rowcroft Hospice	700	650
Royal National Lifeboats Institution	400	400
Seeing	1,100	1,000
Senghenydd Youth Drop in Centre	1,000	-
Siblings Together	800	750
Stroke Association	200	200
Support Through Court/PSU	250	250
Swansea Samaritans	350	300
Tarka Child Contact Centre	550	500
The Migraine Trust	500	500
Time and Talents	550	500
Torquay Museum	-	2,000
Volunteering Matters	-	500
YMCA South Devon	550	500
	<b>£ 28,560</b>	<b>£ 29,350</b>

**THE ERIC F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2022**

**5 Investments - at fair value**

	<b>At 01-Jan-22 £</b>	<b>Purchases (at cost) £</b>	<b>Sales proceeds £</b>	<b>Gain/(loss) on sales in year £</b>	<b>Gain/ (Loss) on revaluation £</b>	<b>At 31-Dec-22 £</b>
Equities -UK	341,830	7,499	(43,519)	(3,735)	(28,013)	274,062
Equities - International	583,495	46,433	(62,659)	(9,596)	(41,233)	516,440
Property Funds	40,853	2,498	0	0	(16,089)	27,262
Alternative investments	97,101	15,000	0	0	(3,635)	108,466
Fixed Interest	192,022	32,006	(29,170)	11,343	(41,724)	164,477
Mixed investments	34,423	0	(8,000)	(1,005)	(2,289)	23,129
<b>Total at fair value</b>	<b>£1,289,724</b>	<b>£103,436</b>	<b>£(143,348)</b>	<b>£(2,993)</b>	<b>£(132,983)</b>	<b>£1,113,836</b>
Year to 31 Dec 2020	<u>£1,186,969</u>	<u>£247,475</u>	<u>£(246,022)</u>	<u>£7,872</u>	<u>£93,430</u>	<u>£1,289,724</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value)

**6 Analysis of assets between funds**

	<b>General Fund £</b>	<b>Total funds 2022 £</b>	<b>2021 £</b>
Capital investments	1,113,836	1,113,836	1,289,724
Net current assets	121,334	121,334	88,169
	<u>£1,235,170</u>	<u>£1,235,170</u>	<u>£1,377,893</u>

**7 Related party transactions and trustees' expenses and remuneration**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2021 - £NIL). Expenses paid to the trustees in the year totalled £NIL (2021 - £NIL).

Additionally trustees incurred costs of £675 on behalf of the Trust (2021 - £585) which they have waived as a donation to the fund. This amount has been added to Donations and to the relevant expense headings.

**THE ERIC F SPARKES CHARITABLE TRUST**

England & Wales - Charity number 233085

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# Accounts

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**E. F. SPARKES CHARITABLE TRUST**

(Registered Charity - Registration Number:- 233085)

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31st DECEMBER 2021**

**Reference and Administrative Information**

**Trustees**

Mr J.M. Davies  
Miss J.C. P. Davies

**Charity Correspondent and Principal Address**

Miss J.C.P.Davies  
20 Essex Street  
LONDON WC2R 3AL

**Investment Advisors**

Charles Stanley & Co Ltd  
Broadwalk House  
Southernhay West  
EXETER EX1 1TS

**Bankers**

Barclays Bank plc

**Independent Examiner**

T. E. Reynolds FCA  
23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

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6	Statement of Financial Activities
7	Balance Sheet
8	Cash flow
9	Notes to the accounts

## **E. F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2021**

The Trustees present their annual report along with the financial statements of the charity for the year ended 31st December 2021. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed, the Charities Acts 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 2<sup>nd</sup> October 2019

#### **Objectives and activities for the public benefit**

The purposes of the Trust are to provide support to other charities to enable them to achieve their objectives by making donations to appropriate institutions. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and in setting the donation policy for the year.

The Trust furthers its charitable purposes for the public benefit through its donations to other charities.

#### **Donation policy**

The Trust has established its donation policy to achieve its objects for the public benefit. Donations are made primarily to charities that the Trust has supported annually for years and are focussed on the young favouring local rather than national charities. The Trustees consider national guidelines on equality and diversity when making donations

#### **A review of our activities: How our donations have delivered public benefit**

The charitable organisations to which donations were made are detailed in Note 4 to the accounts.

#### **Financial review**

The Trust's work is entirely reliant on income and investment returns from its endowments. The permanent endowment (the E. F. Sparkes bequest) is invested on a total return basis.

