



Company number: 06037771

Charity number: 1118966

The Galilee Foundation

Report and financial statements

For the year ended 31 August 2021

The Galilee Foundation is registered in England and Wales under
Charity Commission number 1118966 and Companies House number 06037771

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The Galilee Foundation

Reference and administrative information

For the year ended 31 August 2021

Company number	06037771	
Charity number	1118966	
Registered office and operational address	The Galilee Foundation Unit A, 1-3 Canfield Pl, South Hampstead London NW6 3BT United Kingdom	
Country of registration	England & Wales	
Country of incorporation	United Kingdom	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Marwan Bishara Sawsan Asfari Ms Leila Garadaghi Yousef Bazian Khalil Jahshan Eyad Mahameed Abdulrahman Elshayyal	
Advisory Board	Advisers do not have any formal legal responsibilities. The advisers who only offer advice and support are as follows: David Freeman Legal adviser Dina Bseisu Adviser	
Key Management personnel	Marwan Bishara Chairman Sawsan Asfari Executive Director Maha Al Farra Communications & Fundraising Manager Dianne Woodward Interim Fundraising & Communications Manager (covering maternity leave)	
Bankers	Europe Arab Bank plc 35 Park Lane Mayfair London W1K 1RB	

The Galilee Foundation

Reference and administrative information

For the year ended 31 August 2021

Qatar National Bank (*closed as of October 2019*)
51 Grosvenor Street
London
W1K 3HH

Metro Bank
One Southhampton Row
London, WC1B 5HA

Accountant Tregannas Consultancy
175 Chatsworth Road
London
NW2 5QS

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 August 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This trustees' annual report includes a directors' report as required by company law.

Trustees and organisational structure

Trustees of the Galilee Foundation serve until they stand down. New trustees are nominated to fill specific gaps identified by the Trustees. When new Trustees are appointed, they are provided with the information they need to fulfil their roles, which includes information about the role of Trustees and charity law. Trustees receive updates, progress reports and publications on a regular basis.

The Trustees meet physically to govern and monitor the progress of the Charity at least once a year. They are in touch regularly on email and video conference calls. The policies and procedures are reviewed and updated annually. The Trustees delegate the day-to-day running of the charity to the Foundation's office in London.

Two employees, Maha Al Farra and Thomas Smith, had been running the charity and overseeing its fundraising, projects and budgets at the start of the financial year. Their positions were Communications & Fundraising Manager and Project Officer respectively. In November 2020, Thomas Smith resigned from Galilee Foundation. Job descriptions were rewritten and two part-time employees were appointed, Cassie Woodard, (Jan 2021) Grants manager and Heather McIntosh, (Nov 2020) Communications officer. Maha Alfarra went on maternity leave in March 2021 and Dianne Woodward, Media and Outreach Consultant, covered her job role in a voluntary capacity. The employees' work has been overseen by the Co-Founder and Trustee Sawsan Asfari. Tregannas Consultancy oversees and manages the Foundation's finances on a monthly basis. The London based Trustees also lend support to the day-to-day running of the charity. The Trustees confirm that they have complied with the Charities Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 29/12/2006 and registered as a charity on 28.4/2007.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Grant making policy

The Foundation receives project proposals, however, its current projects have been solicited and developed together with the partner organisations. The Foundation drafts agreements that specify the responsibilities of its partners and the schedule of reporting. Partners provide regular progress reports and each project is visited at least once every two years by a representative of the Foundation. For sustainability of projects' achievements, the Foundation seeks to develop longstanding partnership while maintaining rigorous monitoring and evaluation procedures.

Partner Due Diligence

We have been strengthening our partner due diligence framework since the introduction of GF's formal policy document in 2019. We now require initial operational and financial assessments to be prepared for all new partners before we enter into any grants arrangements or memoranda of understanding. We regularly monitor progress of programmes and utilise a Monitoring and Evaluation framework for the assessment and internal audit of our partners.

Coronavirus Update

Since March 2020, The Galilee Foundation has taken necessary precautions as per Government virus control measures for its staff i.e. all employees have been working from home with minimal working in the office when conditions have permitted. While we did not foresee these measures necessarily adversely impacting our day-to-day operational activities in the UK since much of the work was already done digitally, there were repercussions. The challenge was to co-ordinate remote digital working and recreate the mutually supportive office atmosphere in order to maintain morale and productivity. This was particularly necessary with a new team in place at the start of 2021, and the one established office team member on maternity leave. This was achieved with frequent virtual meetings, both regular and ad hoc, between staff, trustees, partners and volunteers etc using different digital tools depending on the reason for communication and the personnel involved. Since the control measures continued into all of 2021 these strategies were used throughout the reporting period and beyond and proved adequate even if not ideal.

