

Bondh E Shams

Charity No. 1180495

Trustees' Report and Unaudited Accounts

31 October 2022

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Bondh E Shams

The trustees present their report with the unaudited financial statements of the charity for the year ended 31 October 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1180495

Trustees

The following trustees served during the year:

H. Farrukh

S. Ibrahim

S. Masood

Accountants

Meer & Co Chartered Accountants

1 Cochrane House

Admirals way

Canary Wharf

London

E14 9UD

OBJECTIVES AND ACTIVITIES

The purpose of the charity as set out in its governing document is the advancement of health and the relief of poverty.

The main activities undertaken in relation to those purposes are providing safe and clean water to under-resourced communities, as a fundamental and basic need.

Objects and aims

The advancement of health and the relief of poverty by providing safe and clean water to under-resourced communities, as a fundamental and basic need.

The Trustees were always mindful of the Charity Commission's guidance on the advancement of health and the subsequent relief of poverty when planning our activities for the year. Our objectives remained a key focus through-out careful and considerate decision making when addressing the very real need for our work and how the lives of individuals in our target communities have been critically impacted by a lack of clean water.

During the reporting period we were able to deliver clean water community projects in South Sudan, where 59% of the population still lacks safe access to clean water (UNICEF).

In addition, we were able to deliver safe to access to clean water to flood-impacted communities in Pakistan, during the devastating floods in the summer of 2022, which impacted 33 million people and in which 1730 lost their lives (World Bank).

Advancement of Health

A recent and major report by the UN found that 26% of the world's population does not have access to safe drinking water and 46% lack access to basic sanitation (The United Nations World Water Development Report 2023), which means that almost three quarters of the world's population now lacks access to WASH provision at some point in the year, if not year-round. Children still remain the most-impacted by the global water crisis, with a child dying every two-minutes by a water-related illness (UNICEF).

The climate-crisis threatens to plunge the water-starved regions where Bondh E Shams works, into deeper water-scarcity, which unfolded in 2022 in the largest climate-driven disaster in Pakistan's history.

There has been no improvement in the statistics, rather a continuous decline. WASH providers must mobilise to provide sustainable and innovate solutions to bridge the gap in reaching UN Sustainable Development Goal 6 'Clean Water and Sanitation for All' by 2030.

Our work during the reporting period has directly tackled the detrimental impact of water-borne disease by providing safe access to clean water to the target communities where we work, serving as a critical lifeline and ensuring both individual and community health and flourishing. In addition, under the professional guidance and involvement of doctors and health specialists, our team provides health and hygiene awareness sessions when implementing OASIS Box projects, to better educate our target communities on daily actions that will positively contribute towards personal and collective community health.

Our innovative OASIS Box solution ensures that communities will benefit from safe and importantly sustainable access to clean water for 20+ years, providing water and health security, as we strive towards bridging the sustainability gap in wash provision and working towards UN Sustainable Development Goals 3 'Good Health and Wellbeing, and 6 'Clean Water and Sanitation'.

Relief of poverty

Water poverty is defined as a lack of sustainable and safe access to water of a clean and adequate quality to meet one's basic fundamental needs. The world is deeply entrenched in a global water crisis which is predicted to impact over half the world's population within a few short years.

Our work tackles this form of poverty head on in our target communities. Associated poverty arising out of safe and clean access to water is attributable to the devastating economic and social impact felt by water-starved communities. 90% of water collection is done by women and children (mostly young girls). Around the world, a reported daily 200 million hours are spent collecting water. In communities where we work, women and girls have spent up to three hours to collect water, that is often contaminated. This significant physical and time burden comes at the expense of education, economic activities, personal development and caring for family and health, impacting entire communities and compromising social and economic progress. Our work has drastically reduced the hours spent in collecting water by the individuals in our target communities.

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

ACHIEVEMENTS AND PERFORMANCE

Pakistan

During the reporting period in August 2022, Pakistan experienced its worst climate driven disaster, which impacted an estimated 33 million people. The floods left 1,700 people dead, thousands injured, 2 million homes destroyed, over 900,000 livestock dead and resulted in over \$40billion in economic damages (World Resources Institute). The devastation resulted in mass displacement, food insecurity and a critical increase in water-borne disease as a result of contaminated and standing water.

