



UNAUDITED FINANCIAL STATEMENTS

28 FEBRUARY 2021



FINANCIAL STATEMENTS

YEAR ENDED 28 FEBRUARY 2021

- 1 TRUSTEES' ANNUAL REPORT
- 6 INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
- 7 STATEMENT OF FINANCIAL ACTIVITIES
- 8 STATEMENT OF FINANCIAL POSITION
- 9 NOTES TO THE FINANCIAL STATEMENTS

TRUSTEES' ANNUAL REPORT

The trustees present their report and the unaudited financial statements of the charity for the year ended 28 February 2021.

CHAIR'S REPORT

Freckleton Business Centre
Freckleton Street
Blackburn
BB2 2AL

www.steppingstonescharity.org | info@steppingstonescharity.org

Registered Charity no. 1135645



Chair's report | Message from the leadership

Looking back at 2021, it was a bizarre and extraordinary year. It was a year in which the Covid-19 pandemic killed hundreds of thousands of people and wreaked economic havoc, decimating livelihoods and stopping normal life in its tracks worldwide. This was also a remarkable year for SteppingStones Charity, a year of challenges and tests and yet also one of significant achievements in the face of adversity as our Annual Report and Financial Statements records.

The pandemic has had a profound effect on the communities who rely on us for aid and on those who give so generously to support our work. It has restricted our operations, sometimes severely, due to restrictions in the countries we work in which in turn affected many of the poorer communities as their families.

Despite these challenges, we have stepped up to deliver our work and have stood by the people we serve in some of the world's poorest communities, in Guyana, Brazil, Ecuador as well as branching our work into Venezuela as well as helping poverty-stricken Amazonians in the Amazon Forest.

Despite the challenges created by the pandemic, our supporters continued to support us. My warmest thanks to them for their incredible generosity. This enabled us to touch the lives of approximately 15,000 people in 4 countries last year – a new record for a small non-profit organisation.

I want to pay tribute to the dedicated staff and volunteers who have remained in the frontline of our aid delivery through the pandemic. Thank you to everyone who supported SteppingStones Charity over the years and contributed to making our charity a better aid organisation for the poverty stricken in the forgotten land of South America.

Omar Hanif

Omar Hanif

steppingstonescharity.org

info@steppingstonescharity.org

Reference and administrative details

Registered Charity Name	Steppingstones Charity
Charity Registration Number	1135645
Principal Office	Freckleton Street Business Centre, Freckleton Street, Blackburn, Lancashire, BB2 2AL

The trustees

Mr M A Karolia
Mr Omar Hanif
Mr A K Ahmed

Independent examiner

Ahmed Adam Karolia
Suite 28 Blackburn Enterprise Centre
Furthergate
Blackburn
Lancashire
BB1 3HQ



Structure, governance and management

Who We Are

SteppingStones Charity is currently led by a group of dedicated volunteers under the supervision of the board of trustees. Currently we have two-part time seasonal staff who work on an adhoc basis and we hope to, in the near future, employ part and full time staff. Our volunteers continue to play a key role in the delivery of our services and are vital in enabling us to reach more destitute and poor people in order for us to provide the stability and support that they need.

Our Vision

Our vision of the world is where the poverty stricken and destitute communities have the same and equal opportunities as everyone else.

Our Mission

To stay true to our vision of a future with equal opportunities for disadvantaged people to fulfil their life ambitions as everyone else. We must continue to have higher expectations about what disadvantaged people can achieve and create the right conditions for that to happen.

Our Values

Accountability, ambition, collaboration and diversity.



