

Company Registration No. 07966699 (England and Wales)
Registered charity number: 1150374

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE
(A Not For Profit Company Limited By Guarantee)

**DIRECTORS' AND TRUSTEES' REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2021

CHANTER, BROWNE & CURRY

Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London SW6 4TU.



SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

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SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021



The trustees who are also directors of the charity for the purposes of the Companies Act, present their report and the financial statements for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and UK Generally Accepted Practice as it applies from 1 January 2019.

For the purposes of this report and financial statements, references to "Shubbak" refer to this charity.

Chair's report

2020/21 has been a challenging year, taken up by a significant curtailment of activities and plans due to the Covid-19 pandemic. The year always would have been our 'off-year' in the biennial festival cycle, but a crucial year for artistic residencies, workshop programme, commissions and festival planning.

While for the first 6 months of the financial year most physical activity had to be stopped and we were facing significant financial fragility, we can still look back on a year of considerable achievements, including an online and physical participation & engagement programme, continuation of Young Shubbak, financial stabilisation of the charity, active planning for the 2021 festival, appointment of a new chair and appointment of an enlarged team to deliver the 2021 festival.

Shubbak has proven resilience and innovation in tackling the challenges of the year. It is well equipped to deliver the 2021 festival.

Our purpose and activities

The purpose (object) of the charity is:

- To advance the education of the public in Arab culture and other aspects of Arabic arts, culture and heritage through public performances and discussions

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission. In shaping our objectives for the year and in planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance on public benefit and fee charging. Shubbak works in partnership with arts institutions across London, and in setting the level of fees, charges and concessions, the trustees give careful consideration to the accessibility to events for those on low incomes. We also ensured a wide range of free events were held in order to have the broadest level of access possible.

The vision that shapes our annual activities is the promotion and fostering of knowledge and the appreciation of the arts, in particular those produced by artists in or from the Arab world through the provision of events for the education and recreation of the public in the fields of visual arts, literature, music, drama and dance.

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021



The strategies employed to achieve the charity's aims and objectives are:

- to stage a large-scale two-week festival that offers London, UK and international audiences the chance to discover and enjoy some of the most exciting voices and practitioners of contemporary Arab culture, in partnership with leading cultural organisations in London, the UK and the Arab region.
- to increase understanding of contemporary Arab issues through culture, and encourage discussion, international partnerships and exchange of ideas.
- to celebrate the contribution of the Arab community in London and engage with them as creators and audiences.
- to recognise the enduring relationship between London and the Arab world.

Putting these strategies into action we have one major area of activity every two years, this is the Shubbak festival. Our programme of activities also focuses on audience development and accessibility, bringing the arts to the widest possible community in London and in the UK, in line with our current business plan.

Achievements in the period

As the off-year in the festival's biennial cycle, the main activity of the charity has been planning and preparing for the 2021 festival. In the pandemic the planning process was severely and frequently interrupted due to constantly uncertain conditions of lockdowns and tentative opening up of the cultural sector, closures of partner venues, inability to conduct physical visits and workshops, and curtailment of international travel due to travel bans or quarantining restrictions.

The board considered to postpone or cancel the 2021 festival at various points, but always came to the conclusion that holding a festival in 2021 was important to support the audiences, artists and stakeholders who we serve.

During 2020/21 a small number of participatory and engagement activities took place:

Young Shubbak

The youth group Young Shubbak curated an online artistic exchange Beyti Beytek with young artists based in the UK and internationally. The online work was shared in June/July 2020 and viewed by over 1500 people.

Young Shubbak also ran an awareness and fundraising campaign following the explosion in Beirut's harbour in August 2020.

Participation & Engagement:

In July and August Shubbak led two participatory online projects with Grand Junction in Paddington Basin. Choreographer Ben Fury led ten sessions with young people aged 12-24, leading to short filmed dance films in outdoor locations. Visual artist Rand Abdul Jabber led a series of online workshops in June and physical workshops in August with over 20 Iraqi and Syrian women, leading to a microsite, which displays the contributions of the participants. The workshops feed into the major commission for the artist for the festival programme in July 2021.