At the height of the flooding, Bondh E Shams deployed three OASIS Boxes in the Umerkot region of Sindh, to assist flood-stricken communities at a critical time. At the time, our OASIS Box was the only technology to target flood water and effectively filter it into safe and potable drinking water as a rapid and temporary solution, deployed directly by our own ground teams in Pakistan. The transportability of each Box also made it a viable solution for flood-stricken displaced communities and importantly once the flood water subsided, each OASIS Box could be relocated to a nearby and permanent location, to provide safe access to clean water for 20+ years, as a long-term and sustainable community uplift project. Our unique solution was picked up by national media across Pakistan for several weeks.

In the weeks that followed, we were able to deploy 12 more OASIS Box projects to flood-impacted communities in the Sindh, Khyber Pakhtunkhwa and South Punjab provinces in Pakistan, providing over 1 million cups of clean water to in-need children and adults.

South Sudan

During the reporting period, Bondh E Shams delivered three more OASIS Boxes to the Jur River region of South Sudan to build upon our impact efforts. Our first ever OASIS Box was in fact deployed in Juba, South Sudan. Bondh E Shams is committed to deploying more international projects, working strategically to expand our footprint and build greater impact in areas in which both Bondh E Shams and regional partners, have a strong local presence.

Bondh E Shams has continued its work towards R&D whilst striving to improve the efficiency, quality and scalability of our OASIS Box solution. During the reporting period, we worked towards extending the life of the OASIS Box filtration. We introduced a new ultrafiltration system and installed a backwash circuit in each OASIS Box unit, allowing for daily and hassle free cleaning to ensure longevity even in the harshest water conditions. Our team is additionally researching and testing additional methods of filtration, for example nano-filtration, which in the future will allow us to provide safe-access to clean water in communities which are not only forced to drink water with poor bacterial quality, but also those communities which consume water with higher levels of total dissolved solids, rendering the water salty and deeply unpotable. Each OASIS Box was fitted with larger and more robust tyres, and the size and weight of each Box was drastically reduced without compromising on performance and output, to enable easier transportability and deployment of each unit, particularly in difficult to reach areas where space can often be an issue.

FINANCIAL REVIEW

Bondh E Shams holds on reserve the costs of 1 Solar Water Project including operating costs, in addition to no less than 3 months operating costs for the charity in the event that an urgent project should arise ie. urgent need for safe and clean water in a target community or in response to a critical crisis, and to allow the charity to respond accordingly.

Our main source of funding was through donations.

The expenditure has allowed the charity to continue its life-saving work to provide clean water to more individuals in Pakistan and South Sudan. This is in line with our objectives (the advancement of health and relief of poverty).

The expenditure additionally allowed us to enhance our OASIS Box technology, which has resulted in a cost-effective, easily deployable and sustainable solution to address the lack of safe and clean drinking water in extremely under-resourced target communities.

PLANS FOR FUTURE PERIODS

Pakistan remains our primary operating region, where we will continue to assist flood-stricken communities with long-term, safe and sustainable access to clean water.

Bondh E Shams will focus on international impact expansion, including implementing more clean water projects in Bangladesh. Over 41% of Bangladesh's population lack safe access to clean water and are in a critical state of water-scarcity. We will build upon our work in Cox's Bazaar, whilst expanding the solar water project to other in-need communities.

In addition, Bondh E Shams is collaborating closely with our Berlin-based partner to reach more communities in need of safe access to clean water in Yemen. We have finalised six more projects, awaiting completion in 2023.

Statement of trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. The Trustees 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.

Signed on behalf of the charity's trustees

A handwritten signature in blue ink, appearing to be 'S. Ibrahim', written over a faint, light blue rectangular stamp.

