



# 2021 ANNUAL REPORT

*Empowering Enterprise  
for Social Change*

**ALFANAR**

# Our Vision

## Educated and Economically Empowered Citizens

Alfanar envisions an Arab world in which the poor and vulnerable, especially women, youth and children, can access the education and opportunities they need to lead productive and dignified lives.

# Our Mission

## Turning Social Investment into Sustainable Change

Alfanar strives to improve the lives of underprivileged women, youth and children, including refugees, by supporting the growth of sustainable, scalable social enterprises.

# Priority Areas

## Education, Employment, Empowerment & Environment

We focus our efforts on the most vulnerable sections of society and work to progress the UN's Sustainable Development Goals in the following areas:

**4** QUALITY  
EDUCATION



**8** DECENT WORK AND  
ECONOMIC GROWTH



**10** REDUCED  
INEQUALITIES



**12** RESPONSIBLE  
CONSUMPTION  
AND PRODUCTION



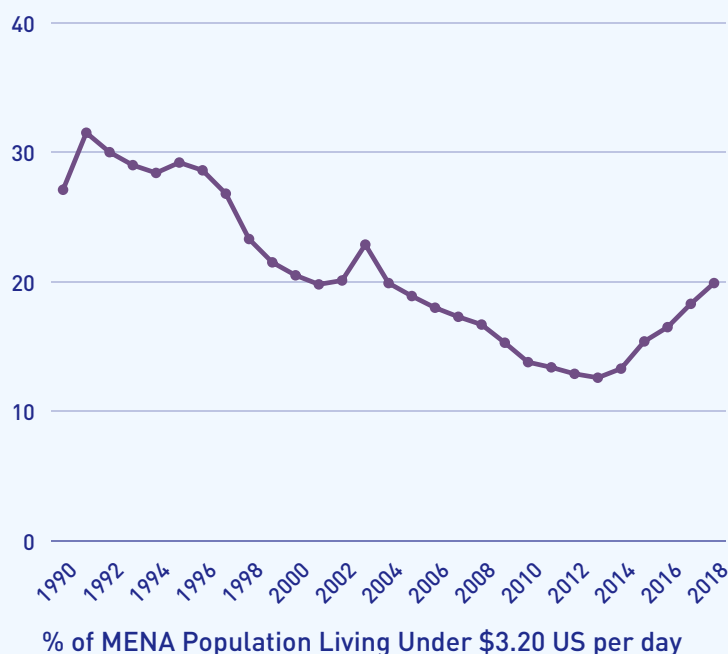
# TABLE OF CONTENTS

<b>OUR MISSION &amp; VISION</b>	<b>2</b>
<b>CONTENTS</b>	<b>3</b>
<b>THE CHALLENGE</b>	<b>4</b>
<b>WELCOME</b>	<b>5</b>
<b>2021 IN NUMBERS</b>	<b>7</b>
<b>OUR PROCESS</b>	<b>8</b>
<b>TRAINING, MENTORSHIP &amp; ACCESS TO NETWORKS</b>	<b>10</b>
<b>IMPACT MEASUREMENT &amp; MANAGEMENT</b>	<b>11</b>
<b>IMPACT INVESTMENT</b>	<b>13</b>
<b>BUILDING AWARENESS &amp; COMMUNITY</b>	<b>14</b>
<b>LUMINARY INTERNSHIP PROGRAMME</b>	<b>15</b>
<b>OUR PORTFOLIO</b>	<b>16</b>
<b>WHERE WE WORK</b>	<b>18</b>
<b>EDUCATION: SDG 4</b>	<b>20</b>
<b>EMPOWERMENT: SDG 10</b>	<b>23</b>
<b>EMPLOYMENT: SDG 8</b>	<b>26</b>
<b>ENVIRONMENT: SDG 12</b>	<b>29</b>
<b>MANAGEMENT SUPPORT PROGRAMMES</b>	<b>30</b>
<b>EXPANSION TO JORDAN</b>	<b>32</b>
<b>TEAM &amp; BOARD</b>	<b>34</b>
<b>2021 RESULTS</b>	<b>36</b>
<b>2022 GOALS</b>	<b>37</b>
<b>FINANCIAL SUMMARY</b>	<b>38</b>
<b>REFERENCE &amp; ADMIN</b>	<b>39</b>
Objects of the Charity	39
Structure, Governance and Management	40
Human Resources	41
Fundraising Statement	43
Safeguarding	44
Risk Management	44
Reserves Policy & Statement of Trustees' Responsibility	45
<b>INDEPENDENT AUDITORS REPORT</b>	<b>47</b>
<b>STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>52</b>
<b>BALANCE SHEET</b>	<b>53</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>54</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>55</b>
<b>OUR PARTNERS</b>	<b>68</b>





While poverty rates continue to fall globally, the Middle East and North Africa (MENA) is the only region where poverty is rising.\*



- +50% of children in MENA countries suffer from “learning poverty”, meaning they cannot read and understand an age-appropriate text by age 10
- Youth unemployment rates in MENA countries have been the highest in the world for 25 years, rising above 30% in many countries and reaching 42% for young women
- Just 27% of women in the MENA region are represented formally in the labour market on average - the region with the world’s lowest rate of women’s participation in the labour force
- Regionally, MENA has hosted the largest number of refugees and migrants in the world, disproportionately bearing the burden of economic crisis and exclusion from the labour market. For example, 89% of refugees in Lebanon live in extreme poverty
- MENA uses more water than is replenished, undermining agricultural production & threatening human health

# WELCOME

Dear Friends,

The challenges facing the Arab region are daunting. As the only region globally in which poverty is rising, over 50% of children are unable to read an age-appropriate text by the age of 10, over 30% of youth have no work and women remain persistently excluded, it can be difficult to know where to start to drive sustainable change.

At Alfano, through the tireless efforts of our teams in Cairo, Beirut, Amman and London, we find and support bold social entrepreneurs innovating effective solutions that reverse these dismal trends and uplift communities in need. Despite facing multiple crises, we are inspired and galvanised by their unwavering commitment, response and action.

Thanks to the support of hundreds of generous individuals and institutional partners, Alfano is proud to provide a critical lifeline to frontline social enterprises across the Arab region. This year, we have deployed our venture philanthropy funding, training, mentorship and impact management to enable over 100 social enterprises across Egypt, Lebanon and Jordan to: a) grow their impact for the vulnerable, b) strengthen their operations and c) increase their self-generated revenue and long-term financial sustainability.

Over the past 18 years, we have enabled our social entrepreneurs to directly improve the lives of over 180,000 vulnerable children, youth and women, including refugees. This includes over 37,000 children receiving quality education and over 22,000 disadvantaged women securing stable work and incomes with which to support their families. We have also enabled 52% of our social enterprises since 2015 to grow their impact sustainably or reach break even by increasing their self-generated (non-grant and non-donation-based) revenue.

**Alfano is proud to  
provide a critical  
lifeline to frontline  
social enterprises  
across the Arab  
region**



In the following pages, we invite you to learn more about the impact of Alfano's venture philanthropy support, the sustainable change our remarkable social enterprises are making and our plans to accelerate and scale our impact and reach over the coming four years.

We would like to thank our departing Board members Lady Plumbly and Dr. Laila Iskander for their many years of service and support in helping build up Alfano, and warmly welcome our newest Trustee Hussein Al Nowais.

It is only through your continued belief, support and partnership, especially during these uncertain times, that we are able to stand by social enterprises defying numerous obstacles to sustainably educate, employ and empower those in need across the Arab region.



**Lubna S. Olayan**  
Board Chair



**Myrna Atalla**  
Executive Director





“

**Through Alfano's funding and management support over the years, we have seen how social enterprise can sustainably support women farmers across Egypt.**

Mona Wissa,  
Life Vision CEO  
Alfano Egypt Portfolio

# 2021 IN NUMBERS

22

social enterprises  
funded

108

social enterprises  
trained

8

mgmt support  
programmes

80,684

lives directly improved  
by social enterprises

£2.3M

revenue self-generated  
by social enterprises

12

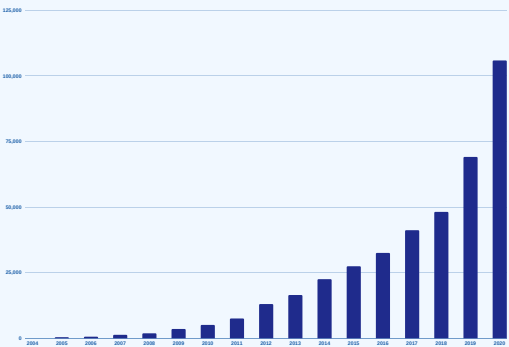
impact  
dashboards  
developed

15,531

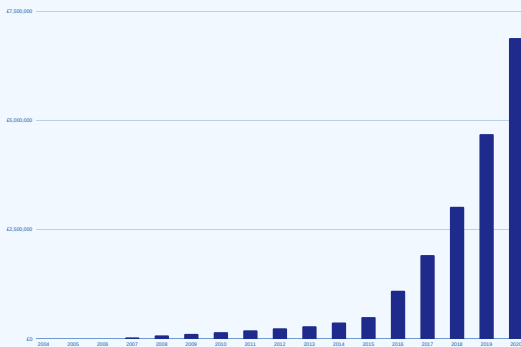
hours of Alfamar  
management  
support delivered

65%

cost recovery  
of social  
enterprises



40% Lives Impacted  
Growth Rate (CAGR)



36% Income Generation  
Growth Rate (CAGR)



# OUR PROCESS

Alfanar's rigorous, tried-and-tested venture philanthropy methodology has been refined over the past 18 years.

Combining the spirit of philanthropy with the rigour of private sector investment, we support ambitious social enterprises (SEs) to grow their social impact on disadvantaged communities while increasing their financial sustainability.



### Tailored Financing

Portfolio SEs can expect patient grants and interest-free loans over 3 to 5 years (often +£250k), providing the security they need to focus on growth and refine financial and impact models.



### Mentorship

The mentorship we provide is the real glue to our venture philanthropy support and is regularly cited by our SEs as a significant benefit to their growth.



### Training

Through Alfanar Sustainable Social Enterprise Training (ASSET), we provide SEs with the knowledge and tools they need to grow their businesses and impact sustainably.



### Impact Management

Through real-time monitoring and evaluation apps, we help SEs track their performance and ensure that they are meeting key financial, organisational and social impact goals.



### Business Planning

A key milestone in our process is the development of a backable three-year business plan, giving SEs a clear roadmap toward sustainable growth.



### Access to Networks

We bring together our SEs on a quarterly basis and leverage our networks to facilitate relevant introductions based on our SEs' connection needs, from either a business or impact perspective.



### Study Missions

We endeavour to expose our SEs to best practices, peers in other countries and meaningful contacts that will help further their impact aims.

## OUR VENTURE PHILANTHROPY CRITERIA

We support social enterprises that are:

- Improving the lives of disadvantaged children, youth and women;
- Ambitious and entrepreneurial in spirit and drive;
- Working to impact more lives over time;
- Working to increase financial sustainability through sale of goods and services;
- Led by a backable CEO and a strong management team;
- Looking for and open to management support, organisational strengthening and capacity-building to grow;
- Addressing at least one of these Sustainable Development Goals:



## SEED

### Due Diligence

We identify promising, ambitious SEs that meet our key criteria, and conduct rigorous due diligence and background checks.

### Pilot

Following approval from our Investment Committee and Board, SEs selected for pilot receive tailored financing, regular mentorship and technical support over a one-year period.

## SUSTAIN

### Long-Term Support

After pilot, we provide 3-5 years of funding and management support to the most promising SEs to help them to operate sustainably or become ready for impact investment.

## SCALE

### Exit and/or Invest

Once our SEs are financially and operationally sustainable and creating lasting social impact, we exit. Suitable SEs are recommended for impact investment. Alumni SEs continue to attend quarterly SE gatherings.





## TRAINING & MENTORSHIP

In addition to Alfano's signature long-term grant funding, a key aspect of our support is systematically providing social enterprises with the skills and know-how they need to strengthen their organisations, scale their impact and enhance their financial sustainability.

Alfano's twelve module training programme, known as the Alfano Sustainable Social Enterprise Training (ASSET), is delivered in full to all SEs within our portfolio as a core pillar of our venture philanthropy support.

We also work with corporates, foundations and ecosystem partners to provide ASSET training to social enterprises outside of our venture philanthropy portfolio who wish to grow their organisations, income and impact.

ASSET covers core topics including Theory of Change, Impact Modelling and Measurement, Financial Management and Business Planning.

Through Alfano's training and mentorship, social enterprises are empowered to achieve 150+ key deliverables linked to best practice and good governance, including the development of vision, mission and values statements, logical frameworks, strategic plans, impact measurement systems, RACI matrices and policy handbooks.

In 2021, our dedicated team provided 15,531 hours of training and one-to-one mentorship to 108 social enterprises -- whether portfolio SEs or SEs benefiting from our management support programmes -- operating in Egypt, Lebanon, Jordan and across the MENA region.

## ACCESS TO NETWORKS

Drawing on extensive professional networks, we connect our social enterprises to pro-bono supporters, sector experts, and new market opportunities.

Among the valuable contributions we endeavour to make to our social entrepreneurs is access to new networks and partnerships. We organise virtual or in-person Impact Connector events that enable our social entrepreneurs to connect with one another and with strategic partners that help scale their impact and drive their sales, thus creating opportunities for them in new markets.

For our donor networks and philanthropists, we host in-country visits to enable them to connect directly with our social entrepreneurs and see their impact live. Such in-person visits have proven effective in empowering long-term partnership from donors and philanthropists.

In October 2021, we led a market exploration study mission to Paris, France with the support of L'Institut Francais du Liban and a private donor. We enabled four social enterprises from Lebanon: Inaash, L'Artisan du Liban, Creative Space Beirut and FabricAID to unearth new market opportunities and build relationships with each other and with Alfano's broader network. The exchange led to concrete business opportunities for participating social enterprises.

# IMPACT MEASUREMENT & MANAGEMENT

Providing social enterprises with real-time impact management tools enables them to better analyse their performance and make evidence-informed management decisions.

Through Alfamar Impact Management (AIM), we work closely with our social enterprises to develop bespoke, social enterprise-specific digital applications that enable us to monitor their progress on key impact, operational and revenue metrics, ensuring that they are on track to meet growth targets and have the information they need to change course when issues arise.

By taking a rigorous approach to collecting, measuring and analysing data, Alfamar enables social enterprises to use data and evidence to refine their impact and revenue models and to make better decisions.

## 82%

of Alfamar SEs say that they benefit from **monitoring and evaluation support and coaching**

## 75%

of Alfamar SEs say that AIM helps them to **make better management decisions**

Through automation, AIM improves efficiency and reduces the burden of reporting, turning an obligation into a tool that can have significant strategic and management benefits.

In addition to supporting the professionalisation and development of our 22 portfolio SE's databases and Monitoring & Evaluation (M&E) systems, in 2021 we developed digital AIM dashboards for eight more social enterprises (Heya Masr, IECD, Creative Space Beirut, LAL Tabshoura, B.O.T, Inaash and NaTakallam).

We also created four collaborative special project applications for the following management support programmes:

- Mubaderoon, to track the learning outcomes for the 60 social enterprises receiving Alfamar's training in Jordan (see page 32 for more)
- Drosos, to track the impact of the 8 participating social enterprises receiving Alfamar's management support (see page 33 for more)
- Beirut Blast Reconstruction, to map BEDCO's Alfamar-funded reconstruction efforts for 67 small businesses and 3 schools damaged by the August 4th 2020 Beirut explosion
- Emergency Lebanon Food Relief, to track the collective food relief efforts of ShareQ, Souk El Tayeb and WPA throughout Lebanon.