During 2021 there was a recovery in stock markets as the impact of Covid receded. This recover has been reflected in the increase in the value of the Fund over the year. During the year the investment advisors changed their basis of charging which meant that dealing fees were charged separately rather than forming part of the investment purchase/sale transaction. This has resulted in an increase in the portfolio management fees which has been offset by an increase in the realised and unrealised gain/loss on investments.

Grants made during the year totalled £29,350 (2020 - £29,850). In spite of the lower level of investment income available to the Trust the Trustees have broadly maintained the previous level of grants even though this has resulted in a small deficit of income compared to expenditure. The Trustees are of the view that this small deficit is acceptable in view of what is considered to be a temporary situation and the importance to the grant recipients in the grants made by the Trust.

The war in Ukraine and other recent events has resulted in a reduction in stock markets globally. At 18<sup>th</sup> October 2022 the value of the Trust's investments totalled £1,1,107,911 compared to £1,289,724 at 31<sup>st</sup> December 2021.

#### **Investment policy and performance**

The Trust operates a total return approach to the investment of the permanent endowment.

When determining the level of funds available for donations the trustees have considered the amount of income required to maintain the current level of charitable activity and the likely needs of future beneficiaries. Additionally, when reaching on the level of available funds the trustees have taken professional advice from their investment advisers regarding the market outlook, investment trends and yield and the prospect for future capital growth.

Our investment advisors (Charles Stanley) are instructed to invest to maximise the total return on the investment portfolio.

## **E. F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2021 (continued)**

#### **Investment policy and performance (continued)**

The high levels of stock market volatility, the continuing uncertainty regarding world economic prospects and the stability of certain banks continues to make the management of investments difficult. The charity is a long-term investor and the trustees, on professional advice, continue to hold a mixed portfolio of equities, bonds, cash and other investments designed to provide a level of stable income and the possibility of investment gains.

Details of the investment performance of the fund compared to previous years and other indices is set out below and is rebased to 100 at 1<sup>st</sup> January in the relevant year and calculated on a total return basis:

	<b>2021</b>	<b>2020</b>
E.F.Sparkes Trust (including cash)	109.4	98.4
COIF Charities Investment Fund	117.2	109.8
AIC Sector Equity Income NAV	116.5	91.2
FTSE 100	118.9	85.7
RPI	104.0	101.5

The performance of the Fund has improved in the year as a consequence of the overall improvement in global stock markets that has taken place. Whilst the Fund has not performed as well as other comparative indices it has performed better than the RPI.

#### **Risk management**

The Trustees have considered the major strategic, business and operational risks that the charity faces. As a result of this examination the Trustees have identified poor investment performance as the major risk that could adversely impinge on the Fund. The Trustees confirm that processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen this and other risks. As part of their consideration of operation risks the Trustees have identified that risks arising from data protection failures represent a low level of risk as the charity only holds data on other charities rather than personal data of possible donees.

#### **Reserves policy**

The Trustees aim to maintain sufficient reserves to generate sufficient investment income, on a total return basis, to maintain the Trust's level of donations in real terms on an ongoing basis. In view of the potentially volatile nature of stock markets a prudent approach is taken with regard to unrealised gains on investments when assessing the amount of available investment income to be distributed as donations each year.

#### **Plans for the future**

The E.F. Sparkes Trust is a lasting testimony to the generosity and charitable concerns of the donors, the Sparkes Family. The core of the trustees' approach is to support other charities operating in the areas set out in the Trust's donation policy.

#### **Structure, governance and management**

The Trust is a registered charity, number 233085, and is constituted under a trust deed dated 19<sup>th</sup> November 1963. The Trust was established by an initial gift from Eric Frank and Doris May Sparkes to provide funds to enable grants to be made to charitable institutions and for charitable purposes at the absolute discretion of the Trustees.

The Trust does not actively fund raise and seeks to continue the charitable work desired by the donors through the careful stewardship of its existing resources.

Trustees are appointed by the existing Trustees and serve for an unspecified period. The induction process for any newly-appointed Trustee comprises a meeting with the existing Trustees at a pre-meeting separate in advance of the new Trustee's first attendance at a meeting of the Trustees.

At this meeting the existing Trustees brief the new Trustee on investments, the grant making process, powers and responsibilities of the Trustees and provide a welcome pack. This welcome

## **E. F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2021 (continued)**

#### **Structure, governance and management (continued)**

pack includes a brief history of the Trust, copy of the recent minutes of the meetings of the Trustees, a copy of the last three years' annual reports and accounts, a copy of the governing trust deeds and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know'.