The pandemic also strongly affected the activities of our partners, who had to substitute in-person workshops with remote workshops and run new scholarship and graduation events as multiple small, socially distanced celebrations, often outdoors.

Our students continued to be impacted by the challenges of remote learning, availability of the infrastructure and technology to access this and the quality of provision by teachers operating in an unfamiliar environment. Some of them also experienced increased financial hardship due to the economic effects of national lockdowns.

The virus control measures have, however, impacted our fundraising events as we have been unable to have any in-person gala events, which we would otherwise have done in 2021. We have mitigated this by hosting as well as participating in virtual fundraising events such as the Big Give Campaign in December 2020. We also held an online auction in December 2020, and a screen of "The Present" followed by a Q&A with the Director, Farah Nabulsi in March 2021. In April 2021 we also set up a Zakat and Ramadan Appeal and we were able to hold outdoor sporting challenges, viz, Asics 10k in July.

Principal Risks and uncertainties

The Trustees have assessed the major risks to which the Charity is exposed and are satisfied that systems are in place to reduce and mitigate the exposure to risks. A cash flow summary is kept and regularly reviewed and updated. The Trustees have identified the following as the principal risks facing the Foundation and have controls in place for their active management:

- The risk of charitable impact not being maximised and of the wasteful use of charitable funds resulting in reputational damage. The Foundation's management mitigates this risk by conducting regular evaluation, monitoring and follow up for all projects funded by the Foundation to assess the achievement of the Foundation's charitable objectives. Furthermore, the Trustees receive regular reports from the management of the Foundation to monitor and assess the performance of the Foundation, its activities and projects it supports to ensure that grants given are used for the charitable purpose.
- The safeguarding of the Foundation's investments and the risk of generating insufficient return. To mitigate such risk, one of our trustees who has a background in the financial sector has offered to regularly monitor and review the investments portfolio and advise the Trustees accordingly.
- Safeguarding of Foundation's income and the risk of devaluation of Foundation's funds due to currency fluctuation, particularly the funds in Pound sterling. To mitigate such risk, the Trustees have placed \$300k (£218k) in a fixed sterling denominated deposit.
- The duration of the Covid19 pandemic going forward and its effect on the wider economy and fundraising environment, which will have continued impact on our fundraising strategies and necessitate exploring new avenues of fundraising.

Objectives and activities

The Galilee Foundation's objectives are to further such charitable objectives as the Trustees in their absolute discretion think fit and include the following:

- (1) TO ADVANCE THE EDUCATION AT ALL LEVELS OF PALESTINIANS IN OR LIVING IN ISRAEL AND THE PALESTINIAN TERRITORIES, REGARDLESS OF GENDER OR FAITH, IN PARTICULAR BUT NOT EXCLUSIVELY BY ORGANISING AND ENCOURAGING EDUCATION, CULTURE, HERITAGE, ART, SCIENCE AND RESEARCH INITIATIVES;
- (2) TO RELIEVE THE POVERTY OF PALESTINIANS IN OR LIVING IN ISRAEL AND THE PALESTINIAN TERRITORIES, REGARDLESS OF GENDER OR FAITH, IN PARTICULAR BUT NOT EXCLUSIVELY BY THE PROVISION OF ADVICE, TRAINING AND SUPPORT.

The Galilee Foundation's general areas of operation are Israel and Palestine.

To work towards these objectives, the Foundation identifies and makes grants to registered, reputable, non-political, and non-sectarian charitable organisations and research institutions for existing or new projects that meet the Foundation's objectives. These policies have not changed during the year.

In deciding what activities the charity should undertake, the Trustees have paid due regard to guidance issued by the Charity Commission including with respect to public benefit.

The Galilee Foundation's vision is to contribute to breaking the cycle of poverty and inequality faced by many Palestinian citizens of Israel as well as those in Palestine. The Foundation believes strongly that access to education is the key to making this vision a reality.

Fundraising Statement

The Galilee Foundation is able to harness the goodwill and incredible generosity of donors from across the world through the work we undertake to provide a Higher Education to Palestinian youth. We generate funds from a wide range of UK and international donors. This includes individual one-off donations, regular donations, institutional funding as well as Gift Aid. These funds are raised by the trustees, staff, volunteers and individuals who fundraise in support of the Galilee Foundation. The Galilee Foundation received several generous donations from foundations such as the Asfari Foundation and Arab Centre Research and Policy Studies to support its projects. The Galilee Foundation also received a number of smaller donations from our new initiatives with our online boutique, Amazon Smile, Give As You Live and Facebook Donate. We also received generous donations from those who took part in our Move4Jerusalem, The Big Give, a screening of "The Present" Zakat and Ramadan appeals and Asics 10K events.