We also developed and piloted a new digital system, the Social Enterprise Progress Tracker, that our Portfolio Managers use to systematise their management support. It allows our SE's to track and analyse their organisational development and growth, focusing on key areas such as impact management, business planning, governance, financial management, HR management and scaling, with the aim of improving organisational efficiencies, identifying key areas requiring improvement and enabling Alfamar to better target our mentorship and management support.

After a successful trial with our portfolio social enterprise in Lebanon LAL Tabshoura, in 2022 we aim to roll out this tool out for the benefit of additional portfolio SEs.





## ENABLING SCALE THROUGH IMPACT INVESTMENT

Alfanar is working to extend the financing lifecycle for impact investment-ready social enterprises through the launch of a regional impact investment vehicle.

Many social entrepreneurs graduating from accelerators and incubators in the MENA region are left struggling to drive impact and revenue growth due to scarce resources and a lack of available growth-stage financing.

Several social enterprises within Alfanar's current portfolio are increasingly ready to grow through social franchising, branching, and other scaling options.

Alfanar seeks to address the critical financing and management support gap for social enterprises and social businesses in the scale up phase through the launch of the region's first impact investment vehicle.

The aim of this vehicle, which will be run as a sister entity to Alfanar, is to help social enterprises maximise their social or environmental impact and grow their social purpose or green businesses while achieving positive returns on investor capital.

Over the past two years, with the support of Alfanar's Board, the IFC, the Asfari Foundation, USAID in Lebanon and a private foundation, we have made significant progress on pre-start-up analysis required to launch of the fund.

In 2021, we made a repayable convertible grant to FabricAID, one of our Lebanon Portfolio social enterprises, which became our first equity investment in early 2022, enabling it to grow within Lebanon and expand to Jordan. Our investment came alongside a regional venture capital fund, marking a first critical step for Alfanar in the direction of impact investment.



## BUILDING AWARENESS AND COMMUNITY

We build awareness of social enterprise and venture philanthropy through online events, panel appearances and speaking engagements.

Given continued COVID-19 restrictions throughout 2021, we took advantage of online tools to increase the touch points between Alfano and our growing community of supporters. With the aim of building awareness and dialogue around how to practice strategic philanthropy and effectively support frontline social enterprises in uncertain times, we held a series of online events in early 2021 that brought together over 200 engaged attendees.

In January 2021, we kicked off the year with 'Maximising Your Impact in Times of Crisis', a two-part webinar series exploring perspectives on how to effectively deliver social impact in times of crisis. The first webinar featured impact experts Caroline Fiennes of Giving Evidence and Peter Greer of Hope International, moderated by Alfano Innovation Advisor and Senior Lecturer at Yale School of Management Dr. Teresa Chahine.



Alfano's virtual event 'Social Entrepreneurs Overcoming Incredible Odds' moderated by Egyptian explorer and social entrepreneur Omar Samra

This was followed by a second webinar with a leading expert in strategic philanthropy, Dan Pallotta, on the importance of investing in the growth of strong impact organisations, including their overhead and outreach needs.

On April 4th, Alfano hosted an online event - 'Social Entrepreneurs Overcoming Incredible Odds' -- moderated by Egyptian explorer and social entrepreneur Omar Samra to kick off its spring 2021 fundraising campaign: 'Join the Journey: Educate. Employ. Empower'. During this virtual event, Samra not only underscored the need to cultivate resilience to overcome adversity, but also drive sustainable, impactful innovation, and explored how three of Alfano's portfolio women-led social enterprises are able to do this every day for the vulnerable women, youth and refugees they serve with Alfano's support. This event proudly featured Life Vision for Development's Mona Wissa (Egypt Portfolio), SE Factory's Zeina Saab (Lebanon Portfolio) and Natakallam's K-12 Coordinator and Former Conversation Partner Sally Wehbi (Refugee Portfolio).

Alfano's work was featured in multiple print and web publications, including Philanthropy Age, Wamda, Le Commerce du Levant, MAGNiTT, Executive Magazine, ReliefWeb and DARPE, while Alfano team members participated in numerous panel discussions hosted by partners including the World Bank, UNDP Jordan, Pearl Initiative, Midan, Executive Magazine and the New Economic Model for Lebanon Coalition.

Alfano's email subscriber list grew by 18% from 2020, while overall website traffic increased by 15% from 2020.

# LUMINARY INTERNSHIP PROGRAMME

In 2021, with the generous support of a private philanthropist, Alfano was able to launch its first Luminary Internship Programme.

We welcomed 10 Luminary interns to take part in virtual summer internships covering strategy research, communications and social media, and social enterprise evaluation.

Alfano received 21 applications reflecting a variety of backgrounds and wide-ranging interests and experiences. Of these applicants, we were able to offer internships to ten high school students motivated to learn more about MENA-based grassroots-driven economic development, social enterprise and strategic venture philanthropy aimed at creating sustainable education, employment and economic empowerment for children, youth and women.

We would like to thank the following luminary interns for their support: Yash Jain, Zoey Chen, Jacob Banit, Louisa Eaton, Zein Blanks, Bissan Kablawi, Jad Shehayeb, Charlotte El Hage, Roy El Hajj & Luqmaan Bamba

Additionally, we thank Noony Khouri, Victoria Assaf, Sophia Eilis Martin, and Natasha Stephenson, Hadley Copeland, Daniel Billings, Ramy Assaf & Selena Chávez for volunteering with us during 2021.



My name is Yash and I interned for Alfano during the summer of 2021. It's difficult to describe just how rewarding and enriching my time at Alfano was.

Being able to take part in an organisation that genuinely puts the people they help at the heart of everything they do taught me so much not only about development and the venture philanthropy industry but also how I see the world.

While at Alfano I worked on evaluating organisations' social return on investment and finding the best ways to evaluate the non-monetary work that an organisation does - which allows them to get a deeper understanding of their work and growth as a company and also allows Alfano to tailor their support to exactly what each individual organisation requires.

This dedication to truly helping the people they work with was inspiring as was my entire experience at Alfano.

**Yash Jain,**  
Investment Intern



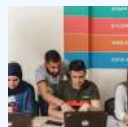
# OUR PORTFOLIO

Despite continued lockdowns and adverse economic conditions, our 22 portfolio social enterprises displayed their resilience, determination and innovation throughout 2021 and improved the lives of 80,684 vulnerable individuals. This represents a 94% increase to impact over 2020 results.


With impact models ranging from vocational and life skills training to microfinance, handicrafts production and sales, tech-based education and employment opportunities, our diverse portfolio of social enterprises is bringing dignity and hope to disadvantaged communities across the region.

## Employment


8 DECENT WORK AND ECONOMIC GROWTH




**B.O.T**  
Providing income opportunities for youth from low income communities through premium data services  
Cost recovery: 59%  
Social impact: 318 low-income youth employed




**SE Factory**  
Providing opportunities to Lebanese youth through coding training & employment  
Cost recovery: 19%  
Social impact: 409 youth trained and employed as web developers




**BEDCO**  
Empowering marginalised youth through on-the-job training and income opportunities in the construction sector  
Cost recovery: 30%  
Social impact target: 80 youth trained & employed




**L'Artisan du Liban**  
Promoting Lebanese artisanal heritage by working with and empowering disadvantaged artisans  
Cost recovery: 112%  
Social impact target: 220 artisans employed




**Natakallam**  
Employing refugees in the language sector through the digital economy  
Cost recovery: 139%  
Social impact: 88 refugees employed as Arabic-languages teachers and translators



**emonovo (formerly Marj3)**  
Digitally connecting young refugees with international educational opportunities  
Cost recovery: 65%  
Social impact target: 645 women trained




**Sprints**  
Providing edTech courses to disadvantaged youth  
Cost recovery: 88%  
Social impact target: 1,000 refugees trained & employed




**Startups Without Borders**  
Backing aspiring refugee entrepreneurs to reach their social and economical goals  
Cost recovery: 146%  
Social impact target: 900 refugees trained

## Education




**Educate Me**  
Delivering high-quality education and training a new generation of educators  
Cost recovery: 109%  
Social impact: 15,743 children educated and teachers trained




**BTCP**  
Caring for disadvantaged children with neurodevelopmental disorders  
Cost recovery: 61%  
Social impact: 1,364 children with autism receiving care

## Environment




**FabricAID**  
Providing affordable, quality clothing while tackling the MENA region's textile waste crisis  
Cost recovery: 45%  
Social impact: 91,958 individuals given access to affordable clothing



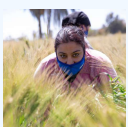
**Delta Oil**  
Creating jobs and sustaining the environment by converting used cooking oil into biodiesel  
Cost recovery: 111%  
Social impact target: 280 refugees & migrants employed

## Empowerment


10 REDUCED INEQUALITIES




**Future Eve Foundation**  
Increasing incomes for widows and female breadwinners across Egypt through financial microcredit  
Cost recovery: 87%  
Social impact: 1,727 widows and female heads of household given training and microloans




**Life Vision**  
Training women farmers to improve crop yields and take-home income in Minya, Egypt  
Cost recovery: 10%  
Social impact: 1,566 female farmers trained




**Threads of Hope**  
Training and employing women refugees in Cairo as skilled embroiderers  
Cost recovery: 81%  
Social impact target: 240 refugee & migrant women trained and employed




**Yadawee**  
Training and employing refugee women in Egypt as artisans  
Cost recovery: 66%  
Social impact target: 70 refugee & migrant women trained and employed




**Takafoo**  
Improving working conditions and incomes for female farmers in Upper Egypt  
Cost recovery: 115%  
Social impact: 1,272 low-income women trained and employed



**Inaash**  
Promoting Palestinian heritage and providing dignified employment for women refugees across Lebanon  
Cost recovery: 111%  
Social impact: 456 Palestinian refugees employed as skilled embroiderers




**Duma**  
Creating handmade dolls and children's toys while employing disadvantaged Egyptian and refugee women  
Cost recovery: 57%  
Social impact target: 300 refugee women employed




**Nakoll**  
Training aspiring chefs and enhancing their professional skills through online courses  
Cost recovery: 92%  
Social impact target: 300 women trained & employed

4 QUALITY EDUCATION



**LAL Tabshoura**  
Providing a digital curriculum to support the education of disadvantaged students across Lebanon  
Cost recovery: 21%  
Social impact: 7,946 children provided with quality education



**Heya Masr**  
Building the resilience of public-school students across Cairo through afterschool character-building programmes  
Cost recovery: 54%  
Social impact target: 300 children graduating from character-development programmes

LEBANON PORTFOLIO

PORTFOLIO

- L'Artisan du Liban
- BEDCO
- B.O.T
- FabricAID
- Inaash
- LAL Tabshoura
- NaTakallam
- SE Factory

LEBANON MANAGEMENT SUPPORT

See p.30 for more details on Alfamar's management support programmes.

DROSOS

- B.O.T
- Creative Space Beirut
- GET
- LLWB
- SE Factory
- Semeurs d'Avenir
- Zoukak

SES FUND

- L'Artisan du Liban
- FabricAID
- Live Love Recycle
- Marsa
- Souk El Tayeb's
- Matbakh El Kel
- Vanina

EMERGENCY

- Lebanese Food Bank
- Souk El Tayeb's
- Matbakh El Kel
- shareQ
- Soufra
- Tawlet

OTHER SOCIAL ENTERPRISES TRAINED

- BioWayste
- Cubex
- Flowless
- Greeners
- Ground Vertical Farming
- Lebanon Waste Management
- Mruna
- Nakhla
- Senara
- Solvillion

- Comra
- Metropolis
- Reflection Art
- Simsara
- Waraq

EGYPT PORTFOLIO

- BTCP
- Educate Me
- Future Eve
- Heya Masr
- Life Vision

SEMD

- Delta Oil
- Duma
- Marj3
- Nakoll
- Startups Without Borders
- Threads of Hope
- Takafoo
- Yadawee

In 2021, Alfamar provided management support, mentorship, training or funding to 108 social enterprises operating in Egypt, Lebanon, Jordan, Yemen, Iraq and Palestine.

JORDAN MANAGEMENT SUPPORT

MUBADEROON

60 social enterprises  
■ across Amman, Ajloun  
and Tafileh

# Education



**Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all.**

Alfanar supports social enterprises bringing quality educational tools and solutions to vulnerable children and educators across the Arab region.

Following the widespread disruption to education for over 100 million children in Arab countries due to COVID-19 school closures and economic crises, in 2021 our education social enterprises worked tirelessly to bring quality education to 13,139 children who had been shut out of education.

- In Lebanon, our social enterprise LAL Tabshoura provided quality education to over 2,500 disadvantaged children across the country, including refugees, through an innovative e-learning platform that provides a fully digitised national curriculum in three languages.
- Working with social enterprises Ana Aqra and Tabshoura, Theirworld's MyBestStart programme increased access to Early Childhood Education for vulnerable Lebanese and refugee children affected by COVID-19 closures in Lebanon. By rolling out Tabshoura's digital curriculum and teacher programme, and through the digitisation of Ana Aqra's early childhood educational content, over 3,000 students were able to continue attending school.
- In Egypt, we welcomed Heya Masr to the portfolio at the start of the year. As a promising education start-up working to develop the resilience of 300 public school students through customised after-school programmes, we are supporting Heya Masr to grow its social impact and professionalise its data collection and impact management systems.
- In Q4, we successfully exited from Educate Me, one of Alfanar's flagship SEs and a prime example of a scaled up social enterprise.