Objectives and activities

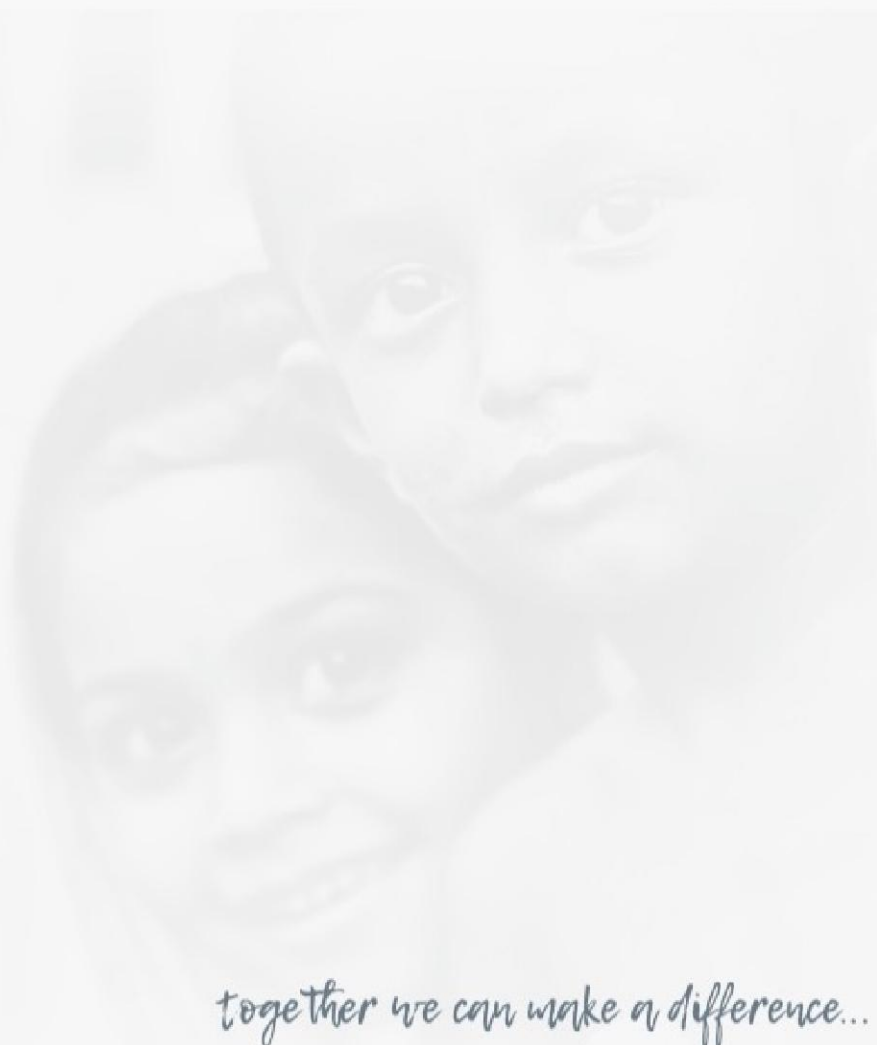
Objectives

SteppingStones Charity's long term objectives are to provide relief of poverty and hardship, the advancement of education, providing healthcare, livelihood and economic empowerment for vulnerable communities and individuals.

Current Activities

Our relief work is now being carried out in, Ecuador, Brazil and Guyana in South America as well as being extended in certain regions of the Caribbean and Venezuela. Our volunteers travel to these regions to access and supervise all the work carried with regards to the relevant projects.

Working alongside local community leaders, the needs of the communities are identified and then projects are implemented in order to meet their specific needs in terms of education, sponsorships, food parcels as well as many other areas of concern that may arise from our findings.



together we can make a difference...

Achievements and performance

Achievements

Looking back at the previous year's accomplishments as well as trying to better ourselves as an organisation, we have executed more relief projects this year than any other year. Projects were implemented in Ecuador, Brazil, and Guyana all of which are located in South America.

In addition to this, gradually branching out into Venezuela, in South America and carrying out smaller projects in Mozambique and Pakistan. With many countries vulnerable to Covid-19, provisions and basic necessities have become even more difficult to access and acquire. Food Packs were distributed in Guyana, Brazil and Ecuador to all people regardless of gender, faith and ethnicity, particularly those living under the poverty threshold.

Food packs included local staple foods fulfilling the very basic needs, (oil, butter, rice, sardines, etc. These food packs were designed to support a family of 2-4 people for up to 3-4 weeks. In total, 65 food packs were distributed to destitute families and communities in Guyana, 200 food packs were assigned to underprivileged families and neighbourhoods in Brazil, 1092 were distributed in Ecuador. We also branched our work into Venezuela, particularly during the Venezuelan crisis. A staggering 9300 food packs were allocated to families and local poor residents in Anaco, Venezuela. A grand total of 10,657 food packs were given out during Ramadan 2021.

This year, instead of providing clothes to orphans in Guyana, we presented new clothes to poor male and female adults. In total we handed out 47 pairs of clothes which were purchased locally and sourced from local businesses. These included Jubba's and Hat's for men and Abaya's and Head Scarf's for women, This Sadaqatul-Fitr project was given on the day of Eid to the less fortunate in Guyana as well as Ecuador and Brazil using the kind donations made from those who possess the value of Nisaab beyond their basic needs. This helped the poor have a beneficial and a joyous Eid. 27 people in Ecuador benefitted from the Sadaqatul-Fitr project whilst 100 people benefitted in Guyana, and 60 people were helped in Brazil. A total of 187 people benefitted from this project.