We communicate regularly with our supporters through newsletters, appeals, social media and emails. We provide a comprehensive picture of our activities on our website at: www.galileefoundation.org.uk as well as our social media channels and we are available to support via phone or email.

The Galilee Foundation is registered with the Fundraising Regulator and works in a way that is compliant with the Code of Fundraising Practice.

We have not received any complaints relating to fundraising. Should this happen, GF employees will record this digitally and discuss with our trustees to review.

The staff manage and monitor the fundraising work undertaken by others. Any volunteer or freelancer that works with us is required to sign a Confidentiality Agreement which we implemented in 2019. The staff also do an informal induction of activities to all new volunteers.

Project Activities in 2020/21

The Galilee Foundation's projects bring positive and lasting changes to thousands of young people through our scholarship programmes, training, access to quality education and cultural activities. The impact of the projects supported by the Foundation has been immense.

The Foundation renewed its support to most of its existing partners and continued its work towards achieving its objective of expanding the base of its beneficiaries:

- **The Scholarship Programme in Israel:** The Foundation's main programme provides university scholarships to young underprivileged Palestinian citizens of Israel. The Programme continues to be implemented in partnership with the Arab Cultural Association (ACA), the Foundation's local partner based in Haifa. In addition to financial support, the Programme supports its students through a range of training and capacity building workshops, cultural activities, and mentoring. The Scholarship is advertised publicly in local online news and social media platforms. Students are selected through rigorous application and selection procedures based on pre-sit criteria of merit and need. In addition to financial support, the Foundation requires that all scholarship recipients undertake voluntary placements to help their local communities. In the 2020/1 academic year, the Foundation was pleased to have supported 268 students, including 16 students supported by a generous donation from the Abuali Scholarship. In May 2021, there were protests and demonstrations in response to the potential removal of Palestinian citizens from their homes in Sheik Jarrah. While these events had an impact on the lives of our students and our staff, they did not result in any long term delays or disruptions to the Scholarship Programme activities.
- **Scholarship Programme with Al Quds University:** The Foundation is proud to continue its partnership with Al Quds University in East Jerusalem to support the continuing 18 (need to change) disadvantaged bright students from the 2019/20 Academic Year. Through the generous donation from the Abuali scholarship, we

have also provided scholarship funding to an additional eight students in the field of science and medicine. The students are required to participate in 120 hours of volunteer work such as teaching younger students, helping at orphanages, participating in cultural activities and organising conferences.

Mada Al-Carmel - Arab Centre for Applied Social Research - PhD Students Programme and Core Funds: The Foundation partnered again with Mada Al Carmel which aims to support students who wish to continue their higher education and to provide them with academic training. The Programme is the first of its kind available to Palestinian PhD students. The general public, researchers, academics, journalists and civil society organisations have benefited from the outcomes and the publications of their projects, seminars and conferences.

- **Hewar The Arab Association for Alternative Education:** This is a new partnership for the year 2021, providing funding for Building renovation at the Hewar Daycare Centre to include furniture and kitchen appliances and a Playground with outdoor equipment. It will pay for the recruitment and training of staff in the Hewar approach to early childhood education and will allow for the development of a training manual and videos for staff, including a nutrition manual. The Hewar Daycare Centre will serve 44 children and their families, and this facility will help provide future financial resilience as an income stream for Hewar and the grant will provide evidence of income to the Ministry of Education.
- **Baladna Association for Arab Youth – Core Funds:** The Foundation continued its partnership with Baladna to support their core funding which enabled them to develop five large-scale projects. Baladna provides youth with the training, resources and practical tools necessary to confront discrimination and marginalization of the Palestinian people in Israel. Their projects aim to empower Palestinian youth to become agents of positive social change who systemically map the needs of youth groups in their community and develop community projects responsive to these needs. They also aim to foster awareness of the Palestinian identity and history among Palestinian youth groups in Israel. They also work to reduce violence amongst Palestinian youth. The five projects combined reach at least 2,000 youth.
- **Yaffa Youth Movement Association (YYMA) – Yada Al Mustaqbal Programme:** The Foundation continued its partnership with the YYMA, which aims to build a strong and democratic Palestinian-Arab community in Yaffa. They focus on developing a strong core of young leaders with a shared purpose to create change together, based on democratic values, human rights, and advancement of the community. The impact of Covid-19 and corresponding restrictions on gathering in groups meant the YYMA could not complete all their planned activities but they will add some new workshops which will benefit the community in 2022.