## 2021 HIGHLIGHTS

**13,139**

children given access to quality education by Alfanar SEs in 2021

**193**

schools supported by Alfanar SEs in 2021

**1,469**

teaching staff trained by Alfanar SEs in 2021

### Education Social Enterprises Supported in 2021:

Ana Aqra | Educate Me | BTCP | Heya Masr | Tabshoura

### With Generous Support From:

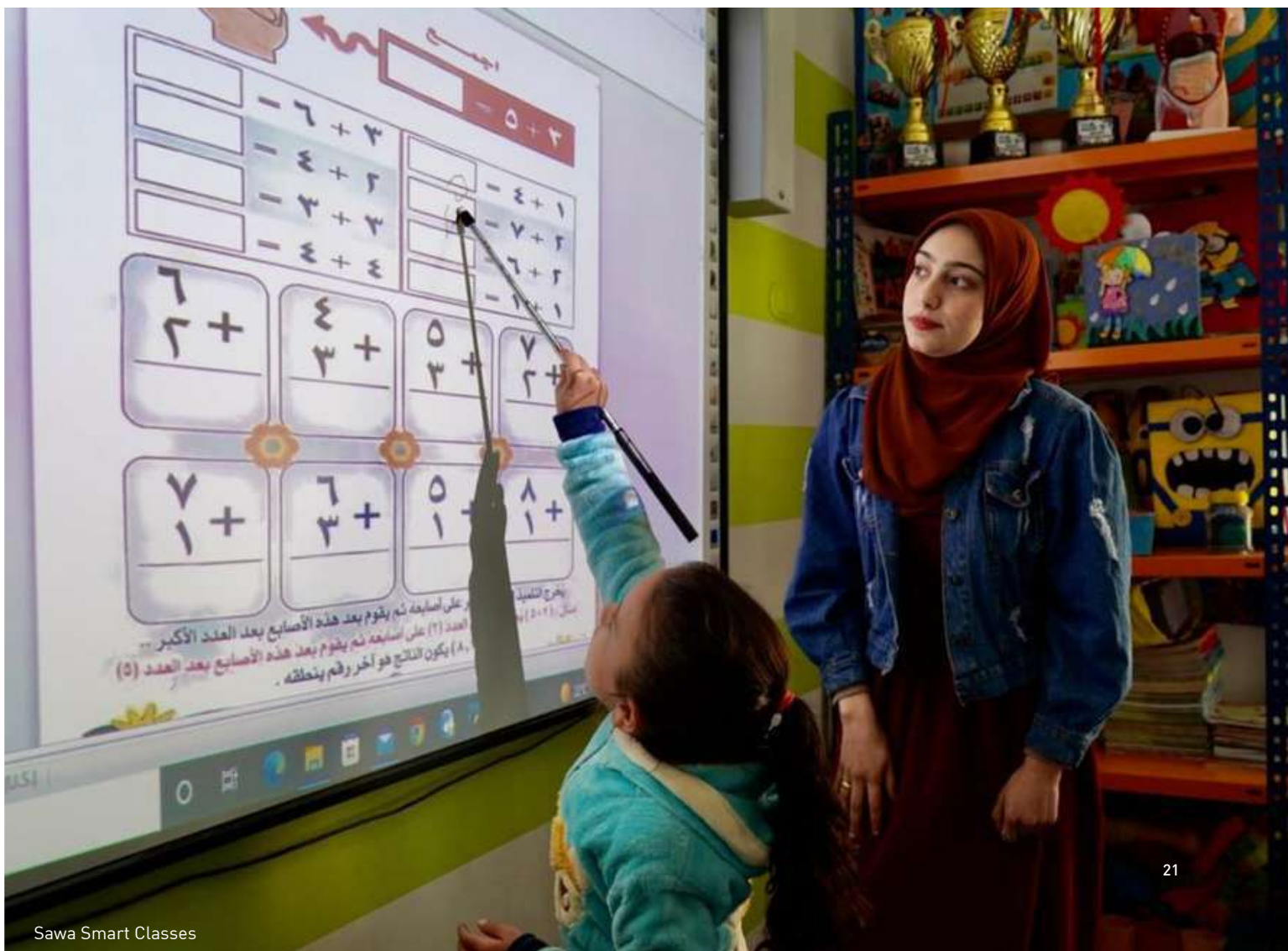


Over the span of Alfanar's six years of support, Educate Me has grown from a small afterschool programme to a registered community school in Talbeya and now a nationwide leader in education reaching thousands of children and educators across Egypt each year.





LAL/Tabshoura Student (Photo Credit: ©Theirworld / Diego Ibarra Sánchez.)



## IMPACT HIGHLIGHT | LAL TABSHOURA

**“With Tabshoura my students are resilient individuals, who hold the key to a better world.”**

As a passionate educator of 12 years, Haigo’s teaching philosophy focuses on cultivating student resilience. For Haigo, it’s more than just teaching physics or chemistry; it’s about taking these scientific concepts and adapting them to real-life scenarios. Haigo hopes to empower her students to feel worthy and capable of overcoming any obstacles they may face.

However, in spite of her love for teaching, the economic crisis devastating Lebanon forced Haigo to search for a second source of income, as her teaching salary was not enough to sustain herself.

Haigo happened upon Lebanese Alternative Learning’s (LAL) website and was immediately impressed by their community-orientated approach. She believes that LAL lends a genuine ear to educators, providing them with the space to voice their concerns and thoughts.

Today, Haigo uses LAL’s Tabshoura platform -- developed with Alfano’s venture philanthropy support -- in her classes, providing free, enjoyable, and engaging courses to her students. Haigo also helps to continually enhance and develop the Tabshoura platform by providing feedback on the content being created. She envisions a Lebanon in which students are instilled with the notion of being fearless, educated individuals.

As the organisation continues to grow with Alfano’s support, LAL recently signed an agreement with the Ministry of Education’s Center of Education Research and Development that will see Tabshoura content made available in public schools throughout Lebanon in 2022.

Haigo is one of over 1,600 educators who were able to continue providing quality education in 2021 through Alfano’s support to innovative, high-potential social enterprises like LAL.



### TABSHOURA BY LEBANESE ALTERNATIVE LEARNING

**Portfolio SE since**  
2020

**Location**  
Lebanon

**Social Impact**  
7,946 children provided with high-quality digital education through the Tabshoura e-learning platform

**Cost-Recovery**  
21%



# Empowerment

Reducing inequality within and among countries.

Alfanar works to tackle the growing social and economic inequalities that women in the Arab region face by backing social enterprises creating safe, dignified work for women and improving education for girls.

In 2021, our social enterprises continued to deliver vocational training and provide jobs, creating income-generating opportunities for 3,320 women across the region.

- In Egypt, the Future Eve Foundation's Amal Project, a member of Alfanar's portfolio since 2012, provided 1,727 widows microloans and financial literacy, exceeding 18,000 widows and female breadwinners served across 83 villages. On average, participating women experience a 36% increase in their income. Following the approval of an ambitious three-year business plan developed with Alfanar's support, the Amal Project is now poised for regional expansion, with an aim to scale to an additional five governorates within Egypt and a new country in the Arab world.
- Life Vision for Development provided training for 1,566 female farmers in Minya, Egypt through its Farmer Field Schools and Farmer Business Schools, while achieving greater financial sustainability through its revenue-generating agricultural unit.
- Through the Strengthening Social Entrepreneurship for Migration Development (SEMD) programme, we welcomed Duma, Nakoll, Threads of Hope and Yadawee to the portfolio. These social enterprises aim to deliver training and employment opportunities to 910 women from refugee, migrant and host communities across Egypt during the project.

## 2021 HIGHLIGHTS

**3,320**

women employed or running micro-enterprises in 2021

**36%**

average increase to women's income in 2021

**1,727**

female breadwinners running businesses through microloans

**Women's Empowerment Social Enterprises Supported in 2021:**

Duma | Future Eve Foundation | Inaash | Nakoll | Takafoo | Threads of Hope | Yadawee

**With Generous Support From:**



- In Lebanon, social enterprise Inaash provided work and income to 270 Palestinian refugee women as skilled embroiderers. In light of the challenging economic situation, Alfanar continued to support Inaash's pivot to online sales in order to survive the ongoing crisis.





Future Eve Foundation loan recipient, Noor Al Hoda

## IMPACT HIGHLIGHT | FUTURE EVE FOUNDATION

**"This project is providing me with the income to feed myself, my mother and my three girls."**

Noor Al Hoda is a determined woman, refusing to let her husband's abandonment hinder her from fulfilling her dreams, including one day sending her daughters to university.

Noor's life was transformed when she joined the Amal Project. Through its vocational, financial literacy training and funding she was able to open her own grocery store, enabling her to provide for her family's needs while saving for her daughters' futures.

Since 2012, through a unique partnership with the Global Fund for Widows and our social enterprise in Egypt the Future Eve Foundation, the Amal Project has provided dignity and opportunity to 18,000 widows and female breadwinners across 83 communities in Egypt.

We thank the generous supporters who have made this possible over the years, including Global Fund for Widows and our scale partner SODIC.

### FUTURE EVE FOUNDATION

**Portfolio SE since**  
2012

**Location**  
Egypt

**Social Impact**  
18,000 widows and female heads of household provided with microfinance and vocational training

**Cost-Recovery**  
87%





Life Vision for Development Trainees



Yadawee Artisans



Life Vision for Development Training Cohort



Nakoll Trainees

# Employment

Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Alfanar backs innovative social enterprises creating meaningful, sustainable employment opportunities -- particularly for youth from disadvantaged communities -- with a particular focus on in-demand digital skills.

Recognising the dearth of technical abilities needed to compete in an increasingly digital world, many of Alfanar's social enterprises focus on helping young people to secure training and employment in the region's growing tech sector. In 2021, Alfanar's employment-focused social enterprises provided training and employment opportunities to 374 low-income youth.

- As Bridge. Outsource. Transform (B.O.T) in Lebanon continued to grow and tap into international markets, they supported 204 youth across the region in securing digital freelancing opportunities in areas including web development, data visualisation and transcription.
- NaTakallam, an increasingly well-recognised name in the online language learning space, created 28 jobs for refugees as online Arabic language teachers and translators.
- SE Factory scaled its impact to new communities across Lebanon by switching to a hybrid model for its Full-Stack Web Development and Fundamentals of Computer Science bootcamps. In total, 169 low-income youth participated in four bootcamps, of which 63 subsequently found employment as coders and web developers
- BEDCO by March NGO created employment opportunities for 111 disadvantaged youth from Tripoli, Lebanon in construction work.

## 2021 HIGHLIGHTS

**374**

youth given vocational training by Alfanar SEs in 2021

**366**

youth employed by Alfanar SEs in 2021

**£599**

average monthly salary for youth employed by Alfanar SEs

### Employment Social Enterprises Supported:

Artisan du Liban | BEDCO | BOT | Marj3 | Natakallam | SE Factory | Sprints | Startups without Borders

### With Generous Support From:



- As part of the SEMD programme in Egypt, Marj3, Sprints, and Startups Without Borders aim to create 350 jobs for disadvantaged youth, including refugees in Egypt.



IMPACT HIGHLIGHT | BEDCO BY MARCH

“I just feel like I need to lend a hand. I have this thing in me where I can’t see someone in need and not help him.”

Ahmad Jalloul is a 30 year old father living with his wife and two sons, Abdallah and Omar, in Beb el Tebbeneh – Tripoli, right on the former demarcation lines that previously divided the city. Even though Ahmad is still young, he has diabetes and his son Abdallah has brain paralysis.

“All my life is dedicated to Abdallah”, Ahmad says.

Ahmad is also a participant of the BEDCO rehabilitation and reintegration programme, which provides youth from areas of conflict in Tripoli, Lebanon, with vocational skills in construction and the opportunity to fully integrate into society.

Ahmad came to BEDCO after spending his younger years taking part in local troubles, falling victim to the cycle of neglect, conflict and violence plaguing his area.

In late 2020, he became one of the 111 youth employed by BEDCO as part of the Alfanar backed reconstruction effort following the blast.

Trained by BEDCO as a foreman in plastering, Ahmad was very eager to put his newly learned skills into practice to help rebuild destroyed enterprises.

Ahmad is known for his helping hand and good humour. He is extremely proud to be part of the initiative helping those affected by the explosion to get back on their feet.

“I can feel how grateful they are when we start rehabilitating their shops. This makes me feel so happy.” This sense of appreciation is what gives him the motivation to continue helping to rebuild Beirut and master his craft.



BEDCO BY MARCH

Portfolio SE since 2020

Location  
Lebanon

Social Impact  
111 youth employed as construction workers





Delta Oil Collector



Alfanar Meeting the Delta Oil Team





# Environment

## Ensuring sustainable consumption and production patterns

Increasingly, Alfano is choosing to back social enterprises promoting environmental solutions and sustainable patterns of consumption and production.

- 2021 was a key year for FabricAID's growth and expansion to new markets. Despite the ongoing economic crisis in Lebanon, FabricAID grew rapidly throughout Lebanon to establish two further thrift stores selling quality recycled clothes at microprices to vulnerable communities. In parallel, FabricAID also opened a second-hand clothing shop in Jordan and began exploring the requirements for expansion of its impact model to Egypt. In late 2021, Alfano made a repayable convertible grant to FabricAID. In early 2022 this became Alfano's first equity impact investment, serving as a strong showcase as Alfano works to launch the MENA region's first social impact investment vehicle.
- In Egypt, Delta Oil joined the portfolio in 2021 as part of the SEMD programme. Delta Oil is an innovative, green-focused social enterprise that collects used cooking oil from individuals in disadvantaged rural and suburban communities across Egypt and supplies it as raw material to biodiesel manufacturers in exchange for a fee, representing a monthly income to collectors.

### 2021 HIGHLIGHTS

**165,600**

kilogrammes of CO2 emissions offset by Alfano SEs in 2021

**46**

tonnes of secondhand clothing recycled in 2021

**2,418**

tonnes of used cooking oil recycled in 2021

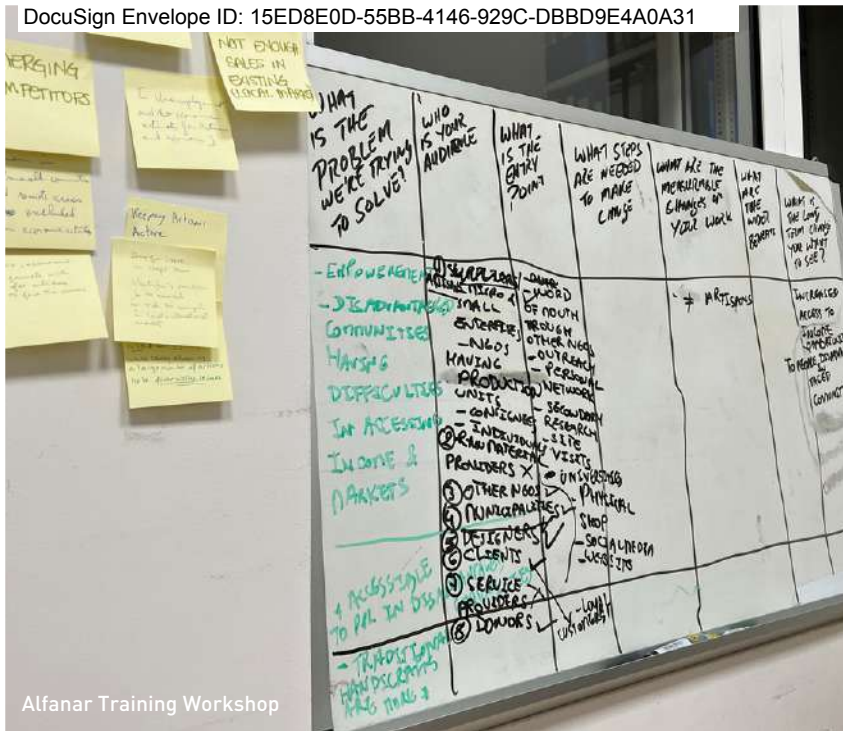
### Environment Social Enterprises Supported:

Delta Oil | FabricAID

### With Generous Support From:







Alfamar Training Workshop



Alfamar and the LAL Team

# MANAGEMENT SUPPORT PROGRAMMES

In addition to providing our portfolio social enterprises with the full suite of our venture philanthropy support, Alfamar also provides immersive management support, structured one-to-one mentorship, access to networks, impact management services and training to social enterprises outside of our portfolio.

In 2021 we led the following management support programmes in Egypt, Lebanon and Jordan:

- Oxfam Social Enterprise Support Fund (Lebanon)
- Drosos (Lebanon)
- EU Mubaderoon (Jordan)
- Theirworld My Best Start (Lebanon)
- GFA Strengthening Social Enterprise for Migration and Development (Egypt)
- GAME (regional)
- ACE II (regional)



BEDCO Construction Workers



Duma Doll Makers



Souk El Tayeb Food Preparation





# EXPANSION TO JORDAN

## Training the next generation of Jordanian social enterprises.

Since 2019 and in partnership with consortium partners Plan International, Ruwwad and EURICSE, Alfamar has provided training and management support to 60 social enterprises working to educate, employ and empower disadvantaged women and youth across East Amman, Ajloun and Tafileh in Jordan as part of the EU-funded Mubaderoon: Enterprises for Social Change initiative.