#### **Conflicts of interest**

Trustees are required to disclose all relevant interests and register them with the other trustees and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with the organisations to which the Trust has given grants and, if there were such interests, these would be disclosed.

#### **Trustees remuneration.**

All of the trustees give their time freely and no trustee information was paid in the year. Details of transactions in the year between the Managing Trustees and the Charity are set out in Note 7 to these accounts

#### **Reference and administrative information**

The names of the Trustees throughout the year and at the date of this report along with other key information are set out on Page 1.

#### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

J. M. DAVIES  
Trustee

J. C. P. DAVIES  
Trustee

28th October 2022

**E. F. SPARKES CHARITABLE TRUST FUND**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE**  
**E. F. SPARKES CHARITABLE TRUST FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

I report to the Trustees on my examination of the accounts of the E. F. Sparkes Charitable Trust (the Trust) for the year ended 31 December 2021, which are set out on pages 6 to 12.

**Responsibilities and basis of report**

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

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 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 2011 Act

**Independent examiner's statement**

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:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

T E. REYNOLDS FCA

23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

28<sup>th</sup> October 2022

**E. F. SPARKES CHARITABLE TRUST**

**Statement of Financial Activities for the year ending 31 December 2021**

	Notes	2021 £	2020 £
<b>Income and endowments</b>			
Investment income	2	34,901	35,392
Donations		584	684
<b>Total income</b>		<b><u>35,485</u></b>	<b><u>36,075</u></b>
<b>Expenditure</b>			
Costs of raising funds			
- Management and administration	3	16,117	8,891
		<u>16,117</u>	<u>8,891</u>
Expenditure on charitable activities			
- Grants payable	4	29,350	29,850
		<u>29,350</u>	<u>29,850</u>
<b>Total expenditure</b>		<b><u>45,467</u></b>	<b><u>38,741</u></b>
<b>Net income/(expenditure) before gains and losses on investments</b>		<b><u>(9,981)</u></b>	<b><u>(2,666)</u></b>
Net gains/(losses) on investments	5		
- Realised gains/(losses) on investments sold in year		7,872	(8,386)
- Unrealised gains/(losses) on year end revaluation		93,430	(39,307)
		<u>101,301</u>	<u>(47,693)</u>
<b>Net movement in fund</b>		<b><u>91,320</u></b>	<b><u>(50,359)</u></b>
Fund at 1st January brought forward		1,286,574	1,336,934
<b>Fund at 31st December carried forward</b>		<b><u>£1,377,894</u></b>	<b><u>£1,286,574</u></b>

The notes on pages 9 to 12 form part of these accounts

**E. F. SPARKES CHARITABLE TRUST**

<u>Balance Sheet as at</u>	<u>31 December 2021</u>		
	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Investments	5	<u>1,289,724</u>	<u>1,186,969</u>
<b>Current assets</b>			
Debtors: interest and taxation recoverable		38	38
Balances at banks		65,176	60,313
Balances with other financial institutions		27,671	43,777
<b>Total current assets</b>		<u>92,885</u>	<u>104,128</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year		(4,715)	(4,522)
<b>Total current assets less current liabilities</b>		<u>88,170</u>	<u>99,606</u>
<b>Net assets</b>		<u>£1,377,894</u>	<u>£1,286,575</u>
<b>Total charity funds</b>			
Unrestricted income and capital fund		<u>£1,377,894</u>	<u>£1,286,574</u>

JOHN M. DAVIES  
Trustee

JOSEPHINE C. P. DAVIES  
Trustee

Date:- 28th October 2022

The notes on pages 9 to 12 form part of these accounts

**E. F. SPARKES CHARITABLE TRUST**

**Statement of Cash Flows for the year ending 31 December 2021**

	Notes	2021 £	2020 £
<b>Net movement in fund</b>		91,320	(50,359)
Deduct investment income received	2	(34,901)	(35,392)
Deduct gains/add back losses on investments	5	(101,301)	47,693
Decrease/(increase) in debtors		0	(38)
Increase/(decrease) in creditors		193	(965)
<b>Net cash used in operating activities</b>		<u>(44,690)</u>	<u>(39,060)</u>
<b>Cash flows from investing activities</b>			
- Dividends and interest	2	34,901	35,392
- Purchases of investments	5	(247,475)	(333,547)
- Sales of investments	5	246,021	328,574
<b>Net cash provided by investing activities</b>		<u>33,447</u>	<u>30,419</u>
<b>Change in cash and cash equivalents for the year</b>		<u>(11,243)</u>	<u>(8,642)</u>
Cash and cash equivalents brought forward		104,090	112,731
<b>Cash and cash equivalents carried forward</b>		<u><b>£92,847</b></u>	<u><b>£104,090</b></u>
<b>Cash and cash equivalents comprises balances at:-</b>			
Balances at banks			
- Barclays Bank plc		65,176	60,313
		<u>65,176</u>	<u>60,313</u>
Balances at other financial institutions			
- Charles Stanley		27,671	43,777
		<u>27,671</u>	<u>43,777</u>
		<u><b>£92,847</b></u>	<u><b>£104,090</b></u>

