

Bondh E Shams

Charity No. 1180495

Trustees' Report and Unaudited Accounts

31 October 2023

	Pages
Trustees' Annual Report	2 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Accounts	8 to 14
Detailed Statement of Financial Activities	15 to 16

Bondh E Shams

The trustees present their report with the unaudited financial statements of the charity for the year ended 31 October 2023.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1180495

Principal Office

86-90 Paul Street

London

EC2A 4NE

Trustees

The following trustees served during the year:

H. Farrukh

S. Ibrahim (Resigned 6 January 2024)

S. Masood

Accountants

Meer & Co Chartered Accountants

1 Cochrane House

Admirals way

Canary Wharf

London

E14 9UD

OBJECTIVES AND ACTIVITIES

The charity's purpose, as stated in its governing document, is to advance health and relieve poverty by providing safe and clean water to under-resourced communities, which is a fundamental and basic need. Our mission aligns with UN Sustainable Development Goal 6, aiming to alleviate the global water crisis impacting 1.8 billion individuals. By ensuring access to clean water, vital for health, education, and livelihoods, especially in regions affected by crises, we foster a healthier environment through smart technology and renewable energy.

The trustees conscientiously adhered to the Charity Commission's guidelines on health advancement and poverty relief throughout the year. Our objectives were central to all decisions, considering the urgent need for our work and the significant impact of clean water scarcity on our target communities. The trustees confirm that they have also 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

In 2023, we made significant strides in expanding our reach, directly serving 35,000 people across 14 communities in Pakistan. As we continue to focus on our core mission, Pakistan remains our primary area of impact. Our efforts are particularly concentrated on aiding communities in rebuilding their water systems following the catastrophic floods of 2022. Through the deployment of 14 OASIS Boxes in the regions of Sindh and Balochistan, we were able to deliver over 40 million cups of clean water, underscoring our substantial impact in combating water scarcity and improving health outcomes.

Additionally, our global influence has grown through strategic partnerships with organizations such as Humaniti International in Yemen, the Coca-Cola Foundation in Turkey, and Water Is Basic in South Sudan. These collaborations have enabled us to extend our mission beyond Pakistan, contributing to the global fight against water scarcity and reinforcing our commitment to providing sustainable water solutions in regions where they are most needed.

Advancement of Health

A staggering 26% of the global population, or 2 billion people, lack access to safely managed drinking water services, while 3.6 billion people (46%) are without safely managed sanitation services, according to the United Nations World Water Development Report 2023. Furthermore, 1.8 billion people consume water contaminated with feces, significantly increasing their risk of contracting waterborne diseases like cholera, dysentery, typhoid, and polio. Tragically, over 700 children under the age of five die every day due to diarrhea linked to unsafe water, sanitation, and hygiene (UNICEF).

The ongoing climate crisis exacerbates water scarcity in the regions where Bondh E Shams operates, as evidenced by the unprecedented floods in Pakistan in 2022, which severely intensified existing water challenges. Our OASIS Box technology plays a crucial role in these regions, providing communities with a reliable and sustainable source of clean water. Each unit comes with a 5-year guarantee, ensuring long-term water and health security as we continue our efforts to bridge the sustainability gap in WASH (Water, Sanitation, and Hygiene) provisions, aligning with UN Sustainable Development Goals 3 (Good Health and Wellbeing) and 6 (Clean Water and Sanitation).

In alignment with our mission, we conducted a comprehensive study involving 383 adults from different households across 20 locations in Lasbela Hub Sakran, Balochistan. The study, conducted before and after the deployment of a solar-powered OASIS Box, revealed that prior to its installation, 94.5% of the population relied on surface water, with high incidences of diarrhea and cholera. Post-deployment, the availability of clean drinking water increased significantly, delivering 15 million cups of water. This led to a substantial reduction in disease prevalence, with cases of diarrhea and cholera dropping by over 75% and 88%, respectively. These results demonstrate the effectiveness of the OASIS Box in mitigating waterborne diseases. Furthermore, under the guidance of health specialists, our team has provided ongoing health and hygiene awareness sessions during the implementation of OASIS Box projects, further enhancing the health outcomes of the communities we serve.

Relief of Poverty

Water poverty, characterized by the lack of sustainable and safe access to adequate clean water, remains a critical issue in our target communities. This form of poverty has severe economic and social consequences, deeply affecting water-starved communities. Globally, it is estimated that 200 million hours are spent each day collecting water, with 90% of this burden falling on women and children, especially young girls. In the communities where we operate, individuals have spent up to three hours daily collecting often contaminated water, which not only compromises health but also hinders education, economic activities, and personal development.