Following the delivery of ASSET training to the full cohort of participating social enterprises, Alfamar's Jordan country team have been providing trainees with follow-on one-to-one mentorship to support them in the practical application of ASSET training.

134 deliverables, including business plans, theories of change and M&E systems, were produced by Mubaderoon's 60 participating social enterprises as a result of Alfamar's support. 87% of trainees reported that they were able to improve their own social enterprise's performance as a direct result of Alfamar's training and support.

In October 2021, a ceremony was held in Amman to mark the successful completion of the two-year Mubaderoon initiative.

In addition to technical support for social enterprises, Alfamar also worked closely with consortium partners (including UNDP and Impact Hub) to develop and lobby for a legal framework that embeds and strengthens the status of social enterprises in Jordan. These efforts culminated in a policy paper which was presented to the advisory committee of the Ministry of Digital Economy and Entrepreneurship in November 2021.

## AT A GLANCE

**60**

social  
enterprises  
trained

**31**

group training  
sessions  
delivered

**59**

coaching  
sessions  
delivered

## With Generous Support From and In Partnership With:



Alfamar continues to explore opportunities for further expansion into Jordan. Following the Mubaderoon programme's completion in late 2021, senior Alfamar staff members visited Jordan twice to build networks and develop strategic partnerships to formalise Alfamar's presence in the country.

## Social Enterprises Supported:

60 social enterprises across Jordan



## IMPACT HIGHLIGHT | GREEN NUTRITION

### “Our growth and strength are a result of Alfanoar’s belief in us.”

Fatimah Alzgoul is the founder and driving force behind Green Nutrition, one of the 60 social enterprises Alfanoar has supported in Jordan through the Mubaderoon project.

One day, Fatimah realised retirement was not for her. With three children in university, a low retirement salary, and a personal urge to work, she began to search for ways to support her community of Ajloun in Northern Jordan.

Fatimah knew women who had been cultivating their own delicious and organic herbs for decades but were unsuccessful in selling their products. Their unique sumac and wild, aromatic thyme were of the best quality Fatimah had come across, but for the most part, their products were being thrown away. Fatimah resolved to change this.

She founded Green Nutrition to provide local women producers from Ajloun with an opportunity to successfully market their produce and increase their families’ income. Today, Green Nutrition brings together the natural products of 20 women producers under the same brand and wants to grow.

With Alfanoar’s training, Fatimah and her team were able to organise their strategy, ensuring quality and value-for-money in their growth efforts. Thanks to Alfanoar’s in-person visits and management support, for example, Green Nutrition improved its branding and developed marketing strategies to become more relevant to international markets.

Alfanoar’s network also enabled Fatimah to meet with other social enterprises in Jordan who are now exporting to Canada and the U.S. These connections have equipped her with a better understanding of packaging and pricing standards, while also becoming more integrated into the social enterprise sector in Jordan.

Over the past two years, Alfanoar has provided 31 training sessions and continuous mentorship to 109 staff members from 60 remarkable social enterprises like Green Nutrition. 87% of trainees reported that they were able to improve their own social enterprise’s performance as a direct result of Alfanoar’s training and support.



## GREEN NUTRITION

**Established**  
2009

**Founder**  
Fatimah Alzgoul

**Location**  
Amman, Jordan

**Social Impact**  
20 women producers  
employed

# TEAM & BOARD

Our dedicated team operates from offices in the UK, Egypt, Lebanon, Jordan and the UAE across Investments, Operations, Fundraising and Communications functions.

Alfanar’s Board of nine Trustees meet quarterly and provide organisational oversight and strategic guidance. Four sub-committees for Investments, Finance, Nominations and Impact Fund Taskforce, each chaired by an Alfanar Trustee, create areas of efficiency and expertise at the governance level.

## Trustees



**Lubna S. Olayan**  
Chair of Executive Committee and Deputy Chairperson, Olayan Financing Company



**Hussain Al Nowais**  
Chairman, AlNowais Investments



**Samir Assaf**  
Senior Advisor, General Atlantic & HSBC



**Charlotte Boyle**  
Chair of UK, UNHCR



**Amjad Bseisu**  
CEO, Enquest PLC



**Sherif Foda**  
Chairman and CEO, National Energy Services Reunited



**Maysa Jalbout**  
Nonresident Fellow in the Center for Universal Education, Brookings



**Julia Middleton**  
Founder, Common Purpose



**Cynthia J. Oakes**  
Former Salomon Brothers, Morgan Guaranty Ltd, and Morgan Stanley

## Alfanar Venture Philanthropy



**Myrna Atalla**  
Executive Director



**Nicolas Kröger**  
Operations Director



**Fadel Zayan**  
Investment Director



**Shenouda Bissada**  
Egypt Country Director



**Kim Issa**  
Lebanon Country Director



**Suha Abdul Rahim**  
Jordan Country Director



**Mohammed Alradi**  
Senior Investment Officer



**Brian Dexter**  
Finance Manager



**Abrar Mohamed Ali**  
Operations Officer



**Freddie Fleischmann-Allen**  
Development Officer



**Omar Eldahan**  
Development Officer



**Ahmed El Nabarawi**  
Egypt Finance & Investment Manager



**Nadine Khalife**  
Egypt Portfolio Officer



**Sally Gindy**  
Monitoring & Evaluation Officer



**Haifa Najjar**  
Lebanon Portfolio Manager



**Reya Kanaan**  
Lebanon Portfolio Manager



**Selena Chávez**  
Admin and Special Projects Intern

## Impact Investment Team



**Amine Goraieb**  
Fund Manager \*



**Michelle Mouracade**  
Impact Manager \*

\*Consultants

# 2021 RESULTS

We made significant progress toward realising the five key goals identified in our 2020 Annual Report.

## 1. SUSTAIN THE JOURNEY TO EDUCATE, EMPLOY & EMPOWER

We made significant progress toward our core goal of increasing venture philanthropy support to social enterprises in the Arab region, backing 22 portfolio social enterprises with management support and VP grants, and a further 86 social enterprises receiving management support, impact management and mentorship. Throughout the year the social enterprises we supported created education, training and employment opportunities for 80,684 women, youth, children and refugees, representing a 94% increase over 2020 impact results. We welcomed to the portfolio eight new social enterprises working to empower refugees and migrant communities across Egypt through the SEMD programme, backing the growth of each with funding, ASSET training, business planning and high-engagement management support. Our Emergency Lebanon programme continued to support the vulnerable to withstand economic crisis by working through social enterprises to deliver emergency food aid and supporting reconstruction efforts while creating jobs for conflict-affected youth. In total, we created or sustained 135 jobs, renovated 70 buildings to enable businesses and schools to reopen, distributed 250,000 hot meals and provided emergency food relief boxes to 3,750 families.

## 2. SCALE & STRENGTHEN SOCIAL ENTERPRISES

In 2021, we completed a two-year programme conducted in consortium with PLAN International, Ruwwad and Euricse supporting the growth of social enterprises in Jordan with a focus on women's economic empowerment and youth employment. In total we trained 60 Jordanian social enterprises across Amman, Ajloun and Tafileh through 31 group training sessions. We took significant steps towards the launch of a regional impact-investment vehicle, as we prepare to extend the financing lifecycle for suitable social enterprises and businesses with impact. We also helped a number of our portfolio social enterprises scale to new markets and territories, including B.O.T and FabricAID to expand from Lebanon to Jordan and the Amal Project for Widows' Empowerment's expansion to new communities across Egypt, including Alexandria. On average, Alfano's portfolio social enterprises recovered 65% of operational costs through self-generated revenue, representing an 11% increase from 2020. In total, our 22 portfolio social enterprises self-generated £2.3m in revenue to support their continued impact and operations.

## 3. BUILD ALFANAR'S COMMUNITY OF SUPPORTERS & FOLLOWERS

We hosted three virtual events designed to bring together, inspire and educate our community of supporters about how Alfano's support to social enterprises has helped them overcome multiple crises. Our virtual event on April 8th, 2021 moderated by Egyptian adventurer and social entrepreneur Omar Samra brought together over 100 supporters to engage with our social entrepreneurs. We ran two digital fundraising campaigns -- Join the Journey (April-May) and Spread Light (November-December) -- to showcase Alfano case studies and stories of impact. Throughout the year, we ramped up outreach efforts for our Philanthropy Circles and secured our first commitments. During the summer we ran the inaugural Alfano Luminary Internship Programme through which we hosted 10 high-school student age interns. We thank Lady Plumbly for her 12 years of service on Alfano's Board (resigned June 2021). We were delighted to welcome Trustee Hussain Alnowais to Alfano's Board at the end of 2021.

## 4. BUILD PRIDE & COMMITMENT AMONG SUPPORTERS

We made significant efforts to systematise our communications through increased posting on social media and periodic newsletters, with a focus on case studies and impact stories from Alfano's SE and their beneficiaries. Alfano's email subscriber list grew by 18% from 2020, while overall website traffic increased by 15% from 2020. Alfano's work was featured in multiple print and web publications, including Philanthropy Age, Wamda, Le Commerce du Levant, MAGNiTT, Executive Magazine, ReliefWeb and DARPE, while Alfano team members participated in numerous panel discussions hosted by partners including the World Bank, UNDP Jordan, Pearl Initiative, Midan, Executive Magazine and the New Economic Model for Lebanon Coalition. While renewing existing partnerships, we also made significant progress toward building new relationships with corporate and institutional partners across the region and in the UK and US.

## 5. REFRESH STRATEGY & FOCUS ON STRUCTURAL GROWTH

We underwent significant consultations with stakeholders in order to renew our 2022-2026 strategy. The draft strategy was endorsed by the Board in September 2021 and approved in Q1 2022. We also took steps toward introducing new internal systems, including a new customer relationship management and digital grants management system, in an effort to improve organisational efficiencies and deliver on the aspirations of the growth plan.



# 2022 GOALS

In 2022, we will work towards the following five strategic goals:

## 1. IMPLEMENT GROWTH STRATEGY

Building on the lessons learned over 18 years of MENA-based venture philanthropy work, we will finalise and implement an ambitious growth plan aimed at increasing Alfanar's reach to new social enterprises and scaling our social impact to new countries and communities in the MENA region. In parallel we will grow Alfanar's team and operations to deliver the revised business plan and achieve the key goals of the strategy.

## 2. ACCELERATE REACH THROUGH SEED CYCLES

We aim to increase Alfanar's reach among high-potential social enterprises in the MENA region through cohort-led Seed Cycles in Egypt, Lebanon, Jordan and a pilot Seed Cycle in Palestine. We aim to provide ASSET training to nearly 20 new social enterprises in 2022, thus building up Alfanar's pipeline of social enterprises. In coming years, we will endeavour to launch a regional social enterprise Seed Cycle to provide management support to and gain exposure to innovative social entrepreneurs further afield.

## 3. SUSTAIN SOCIAL ENTERPRISES IN EDUCATION, EMPLOYMENT, EMPOWERMENT & ENVIRONMENT

Through Alfanar's 2022-2026 growth strategy, we aim to grow the number of social enterprises benefiting from Alfanar's long-term Sustain grant package to 65 (up from 48 funded to date). Alfanar will provide 3-5 years of significant grant funding and 0-interest loans, enabling growing social enterprises to scale impact, grow their teams, and drive sales.

## 4. SCALE SUSTAINABLE CHANGE

We aim to scale the impact of select social enterprises to new communities, both within our countries of operation and regionally. For example, we aim to grow the Amal Project for Widows' Empowerment to reach at least 10,000 more widows through expansion to Luxor in 2022 and another MENA country by 2023. In addition, we are working to launch an independent, but affiliated regional impact investment vehicle for the MENA region, thus effectively extending the financing lifecycle for investment-ready social enterprises.

## 5. SPREAD AWARENESS ABOUT ALFANAR'S WORK

We will continue to spread awareness about Alfanar's venture philanthropy work more broadly through regular communication and outreach. We will work with Board members and brand ambassadors to host outreach and fundraising events in the UK, US and regionally. In particular, we will host our first London fundraising gala since 2018. We will increase outreach efforts in a bid to grow members of our Philanthropy Circles from 4 members to 17 [5 Visionary level, 5 Champion level, 7 Patron level]. We will launch our Ambassador Circles targeting on main global cities. We will grow our Board by adding at least one new Trustees with expertise in relevant areas, such as exposure to impact investment and relevant experience in Egypt. We will work with brand experts to tighten our brand messaging, helping us to build stronger corporate and institutional partnerships that not only fund the growth of Alfanar's VP work but build awareness in new communities.

# FINANCIAL SUMMARY

Income raised in the year ended 31 December 2021 was £2,127k (2020: £2,190k).

Generous support from our Board, with unrestricted donations of £186k (2020: £231k), coupled with unrestricted grants, including funds from Alfanar, Inc., US of £22k (2020: £102k), and Bank of America £37k (2020: £53k) and other trusts and foundations £45k (2020: £55k) covered all of the Charity’s fundraising and support costs in 2021, enabling additional donations raised from individuals to be directed towards Alfanar’s grants and management support to social enterprise investees.

The Trustees appreciate the invaluable support from other individuals. Without the major campaigns we ran in 2020 this general support fell to £102k (2020: £261k) in the year, of which £38k (2020: £119k) was unrestricted.

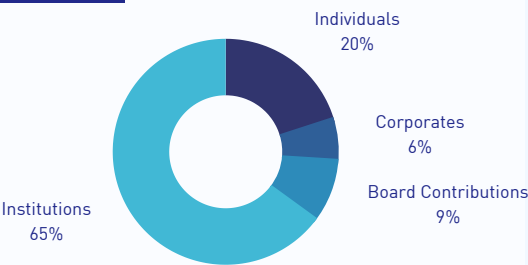
In 2021, we launched our Philanthropy Circles and were pleased that we received £299k of unrestricted income through this programme in 2021 with an expectation of significant growth in future years.

In 2021, resources expended amounted to £1,961k (2020: £1,825k), an increase of 7.5%. Of this amount, direct grants to 22 social enterprises amounted to £994k (2020: £1,055k).

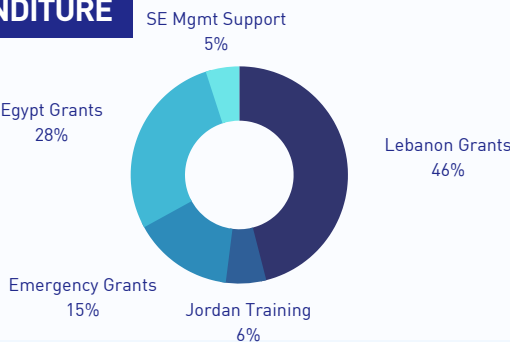
Staff costs in 2021 amounted to £445k (2020: £364k). Of this sum, £219k or 49% (2020: £142k, 39%), was expended on staff dedicated to the provision of training or management support to social enterprises. In addition to this support expenditure, the cost of consultants providing management support to social enterprises in 2021 was £109k (2020: £121k).

The total cost of raising funds was £279k (2020: £280k), representing 14% of total income (2020: 13%).

## INCOME



## EXPENDITURE



## REFERENCE AND ADMINISTRATIVE DETAILS

Alfanar is a registered charity (No. 1105048) and a company limited by guarantee (No. 5141908) with no share capital. The Memorandum and Articles of Association provide that the liability of each member is limited to £1 in the event of the Charity being wound up.