Against Disappearance:

We held two online events exploring the relationship between cultural heritage protection and contemporary artistic practice, presented in collaboration with the British Council. Over 100 people joined the 1st webinar on 9 December, followed by a further event on 9 March.

All other activities were planning and designing the 2021 festival programme.

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

**REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**



Marketing and Communication:

We developed enhanced bilingual content for our website and significantly increased our social media presence in preparation for the full 2021 festival campaign.

Visits to international partners

Due to the pandemic there was no international travel in the period, but Shubbak took place in strategic international online fora and conferences, including Salzburg Global conference on the Future of Festivals, and the International Festival Academy Atelier.

UK partners

Shubbak continued to expand its network of partners in the UK and developed new collaborations with Counterpoints Arts, Chelsea Physic Gardens, The Barbican and Arts Admin.

TEAM AND MANAGEMENT

Fares Moussa left as Executive Director in early April 2020.

Since November 2020 we built up the team again to deliver the 2021 festival. This included the appointment of general manager Fiona Aber Taruona in November 2020 and appointment of several freelance or part-time producers from December onwards.

Projects were delegated across the team with clear reporting mechanism. The team was highly motivated and worked extremely well with each other.

Shubbak continued to have its office in the Arab British Centre.

Financial Viability

2020/21 was a challenging year. A number of Shubbak's funders suspended their grant giving commitments due to the pandemic. Individual donors channelled their donations to Covid-relief. We had to re-negotiate funding with some funders, as we could not run the projects as originally envisioned.

The period from April to October exposed the charity to significant financial fragility. This was mitigated by furloughing staff and reducing activity.

From autumn 2020 we saw a significant improvement of our financial viability with the reinstatement of the British Council Operational Alliance grant, the success of the Cultural Recovery Fund grant, reinstatement of grant from A M Qattan Foundation and additional funding from British Council for the Against Disappearance series of webinars.

This enabled us to plan confidently and viably for the 2021 festival.

We succeeded in maintaining our reserves policy by increasing the designated fund by £2,500.

We continued to have a modest earned income stream through consultancies for the International Festival Academy and Splitsecond.

Governing Document

The charity is also known by the name of Shubbak and is a company limited by guarantee having been incorporated on 27 February 2012; and registered as a charity on 7 January 2013. It is governed by its Memorandum and Articles of Association, which established the objects and powers of the charitable company. In the event that the charity is dissolved, each member will contribute up to £1 towards the cost of dissolution and the liabilities incurred by the Charity.

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021



Recruitment and appointment of trustees

As set out in the Articles of Association, the member(s) may propose and appoint any willing person to act as a trustee for the Charity. A trustee's term of office is three years. When considering a nominated trustee, the charity will take into account the skills of existing trustees, of the proposed trustee and the skills required by the charity. The trustees are also the directors of the company.

We led a recruitment for a new Chair in early 2021, which led to the appointment of Shadia El Dardiry.

Trustee induction and training

New trustees will be made familiar with the objectives, business plan and financial status of the charity. Trustees will also be given a copy of the relevant guidance material from the Charity Commission.

Risk Management

An annual risk review is undertaken by the trustees. The Trustees examine the major strategic, business and operational risks which the charity faces and will put in place systems to mitigate these risks.

Financial Review

The annual accounts show total income received for the year, excluding donated services, of £502,585 (2020: £756,466).

Expenditure for the year, excluding donated services, amounted to £223,199 (2020: £678,053) and was primarily spent on developing the 2021 festival and community engagement projects which focused on achieving our charitable objective.

