

Company Registration Number: 05938633

Charity Registration Number: 1116751

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

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THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees	Mr Ayman Asfari, Chair Mrs Sawsan Asfari Mr John Ferguson FCA, Treasurer Dr Marwan Muasher Ms Rasha ElMasry Mr Adeeb Asfari Mr Kareem Asfari Ms Saba Almubaslat
Company registered number	05938633
Charity registered number	1116751
Registered office	The Asfari Foundation Unit A 1-3 Canfield Place London United Kingdom NW6 3BT
Chief Executive Officer	Muna Abbas
Independent auditor	MHA Chartered Accountants and Statutory Auditor 6th Floor 2 London Wall Place London EC2Y 5AU
Bankers	Banque Banorient France 193-195 Brompton Road London SW3 1LZ EFG Bank AG Bleicherweg 8 P.O. Box 6012 8022 Zurich Unity Trust Bank Four Brindley place Birmingham B1 2JB
Solicitors	BDB Pitmans One Bartholomew Close London EC1A 7BL

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Introduction

The Trustees present their report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006, and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

Constitution

The Asfari Foundation (the Foundation) is a company limited by guarantee (company number 05938633) and a registered charity governed by its memorandum and articles of association Charity number in England and Wales: 1116751.

Directors and Trustees serving during the year and since the year end:

Mr Ayman Asfari (Chair)
Mrs Sawsan Asfari
Mr Adeeb Asfari
Mr Kareem Asfari
Mr John Ferguson FCA
Dr Marwan Muasher
Mrs Rasha ElMasry
Ms Saba Almubaslat

Objectives and activities

The objectives of the Foundation are to further such charitable objects as the Trustees in their absolute discretion think fit, but to include the following:

- The advancement of education in any part of the world and in particular of young people from Syria, Lebanon, Jordan, Palestine and the UK.
- The prevention and relief of poverty for the public benefit in any part of the world but not exclusively from Syria, Lebanon, Jordan, Palestine and the UK.
- The promotion of civic responsibility, good citizenship and community development for the public benefit in particular but not exclusively for the benefit of young people and civil society organisations from Syria, Lebanon, Jordan, Palestine and the UK.
- The advancement of human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations), conflict resolution or reconciliation and the promotion of equality and diversity for the public benefit anywhere in any part of the world and for young people from Syria, Lebanon, Jordan, Palestine and the UK.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

These charitable objects are encompassed within the Foundation's vision of creating a just world where people have equal opportunities to transform their lives, invest in their communities, and shape the future of their countries. In support of achieving this vision, the Foundation makes its mission to invest in, and support the sustainability of, a resilient and empowered civil society infrastructure and innovative youth, who can collectively lead a transformational positive change in their communities and countries.

The Foundation engages in this mission by supporting the activities of our partner organisations at the local, regional and global level. At the local level, the Foundation makes grants available across four thematic programmes including: Youth Learning, Entrepreneurship & Innovation (YLEAP) Building Civil Society Infrastructure, Knowledge Production, Networking and Influencing, and Relief. At the regional level, the Foundation develops strategic partnerships with influential academic and policy centres (such as the American University of Beirut and Carnegie Middle East Centre) for knowledge production and convening around critical issues facing the Middle East region and connecting high-level policy and research with effective practice on the ground. The Foundation also actively pursues partnerships with academic institutions in the UK and worldwide, such as the London School of Economics, and other donors (such as the Ford Foundation and Near East Affairs US State Department) to deliver co-investment in areas of mutual interest. This enables the Foundation to take its impact to scale. At the global level, the Foundation uses the evidence of its impact and that of its partners to advocate for localisation, collaboration, experimentation with innovative approaches to grant making and partnerships, and the important role family foundations can play in helping to drive positive change in the Middle East.

Grant making policy

The Foundation supports organisations that:

- Are fully registered with the appropriate authorities.
- Share our values and are aligned with our objectives.
- Have strong track records in implementation.
- Demonstrate clear purpose and strategy linked to a specific constituency/target group.
- Actively seek to become more effective, accountable and sustainable.
- Actively seek to transform and grow their organisation, and the ecosystem in which they operate, including the professional development of their staff.
- Adopt innovative approaches to programming.
- Address systemic weaknesses in our thematic areas.
- Are committed to transparency, active partnership, and sharing learning and insight.