Alfanar's Memorandum and Articles of Association were most recently updated on 21 August 2017. In line with the strategy refresh process, Alfanar intends on reviewing its charitable objects in 2022. To further the objects of the Charity, the Trustees established a trading subsidiary 'Beacon Social Capital', which was incorporated on 27 December 2018 (No. 11741458). This company has yet to commence trading, but will do so in 2022.

Alfanar's head office in London employed seven staff members as of December 2021, with a further employee based in Jordan.

Alfanar operates a branch in Egypt registered with the Ministry of Social Solidarity and International Cooperation (No. 67/2015, MOSS reference: 21991433314205) renewed in December 2021 for three years. Alfanar in Egypt is led by a Country Director with the support of a Finance and Investment Manager, a Portfolio Officer and a Monitoring & Evaluation Officer.

Alfanar Lebanon (Association No. 907) is an affiliate of the UK registered Charity. It became active in June 2021 with the opening of its bank account at BEMO bank. For UK company law and accounting purposes, a parent-subsidiary relationship exists between Alfanar and Alfanar Lebanon. Alfanar Lebanon is overseen by a separate board, chaired by Alfanar UK's executive director, and managed by a Country Director.

Alfanar in Libya (No. 1651) is an affiliate of the UK registered Charity. Due to security issues, Alfanar activity in Libya is currently suspended.

Alfanar, Inc., US is an independent affiliate 501(c)(3) not-for-profit entity (EIN-75-31970321) that actively supports Alfanar's mission through grants and is striving to increase public support. Its transactions are not included in these financial statements. It reports independently to the US Internal Revenue Service and the states of Massachusetts and New York. Alfanar spends around 10% of the time of its Executive Director, Finance Manager and Development Officer to support Alfanar, Inc., US with outreach, Board reporting and annual filings.

## OBJECTS OF THE CHARITY

Alfanar's Memorandum of Association states that the public benefit objects for which it is established are:

1. The advancement of education and learning for the public benefit and to educate men, women and young people of all ages from a broad range of geographical, ethnic, social and economic backgrounds in the Arab World (this includes all member countries of the Arab League), to enable them to realise their full potential as individuals, within their communities and within society as a whole.
2. To develop the capacity and skills of the members of socially and economically disadvantaged communities in countries in the Arab World (including all member countries of the Arab League) in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.



In line with its venture philanthropy mission, Alfanar aims to support the growth of sustainable social enterprises delivering quality education, meaningful employment and lasting economic empowerment opportunities to vulnerable children, youth and women across the Arab world. We provide grants and zero-interest repayable grants, management support, training, mentorship and performance evaluation to social enterprises that pass our due diligence and approval processes. Our support package aims to grow the impact and financial sustainability of the social enterprises we back. Alfanar in the UK, with the support of Alfanar, Inc., US, raises and disburses funds to support our work in Egypt, Lebanon and Jordan.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

Alfanar's Board of Trustees is responsible for the overall governance of the Charity, makes decisions on the strategic direction and policies of Alfanar and delegates day to day management and implementation of these decisions to the Executive Director. All policies are approved by the Trustees to comply with UK legal requirements and good business practice.

The Board of Trustees confirm that they have given due regard to the Charity Commission's guidance on the Public Benefit requirement under the Charities Act 2011 when reviewing the Trust's aims and objectives and in planning future activities and setting their grant-making policies. The Board of Trustees is authorised to appoint new Trustees or to fill vacancies arising through resignation or death. The Trustees are members and directors for Companies Act purposes. They serve three year terms and may be re-elected five times, or exceptionally, six times. In 2021 one new Trustee, Hussain Al Nowais, was added to the Board. Cynthia J. Oakes also serves as a Director of Alfanar Inc. US.

### Trustee Induction

Shortly after their appointment, new Trustees have an induction meeting with the Executive Director to review and better understand Alfanar's business plan and targets, the way it selects and manages social enterprises, and other operations. They are also given the Charity Commission guidance, "The Essential Trustee". Trustees are provided with ongoing training to trustees to keep them abreast of changes in charity law.

### Board Meetings

The Board meets four times a year and endeavours to hold at least one Board meeting in either Egypt or Lebanon every other year to ensure that Trustees witness Alfanar's venture philanthropy process and social enterprises first-hand. Due to travel restrictions, Board visits are currently on hold. The Board meets quarterly and has conducted virtual meetings since 2020. There are three sub-committees reporting to the Board, each with specific terms of reference and functions delegated by the Board, which also meet four times a year. In 2021 the board appointed member, Sherif Foda, to support fundraising and outreach.

### Investment Committee

The Investment Committee reviews requests for venture philanthropy grant and management support from social enterprises presented by the Investment Director and Country Directors. Suitable social enterprises are scrutinised and endorsed by the committee before review for approval by the Board.

### Finance Committee

The Finance Committee scrutinizes Alfanar's business plans, budgets and management accounts and ensures proper financial procedures and controls are in place and operating. The committee also reviews broader operations and human resources matters, the risk register, internal policy developments and the relationship among affiliates. It also oversees the audit process and reviews and endorses the statutory accounts ahead of Board review and approval.

### Nominations Committee

The Nominations Committee helps the Board identify the appropriate mix of skills and capabilities it requires for effective leadership and oversight. Its primary function is to assess and cultivate prospective board members. Alfano aims to add up to three new Trustees in the coming 12-18 months.

### Impact Fund Taskforce

The Impact Fund Taskforce helps oversee progress on Alfano's efforts to extend the financing lifecycle for social enterprises and social purpose companies, explore impact investments and potentially establish an independent, but affiliated impact fund. It meets with the team working on the impact fund and reports on progress at Board meetings.

### Key Management Personnel

Alfano's Board delegates authority for the operational delivery of the strategy to the Executive Director and the senior management team. The Charity's senior management team regularly updates the Board on venture philanthropy industry developments, Alfano's progress against impact and sustainability targets, and how the Charity is managing risks. This ensures that Alfano's venture philanthropy approach remains in line with best practice.

The Board of Trustees and the senior management team comprise the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year.

### Staff Pay

The pay of the senior staff is reviewed annually in conjunction with their performance targets. In view of the nature of the charity, the directors endeavor to benchmark against pay levels in other charities of a similar size. The remuneration benchmark is the midpoint of the range paid for similar roles. The Trustees last approved revised salary scales for the UK in 2019.

### Strategy

In 2021 we began working on a revised strategy. In September 2021, we began revising the operational organisational chart to bring it in line with the new strategy in 2022.

## HUMAN RESOURCES

In 2021, the Charity approved a revised delegation of authority, to ensure that roles are properly authorised according to level of responsibility and to maintain effective decision-making and segregation of responsibilities.

Nadine Khalife was appointed as Portfolio Officer in Egypt in April 2021. Abrar Mohamed Ali was appointed as Operations Officer in October 2021. Selena Chavez began a one-year internship with Alfano under the Tier 5 scheme in March 2021. Ahmed El Nabarawi was promoted to Egypt Finance and Investment Manager in 2021.

At the conclusion of the Mubaderoon programme in Jordan, Suha Abdul Rahim was appointed Alfano's Jordan Country Director in October 2021.

Alfano accessed a small amount of support from the UK government Coronavirus Job Retention Scheme (CJRS) after furloughing a select number of staff members. In line with pandemic guidelines and since mid-March 2020, UK, Egypt and Lebanon staff members have worked remotely, returning to the office as and when national guidelines permitted and conducting most training and management support sessions virtually with social enterprises. Alfano in the UK reduced its office space requirements in 2021 and moved files to a donated storage space.



## Board of Trustees

---

Lubna S. Olayan  
*(Chair - Trustee)*

Hussain Alnowais  
*(appointed 1 December 2021)*

Samir Assaf

Amjad Bseisu

Charlotte Boyle

Sherif Foda

Laila Iskander  
*(resigned August 2022)*

Maysa Jalbout

Julia Middleton

Cynthia J. Oakes

Nadia Plumbly  
*(resigned June 2021)*

## Investment Committee

---

Julia Middleton  
*(Chair - Trustee, resigned as Chair September 2021)*

Matthew Courey  
*(resigned 2021)*

Nafez Dakkak  
*(appointed March 2022)*

Mark Huang

Barbara Ibrahim

Laila Iskander  
*(Trustee, resigned June 2021)*

Maysa Jalbout  
*(Trustee, appointed to Chair September 2021)*

Alfred Kettaneh

Cynthia J. Oakes  
*(Trustee)*

Ryan Sturgill  
*(appointed March 2022)*

## Finance Committee

---

Charlotte Boyle  
*(Chair - Trustee)*

Samir Assaf  
*(Trustee)*

Siham Bortcosh

Robert Cartwright  
*(appointed Feb 2021)*

Laila Iskander  
*(Trustee)*

Laura Stojcevic

## Nominations Committee

---

Lubna S. Olayan  
*(Chair & Trustee)*

Samir Assaf  
*(Trustee)*

Charlotte Boyle  
*(Trustee)*

Amjad Bseisu  
*(Trustee)*

## FUNDRAISING STATEMENT

The remarkable generosity of our supporters and donors in 2021 enabled us to achieve our most impactful year to date. We are grateful for the individual, corporate and institutional donors who either pledged or renewed their support to Alfano in 2021 and we thank all those who have contributed to Alfano's mission with a donation of money, time or expertise over the past year.

A significant portion of our fundraising efforts are carried out by our senior management team across the UK, Egypt and Lebanon, led by our Executive Director and overseen by our Development Director. The team successfully identified and applied for new institutional partnerships and worked to strengthen key relationships with individual, corporate and institutional partners. In 2021, these efforts were supported primarily by our UK-based Development Officer and Senior Communications Coordinator with further input from Egypt and Lebanon team members, especially in relation to country-specific donors and leads. Alfano benefited from the support of several interns to update social media channels.

Although income remained broadly consistent with 2020, the total number of donors giving to Alfano in 2021 dropped significantly to 117 donors. This was largely due to the significant increase in the number of small donors giving in 2020 in response to our COVID-19 and Beirut Explosion emergency campaign, meaning that 2020 was something of an outlier year. As such, overall donor retention dropped to 16%, as many smaller donors did not renew their support. However, for high-level donors giving over £30k, retention was higher at 45%. The Development Director alongside our Executive Director have led on the new Fundraising strategy, particularly the Philanthropy Circles initiative.

The Philanthropy Circles initiative aims to build a community of top-level, highly-engaged supporters globally, through a programme of salon dinners and site visits to our social enterprises. It is our aim that by 2024 this initiative will be raising £1.3m per year in unrestricted funding.

We appointed a fundraising lead on the Board, Sherif Foda, to support targeted outreach efforts, particularly with regard to high-net worth donors.

In 2021 we focused fundraising on thematic areas, enabling donors to direct their support toward key areas of impact that Alfano focuses on namely education, women's empowerment, youth employment, refugee employment and general support.

We ran two digital fundraising campaigns – Join the Journey and Spread Light – and ran three online events in an effort to engage our community.

The Trustees have taken note of the Charity Commission guidance on fundraising as described in the Charity Commission publications, CC20 and CC15d. Alfano does not use professional fundraisers, nor does it employ or condone the use of cold calls or high-pressure marketing campaigns. Alfano fundraises through virtual events, email communication, social media outreach and by pitching to institutional donors, companies, foundations, and individuals who are introduced to Alfano through its Board of Trustees and wider network. Complaints about Alfano's fundraising activity are directed to the Executive Director and the Development Director of Alfano. We have not received any fundraising complaints to date.

## SAFEGUARDING

Alfanar endeavours to protect from harm those who work for and with us, as well as those our social enterprises serve.

As part of our three to six month due diligence process with prospective social enterprises, we check for the existence and active use of safeguarding policies and practices. In 2021, we finalised a new ASSET training module on safeguarding to ensure that social enterprises both within our portfolio and more broadly are effectively trained and supported to establish the systems required to reliably provide safe and effective care to those they serve.

In 2021, the Board approved revised safeguarding policies as part of our internal staff handbook, which all staff were trained on during the year. New joiners receive training on the staff handbook, including safeguarding, as part of induction.

Cynthia J. Oakes was appointed Board Safeguarding Representative in replacement of Nadia Plumbly following her resignation from the Board.

## RISK MANAGEMENT

Alfanar has a risk register that identifies the major risks to the Charity. This register is regularly updated, and processes put in place to mitigate risks. It is reviewed by the Trustees bi-annually.

Given significant health and other risks introduced by the COVID-19 pandemic, office shutdowns and broader lockdowns the Board and the senior management team assessed and responded to emerging risks more frequently over the course of 2021, also extending proactive support and training to all investee social enterprises to ensure their budgets and operating plans could withstand the various impacts of the pandemic.

Beyond the health concerns introduced by the pandemic, which were effectively managed throughout the organisation, the following were identified as the principal risks facing the Charity in 2021/2022, together with the plans for managing those risks:

- Given the uncertainty of income streams and the significant changes to fundraising and outreach channels, a reduction in our fundraising capabilities and/or dependence on the Board to cover costs were risks we monitored very closely over the course of the year through frequent reforecasts, outreach strategy pivots and regular communication. We appointed a part-time Development Director to further support the organisation with diversifying streams of income and ensuring fundraising meets impact targets. Although successfully managed in 2021, these remain risks we are monitoring in 2022 and which our fundraising plans for the year respond to.
- The risk of our work being stopped, particularly in Egypt, Lebanon or Jordan due to registration issues, lockdowns, violence, economic collapse or force majeure events is one we monitor and manage closely with the expert leadership of our country directors and representatives on the ground. Alfanar employs experienced development professionals who bring years of development experience and acumen to their jobs, and a deep understanding of the political and socioeconomic context on the ground, which enables them to monitor and mitigate arising risks more effectively.
- The growth in the number of institutional partners and contracts in need of review in 2021 introduced a new risk around fully understanding the impact of contractual obligations entered. Supported by the Finance Committee, which added retired lawyer Robert Cartwright as a member in February 2021, the senior management team has developed a risk assessment template to guide contract reviews and a policy to assess the impact of indemnities, which have become a more frequent feature in contracts and grant agreements.



Mitigation strategies are clarified and approved by the Board for all 24 risks identified in Alfanar's risk register.

We engaged ClearComm, a data specialist, to conduct an audit of our data protection policies and processes and to support us in updating and training our staff on revised policies. The policies were approved in 2022 and staff were subsequently trained. Additionally, we began researching alternative CRM, grant management and virtual server providers and taking further actions to assess and bolster the security of our website and systems. The new CRM and grant management system was implemented in May 2022.

## RESERVES POLICY

The Board policy is to hold free reserves which represent the next six months projected expenditure budget after deducting expenditure funded by currently held restricted reserves, confidently expected and guaranteed income. As at 31 December 2021 this target was £553k.

At 31 December 2021 reserves held totaled £881k (2020: £839k), of which £633k represented restricted funds (2020: £608k) and £247k represented unrestricted funds (2020: 231k). Designated funds as at 31st December 2021 were £3k (2020: £4k), leaving free reserves at £245K (2020: £227K).

This is £308k (2020: £185k) below the reserves target. The Board will closely monitor expenditure during the early part of 2022, with the aim that the organisation's fundraising strategy approved by the Board will bolster our income targets and see free reserves back to target levels by the end of 2022.

## STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees who are also directors of Alfanar for the purposes of company law are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and standard United Kingdom accounting practice (UK GAAP).