The notes on pages 9 to 12 form part of these accounts

## **E. F. SPARKES CHARITABLE TRUST**

### **Notes to the accounts for the year ended 31 December 2021**

#### **1 Accounting policies**

##### **(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance 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) (effective 1 January 2019) and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### **(b) Funds structure**

The charity has a single unrestricted fund which the trustees are free to use for any purpose in furtherance of the charitable objectives.

##### **(c) Income recognition**

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

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised either once notification has been received of the dividend due or when the dividend is credited to the Trust's bank accounts.

##### **(d) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

##### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it is incurred.

## **E. F. SPARKES CHARITABLE TRUST**

### **Notes to the accounts for the year ended 31 December 2021**

#### **(f) Costs of raising funds**

The costs of raising funds consist of the costs of managing the investment portfolio plus various administrative costs incurred in the operation of the Trust.

#### **(g) Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

#### **(h) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

<b>2 Investment income received</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Equities -UK	12,005	12,394
Equities - International	13,199	11,359
Property Funds	552	888
Alternative investments	3,242	4,871
Fixed Interest	4,608	5,029
Mixed investments	1,295	851
	<u>£34,901</u>	<u>£35,392</u>
<b>3 Management and administration</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Portfolio management fees	14,559	8,031
Accountancy fees	550	500
Administrative expenses	1,008	360
	<u>£16,116</u>	<u>£8,891</u>

**E. F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2021**

<b>4 Grants payable in the year</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
All Saints Youth Project	750	750
Bede	500	-
Birmingham Fellowship of the Handicapped	300	300
Birmingham Peoples Centre	300	300
Birmingham Settlement Aston	400	400
Calthorpe Community Garden	750	750
CASE	500	500
Children & Families in Grief	250	250
Children's Hospice South West	250	250
Children's Hospice Ty Hafan Cardiff	1,000	1,000
Children Today	150	150
Coram	1,750	1,750
Derby Toc H Children's Camp	2,000	2,000
Devon Air Ambulance Trust	400	400
Devon Safer Communities Trust	550	550
Dream Holidays	500	500
Elim Pentacostal Church	250	250
Exe Access	500	500
Family Action Birmingham	-	500
Eastside Community Trust/Felix Road Adventure Playground	500	500
Free Representation Unit (FRU)	500	-
Grove Adventure Playground	750	750
Home Start Exeter & East Devon	-	1,000
Home Start Torridge & North Devon	1,000	1,000
Llamau	500	500
Malakai Kids	2,500	3,500
Midland Sports Centre for the Disabled Trust Ltd	200	200
Narthex Sparkhill	1,000	1,000
Support Through Court/PSU	250	250
Refuge	3,000	3,000
Ronald McDonald Houses	250	250
Rowcroft Hospice	650	650
Royal National Lifeboats Institution	400	400
Seeing	1,000	1,000
Siblings Together	750	750
Stroke Association	200	200
Swansea Samaritans	300	300
Tarka Child Contact Centre	500	500
The Migraine Trust	500	-
Time and Talents	500	500
Torquay Museum	2,000	2,000
Volunteering Matters	500	-
YMCA South Devon	500	500
	<u>£ 29,350</u>	<u>£ 29,850</u>

## E. F. SPARKES CHARITABLE TRUST

### Notes to the accounts for the year ended 31 December 2021

#### 5 Investments - at fair value

	At 01-Jan-20 £	Purchases (at cost) £	Sales proceeds £	Gain/(loss) on sales in year £	Gain/ (Loss) on revaluation £	At 31-Dec-20 £
Equities -UK	387,781	0	(84,358)	2,681	35,725	341,830
Equities - International	403,687	184,497	(60,006)	6,731	48,585	583,495
Property Funds	21,097	12,984	0	0	6,773	40,853
Alternative investments	108,064	0	(15,000)	(340)	4,377	97,101
Fixed Interest	231,135	49,994	(86,658)	(1,201)	(1,250)	192,022
Mixed investments	35,204	0	0	0	(781)	34,423
<b>Total at fair value</b>	<b>£1,186,969</b>	<b>£247,475</b>	<b>£(246,021)</b>	<b>£7,872</b>	<b>£93,430</b>	<b>£1,289,724</b>
Year to 31 Dec 2020	<u>£1,229,689</u>	<u>£333,547</u>	<u>£(328,574)</u>	<u>£(8,386)</u>	<u>£(39,307)</u>	<u>£1,186,969</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value)

