



**Palestine Association for Children's Encouragement of Sports
(A company limited by guarantee)**

**Charity No. 1117085
Company No. 05840150**

**TRUSTEES ANNUAL REPORT &
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
For the Year Ended 31 December 2024**

PACES
Palestine Association for Children's Encouragement of Sports
Year ended 31 December 2024
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PACES

Palestine Association for Children's Encouragement of Sports

Trustees' Annual Report

31 December 2024

The trustees are pleased to present their report together with the financial statements of the charity for the year ended 31 December 2024.

In this report we will refer to the Palestine Association for Children's Encouragement of Sports as "PACES".

Reference and administrative details

Company Number: 05840150

Charity Number: 1117085

Registered Office: 3rd Floor
20 King Street
London
EC2V 8EG

Directors and Trustees: H A M Al Qattan
G Nuqul
H M Qadoumi
H Al Uzaizi
M A M Azab

Secretary: CLC Secretarial Services Limited

Principal Bankers: Arab Bank Plc
Mayfair
London
W1K 1RB

Arab Bank
Al Balad Branch
PO Box 1481
Ramallah
Palestine

Auditors: Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

Solicitors: Carter Lemon Camerons LLP
3rd Floor
20 King Street
London
RC2V 8EG

PACES
Palestine Association for Children's Encouragement of Sports
Trustees' Annual Report (continued)
31 December 2024

The Trustees are pleased to present their report together with the audited financial statements for the year ended 31 December 2024.

The financial statements comply with the Charities Act 2011; the Companies Act 2006; the Memorandum and Articles of Association and are prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 Charities SORP).

Objectives and activities and how our activities deliver public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006, to have due regard to the Charity Commission's general guidance on public benefit.

The objectives of the charity are:

- To enhance children's life skills and promote positive development through PACES' sports for development program
- To enhance employability skills for young female and male coaches
- To enhance the capacity of Local Partners to contribute to the development of local communities
- To provide equal opportunities for both genders in sports

Strategies employed to achieve objectives

Sports for development programs address many social issues including gender equity, social inclusion, health promotion, community cohesion, and youth empowerment.

PACES' after-school program offers safe spaces for children aged 6-16 in marginalized areas and Palestinian refugee camps in Palestine, Jordan, and Lebanon, fostering confidence and comfort in sports, especially for girls. Children are grouped into groups of 20 based on age and gender upon enrollment. Each group receives two weekly 2-hour sports training sessions where life skills are integrated throughout the program duration. Uniforms and sports equipment are also provided free of charge. Additionally, children engage in other learning through play activities such as fun days, tournaments, and awareness sessions, which further enhance their sports skills and life skills. Equal opportunities are offered for both boys and girls.

Young male and female coaches and assistant coaches in targeted communities are offered part-time employment opportunities to train the children. Upon their enrolment, they are provided with needed technical and life skills training to deliver sessions to children effectively. One coach and one assistant coach are assigned for each children group who deliver 8 training sessions per month. Coaches receive monthly stipends for delivering the sessions, which helps to improve their socio-economic status.

The program is delivered in partnership with PACES local partners represented by local community centers and sports clubs. Local partners are also trained to help with the program outreach and to enhance their capacities to enable them to deliver similar sustainable developmental programs. PACES also engages the community and volunteers to enhance the delivery of activities and maximize their impact. Additionally, PACES continuously seeks partnerships with other local and international NGOs and institutions which align with its objectives and priorities.

PACES also adopts a comprehensive monitoring and evaluation (M&E) system based on predefined indicators to measure the outcomes and outputs of the program interventions. The primary goal is to identify any discrepancies between planned objectives and actual implementation, ensuring alignment with the program's action plan. Monitoring is an ongoing process throughout the program cycle, allowing the team

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31 December 2024

to track progress, address challenges, and make necessary adjustments in real time. Evaluation activities take place at both the beginning and end of the program to assess the efficiency and impact of PACES interventions in relation to its core objectives.