Company law requires trustees to prepare financial statements that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of those resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the Board of Trustees are required to:

- Selected suitable accounting policies and applied them consistently.
- Observe the methods and principles in the Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a 'going concern' basis unless it is inappropriate to presume that the charitable company will continue in business.

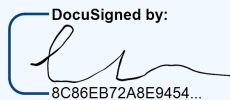
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with company law. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Each of the Trustees has confirmed that, so far as they are aware, there is no relevant audit information of which the Charity's auditor is unaware, and that they have taken all the steps that they individually ought to have taken as a Trustee in order to make themselves aware of any relevant audit information, and to establish that the Charity's auditor is aware of that information.

#### Approval

This report was approved by the Trustees on 16 of September 2022 and is signed on their behalf.

TRUSTEE Charlotte Boyle

DocuSigned by:  
  
8C86EB72A8E9454...

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALFANAR

### Opinion

We have audited the financial statements of Alfanaar ('the company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report.

### Conclusions relating to going concern

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

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

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

### Other information

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



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALFANAR

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

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

### Matters on which we are required to report by exception

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

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

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

### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 45, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALFANAR

### Responsibilities of trustees (continued)

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

### Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALFANAR

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

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

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

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



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALFANAR

### Use of our report

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

*Moore Kingston Smith LLP*

Date: 21 September 2022

.....  
Andrew Stickland (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP,  
Statutory Auditor  
6th Floor  
9 Appold Street  
London  
EC2A 2AP

## ALFANAR (Company limited by guarantee no. 05141908)

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating an Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>Current Year</b>	<b>Note</b>	<b>Unrestricted Funds 2021 £</b>	<b>Restricted Funds 2021 £</b>	<b>Total Funds 2021 £</b>	<b>Total Funds 2020 £</b>
<b>INCOME</b>					
Donations	2	555,369	90,773	646,142	887,554
Other trading activities	3	4,183	-	4,183	3,310
Income from charitable activities	4	228,241	1,248,204	1,476,445	1,299,455
<b>TOTAL INCOME</b>		<b>787,793</b>	<b>1,338,977</b>	<b>2,126,770</b>	<b>2,190,319</b>
<b>EXPENDITURE</b>					
Expenditure on raising funds		278,891	-	278,891	279,809
Expenditure on charitable activities		492,377	1,189,853	1,682,230	1,544,744
<b>TOTAL EXPENDITURE</b>	5	<b>771,268</b>	<b>1,189,853</b>	<b>1,961,121</b>	<b>1,824,553</b>
Net income		16,525	149,124	165,649	365,766
<b>NET MOVEMENT IN FUNDS</b>		<b>16,525</b>	<b>149,124</b>	<b>165,649</b>	<b>365,766</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>230,650</b>	<b>607,923</b>	<b>838,573</b>	<b>472,807</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>247,175</b>	<b>757,047</b>	<b>1,004,222</b>	<b>838,573</b>

<b>Prior Year</b>	<b>Note</b>	<b>Unrestricted Funds 2020 £</b>	<b>Restricted Funds 2020 £</b>	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
<b>INCOME</b>					
Donations	2	357,083	530,471	887,554	461,778
Other trading activities	3	3,310	-	3,310	5,644
Income from charitable activities	4	283,299	1,016,156	1,299,455	869,778
Other income: gain on foreign exchange		-	-	-	4,009
<b>TOTAL INCOME</b>		<b>643,692</b>	<b>1,546,627</b>	<b>2,190,319</b>	<b>1,341,209</b>
<b>EXPENDITURE</b>					
Expenditure on raising funds		279,809	-	279,809	256,594
Expenditure on charitable activities		346,213	1,198,531	1,544,744	1,220,492
<b>TOTAL EXPENDITURE</b>	5	<b>626,022</b>	<b>1,198,531</b>	<b>1,824,553</b>	<b>1,477,086</b>
Net income		17,670	348,096	365,766	(135,877)
<b>NET MOVEMENT IN FUNDS</b>		<b>17,670</b>	<b>348,096</b>	<b>365,766</b>	<b>(135,877)</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>212,980</b>	<b>259,827</b>	<b>472,807</b>	<b>608,684</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>230,650</b>	<b>607,923</b>	<b>838,573</b>	<b>472,807</b>

All of the Charity's operations are continuing.

The annexed notes form part of these financial statements

## ALFANAR (Company limited by guarantee no. 05141908)

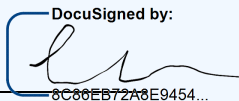
BALANCE SHEET  
AS AT 31 DECEMBER 2021

	Note	£	2021 £	£	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	-		2,631		3,680
Investment Assets	11		<u>1</u>		<u>1</u>
			2,632		3,681
<b>CURRENT ASSETS</b>					
Programme related investments	12	124,870		63,582	
Debtors	13	365,788		96,697	
Cash at bank and in hand		<u>654,404</u>		<u>860,717</u>	
		1,145,062		1,020,996	
<b>Creditors: amounts falling due within one year</b>	14	(143,472)		(186,104)	
<b>NET CURRENT ASSETS</b>			<u>1,001,590</u>		<u>834,892</u>
<b>NET ASSETS</b>			<u>1,004,222</u>		<u>838,573</u>
Restricted funds	-		757,047		607,923
Unrestricted funds					
Designated funds	-	2,631		3,680	
General fund	-	<u>244,544</u>		<u>226,970</u>	
			247,175		230,650
			<u>1,004,222</u>		<u>838,573</u>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved, and authorised for issue, by the trustees on 16 September and signed on their behalf by:

Charlotte Boyle

DocuSigned by:  
  
 8C66EB72A8E9454...

Trustee

The annexed notes form part of these financial statements



ALFANAR (Company limited by guarantee no. 05141908)

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash provided by operating activities</b>					
Net movement in funds		165,649		365,766	
Add back depreciation charge		1,049		1,252	
(Increase)/ Decrease in programme related investments		(61,288)		(63,582)	
(Increase)/ Decrease in debtors		(269,091)		(82,854)	
(Decrease)/ Increase in creditors		(42,632)		82,858	
<b>Net cash (used in) operating activities</b>			(206,313)		303,440
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets		-		(1,611)	
<b>Net cash (used in) / investing activities</b>			-		(1,611)
Increase/(Decrease) in cash and cash equivalents in the year			(206,313)		301,829
Cash and cash equivalents at the beginning of the year					
Cash in hand		860,717		558,888	
			860,717		558,888
Total cash and cash equivalents at the end of the year	15		654,404		860,717

The annexed notes form part of these financial statements

ALFANAR (Company limited by guarantee no. 05141908)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


---

**1. Accounting policies**

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore has also prepared the financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act 2011.

**Going Concern**

The charity has given due consideration to the effects of the COVID-19 outbreak and associated restrictions, the effects of which continued to disrupt in-person gatherings and trainings, travel and in-person fundraising events throughout 2021. The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. In particular, the Trustees considered and took decisions throughout the year to manage the effect of COVID-19 on a few critical areas of activity. For example, the charity's ability to raise income in 2021 was hampered by continued restrictions on travel and assembly. The charity's gala dinner, originally scheduled for 2020, was postponed until 2022. The charity continued to host virtual events and run online fundraising campaigns in 2021, as anticipated their effectiveness waned by the end of the year. Alfano's Senior Management team evaluated progress achieved to date and used it to inform and elaborate a revised 2022-2025 strategy aimed at accelerating the impact of Alfano's support to social enterprises, driving regional growth, and positioning Alfano as a noteworthy social enterprise expert and resource for the MENA region. The Development Director, appointed in 2020, made progress in 2021, building out Alfano's fundraising strategy to deliver on aspired impact growth for 2022-2025. This strategy, approved by the Trustees in Q1 2022, balances outreach between long-term individual support, events and campaigns and growing support from institutional partners. This revised plan will enable Alfano to not only meet its financial commitments to current social enterprises, but to grow it in the future. The charity aims to replenish free reserves to target levels by Q1 2023. Accordingly, the Trustees continue to adopt a going concern basis in preparing the financial statements.

**Presentational currency**

The presentational currency used is British pound sterling, and balances are rounded to the nearest £1.

**Company status**

Alfano is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, there are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions agreed with donors which have been raised by the Charity for particular purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

**Income**

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income, receipt is probable, and the amount can be quantified with reasonable accuracy. Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gift aid recoverable is recognised at the date the related donation is received. Donated services are included in income and expenditure at the value of the gift to the Charity.

**Expenditure**

All expenditure is accounted for on an accruals basis. Irrecoverable VAT is charged in line with the expense to which it relates. Expenditure is allocated to a particular activity where the cost relates directly to that activity. Support, overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of the staff costs directly attributed to each activity.

**Grant investments**

The first payment on grant investments is reflected in the accounts at the point at which they are approved by the Board and communicated to the investee. Subsequent tranches are dependent on performance assessments by Alfano and are reflected at the time of approval by the authorised Director.

Some grant agreements are negotiated with a clause stating that a proportion will be repaid if a target level of income is generated by the project. As it is uncertain that these repayments will be made, such zero interest repayable grants are accounted for in the first instance in the same way as other grant investments. If these grants are repaid the sums are treated as income and transferred to General Funds. In the instance when there is a strong likelihood of repayment, the grant is treated as a Programme Related Investment and held on the balance sheet in the fund used to disburse the payment to the investee.

ALFANAR (Company limited by guarantee no. 05141908)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**
**Foreign currencies**

Transactions in foreign currencies during the year are recorded at the average rate ruling at the time of the transaction. Monetary assets and liabilities at the year end denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities. The accounts also include unrealised losses in exchange rate movements in currencies held at the year end.

**Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised. Assets under this value are capitalised when appropriate.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets over their estimated useful lives as follows:

Office equipment - 25% of net book value

**Group accounting**

The Charity has an overseas branch in Egypt. These financial statements include the branch's transactions during the year, and its assets and liabilities at the year end (after adjusting for transactions and balances between the branch and the UK office). The Charity has a subsidiary in Lebanon, which became active during the year. The financial activities of the subsidiary have not been consolidated on a line by line basis as this would not materially affect the figures reported or the presentation of the financial statements. In future years, the Charity will consolidate Alfanar Lebanon's financial activities on a line-by-line basis into its financial statements. All costs of operating in Lebanon that continue to be borne directly by Alfanar UK are included in these statements.

**Programme related investments**

Programme Related Investments that are in the form of concessionary loans and zero interest repayable grants are accounted for at the outstanding amount of the investment less any provision for unrecoverable amounts. Any impairment is charged to the Statement of financial activities classified as expenditure on charitable activities

**Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. With the exception of prepayments all other debtor and creditor balances are considered to be basic financial instruments under FRS 102.

**2. DONATIONS**

<b>Current Year</b>	<b>Unrestricted Funds 2021 £</b>	<b>Restricted Funds 2021 £</b>	<b>Total Funds 2021 £</b>
Boards	185,926	-	185,926
Other individuals	337,380	90,773	428,153
Donated services	32,063	-	32,063
	<u>555,369</u>	<u>90,773</u>	<u>646,142</u>
<b>Prior Year</b>	<b>Unrestricted Funds 2020 £</b>	<b>Restricted Funds 2020 £</b>	<b>Total Funds 2020 £</b>
Boards	230,637	38,790	269,427
Other individuals	119,021	491,681	610,702
Donated services	7,425	-	7,425
	<u>357,083</u>	<u>530,471</u>	<u>887,554</u>

In 2021 £12,120 (2020 : £31,793) of Gift Aid was receivable. This has been accounted along with the donations that attracted the claim. £11,500 (2020: £11,500) was included within Board income and £ 620 (2020: £ 20,293) was included within Other individuals. In 2021 Nil (2020: £5) of interest receivable from HMRC on Gift Aid claims has been included under Other individuals.



ALFANAR (Company limited by guarantee no. 05141908)

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

**3. OTHER TRADING ACTIVITIES****Current Year**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Social Enterprise Management Support	4,183	-	4,183	3,310
	<u>4,183</u>	<u>-</u>	<u>4,183</u>	<u>3,310</u>

**Prior Year**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Social Enterprise Management Support	3,310	-	3,310	5,644
	<u>3,310</u>	<u>-</u>	<u>3,310</u>	<u>5,644</u>

**4. INCOME FROM CHARITABLE ACTIVITIES****Current Year**

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
The Asfari Foundation	-	125,000	125,000
Alfanar, Inc., US	22,151	-	22,151
Al Ghurair Foundation for Education (AGFE)	-	157,298	157,298
Bank of America	36,918	-	36,918
British Council (LEEP)	9,908	-	9,908
Drosos Foundation	62,907	126,027	188,934
GFA Consulting Group GmbH (GFA)	-	207,090	207,090
Impact Lebanon	-	178,881	178,881
LIFE Generation Fund	-	39,734	39,734
Oxfam	7,007	64,136	71,143
Plan: Jordan Mubaderoon project	12,674	77,011	89,685
SODIC	12,393	71,035	83,428
Theirworld	18,568	185,681	204,249
Other Trusts and Foundations	45,246	16,311	61,557
UK Covid Job Retention Scheme	469	-	469
	<u>228,241</u>	<u>1,248,204</u>	<u>1,476,445</u>

**Prior Year**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Alfanar, Inc., US	102,407	105,884	208,291
Al Ghurair Foundation for Education (AGFE)	-	130,801	130,801
Bank of America	52,803	72,869	125,672
British Council (DICE)	-	6,593	6,593
Consolidated Contractors Group S.A.L. (CCC)	3,016	12,731	15,747
Drosos Foundation	38,063	-	38,063
Genesis Foundation	3,777	37,616	41,393
Global Fund for Widows	-	99,889	99,889
International Finance Corporation (IFC)	-	37,594	37,594
IFC for Impact Fund	-	37,594	37,594
Impact Lebanon	-	101,124	101,124
LIFE Generation Fund	-	38,034	38,034
Oxfam	-	49,921	49,921
PepsiCo	7,761	69,844	77,605
Plan: Jordan Mubaderoon project	-	35,161	35,161
SODIC	14,937	74,686	89,623
Other Trusts and Foundations	55,052	105,815	160,867
UK Covid Job Retention Scheme	5,483	-	5,483
	<u>283,299</u>	<u>1,016,156</u>	<u>1,299,455</u>

Income under Other Trusts and Foundations was received from 8 (2020: 5) organisations who wish to be anonymous in published financial statements.

In 2021 we received grants from the UK government totalling £469 (2020:£5,483) through the Covid Job Retention Scheme.

ALFANAR (Company limited by guarantee no. 05141908)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**5. EXPENDITURE**

<b>Current Year</b>	<b>Direct Staff costs</b>	<b>Other Direct costs</b>	<b>Support costs</b>	<b>Total 2021</b>
	£	£	£	£
Costs of raising funds	128,864	76,011	74,016	278,891
Charitable activities	219,253	1,337,045	125,932	1,682,230
	<u>348,117</u>	<u>1,413,056</u>	<u>199,948</u>	<u>1,961,121</u>

Support costs are detailed in Note 7 and are allocated on the basis of direct staff costs.

<b>Prior Year</b>	<b>Direct Staff costs</b>	<b>Other Direct costs</b>	<b>Support costs</b>	<b>Total 2020</b>
	£	£	£	£
Costs of raising funds	121,405	63,744	94,660	279,809
Charitable activities	141,947	1,292,122	110,675	1,544,744
	<u>263,352</u>	<u>1,355,866</u>	<u>205,335</u>	<u>1,824,553</u>

Support costs are detailed in Note 7 and are allocated on the basis of direct staff costs.