#### 6 Analysis of assets between funds

	General Fund £	Total funds 2021 £	2020 £
Capital investments	1,289,724	1,289,724	1,186,969
Net current assets	88,170	88,170	99,606
	<u>£1,377,894</u>	<u>£1,377,894</u>	<u>£1,286,575</u>

#### 7 Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2020 - £NIL). Expenses paid to the trustees in the year totalled £NIL (2020 - £NIL).

Additionally trustees incurred costs of £585 on behalf of the Trust (2019 - £684) which they have waived as a donation to the fund. This amount has been added to Donations and to the relevant expense headings.

**THE ERIC F SPARKES CHARITABLE TRUST**

England & Wales - Charity number 233085

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# Accounts

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**E. F. SPARKES CHARITABLE TRUST**

(Registered Charity - Registration Number:- 233085)

**TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31st DECEMBER 2020**

**Reference and Administrative Information**

**Trustees**

Mr J.M. Davies  
Miss J.C. P. Davies

**Charity Correspondent and Principal Address**

Miss J.C.P.Davies  
20 Essex Street  
LONDON WC2R 3AL

**Investment Advisors**

Charles Stanley & Co Ltd  
Broadwalk House  
Southernhay West  
EXETER EX1 1TS

**Bankers**

Barclays Bank plc

**Independent Examiner**

T. E. Reynolds FCA  
23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

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5	Independent Examiner's Report
6	Statement of Financial Activities
7	Balance Sheet
8	Cash flow
9	Notes to the accounts

## **E. F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2020**

The Trustees present their annual report along with the financial statements of the charity for the year ended 31st December 2020. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the charity's trust deed, the Charities Acts 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 2<sup>nd</sup> October 2019

#### **Objectives and activities for the public benefit**

The purposes of the Trust are to provide support to other charities to enable them to achieve their objectives by making donations to appropriate institutions. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's aims and objectives, in planning future activities, and in setting the donation policy for the year.

The Trust furthers its charitable purposes for the public benefit through its donations to other charities.

#### **Donation policy**

The Trust has established its donation policy to achieve its objects for the public benefit. Donations are made primarily to charities that the Trust has supported annually for years and are focussed on the young favouring local rather than national charities. The Trustees consider national guidelines on equality and diversity when making donations

#### **A review of our activities: How our donations have delivered public benefit**

The charitable organisations to which donations were made are detailed in Note 4 to the accounts.

#### **Financial review**

The Trust's work is entirely reliant on income and investment returns from its endowments. The permanent endowment (the E. F. Sparkes bequest) is invested on a total return basis.

During 2020 stock markets fell significantly in the early part of the year due to the impact of Covid 19. In the later part of the year the markets recovered and this recovery has continued into 2021. In addition to the fall in investment values there was also a fall in the investment income received by the Trust. This fall was, to a limited extent, offset by lower investment management fees.

Grants made during the year totalled £29,850 (2019 - £30,450). In spite of the lower level of investment income available to the Trust the Trustees have broadly maintained the previous level of grants even though this has resulted in a small deficit of income compared to expenditure. The Trustees are of the view that this small deficit is acceptable in view of what is considered to be a temporary situation and the importance to the grant recipients in the grants made by the Trust.

The Covid-19 pandemic has not resulted in a significant long term decrease in the value of the Trust's investments. At 21<sup>st</sup> October 2021 the value of the Trust's investments totalled £1,270,494 compared to £1,186,969 at 31<sup>st</sup> December 2020.

#### **Investment policy and performance**

The Trust operates a total return approach to the investment of the permanent endowment.

When determining the level of funds available for donations the trustees have considered the amount of income required to maintain the current level of charitable activity and the likely needs of future beneficiaries. Additionally, when reaching on the level of available funds the trustees have taken professional advice from their investment advisers regarding the market outlook, investment trends and yield and the prospect for future capital growth.

Our investment advisors (Charles Stanley) are instructed to invest to maximise the total return on the investment portfolio.

## **E. F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2020 (continued)**

#### **Investment policy and performance (continued)**

The high levels of stock market volatility and the continuing uncertainty regarding world economic prospects and the stability of certain banks continues to make the management of investments difficult. The charity is a long-term investor and the trustees, on professional advice, continue to hold a mixed portfolio of equities, bonds, cash and other investments designed to provide a level of stable income and the possibility of investment gains.