Regarding fundraising and sustainability, PACES secures core funding from institutional partners and individual donors, ensuring the continuity of its programs. All individual donations directly support program implementation. Additionally, PACES accepts online donations from campaigns which are strategically aligned with the program as an additional funding stream.

Activities and achievements

In 2024, PACES resumed its Sports for Development program in Palestine, Jordan and Lebanon as per the recommendations and priorities established in 2023. These priorities included covering West Bank and East Jerusalem in Palestine only, expanding beneficiary outreach in Lebanon, and downsizing the program in Jordan to reallocate resources towards sustaining and growing operations in Palestine and Lebanon.

The PACES program reached 3,400 boys and girls aged 6-16 years, 340 coaches and assistant coaches, and 82 local partners across 27 cities in Palestine, Jordan and Lebanon. Due to the ongoing instability in the region, the program launched in June instead of March, and concluded in November in Palestine and Jordan, and concluded in September in Lebanon due to the security situation. Following is a summary of the program beneficiaries and outreach:

Number of Beneficiaries			
	Palestine	Jordan	Lebanon
Number of Children	1,720	760	920
Number of Coaches	172	76	92
Number of Local Partners	43	18	21
Geographic Outreach			
	Palestine	Jordan	Lebanon
Cities or Governorates	Bethlehem, Hebron, Ramallah, East Jerusalem, Jericho, Tulkarem, Nablus, Qalqilya, Jenin, Tubas, Salfeet	Amman, Zarqa, Madaba, Balqa, Jerash, Irbid, Mafrq	Tripoli, Beirut, Dbayye, Sabtieh, Bas Elias, Saadnayel, Baalback, Saida, Tyre
Palestinian Refugee Camps	Fawwar, Jalazon, Amaari, Qalandia, Aqbet Jaber, Balata, Al Ein, Jenin, and Al Fara'a Refugee Camps	Ghazet Hashim, Hitteen, Baqaa, Madaba, Zarqa, Souf, Sukhneh, Al Mahatta Azmi Al Mufti Refugee Camps	Beddawi, Nahr el Bared, Mar Elias, Chatila, Dbayye, Saadnayel, Burj el Chemali, Rachidieh, Al Buss Refugee Camps

Like every year, children enrolled in the program received 8 sports training sessions in football or basketball every month during the program implementation period, through which life skills and awareness sessions were integrated. Children also participated in other activities including tournaments and fun days to nurture and develop their physical, behavioral, and social abilities. During the cycle, more than 7,000 sports training sessions, 33 football and basketball tournaments and 4 fun days were delivered.

PACES coaches and assistant coaches enrolled in the program delivered the sports training sessions to children and received necessary capacity-building training to implement the activities and improve their skills. The coaches also received monthly rewards for their contribution advancing their socio-economic status. Additionally, local partners received capacity-building training to support the program

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31 December 2024

implementation and strengthen their ability to similar initiatives within their communities. A total of 40 capacity building workshops were delivered.

PACES also extended its support to the community in Gaza through the Gaza Relief Program initiatives, as a response to the challenges faced during the ongoing war. The initiatives included providing financial support to coaches and assistant in Gaza who continued to support PACES' initiatives and fulfill their assigned responsibilities. Additionally, a partnership with SOS Children's Villages Palestine was launched in May 2024 to support the hosting of 68 children from Rafah, Gaza, along with their caretakers at SOS Children's Village in Bethlehem, for a one-year duration. Among them, 46 children were enrolled in PACES' program in Gaza. Through the partnership, PACES covered alternative care services and academic support to all the children. As a further contribution, many of the children, who were previously enrolled in the program in Gaza, joined the sports program in Bethlehem ensuring continuity in their development and well-being.

Financial review

PACES raised approximately £1.813m (2023: £2.235m) in donations from individuals and organisations. Expenditure was £1.913m (2023: £2.332m) which is in line with the trustees' expectations. The charity made a deficit of £99k (2023: £110k), which was not expected, as many donations originally budgeted for were delayed. Donations were raised mainly by direct contact of the trustees with potential donors.

The charity had no complaints from donors in relation to its fundraising methods in the year.