Reserves Policy

The Trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

Shubbak's policy is to hold reserves that enable the organisation to:

- ensure there is sufficient money to continue our core activities during a period of unforeseen difficulty;
- develop the organisation, including travel and strategic relationships to expand partnership;
- undertake special projects and one-off activities in keeping with the Shubbak's vision.

The Trustees have examined the requirement for reserves not invested in tangible fixed assets to cover the remaining committed operational activities from income for three months. Based on current commitments, this requirement is £48,000.

The company has a designated fund comprising unrestricted funds that have been set aside by the trustees to meet any exceptional costs or circumstances. At the year end date, the designated fund amounted to £20,000.

Plans for the future

The biennial 2021 festival took place from 20 June – 17 July 2021, in the new financial year. With approx. 45 events, both online and physical, it achieved an audience of over 44,000 people and offered a wide-ranging programme to meet our charitable objectives. In 2021/22 we will also be planning a transition to new leadership with the departure of the CEO Eckhard Thiemann and appointment of joint CEOs Alia Alzougbi & Taghrir Choucair-Vizoso in September 2021.

The charity is developing a new business plan for 2022/23 and started on the process of applying for Arts Council England NPO period from 2023 onwards.

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021



Reference and administrative details

| | |
|---------------------------|--------------------------------------|
| Registered charity number | 1150374 |
| Company number | 07966699 |
| Registered office | 1 Gough Square London EC4A 3DE |

Our advisers

| | |
|----------------------|---|
| Independent Examiner | Chanter, Browne & Curry Chartered Accountants 1 Plato Place 72-74 St Dionis Road London SW6 4TU |
| Solicitors | Thomas Eggar LLP Belmont House Station Way Crawley West Sussex RH10 1JA |
| Bankers | Lloyds TSB Bank plc 19-21 The Quadrant Richmond Surrey TW9 1BP |

Directors and trustees

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

- Maysoon Pachachi (Chair until 3 March 2021; resigned 3 March 2021)
- Shadia El Dardiry (Chair from 3 March 2021)
- Aaron Cezar
- Lynn Gaspard
- Sumantro Ghose
- Josephine Glanville
- Almir Koldzic
- Fady Alrayyes

**REPORT OF THE TRUSTEES (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021****Statement of Trustees' Responsibilities**

The Trustees (who are also directors of Shubbak 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 the 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:

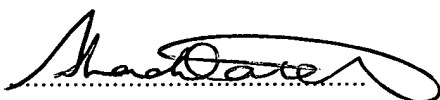
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

Small company exemption

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Trustees



Shadia El Dardiry
Chair of the Board of Trustees

Date: 8 September 2021

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE ("the Company")

I report to the charity trustees on my examination of the financial statements of the charity for the year ended 31 March 2021, which comprise the statement of financial activities, the balance sheet and the

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

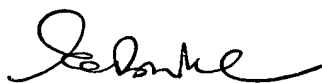
Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 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
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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 financial statements to be reached.



.....
P.G. Browne FCA CTA

Chanter, Browne & Curry
Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London SW6 4TU.

Date: 8 September 2021

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021****SUMMARY INCOME AND EXPENDITURE ACCOUNT**

| | Notes | Unrestricted funds £ | Designated fund £ | 2021 Restricted funds £ | Total funds £ | 2020 Total funds £ |
|---|-------|----------------------------|-------------------------|----------------------------------|---------------------|-----------------------------|
| INCOME | | | | | | |
| Grants and donations | 4 | 334,528 | - | 157,142 | 491,670 | 736,011 |
| Charitable activities | 5 | 10,915 | - | - | 10,915 | 20,455 |
| Total income | | 345,443 | - | 157,142 | 502,585 | 756,466 |
| EXPENDITURE | | | | | | |
| Charitable activities | 6 | 153,928 | - | 69,271 | 223,199 | 678,053 |
| Total expenditure | | 153,928 | - | 69,271 | 223,199 | 678,053 |
| Net income before transfers | | 191,515 | - | 87,871 | 279,386 | 78,413 |
| Transfers between funds | 8 | 8,797 | 2,500 | (11,297) | - | - |
| Net movement in funds for the year | | 200,312 | 2,500 | 76,574 | 279,386 | 78,413 |
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | 84,416 | 17,500 | 74,512 | 176,428 | 98,015 |
| TOTAL FUNDS CARRIED FORWARD | | 284,728 | 20,000 | 151,086 | 455,814 | 176,428 |

The Statement of Financial Activities includes all gains and losses in the period.
All income and expenditure derive from continuing activities.