Details of the investment performance of the fund compared to previous years and other indices is set out below and is rebased to 100 at 1<sup>st</sup> January in the relevant year and calculated on a total return basis:

	<b>2020</b>	<b>2019</b>
E.F.Sparkes Trust (including cash)	92.7	114.8
COIF Charities Investment Fund	109.8	121.6
AIC Sector Equity Income NAV	91.2	120.4
FTSE 100	85.7	112.1
RPI	101.5	102.2

Due to overall market conditions the fund has performed worse than last year in line with the FTSE 100 and the majority of similar funds. It has, however, not kept pace with the RPI which is a key metric for grant recipients.

#### **Risk management**

The Trustees have considered the major strategic, business and operational risks that the charity faces. As a result of this examination the Trustees have identified poor investment performance as the major risk that could adversely impinge on the Fund. The Trustees confirm that processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen this and other risks. As part of their consideration of operation risks the Trustees have identified that risks arising from data protection failures represent a low level of risk as the charity only holds data on other charities rather than personal data of possible donees.

#### **Reserves policy**

The Trustees aim to maintain sufficient reserves to generate sufficient investment income, on a total return basis, to maintain the Trust's level of donations in real terms on an ongoing basis. In view of the potentially volatile nature of stock markets a prudent approach is taken with regard to unrealised gains on investments when assessing the amount of available investment income to be distributed as donations each year.

#### **Plans for the future**

The E.F. Sparkes Trust is a lasting testimony to the generosity and charitable concerns of the donors, the Sparkes Family. The core of the trustees' approach is to support other charities operating in the areas set out in the Trust's donation policy.

#### **Structure, governance and management**

The Trust is a registered charity, number 233085, and is constituted under a trust deed dated 19<sup>th</sup> November 1963. The Trust was established by an initial gift from Eric Frank and Doris May Sparkes to provide funds to enable grants to be made to charitable institutions and for charitable purposes at the absolute discretion of the Trustees.

The Trust does not actively fund raise and seeks to continue the charitable work desired by the donors through the careful stewardship of its existing resources.

Trustees are appointed by the existing Trustees and serve for an unspecified period. The induction process for any newly-appointed Trustee comprises a meeting with the existing Trustees at a pre-meeting separate in advance of the new Trustee's first attendance at a meeting of the Trustees.

At this meeting the existing Trustees brief the new Trustee on investments, the grant making process, powers and responsibilities of the Trustees and provide a welcome pack. This welcome

## **E. F. SPARKES CHARITABLE TRUST**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31st DECEMBER 2020 (continued)**

#### **Structure, governance and management (continued)**

pack includes a brief history of the Trust, copy of the recent minutes of the meetings of the Trustees, a copy of the last three years' annual reports and accounts, a copy of the governing trust deeds and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know'.

#### **Conflicts of interest**

Trustees are required to disclose all relevant interests and register them with the other trustees and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises. Neither the Trust nor any of the trustees have interests with the organisations to which the Trust has given grants and, if there were such interests, these would be disclosed.

#### **Trustees remuneration.**

All of the trustees give their time freely and no trustee information was paid in the year. Details of transactions in the year between the Managing Trustees and the Charity are set out in Note 7 to these accounts

#### **Reference and administrative information**

The names of the Trustees throughout the year and at the date of this report along with other key information are set out on Page 1.

#### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

J. M. DAVIES  
Trustee

J. C. P. DAVIES  
Trustee

30th October 2021

**E. F. SPARKES CHARITABLE TRUST FUND**  
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE**  
**E. F. SPARKES CHARITABLE TRUST FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

I report to the Trustees on my examination of the accounts of the E. F. Sparkes Charitable Trust (the Trust) for the year ended 31 December 2020, which are set out on pages 6 to 12.

