

Company registration number: CE011563

Charity registration number: 1175096

Bubbles and Stars

(Charitable Incorporated Organisation (CIO), Foundation model)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Sanjiv Sheth ACA
Chartered Accountant
AIMS Accountants for Business
65 Fitzjohn Avenue
Barnet
Hertfordshire
EN5 2HN

Bubbles and Stars

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Bubbles and Stars

Reference and Administrative Details

Trustees

Mr Rahul Shah
T R Shah

Principal Office

8 Offham Slope
London
N12 7BZ

Company Registration Number CE011563

Charity Registration Number 1175096

Independent Examiner

Sanjiv Sheth ACA
Chartered Accountant
AIMS Accountants for Business
65 Fitzjohn Avenue
Barnet
Hertfordshire
EN5 2HN

Bubbles and Stars

Trustees' Report

The trustees, present the annual report together with the financial statements of the charity for the year ended 31 March 2021.

Objectives and activities

Objects and aims

Our work throughout 2020 and for the beginning of 2021 much of our capacity and support was focussed on immediate and desperate need due to the Covid pandemic which hit us all.

- Bubbles and Stars funded 5,000 PPE face shields for hospitals and GP surgeries in the UK
- We funded the purchase of several tablet devices which are being used in palliative care wards in London hospitals
- We supported a food drive for families living in the slums of Nairobi, Kenya
- We funded another food drives for families living in Northern Kenya
- We have funded from start to finish a digital library in a Nairobi slum. This project is self sustaining. The project sells internet use to neighbouring families which will fund the library's expenses

Mayhew Animal Rescue Centre had initiated a project (Therapaws) to use dogs as a tool to support teenagers and children with mental health issues which Bubbles and Stars has supported. Unfortunately, due to the Covid pandemic this project was very much put on hold over the year but we hope that it will start up again soon.

• Going forward

We will continue to carry out our objectives and aims which include:

- To fund education of children and adults who need extra help
- To provide funding for medical and social projects assisting the vulnerable and elderly.
- Relieving poverty and sickness in communities affected by drought

Bubbles and Stars will continue to source and fund existing charitable projects in East Africa, UK and India where we are certain that our funding is used for projects that are not only for the long term but also sustainable.

Bubbles and Stars will continue to be run on a completely voluntary basis.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Bubbles and Stars

Statement of Trustees' Responsibilities

The trustees of Bubbles and Stars are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the provisions of the Charities Act 2011. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the trustees of the charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's independent examiner in connection with preparing the audit report) of which the charity's examiner is unaware. Each trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's independent examiner is aware of that information.

Approved by the trustees of the charity on 27 September 2021 and signed on its behalf by:



Mr Rahul Shah
Trustee



T R Shah
Trustee

Bubbles and Stars

Trustees' Report

Cash flow risk

The charity holds sufficient cleared funds at the bank to ensure the certainty of meeting its financial obligations.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables.

The charity's credit risk is primarily attributable to its donations receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of donors.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity hold a sufficient cash balance in instant access accounts with reputable UK financial institutes.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 27 September 2021 and signed on its behalf by:



.....
Mr Rahul Shah
Trustee



.....
T R Shah
Trustee

Bubbles and Stars

Independent Examiner's Report to the trustees of Bubbles and Stars

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2021 which are set out on pages 6 to 13.

Respective responsibilities of the trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income did not exceed £250,000, and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiners' Statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Sanjiv Sheth (ACA)
Chartered Accountant