Grant funding provided to eligible organisations is designed to support one or more of:

- Organisational development (OD) and sustainability, focusing on staff and organisational capacity-building as well as digital transformation.
- Seed funding or experimenting with new ideas or approaches by organisations that we believe are particularly innovative, have strong potential to help young people, and work in our thematic areas.
- Research into systemic issues facing communities in the Middle East, and development of public policy approaches and recommendations.
- Connecting academic research and practice through convening and supporting civil society organisations (CSOs) to document and disseminate their practical expertise at the local, regional, and global levels.
- Specific areas of need, identified by eligible organisations, that do not fall into the above examples.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Foundation's grants are offered through four programmes that address our thematic focus areas:

Youth Learning, Entrepreneurship and Innovation

Well-educated and engaged young people, working together with others as active members of society can make a genuine contribution to the development of their communities. This programme aims to address the structural and systemic issues that restrict the educational and business opportunities available to young people. It does so by investing in organisations and initiatives that contribute to the overall vibrancy, professionalism, effectiveness and accountability of innovation and entrepreneurship ecosystems in Palestine, Lebanon, Jordan, Syrian diaspora, and the United Kingdom.

Building Civil Society Infrastructure

A strong, energetic, and resilient civil society is key to the development of all healthy, participatory democratic societies and therefore critical to the future of Syria, Jordan, Palestine, and Lebanon. This programme aims to bring people together for the common good, and provide quality information to citizens and policymakers, serving those in need and advocating for change.

Knowledge Production, Networking and Influencing

The Foundation's partners work on societally transformative issues in a volatile region. The ensuing data offers a rare insight into how civil society in the Middle East is developing; yet their capacity to collect and share it is limited. This programme aims to leverage data from its peers, partners and wider practitioner and research communities and present best practices to stakeholders across regional and global networks, helping to shape global understanding of the challenges of the region. It employs collaborative tools and techniques to share the innovative solutions and approaches developed in that context.

Relief

This programme is reactive and ad hoc in nature. As geopolitical disruptions and natural disasters arise in the Middle East, the Foundation recognises that there will be specific needs in communities not supported through our core programmes.

Achievements and performance

Youth Learning, Entrepreneurship & Innovation

In 2023, the Foundation partnered with 30 organisations, providing them with grants totalling £816,207. Those grants focused on increasing the robustness of civil society organisations to better respond to challenges faced by youth in the Levant. Some organisations focused on education and employment of youth including refugees in Lebanon. Some supported entrepreneurs in Palestine. Others supported innovative job creation programming in Jordan. The Foundation also backed previously untried solutions to advance grantees sustainability in serving their communities after donor support ends.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Two organisations were identified to deliver *Tabadol*. This initiative helps aspiring entrepreneurs and civil society organisations to respond a wide range of social issues including inclusive quality education, employment, gender justice, and environmental sustainability through offering comprehensive support and mentoring. *Tabadol* serves to bridge the knowledge and expertise of social entrepreneurs with civil organisations to exchange best practices and inform and sustain each other's efforts while serving their communities. All participants were provided with financial support, mentorship, and training through a fellowship model.

The overall programme continues to evolve as it embraces new ideas and approaches helping organisations to amplify their impact and reach a wider audience.

Building Civil Society Infrastructure

The Foundation made 29 grants totalling £1,805,406 that empowered local and diaspora civil society organisations to contribute to the vibrancy, professionalism, and effectiveness of the civil society sector and engage citizens directly in critical societal issues. The Foundation provided grants, networking and learning opportunities for our partners. The grants included:

- 'Organisational Development' grants - which included professional mentoring by a technical partner to help the partners identify and address gaps in their governance structure and financial administration through clear annual plans and milestones.
- 'Digital Transformation' grants - which supported organisations to enhance their digital presence and delivery, enabling them to grow their impact and sustainability.
- 'Strategic Partnerships' with networks, think tanks, and institutions that contribute to bring together and enrich Syrian Civil Society organisations.
- Piloting a new programme *Influencing and Political Acumen for civil society leaders and practitioners* in partnership with the London School of Economics and the American University of Beirut. This will explore new avenues of advocacy and influence.

Our civil society partners are critical for creating a more peaceful, just, and prosperous future for the people in the Levant region. We are investing in our partner's long-term sustainability and professionalism as tackling these chronic issues requires commitment and decades of sustained efforts.

Through the Foundation's long-term investment, the Asfari Institute for Civil Society and Citizenship at the American University of Beirut (AUB) has become a well-recognised regional centre of civil society expertise, providing research, convening and education for the entire region. It is bridging the gap between academic and activism and is helping our civil society partners with relevant learning and networking opportunities.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Knowledge Production, Networking and Influencing

In 2023, the Foundation awarded grants totalling £383,115 covering various initiatives. These included:

- *Midan*, an online resource that offers formal and informal e-learning, in Arabic, in the Foundation's key thematic areas.
- 'Learning Development' grants to support local 'grassroots' civil society organisations invest in knowledge production and management, as they evolve to become knowledge and learning organisations.
- The 'Arab Alliance for CSO Development (AACSD)', founded in 2022 in a partnership between the Asfari Foundation, the American University of Beirut's Non-Governmental Organizations Initiative (NGOi), and the Ford Foundation. AACSD is serving as a hub for essential services such as Institutional Strengthening & Development, Contextualisation & Arabization, Training & Capacity Building, Digitisation of Content & Knowledge Sharing, and Organisational Certification.
- The 'Carnegie Arab Horizons: Actionable Frameworks for Reform in the Arab World' at the Malcolm H. Kerr Carnegie Middle East Center (MKCMEC). Our 6-year funding commitment started in 2020. The initiative is enabling the translation of the recommendations of the 'Arab Horizons' report into an actionable framework for reform to be used by policymakers in the region. To date, it has delivered publication of several academic articles and blogs on Education Reform, a Political Economy Programme, and a series of panels, private meetings, workshops, and briefings led by Carnegie experts (and external experts) covering a range of pressing issues with long-term implications for the Middle East region and particularly the countries of the Levant.

In 2023, the Foundation joined regional and global networks (such as Arab Foundation Forum and International Education Funders Group) to maximise its impact and join forces with other actors in the philanthropy space. The Foundation also supported the early phase of the *Madaniya* civil society network.

Through shaping and funding these initiatives, the Foundation is expanding knowledge management among stakeholders across regional and global networks. This is helping to shape global understanding of the challenges of the region, and to share the innovative solutions and approaches developed in that context.

Relief Programme

Relief grants totalling £352,773 in 2023 were made in response to emerging crises and developments in the region. This included financial support to organisations offering vital humanitarian support in the Levant and specifically in response to the earthquake in Turkey and Syria and the conflict in Gaza.

Future plans and strategy

During 2023, the Foundation embarked on a strategic planning exercise for the period of 2024-2028 with the active participation of its team and board, together with input from a group of experts and current and former partners. The outcome of the exercise is a sharper focus on our outputs and outcomes, without a major change in our mission and direction. We will reflect these changes in our report next year highlighting how we are restructuring our programmes, themes, and pillars.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Financial Review

Total income for 2023 amounted to £4.3 million (2022 - £8.1 million). Donations from the Asfari family constitute the principal source of income for the Foundation. Over the years, the family has made substantial donations to the Foundation, part of which is intended to progressively build an investment capital base that at a future date can serve to fund charitable expenditures. Income from investments is usually applied to augmenting the investment capital but with the flexibility to be called upon for annual expenditures if required.

Total expenditure on charitable activities for 2023 was £4.1 million (2022 - £3.1 million). Of this total, £3.4 million (2022- £2.4 million) was spent on grants awarded across the Foundation's programmes. Support costs to operate the organisation amounted to £0.8 million (2022 - £0.7 million).

At 2023 year end, the funds of the Foundation amounted to £16.5 million (2022 - £18.2 million). Over the year there was a reduction of some £1.7 million (2022 – increase of £1.9 million) as total income fell short of the combination of expenditures and the unrealised loss on investments. These funds were entirely unrestricted, of which £15.9 million (2022 - £17.7 million) comprising investment capital was designated as a quasi endowment. This investment capital is managed along the lines of an 'expendable endowment'.

Reserves Policy

The Trustees periodically review the Reserves policy. It is intended to enable the Foundation to meet its financial obligations as they fall due and have sufficient resources to enable it to achieve its wider mission and its charitable objects. A target range of £300k to £500k has been set as the level of free reserves. This is based upon 3 to 6 months of operational costs (circa £200k to £400k) plus £100k contingency for unforeseen grants. The existence of rolling cash-flow forecasts and the flexibility to draw down from the investment portfolio enables the Foundation to manage its grant-making as well as its operational expenditures.

The policy recognises that the income of the Foundation varies year on year and thus it is prudent to hold reserves with an appropriate level of liquidity to enable the Foundation to plan and execute its activities. The policy also recognises that the reserves that represent the fixed assets plus the restricted and designated funds of the Foundation are not freely available and hence distinguished from free reserves. At the year end free reserves amounted to some £640k (2022: £515k) slightly above the target range.

Investment policy and performance

The Trustees have an investment policy that evolves in line with the strategic goals for the organisation allied with cash management forecasts covering on-going operations and grantmaking. In the short to medium term, the Foundation's investment objective is capital growth whilst ensuring adequate liquidity for situations in which drawdowns from the investment portfolio may be required to fund activities. This necessitates active management of the portfolio mix. Longer term (beyond 10 years), the aim is to generate income to support the Foundation's programme expenditure. The predominant approach to investing is to maximise financial returns with the aim of realising a sterling return of 3% above CPI over a trailing 3 year period. However the policy also allows for part of the portfolio to be directed to social investment. The Foundation's Investment Committee reviews and monitors investments and provides investment support to the Board.