**Responsibilities and basis of report**

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

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 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 2011 Act

**Independent examiner's statement**

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:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

T E. REYNOLDS FCA

23 Gillham Wood Road  
BEXHILL-ON-SEA  
East Sussex TN39 3BN

30th October 2021

**E. F. SPARKES CHARITABLE TRUST**

**Statement of Financial Activities for the year ending 31 December 2020**

	Notes	2020 £	2019 £
<b>Income and endowments</b>			
Investment income	2	35,392	43,212
Donations		684	134
<b>Total income</b>		<b><u>36,076</u></b>	<b><u>43,346</u></b>
<b>Expenditure</b>			
Costs of raising funds			
- Management and administration	3	8,891	9,513
		<u>8,891</u>	<u>9,513</u>
Expenditure on charitable activities			
- Grants payable	4	29,850	30,450
		<u>29,850</u>	<u>30,450</u>
<b>Total expenditure</b>		<b><u>38,741</u></b>	<b><u>39,963</u></b>
<b>Net income/(expenditure) before gains and losses on investments</b>		<b><u>(2,666)</u></b>	<b><u>3,383</u></b>
Net gains/(losses) on investments	5		
- Realised gains/(losses) on investments sold in year		(8,386)	6,428
- Unrealised gains/(losses) on year end revaluation		(39,307)	152,310
		<u>(47,693)</u>	<u>158,738</u>
<b>Net movement in fund</b>		<b><u>(50,359)</u></b>	<b><u>162,121</u></b>
Fund at 1st January brought forward		1,336,934	1,164,951
Janus Henderson investment held by Kitsons LLP not previously included in the Fund			9,862
<b>Fund at 31st December carried forward</b>		<b><u><u>£1,286,575</u></u></b>	<b><u><u>£1,336,934</u></u></b>

The notes on pages 9 to 12 form part of these accounts

**E. F. SPARKES CHARITABLE TRUST**

<b><u>Balance Sheet as at</u></b>	<b><u>31 December 2020</u></b>		
	<b>Notes</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Fixed assets</b>			
Investments	5	<u>1,186,969</u>	<u>1,229,689</u>
<b>Current assets</b>			
Debtors: interest and taxation recoverable		38	0
Balances at banks		60,313	55,249
Balances with other financial institutions		43,777	57,482
<b>Total current assets</b>		<u>104,128</u>	<u>112,731</u>
<b>Liabilities</b>			
Creditors: amounts falling due within one year		(4,522)	(5,487)
<b>Total current assets less current liabilities</b>		<u>99,606</u>	<u>107,244</u>
<b>Net assets</b>		<u>£1,286,575</u>	<u>£1,336,933</u>
<b>Total charity funds</b>			
Unrestricted income and capital fund		<u>£1,286,575</u>	<u>£1,336,934</u>

JOHN M. DAVIES  
Trustee

JOSEPHINE C. P. DAVIES  
Trustee

Date:- 30th October 2021

The notes on pages 9 to 12 form part of these accounts

**E. F. SPARKES CHARITABLE TRUST**

**Statement of Cash Flows for the year ending 31 December 2020**

	Notes	2020 £	2019 £
<b>Net movement in fund</b>		(50,359)	162,121
Deduct investment income received	2	(35,392)	(43,212)
Deduct interest income received.		0	0
Deduct gains/add back losses on investments	5	47,693	(158,738)
Decrease/(increase) in debtors		(38)	0
Increase/(decrease) in creditors		(965)	854
<b>Net cash used in operating activities</b>		<u>(39,061)</u>	<u>(38,975)</u>
<b>Cash flows from investing activities</b>			
- Dividends and interest	2	35,392	43,212
- Purchases of investments	5	(333,546)	(327,587)
- Sales of investments	5	328,574	362,322
<b>Net cash provided by investing activities</b>		<u>30,420</u>	<u>77,947</u>
Janus Henderson investment held by Kitsons LLP not previously included in the Fund			9,862
<b>Change in cash and cash equivalents for the year</b>		<u>(8,641)</u>	<u>48,834</u>
Cash and cash equivalents brought forward		112,731	63,897
<b>Cash and cash equivalents carried forward</b>		<u><b>£104,090</b></u>	<u><b>£112,731</b></u>
<b>Cash and cash equivalents comprises balances at:-</b>			
Balances at banks			
- Barclays Bank plc		60,313	55,249
		<u>60,313</u>	<u>55,249</u>
Balances at other financial institutions			
- Charles Stanley		43,777	57,482
		<u>43,777</u>	<u>57,482</u>
		<u><b>£104,090</b></u>	<u><b>£112,731</b></u>

The notes on pages 9 to 12 form part of these accounts

## **E. F. SPARKES CHARITABLE TRUST**

### **Notes to the accounts for the year ended 31 December 2020**

#### **1 Accounting policies**

##### **(a) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance 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) (effective 1 January 2019) and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

##### **(b) Funds structure**

The charity has a single unrestricted fund which the trustees are free to use for any purpose in furtherance of the charitable objectives.

##### **(c) Income recognition**

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

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised either once notification has been received of the dividend due or when the dividend is credited to the Trust's bank accounts.