Future Plans

In 2022, the Foundation plans to continue to work on establishing an alumni programme for our students so we can keep in touch with them once they graduate and monitor our impact. We will continue to develop the Scholarship Programme with our partners to enhance its training activities and efficiency.

In terms of fundraising, we will continue to develop our fundraising strategy with the aim of diversifying our funding to include more online and virtual events throughout the year as well as hold a gala event, covid permitting, in 2022. We will continue to reach out to trusts and foundations internationally as well as corporates, and we are attempting to increase the number of regular donors. We have expanded operationally as with the hire of a part-time Communications Officer and part-time Grants Manager from January 2021 with the aim of having solid systems and processes in place.

The Foundation continues to conduct strategic reviews to ensure that its donations help those in need most effectively.

2022 already indicates that the pandemic will be with us, vaccine booster rollout notwithstanding, for many more months, and that a return to the old normality, despite the intention of us all learning to “live with it” is unlikely for the foreseeable future. The Galilee Foundation will need to be flexible to adapt to the uncertain changes ahead, and the impacts these will have on operations in general and fundraising in particular.

We must continue to knit together the new team working both remotely and in the London office, by developing our team building strategies for a new normal and look to seize opportunities as well as meet challenges. In the second we must encourage all stakeholders to recognize opportunities in adversity and contribute innovative ideas for fundraising or otherwise to exploit them, regardless of the conditions under which we will work this coming year. We also need to support our partners as they grapple with the local challenges that lie ahead, some of which are yet unpredictable. Finally we must recognize that it is our beneficiaries, the young people whose lives we aim to change for the better, who are most impacted by our success or failure and do everything in our power to ensure their success.

Financial Review

The Foundation continues to receive interest payments from the generous endowment fund donated by the State of Qatar for the provision of university scholarships.

Total expenditure of the Foundation on projects, generating funds and operational costs from 31 August 2020 until 31 August 2021 was USD1,368,659 while the majority of the Foundation's expenditure went towards the projects, totalling USD1,347,245. The

Scholarship Programme remains the Foundation's core and largest project, with the majority of project expenditure allocated to it.

Investment Policy

The Galilee Foundation has an Investment Committee comprised of the Chairman, Executive Director and a Trustee with over three decades of financial experience. The Investment Committee advises the board on appropriate investments, monitor performance, recommend the appointment of advisers, liaise with advisers, and report to the board. The Investment Committee mandate also manages the investment portfolio on a low risk, low volatility basis, with a view to generating income over the long term. Before each investment or de-investment decision is made, the investment committee consults with at least three outside financial advisors to ensure maximum diligence.

The objective of the Foundation's current investments portfolio is to ensure capital preservation and generate investment income by seeking to produce financial returns at acceptable low level of risk. The Endowment Fund is in a separate account and is invested in state bonds and some blue chip shares in the amount that does not exceed 15 percent of the total. The results over the past decade have been quite satisfactory. The interest on the investments of this fund is used primarily for the Foundation's Scholarship Programme.

Reserves Policy and Going Concern

The Galilee Foundation is currently dependent on a range of sources of income to sustain its activities. Previously, the Galilee Foundation would hold a biennial fundraising gala dinner. In October 2019, the Galilee Foundation replaced the gala dinner with a joint fundraiser with the Andrea Bocelli Foundation in order to secure restricted funds for our programmes. In 2020-21 this was impossible due to covid, lockdowns and the lack of appetite for attending such events even out of lockdown. As a result, Galilee has had to rely on income from its investments, annual donations from a few foundations and several individual donors. Some income was generated from the online shop and other virtual/online fundraising events were held as mentioned above.

We intend to increase our fundraising income from other foundations and continue to offer financial support in future years. Should we not raise USD450,000 we will continue to offer financial support but to fewer students.

The Foundation plans its fundraising in advance having a 24 month view of cash flow.

To avoid closure if funding difficulties were to happen to the Foundation, the Board of Trustees has agreed to keep a certain level of financial reserves to ensure that its main operations can continue for a period of 12 months. It has been calculated that reserves of

USD128,196 would be needed to continue operating at a minimal level for at least 12 months.