AIMS Accountants for Business
65 Fitzjohn Avenue
Barnet
Hertfordshire
EN5 2HN

27 September 2021

Bubbles and Stars

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

| | Note | Unrestricted £ | Total 2021 £ |
|------------------------------------|------|-------------------|--------------------|
| Income and Endowments from: | | | |
| Donations and legacies | 3 | 5,363 | 5,363 |
| Total income | | <u>5,363</u> | <u>5,363</u> |
| Expenditure on: | | | |
| Charitable activities | 4 | (19,666) | (19,666) |
| Governance costs | | <u>(637)</u> | <u>(637)</u> |
| Total expenditure | | <u>(20,303)</u> | <u>(20,303)</u> |
| Net expenditure | | <u>(14,940)</u> | <u>(14,940)</u> |
| Net movement in funds | | (14,940) | (14,940) |
| Reconciliation of funds | | | |
| Total funds brought forward | | <u>26,419</u> | <u>26,419</u> |
| Total funds carried forward | 10 | <u>11,479</u> | <u>11,479</u> |

| | Note | Unrestricted funds £ | Total 2020 £ |
|------------------------------------|------|----------------------------|--------------------|
| Income and Endowments from: | | | |
| Donations and legacies | 3 | 9,055 | 9,055 |
| Total income | | <u>9,055</u> | <u>9,055</u> |
| Expenditure on: | | | |
| Charitable activities | 4 | (15,434) | (15,434) |
| Total expenditure | | <u>(15,434)</u> | <u>(15,434)</u> |
| Net expenditure | | <u>(6,379)</u> | <u>(6,379)</u> |
| Net movement in funds | | (6,379) | (6,379) |
| Reconciliation of funds | | | |
| Total funds brought forward | | <u>32,795</u> | <u>32,795</u> |
| Total funds carried forward | 10 | <u>26,416</u> | <u>26,416</u> |

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2020 is shown in note 10.

The notes on pages 8 to 13 form an integral part of these financial statements.

Bubbles and Stars

(Registration number: CE011563)
Balance Sheet as at 31 March 2021

| | Note | 2021 £ | 2020 £ |
|---|------|---------------|---------------|
| Current assets | | | |
| Debtors | 8 | 14 | 10 |
| Cash at bank and in hand | 9 | <u>11,465</u> | <u>26,407</u> |
| | | 11,479 | 26,417 |
| Creditors: Amounts falling due within one year | | <u>-</u> | <u>(1)</u> |
| Net assets | | <u>11,479</u> | <u>26,416</u> |
| Funds of the charity: | | | |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>11,479</u> | <u>26,416</u> |
| Total funds | 10 | <u>11,479</u> | <u>26,416</u> |

The financial statements on pages 6 to 13 were approved by the trustees, and authorised for issue on 27 September 2021 and signed on their behalf by:



Mr Rahul Shah
Trustee



T R Shah
Trustee

The notes on pages 8 to 13 form an integral part of these financial statements.

Bubbles and Stars

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

1 Charity status

The charity is registered as a Charitable Incorporated Organisation (CIO), Foundation model.

The address of its registered office is:

8 Offham Slope

London

N12 7BZ

These financial statements were authorised for issue by the trustees on 27 September 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

Bubbles and Stars meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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 the income receivable can be measured reliably.

Bubbles and Stars

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Expenditure

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

Charitable activities

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

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

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

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

Bubbles and Stars

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

Cash and cash equivalents

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

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

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

Bubbles and Stars

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

3 Income from donations and legacies

| | Unrestricted funds General £ | Total 2021 £ | Total 2020 £ |
|--------------------------------------|---------------------------------------|---------------------|---------------------|
| Donations and legacies; | | | |
| Donations from individuals | 2,561 | 2,561 | 4,230 |
| Gift aid reclaimed | 222 | 222 | 3,545 |
| Regular giving and capital donations | <u>2,580</u> | <u>2,580</u> | <u>1,280</u> |
| | <u><u>5,363</u></u> | <u><u>5,363</u></u> | <u><u>9,055</u></u> |