In 2023 the market value of the investment portfolio incurred unrealised losses of some £2.0 million (2022 £3.1 million loss). Although much of the portfolio is diversified, certain directly held investments experienced a significant decline in market value.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

Public benefit statement

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

Risk Management

The Foundation operates a comprehensive risk register, and, for each risk, specific mitigations are put in place. The risk register is regularly reviewed by the CEO, the team and the Trustees to ensure risks are appropriately managed. The Audit and Risk Committee monitors and advises the Board on audit, risks, and policy development and each of the Board sub-committees addresses relevant risks. The principal risks and countermeasures identified by Trustees include:

Risk	Countermeasures
Business Continuity	<ul style="list-style-type: none">• Appointment of a reputable and experienced IT provider to ensure connectivity within a timely manner following an IT failure.• Appropriate and secure cloud backup solutions.
Breach of regulations notably the funding of terrorism, sanctions imposed upon countries, entities or individuals or paying or facilitating the use of bribes	<ul style="list-style-type: none">• Periodic training for all employees.• Robust policies and procedures to identify risks and mitigation through effective controls.• Appropriate vetting procedures documenting all investigations, rationale, and decision-making process.• In-depth understanding of funding requirements and proposed usage of funds.
Reputation and Associations	<ul style="list-style-type: none">• Operations are restricted / prohibited because of its reputation and associations.• Transparency of internal framework in which the Foundation operates in accordance with all regulatory obligations.• Careful management of charitable activities including board oversight.• Careful vetting of all partnerships.• Close monitoring of changes to charitable regulations.• Ongoing monitoring of media coverage and opensource information.
Investment Performance	<ul style="list-style-type: none">• Investment policy setting out diversification guidelines.• Periodic performance reporting and review.• Split between directly held investments and externally managed discretionary portfolio.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

The Foundation's Articles of Association provides for a minimum of three Trustees, who are also directors for the purpose of company law. Trustees are selected for their skills and abilities to ensure that the overall governance is sound and meets its legal and moral obligations. Newly appointed Trustees undertake a series of meetings with the Foundation's senior management to ensure they gain a full understanding of the Foundation and their responsibilities.

The Foundation does not actively raise funds, income is received through donations from the Asfari Family to meet its objectives.

All grants paid by the Asfari Foundation are independently agreed by the Trustees collectively after review by the Projects sub-committee. Trustees with conflicts of interest declare these in advance and do not participate in related decision making.

The Key Management Personnel of the Foundation represent the Trustees and the Chief Executive Officer (CEO) only. Whilst the Trustees provide their time on a voluntary basis and thus do not receive any remuneration, the Chief Executive Officer's remuneration is set by the Board of Trustees, having regard to sector benchmarks.

Following the resignation of Saba Almubaslat as CEO on 31 March 2022, Anas Darkaoui performed CEO duties on an interim basis prior to the appointment of Muna Abbas, who joined the Foundation as CEO in September 2022. In their capacity as CEO, they were accountable for the team's performance and had the overall responsibility to ensure proper management of the foundation, so that its objects are met, and resources are well managed.

Statement of disclosure to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

This report was approved and authorised for issue by the Trustees and signed on its behalf by:


.....
Mr Ayman Asfari
Chair

Date: 14/8/24

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

The Trustees (who are also the Directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charity's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by order of the Members of the Board of Trustees and signed on its behalf by:



.....
Mr Ayman Asfari

Chair

Date: 14/8/24

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASFARI FOUNDATION

Opinion

We have audited the financial statements of The Asfari Foundation (the 'Charity') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 2023 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. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASFARI FOUNDATION (CONTINUED)

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 contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 THE ASFARI FOUNDATION (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.

Auditors 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 the 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:

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ASFARI FOUNDATION (CONTINUED)

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 charitable 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 anyone other than the charitable company and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.

Stuart McKay BSc FCA DChA (Senior Statutory Auditor)

for and on behalf of

MHA

Statutory Auditor

London, United Kingdom

Date:

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations	4	4,043,429	120,125	4,163,554	7,830,771
Investments	5	179,147	-	179,147	273,946
Total income		4,222,576	120,125	4,342,701	8,104,717
Expenditure on:					
Costs of Raising funds: Investment management fees	6	41,091	-	41,091	35,149
Charitable activities	7	3,908,581	120,125	4,028,706	3,070,070
Total expenditure		3,949,672	120,125	4,069,797	3,105,219
Revaluation of investments	12	(1,956,621)	-	(1,956,621)	(3,069,862)
Net movement in funds		(1,683,717)	-	(1,683,717)	1,929,636
Reconciliation of funds:					
Total funds brought forward		18,218,120	-	18,218,120	16,288,484
Net movement in funds		(1,683,717)	-	(1,683,717)	1,929,636
Total funds carried forward		16,534,403	-	16,534,403	18,218,120

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 18 to 35 form part of these financial statements.