The trustees are extremely grateful to all donors for their generous contributions.

Investment Policy

The charity holds an investment in Amman Football Club, which manages a high-performance football training academy.

PACES felt the need for this investment to nurture talent of PACES children and in an effort to create professional opportunities for talented children enrolled in the PACES program. Through this partnership with AFC, nominated boys and girls from PACES receive specialised training at AFC, to further develop their skills and get the opportunity to participate in international tournaments by official football associations.

Risk management

The trustees have assessed the major risks to which the charity is exposed. In particular, those relating to the specific operational areas of the charity and its finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees regularly review these policies to ensure they are both up to date and effective.

Reserves policy

The charity holds total reserves of £449k at year end (2023: 549K), of which £62k are free reserves, being total reserves less tangible fixed assets and investments. The trustees have established that the level of free reserves PACES ought to have to support the overall general running of the charity should be equal to at least three months' worth of fixed expenditure which is estimated to be £230,000. The trustees consider this policy to be adequate and it is the charity's intention to build on this reserve to support its charitable activities in the long term.

Given the situation in the Middle East, the Board acknowledges that the free reserves do not currently meet the target. They are aware of the charity's intention to gradually build up the reserves to support its long-term charitable activities. The Board also understands that Hani Qattan is committed to support the reserve deficit if required.

Plans for future periods

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The ongoing regional instability, particularly in high-risk countries such as Palestine and Lebanon, has significantly impacted our fundraising efforts, beneficiary outreach, and community safety. As a result, a decision has been made to pause operations in Palestine and Lebanon in 2025. This includes a downsizing of staff, with only essential positions retained:

- Lebanon: The Country Manager position
- Palestine: The Country Manager and Regional Finance & Administration Manager positions

These key roles will support PACES' operation on a regional level, in addition to managing ongoing partnerships, such as the SOS Children's Villages Palestine partnership to provide essential support for children from Gaza. These roles will also support different initiatives and help rebuild operations should circumstances improve.

All other staff will be phased out during the 1st quarter of the year, depending on their role and involvement in the handover process.

The Sports for Development program will continue in Jordan in 2025, serving the same number of beneficiaries as in 2024. The program will commence in March with capacity building workshops for coaches and assistant coaches, followed by the resumption of sports training sessions and activities for children in April, after the month of Ramadan, for a duration of 8 months. The program will include 760 children, 76 coaches, and 18 local partners.

Structure, Governance and Management

Governing document

PACES is a company limited by guarantee governed by its Memorandum and Articles of Association dated 7 June 2006 (last amended on 7 April 2007) and is registered as a charity with the Charity Commission. New membership is open to individuals and organisations interested in promoting the objects of the charity provided their application is approved by the Board and the register of members is then duly signed. There is currently one member who agrees to pay up to £10 towards the costs of dissolution in the event of the charity winding up.

Appointment of trustees, induction and training

New trustees are appointed by existing trustees. One third (or the number nearest one third) of the trustees must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. A retiring trustee who remains qualified may be reappointed. The trustees have learned the duties as trustees through information obtained from external consultants and the charity commission and are responsible for the induction and training of new trustees.

Governance

The board of trustees administers the charity. The board meets quarterly but there are also regular email and telephone discussions by the board of trustees on an informal basis.

The day-to-day operations of the charity are managed by one of the trustees; Haya Qadoumi. Haya often travels to Palestine, Jordan and Lebanon to arrange charitable activities and develop working relationships with organisations on behalf of the charity, and to meet with individuals and corporations in order to raise funds for the charity.

In addition to this H A M Al Qattan develops working relationships with organisations on behalf of the charity and meets with individuals and corporations to raise funds for the charity.