**6. NET MOVEMENT IN FUNDS**

	<b>2021</b>	<b>2020</b>
This is stated after charging:	£	£
Auditors' remuneration for audit (excluding VAT)	13,975	10,745
Auditors' remuneration for other services	1,745	1,955
Under/(over) audit accrual in prior year	-	-
Depreciation	1,049	1,252
Operating lease rentals: equipment	-	2,257
Operating lease rentals: property	<u>12,636</u>	<u>19,378</u>

**7. SUPPORT COSTS**

	<b>2021</b>	<b>2020</b>
	£	£
Governance: audit fee (including irrecoverable VAT)	16,770	12,894
Staff costs	97,022	101,013
Staff development	-	1,684
Accounting, payroll and compliance	4,340	2,737
Rent overseas office space	11,410	8,033
Rent UK office space	2,814	12,913
Legal and professional fees	13,618	5,138
Bank charges	5,664	7,371
Insurance	1,437	1,118
Realised loss on foreign exchange	2,296	17,928
* Unrealised loss on foreign exchange	5,390	23,885
Depreciation	1,049	1,252
Other	<u>38,138</u>	<u>9,369</u>
	<u>199,948</u>	<u>205,335</u>

\* Losses on foreign exchange are matched by a reduction in other areas of expenditure as income in currency is normally disbursed in that currency.

ALFANAR (Company limited by guarantee no. 05141908)

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

## 8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
<b>Grants Awarded</b>		
<b>- Egypt Portfolio</b>		
Brighter Tomorrow for Child Protection (BTCP)	58,991	28,682
Educate Me	36,036	104,321
<sup>1</sup> Future Eve Foundation	37,653	63,714
Heya Masr	11,795	-
Life Vision	29,327	35,806
<b>-Strengthening Social Enterprise for Migration and Development (SEMD)</b>		
Startups Without Borders	9,982	-
Yadawee	9,982	-
Delta Oil	10,221	-
Duma	10,221	-
Marj3	10,221	-
Nakoll	10,221	-
Sprints	10,221	-
Threads of Hope	10,221	-
Takafoo	1,902	13,483
Together For You	-	3,348
Wataneya Society for the Development of Orphanages	-	7,727
	<b>256,994</b>	<b>257,081</b>
<b>- Lebanon Portfolio</b>		
Ana Aqra	47,827	7,717
Bridge.Outsource.Transform (B.O.T.)	24,762	44,726
FabricAid	14,671	81,438
L'Artisan du Liban	17,332	-
Lebanese Alternative Learning (Tabshoura)	112,266	22,716
Lebanese Food Bank	-	8,094
MMKN	-	7,440
SE Factory	50,574	78,616
ShareQ	-	5,985
<b>- Refugee Portfolio</b>		
Inaash	32,661	36,999
MMKN- Refugee programme	67,807	87,479
NaTakallam	11,080	18,797
SE Factory- Refugee programme	29,074	89,858
WPA/Soufra/Nawras Preschool	-	55,082
	<b>408,054</b>	<b>544,947</b>
<b>- Social Enterprise Support Fund Lebanon programme</b>		
LiveLoveLebanon	24,652	-
Marsa	24,479	-
Vanina	24,479	-
FabricAid	24,530	-
Souk El Tayeb	24,485	-
L'Artisan du Liban	24,484	-
	<b>147,109</b>	<b>-</b>
<b>- Emergency Lebanon Response</b>		
Inaash - Facemasks	-	7,858
Lebanese Food Bank Food boxes	-	90,021
March NGO Bedco - Reconstruction	181,487	72,590
ShareQ- Vacuum-Sealed meals	-	40,480
Soufra - Hot meals	-	23,927
Souk El Tayeb- Hot meals	-	7,638
Shatila Studio- Facemasks and Tablets	-	10,658
	<b>181,487</b>	<b>253,172</b>
<b>Total Grants Awarded</b>	<b>993,644</b>	<b>1,055,200</b>



ALFANAR (Company limited by guarantee no. 05141908)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

<b>Total Grants Awarded</b>	<b>b/fwd</b>	<b>993,644</b>	<b>1,055,200</b>
<sup>2</sup> ASSET and AIM		<b>3,786</b>	<b>5,342</b>
<sup>3</sup> Miscellaneous social enterprise support costs		<b>88,499</b>	<b>25,859</b>
Impact Fund pre-start up activity costs		<b>130,227</b>	<b>84,571</b>
Accelerate Study Mission		<b>11,677</b>	
<sup>4</sup> Programme direct services		<b>109,212</b>	<b>121,151</b>
		<b>1,337,045</b>	<b>1,292,122</b>

<sup>1</sup> Future Eve Foundation: In 2020 the total amount awarded to Future Eve Foundation was £127,296. This included a sum of £63,582 repayable over three years at zero rate of interest. This repayable element is shown on the balance sheet under Programme related investments.

<sup>2</sup> ASSET (Alfanar Sustainable Social Enterprise Training) and AIM (Alfanar Impact Management) are two critical components of the support Alfanar provides to social enterprises beyond its grant funding.

<sup>3</sup> Miscellaneous social enterprise support costs includes contracted-out support to social enterprises covering: business planning, business training, marketing and video production costs. These were funded in 2021 through our agreements with Oxfam, Plan and GFA.

<sup>4</sup> Programme direct services: the cost of our on the ground consultants providing our tailored management support, training and advice to Social Enterprises in Lebanon (2021 and 2020) and Jordan (2020).

**INVESTMENT SPEND**

**8a** Investment spend is the total of direct staff expenditure and other direct costs of charitable activities.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Direct costs of charitable activities	<b>1,337,045</b>	<b>1,292,122</b>
Direct staff costs on charitable activities	<b>219,253</b>	<b>141,947</b>
Investment spend	<b>1,556,298</b>	<b>1,434,069</b>

**9. STAFF COSTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Gross salaries	<b>296,737</b>	<b>282,515</b>
Social security costs	<b>28,842</b>	<b>25,571</b>
Employer pension contributions	<b>4,545</b>	<b>3,511</b>
Salaries of overseas staff	<b>112,694</b>	<b>51,205</b>
Other overseas staff costs	<b>2,321</b>	<b>1,563</b>
	<b>445,139</b>	<b>364,365</b>

A total of 10 individual staff members were employed by the Charity in the year (2020 : 9).

Number of employees whose salaries were in the following bands:	<b>2021</b>	<b>2020</b>
£80,000-£89,999	<b>1</b>	<b>1</b>
£70,000-£79,999	<b>-</b>	<b>-</b>
£60,000-£69,999	<b>1</b>	<b>-</b>

Aggregate employer's annual contributions to pension schemes for these staff	<b>1,319</b>	<b>£1,314</b>
--	--------------	---------------

The key management personnel of the Charity comprise the Trustees, the Executive Director and the senior management team. The total employee benefits of the key management personnel of the Charity were £ 211,846 (2020: £198,753).

The Trustees received no remuneration nor the reimbursement of expenses in either year.

**10. TANGIBLE FIXED ASSETS**

	<b>Office Equipment £</b>
<b>Cost</b>	
At 1 January 2021	<b>12,119</b>
Additions in the year	<b>-</b>
At 31 December 2021	<b>12,119</b>
<b>Depreciation</b>	
At 1 January 2021	<b>8,439</b>
Charge for the year	<b>1,049</b>
At 31 December 2021	<b>9,488</b>
<b>Net book value</b>	
At 31 December 2021	<b>2,631</b>
At 31 December 2020	<b>3,680</b>

ALFANAR (Company limited by guarantee no. 05141908)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**
**11. INVESTMENTS IN SUBSIDIARIES**

Alfanar's investment at the balance sheet date in the wholly-owned share capital of the following unlisted companies is as follows:

	2021	2020
	£	£
Current assets	1	1
Total net assets	1	1
Called up share capital		
Beacon Social Capital Limited (Dormant, incorporated 28 December 2018)	1	1
	1	1

**12. PROGRAMME RELATED INVESTMENTS**

	2021	2020
	£	£
Repayable Grants due within one year	41,418	21,194
Repayable Grants due after more than one year	83,452	42,388
	124,870	63,582

The Programme related investments are:

1. A repayable grant included in our 2020 agreement with Future Eve Foundation, repayable over three years in equal instalments. Two payments of £20,391 remain outstanding due in Dec 2022 and December 2023 respectively.
2. A repayable grant included in our 2021 agreement with FabricAid. This to be repaid within two years.
3. A convertible repayable grant to FabricAid Holdings of \$60,000 (£44,933) to be repaid in 2023 or converted into equity in 2022.

**13. DEBTORS**

	2021	2020
	£	£
<b>Due within one year</b>		
Grant debtors	18,484	91,018
Accrued income	323,068	
Other debtors	425	
Alfanar Lebanon	17,875	
Prepayments	5,936	5,679
	365,788	96,697

**14. CREDITORS**

	2021	2020
	£	£
<b>Due within one year</b>		
Trade creditors	12,732	11,172
Taxation	8,663	7,633
Grants payable to investees	71,665	135,091
Defined contribution pension scheme payments	1,770	2,969
Other accruals	48,642	29,239
	143,472	186,104

**15. ANALYSIS OF CHANGES IN NET DEBT**

	At start of year	Cashflows	Acquisition/disposal of subsidiaries	New finance leases	Other non-cash changes	At end of year
	£	£	£	£	£	£
Cash	860,717	(206,313)	-	-	-	654,404
Cash equivalents	-	-	-	-	-	-
Overdraft facility	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total	860,717	(206,313)	-	-	-	654,404

ALFANAR (Company limited by guarantee no. 05141908)

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

## 16. RESTRICTED FUNDS

Current Year	Brought Forward	Income	Expenditure	Transfers	Carried Forward
	£	£	£	£	£
<b>Egypt</b>					
Egypt Fund	8,325	3,000	8,325		3,000
<b>Education in Egypt</b>					
Educate Me	67	25,654	13,785		11,936
BTCP	14,832	5,586	24,146	3,728	-
<b>Women and Youth Employment in Egypt</b>					
Future Eve Foundation	64,423	47,274	25,739		85,958
Life Vision	9,474	3,692	13,166		-
Takafoo	487	-	487		-
Together For You	3,728	-	-	( 3,728)	-
<b>SEMD Programme</b>					
Technical Assistance	-	157,091	81,825		75,266
Marj3	-	6,250	1,012		5,238
Delta Oil	-	9,090	3,852		5,238
Duma	-	6,250	1,012		5,238
Nakoll	-	6,250	1,012		5,238
Sprints	-	6,250	1,012		5,238
Threads of Hope	-	8,250	3,012		5,238
Start-ups without borders	-	8,663	3,425		5,238
Yadawee	-	6,250	1,012		5,238
<b>Lebanon</b>					
<b>Education in Lebanon</b>					
MMKN	- 1,440	3,000	-		1,560
Tabshoura	8,299	77,453	85,752		-
<b>Women and Youth Employment in Lebanon</b>					
Ana Aqra		113,832	47,827		66,005
BOT	1,988	84,590	24,762		61,816
SE Factory	31,337	81,171	50,574		61,934
<b>Emergency/Environment Lebanon</b>					
Lebanese Food Bank	21,962	-	-		21,962
<b>Refugees in Lebanon</b>					
Inaash	-	6,778	6,778		-
NaTakallam	134	3,547	3,681		-
Shatila Studio	17,538	-	-		17,538
WPA Nawras Pre-School	-	12,547	-		12,547
Al Ghurair Foundation (AGFE) SE Factory	- 19,988	49,062	29,074		-
Al Ghurair Foundation (AGFE) MMKN	- 5,615	73,591	67,976		-
Al Ghurair Foundation (AGFE) SE Support	- 18,375	34,645	16,270		-
<b>Emergency Response</b>					
<b>Emergency Lebanon Campaign</b>					
Emergency Lebanon Restricted General	178,263	44,854	63,814		159,303
Impact Lebanon	94,356	178,881	273,237		-
Soufra - Hot meals	2,504	-	-		2,504
Pepsico/March NGO -Bedco for reconstruction	12,896	-	12,896		-
Oxfam	47,443	64,136	111,579		-
<b>Jordan</b>					
Plan- Mubaderoon project	- 9,092	77,011	67,919		-
<b>Palestine</b>					
Palestine SE programme	-	50,000	-		50,000
<b>UK</b>					
Accelerate Study Missions	24,346	6,829	11,677		19,498
Impact Fund	31,574	2,500	34,074		-
Alfanar Capacity Building	30,000	-	30,000		-
Alfanar Development	58,457	75,000	69,141		64,316
<b>TOTAL RESTRICTED FUNDS</b>	<b>607,923</b>	<b>1,338,977</b>	<b>1,189,853</b>	<b>-</b>	<b>757,047</b>

ALFANAR (Company limited by guarantee no. 05141908)

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

**RESTRICTED FUNDS**

Prior Year	Brought Forward	Income	Expenditure	Transfers	Carried Forward
	£	£	£	£	£
<b>Egypt</b>					
Egypt Fund	8,325	-	-		8,325
British Council (DICE)	6,196	6,593	12,789		-
<b>Education in Egypt</b>					
Educate Me	-	104,388	104,321		67
BTCP	-	43,514	28,682		14,832
<b>Women and Youth Employment in Egypt</b>					
Future Eve Foundation	573	127,564	63,714		64,423
Life Vision	968	44,312	35,806		9,474
Takafoo	-	13,970	13,483		487
Together For You	7,076	-	3,348		3,728
<b>Lebanon</b>					
<b>Education in Lebanon</b>					
MMKN	-	6,000	7,440	-	1,440
Tabshoura	-	13,523	5,224		8,299
<b>Women and Youth Employment in Lebanon</b>					
BOT	-	26,323	24,335		1,988
SE Factory	14,264	95,689	78,616		31,337
ShareQ	-		-		-
<b>Emergency/Environment Lebanon</b>					
Shatila Studio - Tablets for SE's		2,647	2,647		-
FabricAid	20,525	20,795	41,320		-
Lebanese Food Bank	-	30,056	8,094		21,962
<b>Refugees in Lebanon</b>					
Inaash	-	18,797	18,797		-
NaTakallam	-	18,797	18,663		134
Shatila Studio	25,421	-	7,883		17,538
WPA Nawras Pre-School	14,910	40,172	55,082		-
Al Ghurair Foundation (AGFE) SE Factory	9,706	60,164	89,858	-	19,988
Al Ghurair Foundation (AGFE) MMKN	17,738	64,295	87,648	-	5,615
Al Ghurair Foundation (AGFE) SE Support	-	6,342	24,717	-	18,375
<b>Emergency Response</b>					
<b>Survive and Thrive Restricted General</b>					
Inaash - Facemasks		8,683	8,683		-
Shatila Studio - Facemasks		8,011	8,011		-
Lebanese Food Bank - Food Boxes		38,095	38,095		-
<b>Emergency Lebanon Campaign</b>					
Emergency Lebanon Restricted General		178,263	-		178,263
Impact Lebanon		101,124	6,768		94,356
Lebanese Food Bank		51,926	51,926		-
Souk El Tayeb- Hot meals		7,638	7,638		-
Soufra - Hot meals		26,431	23,927		2,504
ShareQ- Vacuum-Sealed meals		40,480	40,480		-
Pepsico/March NGO -Bedco for reconstruction		85,486	72,590		12,896
Oxfam		49,921	2,478		47,443
<b>Jordan</b>					
Plan- Mubaderoon project	18,779	35,161	63,032	-	9,092
<b>UK</b>					
Accelerate Study Missions	24,346	-	-		24,346
Impact Fund	-	115,584	84,010		31,574
Alfanar Capacity Building		55,883	25,883		30,000
Alfanar Development	91,000	-	32,543		58,457
<b>TOTAL RESTRICTED FUNDS</b>	<b>259,827</b>	<b>1,546,627</b>	<b>1,198,531</b>	<b>-</b>	<b>607,923</b>

**Transfers.** Transfers between funds in the current year have been described within the following notes on each relevant fund.