The Foundation's consolidated balance sheet remains strong with net current assets of USD2,020,404. The trustees have reviewed the circumstances of the Galilee Foundation and consider that adequate resources continue to be available to fund its activities for the foreseeable future. The trustees are of the view that the Galilee Foundation is a going concern.

In the interests of greater transparency, the Trustees have decided to show the Unrestricted Funds of the charity split between Designated and General Funds, where the amount shown for Designated represents those funds which the charity has committed to spend in future years, specifically in support of the Scholarship Programme.

Audit information

The Trustees confirm that there is no relevant information of which the charitable company's auditor is unaware. The Trustees have taken all reasonable steps to make themselves aware of any relevant audit information.

Remuneration policy for key management personnel

The Trustees consider the board of Trustees and the senior management team 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. Details of trustees' expenses and related party transactions are disclosed in Note 2 to the accounts. There are currently three part-time employees and their pay is determined by the Executive Director and Chairman.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Galilee Foundation for the purposes of company law) are responsible for approving the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP

- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 August 2021 was 7. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The Galilee Foundation

Trustees' annual report

For the year ended 31 August 2021

The trustees' annual report has been approved by the trustees on 30 May 2022 and signed on their behalf by

Sawsan Asfari
Executive Director & Trustee

Independent auditor's report

to the members of

The Galilee Foundation

Opinion

We have audited the financial statements of Galilee Foundation (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, balance sheet, 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 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 August 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
- 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 UK, including the FRC'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 Galilee Foundation'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 Galilee Foundation

Other information

The other information comprises the information included in the trustees' 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. 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
- 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 charitable 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 in relation to which 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'

Independent auditor's report

to the members of

The Galilee Foundation

exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

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 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, internal audit and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:

Independent auditor's report

to the members of

The Galilee Foundation

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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 is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Independent auditor's report

to the members of

The Galilee Foundation

permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)

31 May 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

The Galilee Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 August 2021

	Note	Unrestricted \$	Restricted \$	2021 Total \$	Unrestricted \$	Restricted \$	2020 Total \$
Income from:							
Donations and legacies	2a	125,493	66,795	192,288	18,285	447,402	465,687
Charitable activities							
Scholarship programme	2d	–	77,305	77,305	45,000	546,967	591,967
Other projects	2d	44,500	450,000	494,500	13,500	270,000	283,500
Other trading activities	2b	12,103	–	12,103	7,429	–	7,429
Other Income	2c	223,420	–	223,420	–	–	–
Investments		204,077	–	204,077	172,247	–	172,247
Total income		609,593	594,100	1,203,693	256,461	1,264,369	1,520,830
Expenditure on:							
Raising funds		16,759	–	16,759	38,286	–	38,286
Other trading activities		4,655	–	4,655	3,804	–	3,804
Charitable activities							
Scholarship programme		67,773	775,254	843,027	76,758	798,763	875,521
Other projects		54,218	450,000	504,218	65,776	317,216	382,992
Total expenditure	3a	143,405	1,225,254	1,368,659	184,624	1,115,979	1,300,603
Net income / (expenditure) before net gains / (losses) on investments		466,188	(631,154)	(164,966)	71,837	148,390	220,227
Net gains / (losses) on investments	9	167,799	–	167,799	(282,569)	–	(282,569)
Net income / (expenditure) before other recognised gains and losses		633,987	(631,154)	2,833	(210,732)	148,390	(62,342)
Gains on foreign exchange		15,858	–	15,858	132,613	–	132,613
Transfers		(333,270)	333,270	–	(20,000)	20,000	–
Net movement in funds	13a	316,575	(297,884)	18,691	(98,120)	168,390	70,270
Reconciliation of funds:							
Total funds brought forward		4,697,984	306,362	5,004,346	4,796,104	137,972	4,934,076
Total funds carried forward		5,014,559	8,478	5,023,037	4,697,984	306,362	5,004,346

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13a to the financial statements.

The Galilee Foundation

Balance sheet

Company no. 06037771

As at 31 August 2021

	Note	\$	2021 \$	\$	2020 \$
Fixed assets:					
Investments	9		2,999,366		3,153,583
Tangible Fixed Assets	10		3,267		4,594
			<u>3,002,633</u>		<u>3,158,177</u>
Current assets:					
Debtors	11	85,231		106,717	
Stock		-		2,079	
Cash at bank and in hand		2,094,874		1,976,483	
			<u>2,180,105</u>	<u>2,085,279</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	159,701		239,110	
Net current assets			<u>2,020,404</u>		<u>1,846,169</u>
Total net assets / (liabilities)			<u><u>5,023,037</u></u>		<u><u>5,004,346</u></u>
The funds of the charity:	13a				
Restricted funds			8,478		306,362
Unrestricted funds					
Designated funds		2,027,994			
General funds		2,986,565			
			<u>5,014,559</u>		<u>4,697,984</u>
Total Unrestricted Funds			<u>5,014,559</u>		<u>4,697,984</u>
Total charity funds			<u><u>5,023,037</u></u>		<u><u>5,004,346</u></u>