Statement of Trustees' Responsibilities

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Trustees' Annual Report (continued)
31 December 2024

The trustees (who are also directors of PACES for the purposes of Company Law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources including the income and expenditure of the charitable company 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, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charitable company and to enable it to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- a) there is no relevant audit information of which the Charitable company's auditors are unaware; and
- b) the trustees have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the Trustees


.....
H A M AL Qattan
Trustee

28 July 2025
.....
Date

PACES

Palestine Association for Children's Encouragement of Sports

Independent Auditors' Report to the Members of

PACES

Opinion

We have audited the financial statements of Palestine Association for Children's Encouragement of Sports ('the company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

PACES

Palestine Association for Children's Encouragement of Sports

Independent Auditors' Report to the Members of

PACES

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' annual report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Palestine Association for Children's Encouragement of Sports

Independent Auditors' Report to the Members of

PACES

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

PACES

Palestine Association for Children's Encouragement of Sports

Independent Auditors' Report to the Members of

PACES

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

.....
Samir Chandoo (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 4 August 2025

6th Floor
9 Appold Street
London
EC2A 2AP

PACES
Palestine Association for Children's Encouragement of Sports
Statement of Financial Activities
For the year ended 31 December 2024

	Note	Unrestricted funds year ended 2024 £	Restricted funds year ended 2024 £	Total funds year ended 2024 £	Unrestricted funds year ended 2023 £	Restricted funds year ended 2023 £	Total funds year ended 2023 £
Income:							
Donations & gifts	2	1,842,256	-	1,842,256	2,235,310	-	2,235,310
Total Income		<u>1,842,256</u>	<u>-</u>	<u>1,842,256</u>	<u>2,235,310</u>	<u>-</u>	<u>2,235,310</u>
Expenditure on charitable activities:							
Cost of the operation of the charity		1,913,291	-	1,913,291	2,332,053	-	2,332,053
Total Expenditure	3	<u>1,913,291</u>	<u>-</u>	<u>1,913,291</u>	<u>2,332,053</u>	<u>-</u>	<u>2,332,053</u>
Net gains/(losses) on investments	6	-	-	-	(13,403)	-	(13,403)
Net Income/(expenditure)		(71,035)	-	(71,035)	(110,146)	-	(110,146)
Reconciliation of Funds							
Total funds brought forward at 1 January 2024		548,611	-	548,611	658,757	-	658,757
Total funds carried forward at 31 December 2024		<u>477,576</u>	<u>-</u>	<u>477,576</u>	<u>548,611</u>	<u>-</u>	<u>548,611</u>

The notes on pages 13 to 18 form part of these financial statements.

There were no recognised gains or losses other than those recognised above.

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Palestine Association for Children's Encouragement of Sports

Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Fixed Assets			
Tangible fixed assets	5	11,267	17,573
Investments	6	<u>375,235</u>	<u>375,235</u>
		386,502	392,808
Current Assets			
Debtors	7	146,238	57,836
Cash at bank and in hand		<u>164,189</u>	<u>156,488</u>
		310,427	214,324
Creditors: Amounts falling due within one year	8	<u>(219,353)</u>	<u>(58,521)</u>
Net Current Assets / (Liabilities)		<u>91,074</u>	<u>155,803</u>
Net Assets		<u><u>477,576</u></u>	<u><u>548,611</u></u>
Reserves			
Unrestricted funds	9	<u>477,576</u>	<u>548,611</u>
		<u><u>477,576</u></u>	<u><u>548,611</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees on 28 July 2025 and signed on its behalf by:



.....
H A M Al Qattan
Trustee

The notes on pages 13 to 18 form part of these financial statements.

Company No. 05840150

PACES

Palestine Association for Children's Encouragement of Sports Statement of Cash Flows as at 31 December 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash (used in) operating activities	<u>10,644</u>	<u>(102,963)</u>
Cash flows from investing activities		
Purchase of fixed assets	(2,943)	(20,571)
Net cash used in investing activities	<u>(2,943)</u>	<u>(20,571)</u>
	7,701	(123,534)
Cash and cash equivalents at the beginning of the reporting period	<u>156,488</u>	<u>280,022</u>
Cash and cash equivalents at the end of the reporting period	<u>164,189</u>	<u>156,488</u>

