

SHADE

Annual Report and Financial Statements Period ended 31st July 2023

Charity Number: 1149699

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I. Administrative Information

Charity Number: 1149699

Registered office: The Shade Centre, 62 Church Road, London, E12 6AF

Directors and Trustees

The directors of the Shade (the charity) are its trustees for charity law. The trustees and officers serving during the year and since the year end were as follows:

Mr Abdul Gaffar	Appointed 28 January 2019
Mr Muhammad Abdul Gofar Khan	Appointed 16 May 2023
Mr Koyson Khan	Appointed 16 May 2023
Mr Mohammed Sayeedur Rahman	Appointed 1 October 2023

Our Advisers

Bankers: HSBC Bank, East Ham, London E6 2HX

Independent Examiner: Strone Accountants, Unit 10, 45 Gillender Street, E14 6RN

II. Trustees' Report

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the period ended 31 July 2023 which are also prepared to meet the requirements for a directors' report and accounts for Charities Act purposes.

The financial statements comply with the Charities Act 2011, by its constitution, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives & Activities

1. To act as a resource for people living in London and neighbouring regions by providing advice and assistance and organizing programs of physical, educational and other activities as a means of:
 - a) advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - b) advancing education;
 - c) providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons.
2. To promote and protect the physical and mental health of the inhabitants of London and the neighbouring areas through the provision of financial assistance, support, education and practical advice.
3. The relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money (or other means deemed suitable) for persons, bodies, organizations and/or countries affected including the provision of medical aid.

Activities

SHADE is community-based umbrella organisation that runs programs and activities catering for the social, educational, recreational and religious needs of the community.

The Shade Centre

This is a community centre where we provide health and educational activities. Some of the activities are:

- Ladies Fitness Classes
- Archery Club
- Tea Club
- Martial Arts (Silat & Kickboxing)
- Self Defence Course
- Friday Prayer Facilities
- Eid Prayers Outdoors in Manor Park and Forest Gate
- Youth Project (Youth under Shade)
- Football Club (Shade FC)

III. Financial Review

The trustees have reviewed the reserves of the Charity. Their policy is to hold enough liquid funds to meet 3 months of operating costs of the Charity.

IV. Structure, Governance and Management

Governing Document

Shade an un-incorporated charitable organisation governed by its constitution adopted 01/11/2011 and last amended 14/04/2013.

Pay policy for senior staff

No staff member receives more than £60,000 in wages per annum.

Reserves Policy

The charity always aims to have 3 months of charitable expenditure as cash reserves, in the event of winding up or to support projects in a deficit for short periods of time until further funding is secured. This would currently amount to approximately £123,033.

Risk Management

The trustees continue to manage the risk of shortfalls in funding. The trustees mitigate this risk by:

- a. Ensuring there are trustees with specific experience in fundraising who provide additional support to the organisation via a sub-committee of the Board
- b. Allocating appropriate resource to both fundraising and business development
- c. Diversifying the income base of the organisation through commissioning, corporate engagement and the trading subsidiary.

Trustee responsibilities in relation to financial statements

The charity trustees of Shade are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Charity law requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity incoming resources and application of resources, including the income and expenditure, of the charitable for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011.

They are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

30/05/2024

Approved by our Board of Trustees on

Signed on its behalf.

M Khan

Trustee

Name..... Muhammad Abdul Gofar Khan

V. Independent Examiners Report

Respective responsibilities of trustees and examiner

The 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 exceeded £250,000.

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 statement

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 examiner's statement

In connection with my examination, no material matters have come to my attention (other than that disclosed below if any) which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance the Charities Act; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements of Charities Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I 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.

Date:

Strone Accountants

30/5/2024

Firm: Strone Accountants

Address: Strone Accountants, Unit 10, 45 Gillender Street, E14 6RN

VI. Financial Statements**Statement of Financial Activities**

	Notes	Unrestricted £	Restricted £	2023 Total Funds £	2022 Total Funds £
Income:					
Donations and legacies	2	177,387	-	177,387	112,800
Income from charitable activities:	3	229,060	-	229,060	229,777
Income from other trading activities:	4	50,009	-	50,009	136,017
Total income		456,456	-	456,456	478,594
Expenditure					
Cost of raising funds					
Fundraising		-	-	-	-
Commercial trading operations		6,619	-	6,619	105,464
Expenditure on charitable activities	5	485,512	-	485,512	396,660
Total expenditure		492,131	-	492,131	502,124
Net movement in funds for the year		(35,675)	-	(35,675)	(23,530)
Reconciliation of funds					
Total Funds Brought Forward		85,877	6,809	92,686	116,216
Transfer Between Funds		-	-	-	-
Total funds carried forward		50,202	6,809	57,011	92,686

Statement of Financial Position (Balance Sheet)

		2023 £	2022 £
Fixed assets			
Tangible assets	10	25,266	14,470
		<u>25,266</u>	<u>14,470</u>
Total Fixed Assets		<u>25,266</u>	<u>14,470</u>
Current assets			
Debtors	11	179,954	163,953
Cash at bank and in hand		8,865	12,194
		<u>188,819</u>	<u>176,147</u>
Total Current Assets		<u>188,819</u>	<u>176,147</u>
Liabilities			
Creditors falling due within one year	12	(114,618)	(49,989)
		<u>74,201</u>	<u>126,158</u>
Current assets less current liabilities		<u>74,201</u>	<u>126,158</u>
Creditors: falling due after more than 1 year		(42,456)	(47,942)
		<u>57,011</u>	<u>92,686</u>
Net assets		<u>57,011</u>	<u>92,686</u>
The funds of the charity:	13		
Unrestricted income funds:		50,202	85,877
Restricted income funds		6,809	6,809
		<u>57,011</u>	<u>92,686</u>
Total charity funds		<u>57,011</u>	<u>92,686</u>

Financial statements were approved on 30/05/2024 by the members of the committee and authorised for issue. Signed on their behalf by:

M Khan

Trustee

Muhammad Abdul Gofar Khan
Name.....