Furthermore, we extended our work in the Amazon Forest (Ecuador) where we are continuously helping poor Amazonians with food and clothing. Up till this point, we have helped 790 Amazonians with food packs and 105 families with new clothing, thus also helping the local economy.

This year, we also helped over 200 people young and old with brand new footwear called 'The Shoe That Grows'. This unique footwear lasts approximately 5 years and grows with each individual's feet. These pairs were given to communities and refugees in the Caribbean and distributed in poor villages in Sao Paulo, Brazil.

In Brazil, during the colder seasons, we purchased sets of blankets and pillows for the less fortunate. Whilst distributing these blankets, we noticed that poorer individuals needed beds and stoves. The beds and stoves project are currently being carried out.

During covid-19 we also built a well in Mozambique which helped more than 200 people in the local community. In addition to this, in Pakistan we helped a homeless family of 5, build a bespoke home and provided them with comfortable shelter.

Our annual Qurbani project was implemented in the poor regions of West Bengal, India. Meat, which not everyone can afford to buy, was distributed to poverty-stricken families and communities, a total of 1155 people benefitted from these meat packs. We have achieved far more in 2021 and have exceeded our expectations and we hope that next year we can succeed in bringing about more changes for people in vulnerable situations.

Acknowledgement

The board of trustees would like to express its gratitude for the immense and selfless commitment which has been given to the charity by its volunteers each year without hesitation. This is instrumental in helping to minimise operation costs and maximising aid to our beneficiaries. We would like to thank our donors, supporters and all other organisations for their part they have played. Their hard work and kindness has not gone unnoticed.



Financial review

Financial review

The Charity receives donations from the general public and other charities. This helps the charity to meet its obligations and achieve the objectives efficiently during the year.

Reserves Policy

The reserves are maintained at an adequate level to continue the charity's activities. The trustees have decided to continue the current activities and to improve on them when and as the budget permits.

Risk Management

The trustees actively review the major risk which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined the operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Plans for future periods

Future Projects

Last year, it led to the first stages of our ambitious plans to deliver across a wider area with a real focus on how we can help the poor live independently in the communities within which we work. The destitute people have never been content to live in a society in which they can't play an active part and SteppingStones Charity is working alongside them to bring about the changes we want to see. Therefore, this year our main focus is helping locals set up livelihood projects in all 3 countries. This will help enabled communities to stand on their own feet and generate income not only for their families but for their community.

We will still continue our work in helping with sponsorship of children so we can help meet their educational needs, help those who cannot pay for their medicines or medical equipment, renovate homes, provide aid to those who are less fortunate than us. However, We will most certainly have to work harder in order to raise enough money to reach our target to help others and achieve all the projects we have set out to do. Since our projects are sustainable and we have provided assistance on a constant basis over a number of years, we hope to achieve our goals for the years ahead through the continued assistance of our trustees, volunteers and donors.

The trustees' annual report was approved on 1 November 2021 and signed on behalf of the board of trustees by:

M A Karolia

Mr M A Karolia
Trustee

Independent Examiner's Report to the Trustees of SteppingStones Charity

I report to the trustees on my examination of the financial statements of Steppingstones Charity ('the charity') for the year ended 28 February 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 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 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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Ahmed Adam Karolia
Independent Examiner

Suite 28 Blackburn Enterprise Centre
Furthergate
Blackburn
Lancashire
BB1 3HQ

1 November 2021



Statement of Financial Activities

28 February 2021

		2021	2020
		Unrestricted funds	Total funds
	Note	£	£
Income and endowments			
Donations and legacies	4	75,207	48,692
Total income		75,207	48,692
Expenditure			
Expenditure on charitable activities	5,6	(62,777)	(42,534)
Total expenditure		(62,777)	(42,534)
Net income and net movement in funds		12,430	6,158
Reconciliation of funds			
Total funds brought forward		49,018	42,859
Total funds carried forward		61,448	49,018

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



Statement of Financial Position

28 February 2021

		2021	2020
	Note	£	£
Current Assests			
Debtors	11	385	1,543
Cash at bank and in hand		61,326	47,738
		<u>61,711</u>	<u>49,281</u>
Net current assets		<u>61,711</u>	<u>49,281</u>
Total assets less current liabilities		61,711	49,281
Creditors: amounts falling due after more than one year	12	<u>264</u>	<u>264</u>
Net assets		<u>61,447</u>	<u>49,017</u>
Funds of the charity			
Unrestricted funds		<u>61,448</u>	<u>49,018</u>
Total charity funds	13	<u>61,448</u>	<u>49,018</u>