Reconciliation of net expenditure to net cash flow from operating activities

	2024 £	2023 £
Net income for the reporting period	(71,035)	(110,146)
Adjustments for:		
Investment (gains)/losses	-	13,403
Depreciation charges	9,249	24,582
Decrease/(Increase) in debtors	(88,402)	17,511
(Increase)/decrease in stock	-	-
Increase/(Decrease) in creditors	160,832	(48,313)
Net cash provided by operating activities	<u>10,644</u>	<u>(102,963)</u>

Analysis of Cash and Cash Equivalents

	2024 £	2023 £
Cash in hand	164,189	156,488
Total cash and cash equivalents	<u>164,189</u>	<u>156,488</u>

Analysis of Changes in Net Debt

	At 01/01/2024	Cash flows	At 31/12/2024
Cash	156,488	7,701	164,189

PACES
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Notes to the Financial Statements
For the year ended 31 December 2024

1 Accounting Policies

Charity information

Palestine Association for Children's Encouragement of Sports is a company limited by guarantee incorporated and registered in England and Wales. The registered office is 3rd Floor, 20 King Street, London, EC2V 8EG.

1.1 Basis of preparation

The financial statements are prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The charitable company is a public benefit entity for the purpose of FRS102 and therefore the charity's financial statements have been prepared in accordance with 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 (the FRS 102 Charities SORP) including Update Bulletin 2, the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The principal accounting policies, which are applied consistently, are set out below.

1.2 Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on donation income. The founder of the charity H A M Al Qattan has confirmed he intends to continue to provide on-going support to the charity in the form of donations should it be necessary to enable the charity to meet its working capital commitments, and the level of support is expected to be in line with transactions in recent years as disclosed in note 10. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Income

Voluntary income and donations are accounted for when receivable.

Gifts in-kind are recognised when an equivalent amount has been expended. They are valued at the amount the Charity would have to pay in the open market for an equivalent item.

1.4 Expenditure

All expenses are accounted for on an accruals basis. Costs are allocated directly to the appropriate activity.

Expenditure incurred in connection with the specific objects of the charity is included under the heading charitable activities.

1.5 Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction, the average rate being used as an approximation to this rate. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the statement of financial activities.

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1 Accounting Policies (continued)

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Fixed assets and depreciation

All fixed assets with a value over £500 are capitalised at cost, being their purchase cost together with any incidental expenses at acquisition, and depreciated to their estimated residual value over their estimated useful economic lives as follows:

Computer equipment	3 years straight line basis.
Fixtures & fittings	4 years straight line basis.
Leasehold improvements	4 years straight line basis.

1.8 Fixed assets investments

Investments are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.90 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

1.10 Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

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2 Income - Donations & gifts

During the year the Charity received donations of £1,690,033 (2023 - £2,235,310). £1,619,170 (2023 - £2,191,606) was received from individuals while £70,863 (2023 - £43,704) was received from organisations.

3 Total Resources Expended

	Staff Costs 2024 £	Other Costs 2024 £	Total 2024 £	Staff Costs 2023 £	Other Costs 2023 £	Total 2023 £
Charitable Activities:						
Overseas Staff cost- project delivery	1,004,609	-	1,004,609	1,136,188	-	1,136,188
UK staff costs	148,058	-	148,058	176,358	-	176,358
Activities, sport kits and equipment	-	9,027	9,027	-	55,804	55,804
Travel, subsistence & accommodation	-	35,370	35,370	-	193,137	193,137
Other project costs	-	531,896	531,896	-	527,577	527,577
Accountancy	-	11,227	11,227	-	10,147	10,147
Office costs, postage, printing & stationery	-	11,403	11,403	-	84,302	84,302
Telephone	-	8,951	8,951	-	7,995	7,995
Bank charges and interest	-	10,341	10,341	-	11,239	11,239
Training	-	-	-	-	-	-
(Profit) / loss on foreign exchange	-	14,164	14,164	-	8,904	8,904
Legal costs of running the charity	-	45,676	45,676	-	59,055	59,055
Depreciation (note 5)	-	9,249	9,249	-	24,582	24,582
AFC fees	-	22,241	22,241	-	17,010	17,010
Audit costs	-	51,079	51,079	-	19,755	19,755
	<u>1,152,667</u>	<u>760,624</u>	<u>1,913,291</u>	<u>1,312,546</u>	<u>1,019,507</u>	<u>2,332,053</u>

The average number of staff employed during the year was 26 (2023 - 30).