Our organization addresses this issue head-on by implementing solutions that drastically reduce the time and physical burden associated with water collection. By improving the quality of water available and freeing up time for other essential activities, our interventions have significantly enhanced the lives of those in the communities we serve.

FINANCIAL REVIEW

Bondh E Shams maintains a financial reserve equivalent to the cost of one Solar Water Project, including operational expenses. This reserve also ensures coverage for at least three months of the charity's operating expenses, allowing us to respond swiftly to unforeseen circumstances, such as urgent needs for clean water in targeted communities or in response to critical crises. This financial stability empowers the charity to act effectively and promptly when crises arise.

Our primary source of funding comes from donations, which are vital in enabling the charity to provide clean water access to communities in desperate need. These funds also support our continuous research and development efforts, allowing us to enhance and innovate our solar water filtration systems. Our goal is to create cost-effective, easily deployable, and sustainable solutions that address the lack of safe and clean drinking water in extremely under-resourced communities.

PLANS FOR FUTURE PERIODS

Pakistan remains our central operating region, where we will continue our mission to provide underserved communities with long-term, safe, and sustainable access to clean water. As we move forward, we are committed to expanding our impact both within Pakistan and through our international partnerships, furthering our contribution to the global fight against water scarcity.

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



H. Farrukh
Trustee
29 August 2024

I report to the trustees on my examination of the financial statements of Bondh E Shams for the year ended 31 October 2023.

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').

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 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.

A handwritten signature in black ink, appearing to read 'Haroon Rafique', followed by a long horizontal line extending to the right.

Haroon Rafique FCA

Meer & Co Chartered Accountants

1 Cochrane House

Admirals way

Canary Wharf

London

E14 9UD

29 August 2024

Bondh E Shams
Statement of Financial Activities
for the year ended 31 October 2023

	Notes	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:				
Donations and legacies	3	148,016	148,016	54,886
Investments	4	15	15	-
Total		148,031	148,031	54,886
Expenditure on:				
Raising funds	5	7,275	7,275	2,306
Charitable activities	6	70,953	70,953	15,504
Other	7	7,801	7,801	(412)
Total		86,029	86,029	17,398
Net gains on investments		-	-	-
Net income	8	62,002	62,002	37,488
Transfers between funds		-	-	-
Net income before other gains/(losses)		62,002	62,002	37,488
Other gains and losses				
Net movement in funds		62,002	62,002	37,488
Reconciliation of funds:				
Total funds brought forward		151,944	151,944	114,456
Total funds carried forward		213,946	213,946	151,944

Bondh E Shams
Balance Sheet
at 31 October 2023

Charity No. 1180495		2023 £	2022 £
Fixed assets			
Tangible assets	10	22,862	23,703
		<u>22,862</u>	<u>23,703</u>
Current assets			
Cash at bank and in hand		192,884	130,041
		<u>192,884</u>	<u>130,041</u>
Net current assets		192,884	130,041
Total assets less current liabilities		215,746	153,744
Creditors: Amounts falling due after more than one year	11	(1,800)	(1,800)
Net assets excluding pension asset or liability		<u>213,946</u>	<u>151,944</u>
Total net assets		<u>213,946</u>	<u>151,944</u>
The funds of the charity			
Restricted funds	12		
Unrestricted funds	12		
General funds		213,946	151,944
		<u>213,946</u>	<u>151,944</u>
Reserves	12		
Total funds		<u>213,946</u>	<u>151,944</u>

Approved by the trustees on 29 August 2024

And signed on their behalf by:

H. Farrukh
Trustee
29 August 2024

for the year ended 31 October 2023

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.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

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 2022 £	Total funds 2022 £
Income and endowments from:		
Donations and legacies	54,886	54,886
Total	<u>54,886</u>	<u>54,886</u>
Expenditure on:		
Raising funds	2,306	2,306
Charitable activities	15,504	15,504
Other	(412)	(412)
Total	<u>17,398</u>	<u>17,398</u>
Net income	<u>37,488</u>	<u>37,488</u>
Net income before other gains/(losses)	37,488	37,488
Other gains and losses:		
Net movement in funds	<u>37,488</u>	<u>37,488</u>
Reconciliation of funds:		
Total funds brought forward	114,456	114,456
Total funds carried forward	<u>151,944</u>	<u>151,944</u>

3 Income from donations and legacies

Unrestricted	Total 2023	Total 2022
£	£	£
148,016	148,016	54,886
<u>148,016</u>	<u>148,016</u>	<u>54,886</u>