ALFANAR (Company limited by guarantee no. 05141908)

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**


---

**Egypt fund** holds income specifically restricted to social enterprise grants and support activities in Egypt. Allocation to specific projects is at the discretion of the Board. In 2021 funds were used to help support Bright Tomorrow for Child Protection (BTCP) £4,436 and Future Eve £3,889.

**Educate Me** runs an innovative community education programme which emphasises character development and self-actualisation alongside the traditional curriculum in 150 public schools across six governorates in Egypt. It also conducts teacher training to a wider group of nearly 5,000 educators. In 2020, Educate Me shifted its teacher training online and continued to achieve impact despite lockdown. This social investment is generously supported by SODIC and funds raised during the 2020 Survive and Thrive campaign.

**Brighter Tomorrow for Child Protection (BTCP)** supports the social and educational reintegration of children with disabilities particularly those with autism, based out of Alexandria. It is funded from funds raised through the 2020 Survive and Thrive campaign and a transfer of excess funds from a donor, with their approval, previously supporting TFY.

**Future Eve Foundation (FEF)** is an active investment and continues to be generously supported by the Global Fund for Widows (GFW), Taher Ghargour and another individual. A growing portfolio of housing improvement loans launched by FEF is being supported by SODIC. GFW continues to provide technical assistance to this investment.

**Life Vision** economically empowers smallhold female farmers through Farmer Field Schools and literacy classes. In 2021 this investment was covered by funds raised in the 2021 Join the Journey campaign and funds raised in 2020 through the Survive and Thrive campaign.

**Takafoo** works in the Minya region training and helping women secure reliable, safe farm work. This investment in was supported by funds raised in our 2020 Survive and Thrive campaign.

**Together For You (TFY)** is an investment providing vocational training to low-income women in Cairo to become elderly caregivers and then acting like an agency, securing job placements for them. Disbursements have been covered by restricted funds from a number of generous individual donors. In 2020, Alfanar completed and exited its investment in TFY. Following discussions with the donor on how to use the surplus funds on this project these have been allocated to BTCP.

**Strengthening Social Enterprise for Migration and Development (SEMD) Programme.** This is a two year programme 50% funded by GFA with SDC funds. It involves the selection of eight social enterprises for financial and technical support. The first Grant payments were made in 2021 and the second payments will be made in 2022. The balance of £75,266 on the Technical Assistance line will be spent in 2022.

**MMKN** helps at-risk students in Lebanese public schools prepare for and pass the national Brevet (9th grade) exam, which is required for entry into high school, vocational schools and university. Historically an exam children in the Lebanese public school system are likely to fail, MMKN's tutoring curriculum helps students reach pass rates in the 90%. In 2020, this investment was partly covered by an individual supporter and AGFE. There was a small deficit at the start of the year end due to a timing difference. This was covered by the generous support of a regular donor.

**Tabshoura (Lebanese Alternative Learning)** provides a free, accessible and interactive online learning platform to support teachers and students with the Lebanese curriculum. Tabshoura proved essential to 10,000 students across Lebanon during COVID-19 lockdowns. This investment is supported by Theirworld's Digital Learning Early Childhood Education project and funds raised in the 2020 Survive and Thrive campaign.

**Ana Aqra** advances literacy and autonomous learning for underprivileged children in Lebanese public schools. It has also expanded its services to address the educational, cultural and psychosocial needs of communities within and surrounding the public educational system. Ana Aqra's core programs focus on student integration, student retention and teacher training towards long-term sustainability. 2021 saw our 4th year of investment in the program. It is supported through Theirworld's Digital Learning Early Childhood Education project.

**BOT (Bridge.Outsource.Transform.)** enables hundreds of disadvantaged, marginalised youth in Lebanon, opportunities to work in the digital freelance market. This investment in 2021 was supported by Drosos, Lebanese International Finance Executives (LIFE) and funds raised in our 2020 Survive and Thrive campaign.

**SE Factory** is an intensive, 3-month full-stack web development training programme and job placement initiative launched by the Nawaya Network, helping underprivileged youth to develop the skills and mindset needed to land coding jobs in the region's tech sector. 2021 saw our second year of investment. This is supported by Drosos and Bank of America Foundation.

**Lebanese Food Bank** This pilot investment works in Lebanon to reduce food waste and alleviate hunger. It received support from our 2020 Survive and Thrive campaign. Funds in excess of our pilot involvement were received. We are in discussions with key donors to agree a reallocation of these funds.

**Inaash** creates dignified employment for nearly 400 female Palestinian refugees through embroidery and high-quality textile production. This investment in 2021 was partially funded by funds raised through our 2021 Join the Journey campaign.

**NaTakallam** creates steady, dignified employment for Syrian refugees and vulnerable host community members as Arabic practice partners, teachers and translators for Arabic learners and institutions worldwide using online communication technology. In 2021, our investment was partly funded through funds raised in our 2021 Join the Journey Campaign.

**Shatila Studio** provides dignified employment to Syrian refugees inside the Shatila refugee camp in Beirut by employing them as artisans in needlework, embroidery and textile production. This investment is supported by an individual supporter. Expenditure was on hold in 2021 awaiting a new business plan. Disbursements resumed in 2022.

**WPA Nawras Pre-School** is the culmination of a multi-year investment with the Women's Program Association (WPA) in Burj al Barajneh that led to the creation of the Soufra catering unit and foodtruck, microloans to women in the camp and the establishment of the Nawras preschool providing early childhood education to around 100 children. In 2020, Alfanar concluded its venture philanthropy investment in WPA thanks to the support of generous individuals. Separately, as part of our Emergency Lebanon Appeal, we worked through Soufra to provide hot meals to hundreds of families impacted by the Beirut blast. Funds received late in 2020 were held in 2021 while we discussed with WPA and agreed the best use for the investment. These funds are being disbursed in 2022

ALFANAR (Company limited by guarantee no. 05141908)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**


---

**Al Ghurair Foundation for Education (AGFE)** is focussed on providing support to refugees. It is helping to fund our work amongst refugees through MMKN and SE Factory. It provides for grants to be made and covers part of our technical assistance staff costs relating to these investees. This two year project commenced in August 2019. Due to delays in the project it has been granted a no cost extension into 2022.

**Emergency Response Funds.** During 2020, Alfanar ran the Survive and Thrive campaign in response to the COVID-19 pandemic and the Emergency Lebanon Appeal in response to the 4 August 2020 Beirut port explosion. Emergency projects supported by these campaigns included facemask projects, foodboxes and hot meals to vulnerable families. We are providing finance and programme support to local social enterprise, March NGO, enabling them to manage a major reconstruction project supporting small businesses, social enterprises and three schools damaged by the blast. This reconstruction work was completed in June 2021. Alfanar worked with Inaash, Shatila Studio, the Lebanese Food Bank, Souk el Tayeb's Community Kitchen, ShareQ and Soufra to respond to emergency needs. The Lebanese Food Bank received support from both campaigns as well as joining our portfolio as a pilot investment. Funds from Impact Lebanon and Oxfam are for projects that ran until April 2021 and Sept 2021 respectively providing support to enable resilience in these difficult circumstances. They covered programme services costs and grants to suitable social enterprises. The total carried forward in this area is £161,817 (2020: £335,462). All of this will be disbursed by the end of 2022.

**PLAN-Mubaderoon Project** is an EU-funded project that enabled Alfanar to train and build the capacities of 60 growth-stage social enterprises focused on women's empowerment across East Amman, Ajloun and Tafileh in Jordan. This project finished in September 2021.

**Palestine.** This fund is to enable us to expand our work to Social Enterprises based in Palestine. It will be matched in 2022 by a generous supporter. We will look to identify suitable Social Enterprises and set up a SEED investment cycle.

**Accelerate Study Missions** expose our social entrepreneurs to best-in-class social enterprises in the developing South achieving scale and sustainability in their respective sectors. They were postponed in 2020 due to COVID-19. They are generously supported by a generous individual. We ran a market place investigation with two Lebanese social enterprises in 2021 partly supported by Institute Francaise.

**Impact Investment Fund** represents pre-start-up ecosystem, pipeline and investment strategy analysis aimed at supporting the eventual launch of an impact investment vehicle to extend the financing life cycle for investor-ready social enterprises across the Arab region. This investment received support from the IFC and a private foundation.

**Alfanar Capacity Building Fund** is made possible by the generous donation of an individual supporter who restricted their donation to support Alfanar's growth.

**Alfanar Development Fund.** Alfanar received a generous three-year grant in 2019 from The Asfari Foundation to support the growth and strengthening of Alfanar's staff and business model. It includes funding for the development and digitisation of ASSET modules, hiring fundraising and other support and investing in staff development. Delays in 2020 arose as we pivoted our focus to respond to the pandemic and the Beirut blast; this development programme resumed in 2021 with a new budget agreed with Asfari. This allows us to use some of the funds towards our much needed new system for donor relationship and grant management.

ALFANAR (Company limited by guarantee no. 05141908)

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

**17. DESIGNATED FUNDS**

Current year	Brought Forward	Income	Expenditure	Transfer New Assets	Carried Forward
	£	£	£		£
Tangible Fixed Assets	3,680	-	(1,049)	-	2,631
<b>TOTAL DESIGNATED FUNDS</b>	<b>3,680</b>	<b>-</b>	<b>(1,049)</b>	<b>-</b>	<b>2,631</b>

The Fixed Asset Fund represents the net book value of tangible fixed assets in use and therefore not available to meet future expenditure.

Prior Year	Brought Forward	Income	Expenditure		Carried Forward
	£	£	£		£
Tangible Fixed Assets	3,321	-	(1,252)	1,611	3,680
<b>TOTAL DESIGNATED FUNDS</b>	<b>3,321</b>	<b>-</b>	<b>(1,252)</b>	<b>1,611</b>	<b>3,680</b>

**18. MOVEMENT OF FUNDS IN THE YEAR**

Current year	Brought Forward 1 January 2021	Income	Expenditure	Transfers	Carried Forward 31 December 2021
	£	£	£	£	£
Designated funds	3,680	-	1,049	-	2,631
General fund	226,970	787,793	770,219	-	244,544
	230,650	787,793	771,268	-	247,175
Restricted funds	607,923	1,338,977	1,189,853	-	757,047
<b>TOTAL FUNDS</b>	<b>838,573</b>	<b>2,126,770</b>	<b>1,961,121</b>	<b>-</b>	<b>1,004,222</b>

Prior year	Brought Forward 1 January 2020	Income	Expenditure	Transfers	Carried Forward 31 December 2020
	£	£	£	£	£
Designated funds	3,321	-	(1,252)	1,611	3,680
General fund	209,659	643,692	(624,770)	(1,611)	226,970
	212,980	643,742	(626,072)	-	230,650
Restricted funds	259,827	1,546,627	(1,198,531)	-	607,923
<b>TOTAL FUNDS</b>	<b>472,807</b>	<b>2,190,369</b>	<b>(1,824,603)</b>	<b>-</b>	<b>838,573</b>

ALFANAR (Company limited by guarantee no. 05141908)

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

## 19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### Current year

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Tangible fixed assets	2,632	-	2,632
Net current assets	244,543	757,047	1,001,590
	<u>247,175</u>	<u>757,047</u>	<u>1,004,222</u>

### Prior year

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Tangible fixed assets	3,681	-	3,681
Net current assets	226,969	607,923	834,892
	<u>230,650</u>	<u>607,923</u>	<u>838,573</u>

## 20. RELATED PARTIES

Alfanar rents and pays for UK office space at less than market rates from 'Common Purpose', where Julia Middleton (trustee) is the Founder and currently Innovations Officer. The cost in the year was **£2,814** (2020: £12,913). In the year, our occupancy remained low due to COVID-19. Cynthia J. Oakes continues to serve as a director of Alfanar, Inc. US.

During the year, trustees donated £177,817 (2020: £206,893) in total, including board pledges, gifts at events and other campaign donations to Alfanar's general funds. In addition members of the Alfanar, Inc., US board donated £8,109 (2020: £19,273).

## 21. LEASE COMMITMENT

At the reporting end date the Charity had future minimum lease payments under non-cancellable operating leases on property and office equipment which fall due as follows:

	2021 £	2020 £
Less than 1 year	4,219	9,085
Between 2 and 5 years	-	1,189
	<u>4,219</u>	<u>10,274</u>



## Thank You

We would like to extend to all of our donors, advisors and pro-bono supporters our heartfelt thanks for making our work possible.

## Alfanar Inc., US Board

Gretchen Welch (Chair)  
Andrea Collins  
Mark Huang  
Cynthia J. Oakes  
Carol Prendergast

## Alfanar Lebanon Board & Advisors

Sallama Bu-Haydar Al-Sayegh (Chair)  
Myrna Atalla  
Nadim Aouad  
Carine Assouad  
Chadia El Meouchi  
Caroline Fattal  
Hadia Ghandour  
Randa Jamali  
Cesar Kastoun  
Alfred Kettaneh  
Ramy Sfeir  
Asmahan Zein

## Advisors

Baker McKenzie  
Beirut Digital District  
Siham Bortcosh  
Robert Cartwright  
Matthew Courey  
Deloitte Egypt  
Dr. Barbara Ibrahim  
Sanam Majid  
McKinsey & Company  
Laura Stojcevic

## OUR PARTNERS

### Individual Donors

We thank the many individual donors who have backed Alfanar's venture philanthropy mission in 2022.

### Institutional Partners

#### General Support



#### Strengthening Social Entrepreneurship for Migration & Development (SEMD)



#### Social Enterprise Support (SES) Fund Partners



#### Mubaderoon Partners



# Empowering Enterprise for Social Change

## Alfanar UK

---

38 Artillery Lane, London E1 7LS  
Company registration number: 5141908  
Charity registration number: 1105048  
Tel: +44 (0) 1158 88 2835  
info@alfanar.org

## Alfanar, Inc., US

---

c/o Hurwit & Associates, 1150 Walnut Street  
(2nd Floor), Newton, Massachusetts 02461  
EIN-75-31970321

## Senior Management Team

---

Myrna Atalla (Executive Director)  
Fadel Zayan (Investment Director)  
Shenouda Bissada (Egypt Country Director)  
Nicolas Kröger (Operations Director)  
Michelle Mouracade (Lebanon Country Director)  
Suha Abdul Rahim (Jordan Country Director)

## Trustees

---

Lubna S. Olayan (Chair)  
Hussain Al Nowais  
Samir Assaf  
Amjad Bseisu  
Charlotte Boyle  
Sherif Foda  
Maysa Jalbout  
Julia Middleton  
Cynthia J. Oakes

[www.alfanar.org](http://www.alfanar.org)

 [linkedin.com/company/alfanarvp](https://www.linkedin.com/company/alfanarvp)

 @alfanarvp

 @alfanarvp

 @alfanarvp