Staff costs	2024	2023
<i>Staff on UK payroll</i>		
Wages and salaries	130,320	155,840
Social security costs	17,738	20,518
	<u>148,058</u>	<u>176,358</u>
Overseas staff costs	<u>1,004,609</u>	<u>1,136,188</u>
	<u>1,152,667</u>	<u>1,312,546</u>

During the year there was one employee whose remuneration exceeded £60,000:-

	2024	2023
£60,000 - £69,999	1	-
£130,000 - £139,999	1	-
£150,000 - £159,999	-	1

No trustees were reimbursed for expenses in 2024 or 2023.

The Charity considers its key management personnel to be its trustees. The total amount payable to key management personnel was £153,097 (2023: £176,359).

Transactions with trustees and other related parties are disclosed in note 10.

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4 Auditor's remuneration	2024 £	2023 £
Audit	18,954	14,900
Other services	10,746	7,000
	<u>29,700</u>	<u>21,900</u>

5 Tangible fixed assets	Computer Equipment	Leasehold Improvements	Fixtures & Fittings	Total £
Cost				
At 1st January 2024	48,522	43,048	27,220	118,790
Additions	2,356	-	587	2,943
Disposals	(1,491)	-	-	(1,491)
	<u>49,387</u>	<u>43,048</u>	<u>27,807</u>	<u>120,242</u>
At 31st December 2024				
At 1st January 2024	36,974	43,048	21,195	101,217
Charge for the year	6,172		3,077	9,249
On Disposals	(1,491)			(1,491)
	<u>41,655</u>	<u>43,048</u>	<u>24,272</u>	<u>108,975</u>
At 31st December 2024				
Net Book Value				
At 31st December 2024	7,732	-	3,535	11,267
At 31st December 2023	11,548	-	6,025	17,573

6 Program Related Investments	2024 £	2023 £
Brought forward	375,235	388,638
Foreign exchange (losses)/gains	-	(13,403)
	<u>375,235</u>	<u>375,235</u>

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7 Debtors	2024	2023
	£	£
Gift aid	-	48,205
Prepayments	5,468	9,264
Other debtors	<u>140,770</u>	<u>367</u>
	<u><u>146,238</u></u>	<u><u>57,836</u></u>
 8 Creditors: amounts falling due within one year		
	2024	2023
	£	£
Other Creditors	33,695	-
Accruals	101,146	44,595
Taxation and social security creditors	617	5,656
Grants payable	<u>83,895</u>	<u>8,270</u>
	<u><u>219,353</u></u>	<u><u>58,521</u></u>

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9 Unrestricted Funds

	1 January			31 December
	2024	Income	Expenditure (incl. investment	2024
	£	£	£	£
General Fund	548,611	1,842,256	(1,913,291)	477,576
Total Unrestricted Funds	548,611	1,842,256	(1,913,291)	477,576

	1 January 2023	Income	Expenditure	31 December 2023
	£	£	£	£
General Fund	658,757	2,235,310	(2,345,456)	548,611
Total Unrestricted Funds	658,757	2,235,310	(2,345,456)	548,611

10 Related Party Transactions

H A M Al Qattan (trustee) made unrestricted donations of £1,214,226 (2023 - £1,846,347) in the year.

The charity's trustee Haya Qadoumi received remuneration of £135,359 (2023: £155,840) during the year. Remuneration to a trustee is allowable per the governing documents.

No other trustee received any remuneration in the financial year.

11 Members liability

The charitable Company is limited by guarantee and one of the members is bound to contribute a sum not exceeding £10 as may be required, in the event of the winding up of the Charity.

12 Taxation

As a charity, Palestine Association for Children's Encouragement of Sports is exempt on income and gains falling within Section 466-493 of the Corporation Tax Act 2010 to the extent that they are derived from charitable activities.