##### **(d) Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount payable.

##### **(e) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it is incurred.

## **E. F. SPARKES CHARITABLE TRUST**

### **Notes to the accounts for the year ended 31 December 2020**

#### **(f) Costs of raising funds**

The costs of raising funds consist of the costs of managing the investment portfolio plus various administrative costs incurred in the operation of the Trust.

#### **(g) Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

#### **(h) Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

<b>2 Investment income received</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Equities -UK	12,394	19,875
Equities - International	11,359	12,116
Property Funds	888	1,739
Alternative investments	4,871	4,713
Fixed Interest	5,029	4,769
Mixed investments	851	-
	<u>£35,392</u>	<u>£43,212</u>
<b>3 Management and administration</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Portfolio management fees	8,031	8,321
Accountancy fees	500	500
Administrative expenses	360	289
	<u>£8,891</u>	<u>£9,110</u>

**E. F. SPARKES CHARITABLE TRUST**

**Notes to the accounts for the year ended 31 December 2020**

<b>4 Grants payable in the year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
All Saints Youth Project	750	750
Birmingham Fellowship of the Handicapped	300	250
Birmingham Peoples Centre	300	250
Birmingham Settlement	400	400
Buttle UK	-	500
Calthorpe Project	750	1,000
CASE	500	500
Children & Families in Grief	250	250
Children's Hospice South West	250	250
Children's Hospice Ty Hafan Cardiff	1,000	1,000
Children Today	150	100
Coram	1,750	1,750
Derby Toc H Children's Camp	2,000	2,000
Devon Air Ambulance Trust	400	400
Devon Safer Communities Trust	550	550
Dream Holidays	500	500
Elim Pentacostal Church	250	250
Exe Access	500	500
Family Action Birmingham	500	500
Felix Road Adventure Playground	500	500
Forsight Gardening Enterprises CIC	-	1,000
Free Representation Unit (FRU)	-	500
Grove Adventure Playground	750	-
Home Start Exeter & East Devon	1,000	1,000
Home Start Torridge & North Devon	1,000	1,000
Llamau	500	500
Malakai Kids	3,500	3,500
Midland Sports Centre for the Disabled Trust Ltd	200	200
Narthex Sparkhill	1,000	1,000
PSU	250	250
Refuge	3,000	3,000
Ronald McDonald Houses	250	250
Rowcroft Hospice	650	650
Royal National Lifeboats Institution	400	400
Seeing	1,000	1,000
Siblings Together	750	-
Stroke Association	200	200
Swansea Samaritans	300	300
Tarka Child Contact Centre	500	500
Time and Talents	500	500
Torquay Museum	2,000	2,000
YMCA South Devon	500	500
	<b>£ 29,850</b>	<b>£ 30,450</b>

## E. F. SPARKES CHARITABLE TRUST

### Notes to the accounts for the year ended 31 December 2020

#### 5 Investments - at fair value

	At 01-Jan-20 £	Purchases (at cost) £	Sales proceeds £	Gain/(loss) on sales in year £	Gain/ (Loss) on revaluation £	At 31-Dec-20 £
Equities -UK	396,373	90,500	(48,307)	(2,673)	(48,111)	387,781
Equities - International	434,970	72,320	(120,451)	8,583	8,265	403,687
Property Funds	37,145	10,000	(13,086)	(9,248)	(3,714)	21,097
Alternative investments	156,609	28,089	(66,966)	(7,697)	(1,972)	108,064
Fixed Interest	204,592	97,837	(79,764)	2,649	5,821	231,135
Mixed investments	0	34,800	0	0	404	35,204
<b>Total at fair value</b>	<b>£1,229,689</b>	<b>£333,546</b>	<b>£(328,574)</b>	<b>£(8,386)</b>	<b>£(39,307)</b>	<b>£1,186,969</b>
Year to 31 Dec 2019	£1,105,686	£327,587	£(362,322)	£6,428	£152,310	£1,229,689

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value)

#### 6 Analysis of assets between funds

	General Fund £	Total funds 2020 £	2019 £
Capital investments	1,186,969	1,186,969	1,229,689
Net current assets	99,606	99,606	107,244
	<b>£1,286,575</b>	<b>£1,286,575</b>	<b>£1,336,933</b>

#### 7 Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019 - £NIL). Expenses paid to the trustees in the year totalled £NIL (2019 - £NIL).

Additionally trustees incurred costs of £684 on behalf of the Trust (2019 - £134) which they have waived as a donation to the fund. This amount has been added to Donations and to the relevant expense headings.