The notes on pages 11 to 15 form part of these financial statements.

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

BALANCE SHEET

AT 31 MARCH 2021

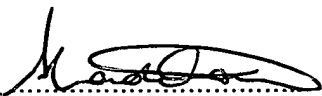
| | Notes | 2021 Total funds £ | 2020 Total funds £ |
|---|-------|-----------------------------|-----------------------------|
| Current assets | | | |
| Cash at bank and in hand | 12 | 460,019 | 198,943 |
| Creditors: amounts falling due within one year | 7 | <u>(4,205)</u> | <u>(22,515)</u> |
| Net assets | | <u>455,814</u> | <u>176,428</u> |
| Funds of the charity | 9, 10 | | |
| Restricted funds | | 151,086 | 74,512 |
| Designated fund | | 20,000 | 17,500 |
| Unrestricted funds | | 284,728 | 84,416 |
| | | <u>455,814</u> | <u>176,428</u> |

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 477 of the Companies Act 2006;
- (b) No notice has been deposited under Section 476 of the Companies Act 2006, and
- (c) The directors acknowledge their responsibilities for:-
 - (i) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006, and
 - (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its surplus or deficit for the financial period in accordance with the requirements of Sections 394 and 395, and otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and trustees on 8 September 2021.



Shadia El Dardiry
Chair of Trustees

Company Registration Number: 07966699

The notes on pages 11 to 15 form an integral part of these financial statements.

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

| | Notes | 2021 £ | 2020 £ |
|--|--------------|-------------------|-------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 11 | 261,076 | (140,122) |
| Change in cash and cash equivalents in the year | | | |
| Cash and cash equivalents brought forward | | 198,943 | 339,065 |
| Cash and cash equivalents carried forward | 12 | <u>460,019</u> | <u>198,943</u> |

The notes on pages 11 to 15 form an integral part of these financial statements.

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.1 Basis of preparation

Shubbak is a UK registered charity incorporated as a company limited by guarantee. The address of the registered office is given in the charity information on page 5. The nature of the charity's operations and principal activities are directed at advancing the education of the public in Arab culture and other aspects of Arabic arts, culture and heritage through public performances and discussions, including staging a biennial festival.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Accounting Practice.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of Shubbak at the discretion of the trustees.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are resources which are to be applied to specific purposes imposed by the funder/donor

1.3 Income recognition

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity is legally entitled to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

1.4 Expenditure recognition

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure directly attributable to any specific activities has been included in these cost activities. Where costs are attributable to more than one activity they have been apportioned across categories on a basis consistent with the use of these resources.

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

2 Staff costs

The company had an average of 4 employees during the year ended 31 March 2021 (2020: 3 employees).

3 Trustees' remuneration and expenses

During the year ended 31 March 2020, a trustee, Josephine Glanville, was paid £100 for chairing a discussion as part of the company's literature programme during the festival. This task was carried out in her freelance capacity as a writer and journalist. No other trustees received any remuneration during the two years ended 31 March 2021. No trustees were reimbursed for expenses during the two years ended 31 March 2021.