Approved by the trustees on

and signed on their behalf by

Mrs S Asfari
Trustee

30 May 2022

Statement of cash flows

For the year ended 31 August 2021

	Note	2021 \$	\$	2020 \$	\$
Cash flows from operating activities					
Net income for the reporting period		18,691		70,270	
(as per the statement of financial activities)					
Depreciation		1,327		714	
Gains from foreign exchange		(15,858)		(132,613)	
(Gains)/losses on investments		(167,799)		282,569	
Dividends, interest and rent from investments		(204,077)		(172,247)	
Profit on the sale of fixed assets		(223,420)		-	
Decrease / (increase) in stocks		2,079		(2,079)	
Decrease / (increase) in debtors		21,486		(106,717)	
Decrease in creditors		(79,409)		(1,180,721)	
Net cash used in operating activities		(646,980)		(1,240,824)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		204,077		172,247	
Purchase of investments		(1,829)		(1,395,930)	
Proceeds from sale of investments		547,265		1,198,500	
Net cash provided by / (used in) investing activities		749,513		(25,182)	
Change in cash and cash equivalents in the year		102,533		(1,266,006)	
Cash and cash equivalents at the beginning of the year		1,976,483		3,109,876	
Change in cash and cash equivalents due to exchange rate movements		15,858		132,613	
Cash and cash equivalents at the end of the year		2,094,874		1,976,483	

Analysis of cash and cash equivalents

	At 31 August 2020 \$	Cash flows \$	Other changes \$	At 31 August 2021 \$
Cash in hand	1,976,483	102,533	15,858	2,094,874
Total cash and cash equivalents	1,976,483	102,533	15,858	2,094,874

1 Accounting policies

a) Statutory information

Galilee Foundation is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is Unit A, 1–3 Canfield Pl, South Hampstead, London NW6 3BT.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006/Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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 nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any 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 reporting period.

e) Income

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable.

Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of the scholarship programme and other educational activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1 Accounting policies (continued)

i) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

▪ Raising Funds	10%
▪ Scholarship programme	50%
▪ Other projects	40%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £750. Depreciation is charged on a straight line basis at 25%

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash 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.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Notes to the financial statements

For the year ended 31 August 2021

1 Accounting policies (continued)

q) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

r) Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

s) Foreign exchange

Monetary assets and liabilities in foreign currencies are translated into dollars at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into dollars at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the net incoming resources for the year.

2a Income from donations

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	\$	\$	\$	\$	\$	\$
General Donations re: Scholarship Programme	-	66,795	66,795	-	16,604	16,604
Andrea Bocelli Event	-	-	-	-	360,344	360,344
COVID-19 Appeal	-	-	-	-	32,868	32,868
Half Marathon – Scholarship Programme	-	-	-	-	37,586	37,586
General Donations	125,493	-	125,493	18,285	-	18,285
						-
	125,493	66,795	192,288	18,285	447,402	465,687

2b Income from trading

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	\$	\$	\$	\$	\$	\$
Sale of goods	12,103	-	12,103	7,429	-	7,429

2c Other income

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	\$	\$	\$	\$	\$	\$
Investment compensation	223,420	-	223,420	-	-	-

During the year the Foundation received compensation from an external investment manager to compensate it for losses on an investment fund.

2d Income from charitable activities

	Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	\$	\$	\$	\$	\$	\$
The Asfari Foundation	–	77,305	77,305		96,967	96,967
Qatar Foundation	–	–	–	45,000	450,000	495,000
Arab Center for Research and Policy	44,500	450,000	494,500	13,500	270,000	283,500
	<u>44,500</u>	<u>527,305</u>	<u>571,805</u>	<u>58,500</u>	<u>816,967</u>	<u>875,467</u>

The Galilee Foundation

Notes to the financial statements

For the year ended 31 August 2021

3a Total resources expended (current year)