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05938633


BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	11		9,301		10,359
Investments	12		14,861,001		16,811,856
			<u>14,870,302</u>		<u>16,822,215</u>
Current assets					
Debtors: Amounts falling due within one year	13	53,690		64,686	
Cash at bank and in hand	17	1,702,381		1,804,180	
		<u>1,756,071</u>		<u>1,868,866</u>	
Creditors: Amounts falling due within one year	14	(91,970)		(472,961)	
Net current assets			<u>1,664,101</u>		<u>1,395,905</u>
Total net assets			<u><u>16,534,403</u></u>		<u><u>18,218,120</u></u>
Charity funds					
Restricted funds	15		-		-
Unrestricted funds	15		16,534,403		18,218,120
Total funds			<u><u>16,534,403</u></u>		<u><u>18,218,120</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


.....
Mr Ayman Asfari
Chair
Date: 14/8/24

The notes on pages 18 to 35 form part of these financial statements.

As at the current and prior year-end, all assets and liabilities were held in Unrestricted funds.

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	16	(272,580)	4,552,715
Cash flows from investing activities			
Investment income	5	179,147	273,946
Purchase of tangible fixed assets	11	(2,600)	(10,451)
Proceeds from sale of investments	12	221,824	814,588
Purchase of investments	12	(227,590)	(491,655)
Shares gifted to the Charity	12	-	(5,200,000)
Net cash provided by/(used in) investing activities		170,781	(4,613,572)
Change in cash and cash equivalents in the year		(101,799)	(60,857)
Cash and cash equivalents at the beginning of the year		1,804,180	1,865,037
Cash and cash equivalents at the end of the year	17	1,702,381	1,804,180

The notes on pages 18 to 35 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The Charity is a company limited by guarantee and is registered with the Charity Commission (Charity Registered Number 1116751) and Registrar of Companies (Company Registration Number 05938633).

The Members of the company are the Trustees named on page 1. 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.

The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are listed in the Trustees' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Asfari Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

2.2 Going concern

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements, and does not believe there to be any material uncertainties over its ability to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount.

Property income is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided, net of discounts, VAT and other sales related taxes.

Income in relation to Gift Aid or deeds of covenant is recognised at the time of the donation.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Support costs represents costs that cannot be directly attributed to the charitable activities. Support costs have been allocated to a charitable activity on the basis of a proportion of total direct costs per activity.

Governance costs include the costs of compliance with constitutional and statutory requirements and have been allocated to the charitable activities in the same proportions as support costs.

Staff costs and depreciation have been allocated in full to support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures, fittings & equipment	-	20% Straight line
Office equipment	-	20% Straight line

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

2.6 Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are continuously measured at fair value with changes recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities, if the shares are publicly traded or their fair value can otherwise be measured reliably. As investments are continuously revalued there are no realised gains or losses recorded. Investment income is accounted for in the period in which the charitable company is entitled to receipt.

2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.10 Financial instruments

The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 13. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 14. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

2.11 Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.13 Foreign exchange

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the Balance Sheet date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Balance Sheet date.

Exchange gains and losses are recognised in the Statement of Financial Activities.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

No significant accounting estimates or judgements were made in preparing these accounts.

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Income from donations

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations and gifts	3,231,887	120,125	3,352,012
Gift aid	811,542	-	811,542
	<u>4,043,429</u>	<u>120,125</u>	<u>4,163,554</u>

In the prior year, the Charity received an unrestricted donation of listed shares from a Trustee. At the date of receipt, the fair value of the shares was £5,200,000.

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Donations and gifts	7,293,711	14,703	7,308,414
Gift aid	522,357	-	522,357
	<u>7,816,068</u>	<u>14,703</u>	<u>7,830,771</u>

5. Investment income

	2023 £	2022 £
Rental income	4,800	4,800
Listed investment income	173,073	210,138
Fund investment income	-	58,330
Interest receivable	1,274	678
	<u>179,147</u>	<u>273,946</u>

All investment income in both the current and prior year has been allocated to the unrestricted fund.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Expenditure on raising funds

	Unrestricted funds 2023 £	Total funds 2023 £
Investment management fees	41,091	41,091

	Unrestricted funds 2022 £	Total funds 2022 £
Investment management fees	35,149	35,149

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Analysis of expenditure on charitable activities

	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Youth Learning, Entrepreneurship, and Innovation	816,207	163,170	979,377
Building Civil Society Infrastructure	1,805,406	360,922	2,166,328
Relief	352,773	70,524	423,297
Knowledge Production, Networking, and Influencing	383,115	76,589	459,704
	<u>3,357,501</u>	<u>671,205</u>	<u>4,028,706</u>
	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Youth Learning, Entrepreneurship, and Innovation	1,115,980	315,699	1,431,679
Building Civil Society Infrastructure	836,050	234,262	1,070,312
Relief	121,678	34,094	155,772
Knowledge Production, Networking, and Influencing	322,064	90,243	412,307
	<u>2,395,772</u>	<u>674,298</u>	<u>3,070,070</u>

Please see Note 23 for detailed analysis of grants payable.