These financial statements were approved by the board of trustees and authorised for issue on 1 November 2021, and are signed on behalf of the board by:

M A Karolia

Mr M A Karolia
Trustee



Notes to the Financial Statements

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Freckleton Business Centre, Freckleton Street, Blackburn, BB2 2AL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

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

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

Going concern

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

Disclosure exemptions

No cash flow statement has been presented for the charity.

Judgements and key sources of estimation uncertainty

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



Fund accounting

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

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

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

Incoming resources

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

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

Resources expended

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

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

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



4. Donations and legacies

	Unrestricted Funds €	Total Funds 2021 €	Unrestricted Funds €	Total Funds 2020 €
Donations				
Collection boxes, appeals and donations	<u>75,207</u>	<u>75,207</u>	<u>48,692</u>	<u>48,692</u>

5. Expenditure on charitable activities by fund type

	Unrestricted Funds €	Total Funds 2021 €	Unrestricted Funds €	Total Funds 2020 €
Charitable donations	54,032	54,032	37,859	37,859
Support costs	<u>8,745</u>	<u>8,746</u>	<u>4,674</u>	<u>4,675</u>
	62,777	62,778	42,533	42,534

6. Expenditure on charitable activities by activity type

	Activities undertaken directly €	Support costs €	Total Funds 2021 €	Total Funds 2020 €
Charitable donations	54,032	-	54,032	37,859
Support costs	-	8,482	8,482	4,411
Governance costs	<u>-</u>	<u>264</u>	<u>264</u>	<u>264</u>
	54,032	8,746	62,778	42,534

7. Analysis of support costs

	Administration Support costs	Total 2021	Total 2020
	£	£	£
Staff costs	2,464	2,464	895
Premises	360	360	-
Communications and IT	5,397	5,397	2,958
General office	115	115	342
Finance costs	146	146	216
	<u>8,482</u>	<u>8,482</u>	<u>4,411</u>

8. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	264	264
	<u>264</u>	<u>264</u>

9. Staff costs

The average head count of employees during the year was 1 (2020: 1).
No employee received employee benefits of more than £60,000 during the year (2020: Nil).

10. Trustee remuneration and expenses

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

11. Debtors

	2021	2020
	£	£
Other debtors	<u>385</u>	<u>1,543</u>

12. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Accruals and deferred income	<u>264</u>	<u>264</u>

13. Analysis of charitable funds

Unrestricted funds	At 1 March 2020	Income	Expenditure	At 28 February 2021
	£	£	£	£
General funds	<u>49,018</u>	<u>75,207</u>	<u>(62,777)</u>	<u>61,448</u>

Unrestricted funds	At 1 March 2019	Income	Expenditure	At 29 February 2020
	£	£	£	£
General funds	<u>42,859</u>	<u>48,692</u>	<u>(42,533)</u>	<u>49,018</u>

14. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Current assets	61,711	61,711	49,281	49,281
Creditors less than 1 year	<u>(264)</u>	<u>(264)</u>	<u>(264)</u>	<u>(264)</u>
Net assets	<u>61,447</u>	<u>61,447</u>	<u>49,017</u>	<u>49,017</u>



WHAT WOULD YOU DO IF YOU HAD TO DRINK WATER THAT COULD KILL YOU?
SHARE ONE WELL WITH 10,000 PEOPLE.
HOPE IT WOULD RAIN. WHAT WOULD YOU DO IF YOU HAD
TO WALK THREE MILES TO A MUDDY RIVER FOR
WAIT 8 HOURS IN LINE AT A WATER PUMP. A DRINK?
CARRY 80 POUNDS OF SWAMP WATER
TO KEEP YOUR CHILD
FROM DYING OF THIRST. WHAT WOULD YOU DO IF YOU WERE ONE OF THE
1.1 BILLION PEOPLE ON THE PLANET WITH-
OUT ACCESS TO CLEAN WATER?

WHAT IF YOU COULD HELP?

KAROLIA LIMITED

Chartered Certified Accountants

Suite 28 Blackburn Enterprise Centre,

Furthergate,

Blackburn

BB1 3HQ

steppingstonescharity.org

info@steppingstonescharity.org