	Raising funds \$	Scholarship programme \$	Other projects \$	Governance Costs \$	Support Costs \$	2021 Total \$	2020 Total \$
Staff costs (Note 6)	-	-	-	-	85,117	85,117	82,006
Consultancy fees	-	-	-	-	1,040	1,040	18,442
Audit and accountancy	-	-	-	11,350	10,315	21,665	18,709
Administration expenses	-	-	-	-	21,033	21,033	25,235
Grants to institutions (note 6)	-	775,254	450,000	-	-	1,225,254	1,120,349
Bank & foreign exchange charges	-	-	-	-	6,691	6,691	9,122
Purchase of goods for resale	4,655	-	-	-	-	4,655	3,804
Fundraising costs	3,204	-	-	-	-	3,204	22,935
	7,859	775,254	450,000	11,350	124,196	1,368,659	1,300,602
Support costs	12,420	62,098	49,678	-	(124,196)	-	-
Governance costs	1,135	5,675	4,540	(11,350)	-	-	-
Total expenditure 2021	21,414	843,027	504,218	-	-	1,368,659	1,300,602

The Galilee Foundation

Notes to the financial statements

For the year ended 31 August 2021

3b Total resources expended (prior year)

	Raising funds \$	Scholarship programme \$	Other projects \$	Governance Costs \$	Support Costs \$	2020 Total \$	2019 Total \$
Staff costs (Note 6)	-	-	-	-	82,006	82,006	58,932
Consultancy fees	-	-	-	-	18,442	18,442	8,987
Audit and accountancy	-	-	-	11,413	7,296	18,709	12,915
Administration expenses	-	-	-	-	25,235	25,235	26,215
Grants to institutions (note 6)	-	798,763	321,586	-	-	1,120,349	1,976,976
Bank & foreign exchange charges	-	-	-	-	9,122	9,122	2,908
Purchase of goods for resale	3,804	-	-	-	-	3,804	-
Fundraising costs	22,935	-	-	-	-	22,935	4,383
	26,739	798,763	321,586	11,413	142,101	1,300,602	2,091,316
Support costs	14,210	71,051	56,841	-	(142,101)	-	-
Governance costs	1,141	5,707	4,565	(11,413)	-	-	-
Total expenditure 2020	42,090	875,521	382,992	-	-	1,300,602	2,091,316

4 Grant making

	2021 Grants to institutions \$	2020 Grants to institutions \$
Cost		
Mada Al-Carmel: Arab Centre for Applied Social Research – to support research project	250,000	270,000
Hewar Daycare project	200,000	–
The Arab Culture Association: to support the Scholarship Programme	775,254	825,979
Challenge to Change – Galilee Foundation students work readiness programme	–	4,370
Adalaha Legal Centre	–	20,000
Total grants for the year	1,225,254	1,120,349

5 Net expenditure for the year

This is stated after charging:

	2021 \$	2020 \$
Depreciation		
▪ Depreciation	–	1,327
Operating lease rentals:		
▪ Property	6,603	6,480
Auditor's remuneration (excluding VAT):		
▪ audit	9,457	9,159

6 Staff costs and numbers

Staff costs were as follows:

	2021 \$	2020 \$
Salaries and wages	78,480	75,400
Staff pension costs	4,170	3,749
Social security costs	2,467	2,857
	85,117	82,005
Total emoluments paid to staff were:	78,480	75,400

No employee earned more than \$82,531 during the year (USD equivalent of GBP 60,000).

The total employee benefits including pension contributions of the key management personnel were \$38,671 (2020: \$47,083).

The average weekly number of employees (head count based on number of staff employed) during the period was 3 (2020: 2).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: \$nil). No charity trustee received payment for professional or other services supplied to the charity (2020: \$nil).

There were no trustees' expenses relating to attendance at meetings of the trustees.

7 Related party transactions

There were the following related party transactions for the year ended 31 August 2021 US\$100,906 (2020: US\$101,170).

During the year donations totalling US\$77,305 (2020: US\$96,966) were received from The Asfari Foundation. The Asfari Foundation is a related party as Mrs Sawsan Asfari, a trustee of Galilee Foundation, has majority control over the Asfari Foundation with her immediate family members. Grants from the Asfari Foundation funded grants to the Arab Cultural Center (Scholarship Fund) and a grant to cover costs related to the expansion of the Scholarship Programme to Al-Quds, as well as to fund the Galilee Foundation's organisational development and capacity building in accordance with the conditions of the donations.

In 2021 the charity paid US\$6,603 (2020: US\$6,082) to the Asfari Foundation in respect of the rental of office space.

\$14,487 was received from The Galilee Foundation USA Limited, an American non-profit charitable, cultural, and educational organization incorporated in the District of Columbia. One of its trustees is also a trustee of the Galilee Foundation.