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Analysis of expenditure on charitable activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	388,627	389,810
Depreciation	3,658	2,447
Office costs	159,862	169,201
Other professional services	119,747	66,318
Finance interest expense	-	7
Governance costs	21,600	21,480
Foreign exchange (gains)/losses	(22,289)	25,035
	671,205	674,298

8. Governance costs

	2023 £	2022 £
Auditor's remuneration - Audit of the financial statements	17,940	16,800
Auditor's remuneration - Other services	2,580	2,400
Auditor's remuneration - Under accrual of prior year fees	-	1,200
Tax compliance - Corporation tax return	1,080	1,080
	21,600	21,480

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Staff costs

	2023	2022
	£	£
Wages and salaries	336,778	348,816
Social security costs	37,038	31,342
Pension costs	14,811	9,652
	388,627	389,810

The average number of persons employed by the Charity during the year was as follows:

	2023	2022
	No.	No.
Managerial, administrative and programme technical	6	6

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
	No.	No.
In the band £60,001 - £70,000	1	1
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	-	1

The Foundation considers its Key Management Personnel to be the Trustees and the Chief Executive Officer. Total remuneration paid to Key Management Personnel in 2023 was £114,493 (*restated 2022 - £128,272*).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits in their capacity as a Trustee (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £6,723 were reimbursed or paid directly to 2 Trustees (2022 - £NIL to no Trustees). These expenses were for travel and accomodation costs.

11. Tangible fixed assets

	Fixtures, fittings & equipment £	Office equipment £	Total £
Cost or valuation			
At 1 January 2023	5,889	10,451	16,340
Additions	-	2,600	2,600
At 31 December 2023	5,889	13,051	18,940
Depreciation			
At 1 January 2023	4,711	1,270	5,981
Charge for the year	1,178	2,480	3,658
At 31 December 2023	5,889	3,750	9,639
Net book value			
At 31 December 2023	-	9,301	9,301
At 31 December 2022	1,178	9,181	10,359

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12. Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2023	13,596,523	3,215,333	16,811,856
Additions	-	227,590	227,590
Disposals	-	(221,824)	(221,824)
Revaluations	(1,684,731)	(271,890)	(1,956,621)
At 31 December 2023	<u>11,911,792</u>	<u>2,949,209</u>	<u>14,861,001</u>
Net book value			
At 31 December 2023	<u>11,911,792</u>	<u>2,949,209</u>	<u>14,861,001</u>
At 31 December 2022	<u>13,596,523</u>	<u>3,215,333</u>	<u>16,811,856</u>

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

13. Debtors: Amounts falling due within one year

	2023	2022
	£	£
Other debtors	13,167	13,167
Prepayments and accrued income	40,523	51,519
	53,690	64,686

14. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	1,936	1,306
Other taxation and social security	2,306	1,375
Accruals	23,130	20,280
Grants payable	64,598	450,000
	91,970	472,961

Grants payable relates to grants committed in furtherance of the Charity's objectives that are expected to be made within twelve months.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
Designated funds						
Designated Funds	17,693,180	179,147	(41,091)	10,631	(1,956,621)	15,885,246
General funds						
Unrestricted funds	524,940	4,043,429	(3,908,581)	(10,631)	-	649,157
Total Unrestricted funds	18,218,120	4,222,576	(3,949,672)	-	(1,956,621)	16,534,403
Restricted funds						
Restricted Funds	-	120,125	(120,125)	-	-	-
Total of funds	18,218,120	4,342,701	(4,069,797)	-	(1,956,621)	16,534,403

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity. These include designated funds comprising the investment assets of the Foundation of £14,861,001 and cash of available for investment of £1,024,245 that are intended for building a capital base in future years that will provide investment income for annual expenditures.

The Charity received a restricted donation of £120,125 specifically for the earthquake appeal. These funds were fully utilised for their intended purpose during the year.