4 Income from grants and donations

| | 2021 | | | 2020 |
|---|--------------------|-----------------|------------------|----------------|
| | Unrestricted funds | Designated fund | Restricted funds | Total funds |
| | £ | £ | £ | £ |
| Abu Dhabi Festival | - | - | - | 45,580 |
| AM Qattan Foundation | 10,000 | - | - | 5,962 |
| Amal (a Saïd Foundation programme) | - | - | - | 32,500 |
| Arab Fund for Arts and Culture | - | - | - | 11,258 |
| Arts Council England | 86,564 | - | - | 85,000 |
| Bagri Foundation | - | - | - | 30,000 |
| British Council | 150,000 | - | 22,757 | 172,757 |
| Cockayne – Grants for the Arts and The London Community Foundation | - | - | - | 9,844 |
| Coronavirus Job Retention Scheme | - | - | 16,119 | 16,119 |
| Creative Europe | 11,735 | - | - | 11,735 |
| Creative Scotland | 150 | - | - | 150 |
| Department for Digital, Culture, Media and Sport Cultural Recovery Fund | 67,500 | - | - | 67,500 |
| Drosos Foundation | 7,521 | - | - | 110,702 |
| Ford Foundation | - | - | - | 10,347 |
| Goethe Institute | - | - | 2,266 | 2,266 |
| International Prize for Arabic Fiction | - | - | - | 15,000 |
| Kensington & Chelsea Foundation | - | - | - | 1,000 |
| Paul Hamlyn Foundation | - | - | 76,000 | 117,641 |
| Qatar Foundation International | - | - | 40,000 | 47,552 |
| Royal Borough Of Kensington & Chelsea | - | - | - | 6,000 |
| UNESCO | - | - | - | 23,138 |
| Private donors | 1,058 | - | - | 17,728 |
| | <u>334,528</u> | <u>-</u> | <u>157,142</u> | <u>491,670</u> |
| | | | | <u>736,011</u> |

5 Income from charitable activities

| | 2021 | | | 2020 |
|---------------------------------|--------------------|-----------------|------------------|---------------|
| | Unrestricted funds | Designated fund | Restricted funds | Total funds |
| | £ | £ | £ | £ |
| Consultancy income | 1,381 | - | - | 1,381 |
| Tickets and venue contributions | 9,534 | - | - | 9,534 |
| | <u>10,915</u> | <u>-</u> | <u>-</u> | <u>10,915</u> |
| | | | | <u>20,455</u> |

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Expenditure on charitable activities

| | 2021 | | | 2020 |
|---|--------------------|-----------------|------------------|----------------|
| | Unrestricted funds | Designated fund | Restricted funds | Total funds |
| | £ | £ | £ | £ |
| Charity activity costs | | | | |
| Festival and project costs | 21,825 | - | 17,986 | 39,811 |
| Marketing and publicity | 5,752 | - | 10,674 | 16,426 |
| Staff salaries | 94,449 | - | 36,501 | 130,950 |
| Employers' National Insurance contributions | 7,610 | - | 612 | 8,222 |
| Pension contributions | 2,182 | - | 70 | 2,252 |
| Consultants | 1,500 | - | - | 1,500 |
| Travel and accommodation | - | - | - | 7,152 |
| | <u>133,318</u> | <u>-</u> | <u>65,843</u> | <u>199,161</u> |
| Support costs | | | | |
| Rent | 6,256 | - | - | 6,256 |
| General office overheads | 11,354 | - | 3,428 | 14,782 |
| | <u>17,610</u> | <u>-</u> | <u>3,428</u> | <u>21,038</u> |
| Governance costs | | | | |
| Independent examiner's fee | 3,000 | - | - | 3,000 |
| | <u>3,000</u> | <u>-</u> | <u>-</u> | <u>3,900</u> |
| Total expenditure on charitable activities | <u>153,928</u> | <u>-</u> | <u>69,271</u> | <u>223,199</u> |
| | | | | <u>678,053</u> |

7 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|---------------------------------|--------------|---------------|
| | £ | £ |
| Social security and other taxes | 9 | 3,599 |
| Accruals | 3,000 | 17,754 |
| Other creditors | 1,196 | 1,162 |
| | <u>4,205</u> | <u>22,515</u> |