S. Ibrahim
Trustee
14 August 2023

Independent Examiner's Report to the trustees of Bondh E Shams

I report to the trustees on my examination of the financial statements of Bondh E Shams for the year ended 31 October 2022 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act'). The trustees consider that an audit is not required for this year under the Charities Act 2011, s.144(2) (the 2011 Act) and that an independent examination is needed.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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

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



Haroon Rafique

ICAEW

Meer & Co Chartered Accountants

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14 August 2023

Bondh E Shams
Statement of Financial Activities
for the year ended 31 October 2022

	Notes	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:				
Donations and legacies	3	54,886	54,886	124,016
Total		54,886	54,886	124,016
Expenditure on:				
Raising funds	4	2,306	2,306	2,300
Charitable activities	5	15,504	15,504	50,992
Other	6	(412)	(412)	12,853
Total		17,398	17,398	66,145
Net gains on investments		-	-	-
Net income	7	37,488	37,488	57,871
Transfers between funds		-	-	-
Net income before other gains/(losses)		37,488	37,488	57,871
Other gains and losses				
Net movement in funds		37,488	37,488	57,871
Reconciliation of funds:				
Total funds brought forward		114,456	114,456	56,585
Total funds carried forward		151,944	151,944	114,456

Bondh E Shams
Balance Sheet
at 31 October 2022

Charity No. 1180495		2022 £	2021 £
Fixed assets			
Tangible assets	9	23,703	24,754
		<u>23,703</u>	<u>24,754</u>
Current assets			
Cash at bank and in hand		130,041	89,702
		<u>130,041</u>	<u>89,702</u>
Net current assets		130,041	89,702
Total assets less current liabilities		153,744	114,456
Provisions for liabilities	10	(1,800)	-
Net assets excluding pension asset or liability		<u>151,944</u>	<u>114,456</u>
Total net assets		<u>151,944</u>	<u>114,456</u>
The funds of the charity			
Restricted funds	11		
Unrestricted funds	11		
General funds		151,944	114,456
		<u>151,944</u>	<u>114,456</u>
Reserves	11		
Total funds		<u>151,944</u>	<u>114,456</u>

Approved by the trustees on 14 August 2023

And signed on their behalf by:

S. Ibrahim

Trustee

14 August 2023

for the year ended 31 October 2022

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with 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 on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from tax on its charitable activities.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Statement of Financial Activities - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Income and endowments from:		
Donations and legacies	124,015	124,015
Total	<u>124,015</u>	<u>124,015</u>
Expenditure on:		
Raising funds	2,300	2,300
Charitable activities	50,991	50,991
Other	12,853	12,853
Total	<u>66,144</u>	<u>66,144</u>
Net income	<u>57,871</u>	<u>57,871</u>
Net income before other gains/(losses)	57,871	57,871
Other gains and losses:		
Net movement in funds	<u>57,871</u>	<u>57,871</u>
Reconciliation of funds:		
Total funds brought forward	56,585	56,585
Total funds carried forward	<u><u>114,456</u></u>	<u><u>114,456</u></u>

3 Income from donations and legacies

Unrestricted	Total 2022	Total 2021
£	£	£
54,886	54,886	124,016
<u>54,886</u>	<u>54,886</u>	<u>124,016</u>

4 Expenditure on raising funds

	Unrestricted	Total 2022	Total 2021
	£	£	£
<i>Costs of generating voluntary income</i>			
	2,306	2,306	2,300
	2,306	2,306	2,300

5 Expenditure on charitable activities

	Unrestricted	Total 2022	Total 2021
	£	£	£
<i>Expenditure on charitable activities</i>			
	15,504	15,504	50,992
	<u>15,504</u>	<u>15,504</u>	<u>50,992</u>

6 Other expenditure

	Unrestricted	Total 2022	Total 2021
	£	£	£
Employee costs	-	-	7,390
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	1,051	1,051	3,998
General administrative costs	(4,840)	(4,840)	604
Legal and professional costs	3,377	3,377	861
	<u>(412)</u>	<u>(412)</u>	<u>12,853</u>

7 Net income before transfers

	2022	2021
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	1,051	228

8 Staff costs

	2022	2021
	£	£
Salaries and wages	-	7,390
	<u>-</u>	<u>7,390</u>

No employee received emoluments in excess of £60,000.