4 Expenditure on charitable activities

| | Unrestricted funds General £ | Total 2021 £ | Total 2020 £ |
|--------------------------------|---------------------------------------|----------------------|----------------------|
| SAFE Mothers Safe Babies | - | - | 1,902 |
| Osligi Charity Projects | - | - | 2,000 |
| Olives School | 7,266 | 7,266 | 3,000 |
| Mayhew Home | - | - | 5,860 |
| Ramgharia Youth Assoc | - | - | 2,000 |
| Royal Free NHS Trust | 2,400 | 2,400 | - |
| William Chown Charitable Trust | 5,000 | 5,000 | - |
| Kampur Covid Donation | 2,000 | 2,000 | - |
| Samuel's Charity | 1,000 | 1,000 | - |
| Tunasoma Project | <u>2,000</u> | <u>2,000</u> | <u>-</u> |
| | <u><u>19,666</u></u> | <u><u>19,666</u></u> | <u><u>14,762</u></u> |

In addition to the expenditure analysed above, there are also governance costs of £637 (2020 - £672) which relate directly to charitable activities. See note 5 for further details.

Bubbles and Stars

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

5 Analysis of governance and support costs

Governance costs

| | Unrestricted funds General £ | Total 2021 £ | Total 2020 £ |
|------------------------------|---------------------------------------|--------------------|--------------------|
| Independent examiner fees | | | |
| Other fees paid to examiners | 510 | 510 | 510 |
| Other governance costs | 127 | 127 | 162 |
| | <u>637</u> | <u>637</u> | <u>672</u> |

6 Independent examiner's remuneration

| | 2021 £ | 2020 £ |
|--|------------|------------|
| Other fees to examiners | | |
| Examination-related assurance services | <u>510</u> | <u>510</u> |

Bubbles and Stars

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

7 Taxation

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

8 Debtors

| | 2021 £ | 2020 £ |
|----------------|-----------|-----------|
| Accrued income | <u>14</u> | <u>10</u> |

9 Cash and cash equivalents

| | 2021 £ | 2020 £ |
|--------------|---------------|---------------|
| Cash at bank | <u>11,465</u> | <u>26,407</u> |

10 Funds

| | Balance at 1 April 2020 £ | Incoming resources £ | Resources expended £ | Balance at 31 March 2021 £ |
|---------------------------|---------------------------------|----------------------------|----------------------------|----------------------------------|
| Unrestricted funds | | | | |
| General | <u>26,419</u> | <u>5,363</u> | <u>(20,303)</u> | <u>11,479</u> |
| | Balance at 1 April 2019 £ | Incoming resources £ | Resources expended £ | Balance at 31 March 2020 £ |
| Unrestricted funds | | | | |
| General | <u>32,795</u> | <u>9,055</u> | <u>(15,434)</u> | <u>26,416</u> |

Bubbles and Stars

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

| | Total 2021 £ | Total 2020 £ |
|---|--------------------|--------------------|
| Income and Endowments from: | | |
| Donations and legacies (analysed below) | <u>5,363</u> | <u>9,055</u> |
| Total income | <u>5,363</u> | <u>9,055</u> |
| Expenditure on: | | |
| Charitable activities (analysed below) | <u>(20,303)</u> | <u>(15,434)</u> |
| Total expenditure | <u>(20,303)</u> | <u>(15,434)</u> |
| Net expenditure | <u>(14,940)</u> | <u>(6,379)</u> |
| Net movement in funds | (14,940) | (6,379) |
| Reconciliation of funds | | |
| Total funds brought forward | <u>26,419</u> | <u>32,795</u> |
| Total funds carried forward | <u>11,479</u> | <u>26,416</u> |

Bubbles and Stars

Detailed Statement of Financial Activities for the Year Ended 31 March 2021

| | Total 2021 £ | Total 2020 £ |
|--------------------------------------|--------------------|--------------------|
| <i>Donations and legacies</i> | | |
| Appeals and donations | 2,561 | 4,230 |
| Gift Aid tax reclaimed | 222 | 3,545 |
| Sponsorship | 2,580 | 1,280 |
| | <u>5,363</u> | <u>9,055</u> |
| <i>Charitable activities</i> | | |
| Charitable donations | (19,666) | (14,762) |
| Independent examiner's fee | (510) | (510) |
| Bank charges | (94) | (120) |
| Credit card charges | (21) | (23) |
| Commissions payable | (12) | (19) |
| | <u>(20,303)</u> | <u>(15,434)</u> |