Statement of Cash Flows

	2023 £	2022 £
Cash flows from operating activities:		
Net movement in funds	(35,675)	25,530
Add back depreciation charge	6,982	7,444
(Increase)/Decrease of debtors	(16,000)	108,439
Increase/(Decrease) of creditors	59,143	(85,734)
Net cash flow of operating activities	14,450	6,619
Cash flows from investing activities:		
Purchase of assets	(17,778)	-
Net Cash flows from investing activities:	(3,328)	-
Change In cash and cash equivalents in the year	(3,328)	6,619
Cash and Cash equivalents brought forward	12,194	5,575
Total cash and cash equivalents at year end	8,865	12,194

Notes to the Financial Statements

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation (First time adoption of FRS102)

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).

Shade 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 note(s).

b) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of a project or provision of other specified service it is deferred until the criteria for income recognition are met.

c) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised based on the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the Trustees have decided to set aside to use for a specific purpose.

Restricted funds are donations or grants which the funder has specified are to be solely used for areas of the charity's work or for specific projects being undertaken by the charity.

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's artistic programmes and activities. Support costs have been allocated in proportion to expenditure incurred in undertaking an activity.

h) Tangible fixed assets

Plant, Property & Equipment are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

Asset Category	Annual rate
Fixtures, Fittings and Electrical equipment	20%

i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash at bank and in hand

Cash at bank and cash in hand includes cash or opening of the deposit or similar account.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

m) Going Concern

The accounts are prepared on a going concern basis there are no material uncertainties about the charities ability to continue

2. Income from donations and legacies

	2023	2022
	£	£
Donations	177,387	112,800

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3. Income from charitable activities

	2023	2022
	£	£
Income from charitable activities	229,060	229,777

The charity runs a project named Al Rawda with the objective of advancing Islamic education, with aim to produce educated, active members of society able to propagate authentic knowledge derived from traditional sources and apply them in a contemporary context by Providing Educational courses for youths and adults alike.

4. Income from other trading activities

	2023	2022
	£	£
Income from other trading activities	50,009	136,017

The charity facilitates fundraising events and sells books.

5. Analysis of expenditure on charitable activities

	Staff costs £	Other costs £	Support costs £	Total 2023 £	Total 2022 £
Restricted Funds	-	-	-	-	2,196
Unrestricted Funds	318,096	57,522	116,512	492,130	394,464
	<u>318,096</u>	<u>57,522</u>	<u>116,512</u>	<u>492,130</u>	<u>396,660</u>

6. Analysis of staff costs, Charity remuneration and expenses, and key management personnel.

	2023 £	2022 £
Salaries and wages	318,096	223,981

No employees had employee benefits more than £60,000. Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The key management personnel of the parent charity, comprise the trustees and the Chief Executive Officer of Shade.

7. Staff Numbers

The average monthly number of staff was 20 staff and the average monthly number of full-time equivalent employees (including casual and part-time staff) during the year were as follows:

	2023	2022
	Number	Number
Administrative, Teaching & Support staff (FTE)	15	18

8. Related party transactions

The charity has an agreement with the director of an interest free loan from the director, which will be repayable as when the charity has sufficient reserves.

9. Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10. Tangible fixed assets

	2023	2022
	£	£
Plant, Property and Equipment		
Cost		
At 1 July 2022	113,251	113,251
Additions	17,778	-
At 31 July 2023	131,029	113,251
Depreciation		
At 1 July 2022	98,780	91,336
Charge for the year	6,982	7,444
At 31 July 2023	105,762	98,780
Net book value		
At 31 July 2023	25,267	14,470
At 31 July 2022	14,470	21,914

11. Debtors

	2023 £	2022 £
Trade debtors	20,710	20,710
Other Debtors	159,244	143,243
	179,954	163,953

12. Creditors: amounts falling due within one year

	2023 £	2022 £
Other Creditors	107,065	42,436
Directors Loan to the Charity	7,553	7,553
	114,618	49,989

13. Analysis of charitable funds

	Opening Balance	Income	Transfers	Expenditure	2023 Closing Balance
Unrestricted income funds:	85,877	456,456	-	(492,131)	50,202
Restricted income funds	6,809	-	-	-	6,809
	<u>92,686</u>	<u>456,456</u>	<u>-</u>	<u>(492,131)</u>	<u>57,011</u>
	Opening Balance	Income	Transfers	Expenditure	2022 Closing balance
Unrestricted income funds:	107,211	478,594	-	(499,928)	85,877
Restricted income funds	9,005	-	-	(2,196)	6,809
	<u>116,216</u>	<u>478,594</u>	<u>-</u>	<u>(502,124)</u>	<u>92,686</u>

End of Report