9 Tangible fixed assets	Land and Building £	Motor Vehicle £	Total £
Cost or revaluation			
At 1 November 2021	19,500	5,482	24,982
At 31 October 2022	<u>19,500</u>	<u>5,482</u>	<u>24,982</u>
Depreciation and impairment			
At 1 November 2021	-	228	228
Depreciation charge for the year	-	1,051	1,051
At 31 October 2022	<u>-</u>	<u>1,279</u>	<u>1,279</u>
Net book values			
At 31 October 2022	<u>19,500</u>	<u>4,203</u>	<u>23,703</u>
At 31 October 2021	<u>19,500</u>	<u>5,254</u>	<u>24,754</u>

Land & building [£19,500] and Motor Vehicle [£5,482] shown under fixed assets is owned by Hamza Farrukh and held under trust for the sole benefit of the Charity

10 Provisions	Onerous contracts £	Total £
Movement for the year	1,800	1,800
At 31 October 2022	<u>1,800</u>	<u>1,800</u>

11 Movement in funds	At 1 November 2021	Incoming resources (including other gains/losses) £	Resources expended £	At 31 October 2022 £
Restricted funds:				
Unrestricted funds:				
General funds	114,456	54,886	(17,398)	151,944
Total funds	<u>114,456</u>	<u>54,886</u>	<u>(17,398)</u>	<u>151,944</u>

12 Analysis of net assets between funds

	Unrestricted funds	Total
	£	£
Fixed assets	23,703	23,703
Net current assets	130,041	130,041
Creditors due in more than one year and provisions	(1,800)	(1,800)
	<u>151,944</u>	<u>151,944</u>

13 Reconciliation of net debt

	At 1 November 2021 £	Cash flows £	At 31 October 2022 £
Cash and cash equivalents	<u>89,702</u>	<u>40,339</u>	<u>130,041</u>
	89,702	40,339	130,041
Net debt	<u>89,702</u>	<u>40,339</u>	<u>130,041</u>

Bondh E Shams
Detailed Statement of Financial Activities
for the year ended 31 October 2022

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:			
Donations and legacies	54,886	54,886	124,016
	<u>54,886</u>	<u>54,886</u>	<u>124,016</u>
Total income and endowments	54,886	54,886	124,016
Expenditure on:			
Costs of generating donations and legacies	2,306	2,306	2,300
	<u>2,306</u>	<u>2,306</u>	<u>2,300</u>
Total of expenditure on raising funds	2,306	2,306	2,300
Charitable activities	15,504	15,504	50,992
	<u>15,504</u>	<u>15,504</u>	<u>50,992</u>
Total of expenditure on charitable activities	15,504	15,504	50,992
Salaries/wages	-	-	7,390
	<u>-</u>	<u>-</u>	<u>7,390</u>
General administrative costs, including depreciation and amortisation			
Depreciation of	1,051	1,051	228
Loss on disposal of tangible fixed assets	-	-	3,770
Exchange rate (gain)/loss	(4,840)	(4,840)	604
	<u>(3,789)</u>	<u>(3,789)</u>	<u>4,602</u>
Legal and professional costs			
Accountancy and bookkeeping	3,377	3,377	861
	<u>3,377</u>	<u>3,377</u>	<u>861</u>
Total of expenditure of other costs	<u>(412)</u>	<u>(412)</u>	<u>12,853</u>
Total expenditure	17,398	17,398	66,145
Net gains on investments	-	-	-
	<u>37,488</u>	<u>37,488</u>	<u>57,871</u>
Net income			
Net income before other gains/(losses)	37,488	37,488	57,871
Other Gains	-	-	-

Bondh E Shams
Detailed Statement of Financial Activities

Net movement in funds	<u>37,488</u>	<u>37,488</u>	<u>57,871</u>
Reconciliation of funds:			
Total funds brought forward	<u>114,456</u>	<u>114,456</u>	<u>56,585</u>
Total funds carried forward	<u>151,944</u>	<u>151,944</u>	<u>114,456</u>