4 Income from investments

Unrestricted	Total 2023	Total 2022
£	£	£
15	15	-
<u>15</u>	<u>15</u>	<u>-</u>

5 Expenditure on raising funds

Unrestricted	Total 2023	Total 2022
£	£	£
<i>Costs of generating voluntary income</i>		
7,275	7,275	2,306
<u>7,275</u>	<u>7,275</u>	<u>2,306</u>

6 Expenditure on charitable activities

Unrestricted	Total 2023	Total 2022
£	£	£
<i>Expenditure on charitable activities</i>		
70,953	70,953	15,504
<i>Governance costs</i>		
<u>70,953</u>	<u>70,953</u>	<u>15,504</u>

7 Other expenditure

Unrestricted	Total 2023	Total 2022
£	£	£
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	841	1,051
General administrative costs	2,540	(4,840)
Legal and professional costs	4,420	3,377
<u>7,801</u>	<u>7,801</u>	<u>(412)</u>

8 Net income before transfers

	2023	2022
This is stated after charging:	£	£
Depreciation of owned fixed assets	841	1,051

9 Staff costs

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

10 Tangible fixed assets

	£	£	£
Cost or revaluation			
At 1 November 2022	19,500	5,482	24,982
At 31 October 2023	<u>19,500</u>	<u>5,482</u>	<u>24,982</u>
Depreciation and impairment			
At 1 November 2022	-	1,279	1,279
Depreciation charge for the year	-	841	841
At 31 October 2023	<u>-</u>	<u>2,120</u>	<u>2,120</u>
Net book values			
At 31 October 2023	<u>19,500</u>	<u>3,362</u>	<u>22,862</u>
At 31 October 2022	<u>19,500</u>	<u>4,203</u>	<u>23,703</u>

11 Creditors:

amounts falling due after more than one year

	2023 £	2022 £
Accruals	1,800	1,800
	<u>1,800</u>	<u>1,800</u>

12 Movement in funds

	At 1 November 2022	Incoming resources (including other gains/losses) £	Resources expended £	At 31 October 2023 £
Restricted funds:				
Unrestricted funds:				
General funds	151,944	148,031	(86,029)	213,946
Total funds	<u>151,944</u>	<u>148,031</u>	<u>(86,029)</u>	<u>213,946</u>

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	22,862	-	22,862
Net current assets	192,884	-	192,884
Creditors due in more than one year and provisions	-	(1,800)	(1,800)
	<u>215,746</u>	<u>(1,800)</u>	<u>213,946</u>

14 Reconciliation of net debt

	At 1 November 2022 £	Cash flows £	At 31 October 2023 £
Cash and cash equivalents	130,041	62,843	192,884
	<u>130,041</u>	<u>62,843</u>	<u>192,884</u>
Net debt	<u>130,041</u>	<u>62,843</u>	<u>192,884</u>

Bondh E Shams
Detailed Statement of Financial Activities
for the year ended 31 October 2023

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:			
Donations and legacies	148,016	148,016	54,886
	<u>148,016</u>	<u>148,016</u>	<u>54,886</u>
Investments	15	15	-
	<u>15</u>	<u>15</u>	<u>-</u>
Total income and endowments	148,031	148,031	54,886
Expenditure on:			
Costs of generating donations and legacies	7,275	7,275	2,306
	<u>7,275</u>	<u>7,275</u>	<u>2,306</u>
Total of expenditure on raising funds	7,275	7,275	2,306
Charitable activities	70,953	70,953	15,504
	<u>70,953</u>	<u>70,953</u>	<u>15,504</u>
Total of expenditure on charitable activities	70,953	70,953	15,504
General administrative costs, including depreciation and amortisation			
Depreciation of	841	841	1,051
Bank charges	39	39	-
Equipment repairs and maintenance	1,254	1,254	-
Exchange rate (gain)/loss	1,247	1,247	(4,840)
	<u>3,381</u>	<u>3,381</u>	<u>(3,789)</u>
Legal and professional costs			
Accountancy and bookkeeping	4,420	4,420	3,377
	<u>4,420</u>	<u>4,420</u>	<u>3,377</u>
Total of expenditure of other costs	7,801	7,801	(412)
Total expenditure	86,029	86,029	17,398
Net gains on investments	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net income	62,002	62,002	37,488

Bondh E Shams

Detailed Statement of Financial Activities

Net income before other gains/(losses)	62,002	62,002	37,488
Other Gains	-	-	-
Net movement in funds	62,002	62,002	37,488
Reconciliation of funds:			
Total funds brought forward	151,944	151,944	114,456
Total funds carried forward	213,946	213,946	151,944