THE ASFARI FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2022 £</i>
Unrestricted funds						
Designated funds						
Designated Funds	15,248,049	273,946	(35,149)	5,276,196	(3,069,862)	17,693,180
General funds						
Unrestricted funds	1,040,435	7,816,068	(3,055,367)	(5,276,196)	-	524,940
Total Unrestricted funds	16,288,484	8,090,014	(3,090,516)	-	(3,069,862)	18,218,120
Restricted funds						
Restricted Funds	-	14,703	(14,703)	-	-	-
Total of funds	16,288,484	8,104,717	(3,105,219)	-	(3,069,862)	18,218,120

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

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

		2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)		(1,683,717)	1,929,636
Adjustments for:			
Depreciation charges	11	3,658	2,447
Losses on investments	12	1,956,621	3,069,862
Investment income	5	(179,147)	(273,946)
Decrease in debtors	13	10,996	578,795
Decrease in creditors	14	(380,991)	(780,049)
Interest and management charges paid from portfolio	12	-	25,970
Net cash provided by/(used in) operating activities		(272,580)	4,552,715

17. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand	1,702,381	1,804,180
Total cash and cash equivalents	1,702,381	1,804,180

18. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	1,804,180	(101,799)	1,702,381
	1,804,180	(101,799)	1,702,381

The Charity had no debt in either the current or previous year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Pension commitments

The amount recognised as an expense in the year was £14,811 (2022 - £9,652). There were £2,306 (2022 - £1,375) contributions payable to the fund at the Balance Sheet date.

20. Operating lease commitments

At 31 December 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	38,745	39,500
Later than 1 year and not later than 5 years	-	38,745
	<u>38,745</u>	<u>78,245</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	2023 £	2022 £
Operating lease rentals	<u>39,500</u>	<u>39,500</u>

The operating lease relates to the rental of the Foundation's office over a period of 10 years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

21. Related party transactions

Marwan Muasher is the Vice President for Studies and Ayman Asfari is a Member of the Board of Trustees at Carnegie Endowment for the International Peace (Carnegie). In 2023, the Foundation granted £296,435 (2022 - £240,402) to the Carnegie Endowment for International Peace.

Sawsan Asfari is the Co-founder and Director of the Galilee Foundation. In 2023, the Foundation granted £50,000 (2022 - £NIL) to the Galilee Foundation.

Ayman Asfari and Marwan Muasher are Trustees of the American University of Beirut. In 2023, the Foundation granted £613,625 (2022 - £110,404) to the University.

Ayman Asfari is the Chairman of the Civil Society Network (Madaniya). In 2023, the Foundation granted £580,765 (2022 - £10,255) to the Civil Society Network, of which £57,598 (2022 - £NIL) was outstanding at the year-end.

Rasha Elasry is a Board Member of the Karam Foundation. In 2023, the Foundation granted £20,730 (2022 - £NIL) to the Foundation.

Muna Abbas is a Founding Member of the Young Jordanian Scientists. In 2023, the Foundation granted £6,528 (2022 - £NIL) to the Young Jordanian Scientists.

No amounts relating to any of the grants detailed above were outstanding as at the year-end (2022 - £NIL).

All grants and donations made by the Asfari Foundation are independently agreed by the Board of Trustees at the Foundation's Board meeting. Trustees with conflicts of interest declare these in advance and do not participate in related decision making. When a decision is required in relation to programmes or funding associated with organisations that receive funding from The Asfari Foundation, the relevant Trustee abstains from voting.

The total amounts of donations given by the Trustees to The Asfari Foundation in the year was £3,231,887 (2022 - £7,291,931); this amount in the prior year includes a gift of shares in the year valued at £5.2 million.

22. Post balance sheet events

As at the date of the signing of the accounts, the value of the Foundations listed investments have decreased by £1.7 million.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. List of 2023 Grants by Programme / Organisation / Country

	Grant Location	2023 £	2022 £
Learning, Entrepreneurship, and Innovation			
Alfanar	United Kingdom	60,000	-
Alsama	United Kingdom	31,959	-
Athar Association	Jordan	6,574	-
Art to Heart	Palestine	7,000	-
Beirut Today	Lebanon	-	8,370
Bloom	Lebanon	24,362	86,876
Build Palestine	Palestine	47,283	-
Challenge to Change	Palestine	27,277	-
ChangeLabs/Changemakers	Lebanon	-	75,000
Centre for Civil Society and Democracy	Turkey	6,712	-
Creative Space Beirut	Lebanon	48,590	-
Creativity Club Karak	Jordan	7,000	-
Design for Communities	Lebanon	-	8,389
Door Beyond War	Turkey	47,769	-
Eedama Advisors	Lebanon	5,665	-
Farah Social Foundation	Lebanon	7,000	-
Fondation Diane	Lebanon	-	75,000
FQMS	Palestine	10,000	-
Galilee Foundation	United Kingdom	50,000	-
IDRAAC	Lebanon	6,643	-
International Rescue Committee	UK	-	675,306
IRADA	USA	6,574	-
Jusoor	United Kingdom	25,000	-
Lebanese Alternative Learning	Lebanon	50,183	-
Makesense	France	91,970	101,100
MMKN NGO	Lebanon	48,590	8,370
Nahnoo	Lebanon	6,574	-
NaTakallam	Turkey	7,000	-
Nawaya Network	Lebanon	48,552	-
Partners for Sustainable Development	Palestine	54,531	-
Rahma Worldwide	Turkey	6,574	-
Seenaryo	United Kingdom	8,000	-
Turquoise Mountain Trust	United Kingdom	31,959	-
Volunteer Circle	Lebanon	24,277	-
YMCA	Lebanon	-	75,000
Other (consultancies)	Various	12,589	2,569
		816,208	1,115,980