8 Transfers between funds

| | 2021 | | |
|-----------------------------|--------------------|-----------------|------------------|
| | Unrestricted funds | Designated fund | Restricted funds |
| | £ | £ | £ |
| Drosos Foundation | 11,297 | - | (11,297) |
| Transfer to designated fund | (2,500) | 2,500 | - |
| | <u>8,797</u> | <u>2,500</u> | <u>(11,297)</u> |

SHUBBAK: A WINDOW ON CONTEMPORARY ARAB CULTURE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

9 Statement of funds

The income funds of the charity include restricted funds comprising the following:-

Current year

Movement in funds

| | Balance 1 March 2020 £ | Incoming resources £ | Resources expended £ | Transfers between funds £ | Balance 31 March 2021 £ |
|--------------------|------------------------------|----------------------------|----------------------------|------------------------------------|-------------------------------|
| Unrestricted funds | 84,416 | 345,443 | (153,928) | 8,797 | 284,728 |
| Designated fund | 17,500 | - | - | 2,500 | 20,000 |
| Restricted funds | 74,512 | 157,142 | (69,271) | (11,297) | 151,086 |
| | <u>176,428</u> | <u>502,585</u> | <u>(223,199)</u> | <u>-</u> | <u>455,814</u> |

Prior year

Movement in funds

| | Balance 1 March 2019 £ | Incoming resources £ | Resources expended £ | Transfers between funds £ | Balance 31 March 2020 £ |
|--------------------|------------------------------|----------------------------|----------------------------|------------------------------------|-------------------------------|
| Unrestricted funds | 86,391 | 300,650 | (285,125) | (17,500) | 84,416 |
| Designated fund | - | - | - | 17,500 | 17,500 |
| Restricted funds | 11,624 | 455,816 | (392,928) | - | 74,512 |
| | <u>98,015</u> | <u>756,466</u> | <u>(678,053)</u> | <u>-</u> | <u>176,428</u> |

Designated fund

The designated fund comprises unrestricted funds that have been set aside by the trustees to meet any exceptional costs or circumstances.

Restricted funds

Restricted funds are resources which are to be applied to specific purposes imposed by the funder/donor.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

10 Analysis of net assets between funds

Current year

| | Unrestricted funds £ | Designated fund £ | Restricted funds £ | Total £ |
|--|----------------------------|-------------------------|--------------------------|----------------|
| Current assets | 288,933 | 20,000 | 151,086 | 460,019 |
| Creditors: amounts falling due within one year | (4,205) | - | - | (4,205) |
| | <u>284,728</u> | <u>20,000</u> | <u>151,086</u> | <u>455,814</u> |

Prior year

| | Unrestricted funds £ | Designated fund £ | Restricted funds £ | Total £ |
|--|----------------------------|-------------------------|--------------------------|----------------|
| Current assets | 106,931 | 17,500 | 74,512 | 198,943 |
| Creditors: amounts falling due within one year | (22,515) | - | - | (22,515) |
| | <u>84,416</u> | <u>17,500</u> | <u>74,512</u> | <u>176,428</u> |

11 Reconciliation of net movement in funds to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|--|----------------|------------------|
| Net income for the year (as per Statement of Financial Activities) | 279,386 | 78,413 |
| (Increase)/decrease in debtors | - | 32,612 |
| Increase/(decrease) in creditors | (18,310) | (251,147) |
| Net cash provided by operating activities | <u>261,076</u> | <u>(140,122)</u> |

12 Analysis of cash and cash equivalents

| | 2021 £ | 2020 £ |
|--------------|----------------|----------------|
| Cash at bank | 459,798 | 198,722 |
| Cash in hand | 221 | 221 |
| Total | <u>460,019</u> | <u>198,943</u> |

13 Members' guarantee

At 31 March 2021, the company had seven members. Each member's guarantee is limited to £1.