Other aggregate donations from related parties were US\$9,114 (2020: US\$4,292).

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Investments

	2021 \$	2020 \$
Fair value at the start of the period	3,153,583	3,244,032
Additions	1,829	1,359,684
Disposal proceeds	(323,845)	(1,198,500)
Net change in fair value	167,799	(251,633)
Fair value at the end of the period	2,999,366	3,153,583

The investments comprise an Ooredoo Intl Finance Ltd bond, a Qatar National Bank bond, a Real Estate Investment Trust held by the Qatar National Bank, and publicly listed shares in Royal Dutch Shell plc, Gilead Sciences Inc, Glaxosmithcline plc, Johnson & Jonson Inc, Pzizer Inc, and Viatris Inc.

10 Tangible fixed assets

	Fixtures and fittings 2021 \$
Cost	
At the start of the year	5,308
Additions in year	–
Disposals in year	–
At the end of the year	5,308
Depreciation	
At the start of the year	714
Charge for the year	1,327
Eliminated on disposal	–
At the end of the year	2,041
Net book value	
At the start of the year	4,594
At the end of the year	3,267

All of the above assets are used for charitable purposes.

11 Debtors: amounts falling due within one year

	2021 \$	2020 \$
Accrued donation income	–	25,000
Trade debtors	3,487	
Prepayments	1,872	1,872
Accrued income	79,872	79,845
	85,231	106,717

12 Creditors: amounts falling due within one year

	2021 \$	2020 \$
Trade creditors	651	3,181
Grants payable	147,700	221,261
Accruals	11,350	14,668
	159,701	239,110

13a Analysis of net assets between funds (current year)

	General unrestricted \$	Designated \$	Restricted \$	Total funds \$
Investments	2,999,366	–	–	2,999,366
Fixed assets	3,267	–	–	3,267
Net current assets	(16,068)	2,027,994	8,478	2,020,404
Net assets at 31 August 2021	2,986,565	2,027,994	8,478	5,023,037

13b Analysis of net assets between funds (prior year)

	General unrestricted \$	Restricted \$	Total funds \$
Investments	3,153,583	–	3,153,583
Net current assets	1,544,401	306,362	1,850,763
Net assets at 31 August 2020	4,697,984	306,362	5,004,346

14a Movements in funds (current year)

	At 1 September 2021 \$	Income & gains \$	Expenditure & losses \$	Transfers \$	At 31 August 2021 \$
Restricted funds:					
Mada Al-Carmel – Core Funds	7,000	250,000	(250,000)	–	7,000
Hewar Daycare Centre	–	200,000	(200,000)	–	–
Scholarship Program – (Arab Cultural Association, Qatar Foundation for Education, Ferial & Mohamed Abuali Scholarship)	297,884	144,100	(775,254)	333,270	–
Baladna – Association for Arab Youth	1,478	–	–	–	1,478
Total restricted funds	306,362	594,100	(1,225,254)	333,270	8,478
Unrestricted funds:					
Designated fund	–	–	–	2,027,994	2,027,994
General funds	4,697,984	793,772	(143,927)	(2,361,264)	2,986,565
	5,004,346	1,387,872	(1,369,181)	(2,027,994)	5,023,037

Purposes of grants made – restricted funds

Mada Al-Carmel: Arab Centre for Applied Social Research – to support Core funding.

The Arab Culture Association: to support the Scholarship Programme.

Hewar – The Arab Association for Alternative Education: – to support a daycare centre.

Designated funds represent the value of future commitments to Scholarship students which do not meet the accounting criteria for inclusion as a liability, but which the charity is likely to need to pay out to existing students.

14b Movements in funds (prior year)

	At 1 September 2019 \$	Income & gains \$	Expenditure & losses \$	Transfers \$	At 30 August 2020 \$
Restricted funds:					
Mada Al-Carmel – Core Funds	7,000	270,000	(270,000)	–	7,000
Adalaha Legal Centre Scholarship Program – (Arab Cultural Association, Qatar Foundation for Education, Ferial & Mohamed Abuali Baladna – Association for Arab Youth	– 129,494 1,478	– 994,369 –	(20,000) (825,979) –	20,000 – –	– 297,884 1,478
Total restricted funds	137,972	1,264,369	(1,115,979)	20,000	306,362
Unrestricted funds:					
General funds	4,796,104	389,073	(467,193)	(20,000)	4,697,984
	4,934,076	1,653,442	(1,583,172)	–	5,004,346

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2021 \$	2020 \$
Less than one year	550	535
One to five years	–	–
	550	535

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.