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. List of 2023 Grants by Programme / Organisation / Country (continued)

		£	£
Building Civil Society Infrastructure			
Ahel Organisation for Training	Jordan	6,528	-
Al Jumhuriya	Germany	49,593	-
Alzheimer Association Lebanon	Lebanon	-	8,187
Awan Media		-	7,040
Carnegie Endowment for International Peace	USA	98,772	-
Civil Society Network	UK	-	39,812
Digital Opportunity Trust	Lebanon	36,741	-
DOT Lebanon	Lebanon	-	17,819
Hands Up Foundation	United Kingdom	7,000	-
Hakit Strong Association / Act for Syria	Turkey	6,819	-
Helem	Lebanon	48,128	-
Huquqyat	United Kingdom	7,000	-
IDRAAC	Lebanon	-	8,187
IMPACT	Germany	160,080	-
Jordan Young Scientist Initiative	Jordan	6,528	-
Karak Castle Center for Consultations and Training	Jordan	6,622	-
Lebanese League for Women in Business	Lebanon	6,622	-
Lebanese Observatory for Workers & Employee Rights (LOWER)	Lebanon	-	8,370
London School of Economics	United Kingdom	73,670	-
Madaniya Civil Society Network	United Kingdom	580,765	-
Masar	Lebanon	-	37,500
Megaphone	Lebanon	-	37,500
Mousawat	Turkey	-	7,050
Najoon	France	1,585	-
Neopreneur	Lebanon	6,622	-
Obsalytics	Canada	21,463	-
Public Works	Lebanon	47,652	-
Rennes for Training & Development (TTI Program)	Jordan	6,622	-
SIRAJ	France	6,782	-
Startpoint	Turkey	6,528	-
Superpower Partners	UK	-	7,000
SYE Initiative	USA	-	8,187
Syrian Archive	Germany	-	75,000
Syrian Centre for Legal Studies and Research	Germany	-	-
Syrian Centre for Media and Freedom of Expression	France	49,746	-
Syrian Centre for Policy Research	Lebanon	-	-
Takatoat	Jordan	6,622	-
The American University of Beirut	Lebanon	79,897	83,056
The Asfari Institute for Civil Society & Citizenship at The American University of Beirut	Lebanon	401,228	364,296
The Levant Centre for Strategic Studies	USA	-	41,220
The Policy Initiative	Lebanon	-	8,187
The Voices Project	United Kingdom	50,000	-
Tiny Hand	Turkey	-	9,369
Uncivilized Media	Palestine	6,586	-
Untold Stories	Berlin	-	7,370
Warsheh Team	France	6,782	-
We Dared to Dream (Action for Sama)	United Kingdom	7,000	-
Women Now	France	-	75,000
Other (consultancy)	United Kingdom	5,426	-
		1,805,406	836,050

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

23. List of 2023 Grants by Programme / Organisation / Country (continued)

		£	£
Relief			
Carnegie Endowment for International Peace	USA	-	75,867
Chain of Hope	UK	-	10,000
Foundation for Middle East Peace	USA	-	10,000
GLA (Syrian Community Event -Syria House)	United Kingdom	114,058	-
IMET 2000	United Kingdom	20,000	-
Karam Foundation	Turkey	20,730	-
MedGlobal	USA	-	19,079
Molham	Germany	120,058	-
The Syrian Campaign	United Kingdom	41,500	-
Universidade Nova de Lisboa (Nova School of Business and Economics)	Portugal	-	6,732
Welfare Association	Switzerland	20,000	-
Others	Various	16,427	-
		352,773	121,678
		£	£
Knowledge Production, Networking, and Influencing			
Asfari Portal		-	47,125
Carnegie Endowment for International Peace	USA	197,663	164,535
The American University of Beirut	Lebanon	132,500	110,404
The Levant Centre for Strategic Studies	USA	39,949	-
Others (Consultancies)	Various	13,003	-
		383,115	322,064
Total Grants		3,357,501	2,395,772