



Company number: 06037771

Charity number: 1118966

The Galilee Foundation

Report and financial statements

For the year ended 31 August 2023

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 2023

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
Katherine Bucknell
Abdurrahman Elshayyal (resigned October 2022)

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	Managing Director

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 2023

Metro Bank
One Southhampton Row
London, WC1B 5HA

Accountant Treganna's Consultancy
175 Chatsworth Road
London
NW2 5QS

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
110 Golden Lane
London
EC1Y 0TG

The trustees present their report and the audited financial statements for the year ended 31 August 2023.

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.

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 currently meet virtually twice yearly to govern and monitor the progress of the Charity. They are also 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. The Trustees confirm that they have complied with the Charities Act 2006

Maha Al Farra, the Managing Director and Heather McIntosh, Communications officer, continued in their roles. Dianne Woodward, who had provided administrative support in a voluntary capacity was appointed in a paid capacity in January 2023. Cassie Woodard, the Grants manager resigned in March and was replaced by Clare Roberts as Grants officer in May. Two new appointments were made in August, Layla Assam as Fundraising Officer and Ghada Maisury as a Trusts and Foundations Consultant. The employees' work has been overseen by the Co-Founder, Executive Director and Trustee Sawsan Asfari. Treganna's Consultancy continues to oversee and manage the Foundation's finances on a monthly basis. Marwan Bishara, Chairman and Co-Founder, also lends support via a monthly Zoom meeting with the office team.

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 are required to submit narrative and financial reports at least once per year. Our Grants Manager and Grants officer have both had regular meetings with partners to monitor progress, and Cassie Woodward, the Grants Manager, before she left the Galilee Foundation, also travelled to Israel during the reporting year to meet with some of the

partners in person and discuss progress of projects. 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. Due to current events in Palestine/Israel since October 7th we are having to further revise and tighten our due diligence on donations and donors as well as partners to satisfy enhanced bank requirements and to comply with anti-money laundering and anti-terrorism legislation. We will be conducting ongoing due diligence on existing partners on an annual basis and when their governing personnel change.

Coronavirus Legacy

Although lockdown officially ceased in June 2021, Galilee Foundation staff have continued to use hybrid and remote working as the norm throughout the reporting period, for convenience and preference. While the London based Galilee employees endeavour to work in the office one day in common each week, other members of the team permanently work remotely from further afield. These measures have not adversely impacted our day-to-day operational activities in the UK, since much of the work is done digitally anyway. In some ways it has proven beneficial since new recruits do not have to be based in London, and we have had a larger pool of candidates to choose from. The absence of the daily commute also affords more time for a better work-life balance. The challenge to co-ordinate remote digital working and recreate the mutually supportive office atmosphere in order to maintain morale and productivity has been 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. In some ways productivity has been increased because there is more freedom to choose the hours worked.

In the current reporting period our partners have seen a return to the larger single events and in person workshops being held indoors or out depending on choice and the occasion.

Our students have also been able to maintain the return to the classroom with teachers operating in a familiar environment and are now less impacted by the challenges of remote learning, availability of the infrastructure and technology for access. Increased financial

hardship due to the economic effects of national lockdowns has still been an issue for some however.

Our fundraising events have not entirely recovered from the pandemic as we have still been unable to have any in-person gala events, which we hoped to do in 2022-23, due to the vulnerability of older donors to endemic Covid and the current lack of appetite for returning to the pre-covid gala format among major donors. We have mitigated this partly by hosting as well as participating in virtual fundraising events such as the Big Give Campaign in December 2022. In March/April 2023 we also set up a Zakat and Ramadan Appeal and we were able to hold outdoor sporting challenges, namely, the Royal Parks Half Marathon in October 2022 and Asics London 10k in July 2023.

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 \$321k (£255k) in a fixed Sterling denominated deposit.
- The consequences of the current war in Gaza on the functionality and physical safety of our partners and beneficiaries in Israel and in the West Bank given the increasing tensions, as well as the possible future constraints on our fundraising and on our banking activities from the UK to the region. These have been addressed in detail in

our deliberations of going concern. Strategies have been considered for adoption according to the severity of the developing situation and should permit the Galilee Foundation to continue meet its charitable purposes.

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 the occupied Palestinian territories. 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. We also received generous donations

from those who took part in The Big Give 2022, Zakat and Ramadan appeals, London Asics 10K and Royal Park Half Marathon events. The Galilee Foundation also received a very small number of donations from our online boutique, Amazon Smile, Give As You Live and Facebook Donate.

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 conduct informal interviews and induction of activities to all new volunteers.

Project Activities in 2022/23

The Galilee Foundation aims to bring positive and meaningful change to thousands of young people through its scholarship programmes, training, access to education and cultural activities.

In the 2022/23 financial year the Foundation renewed its support to most of its existing partners.

- **The Scholarship Programme in Israel:** The Foundations's main programme provides university scholarships to underprivileged Palestinian citizens of Israel. The programme is implemented in partnership with the Arab Cultural Association (ACA) in Haifa. The programme offers financial support for students but also additional training and capacity building, cultural activities and mentoring. The programme also includes a volunteering programme for all recipients of scholarships, encouraging them to get involved in their local communities and connect with their Palestinian heritage. In the 2022/23 academic year, a total of 217 students benefited from the programme.
- **Scholarship Programme with Al Quds University:** The Foundation continued its partnership with Al Quds University in East Jerusalem to support the remaining six disadvantaged students during the 2022/23 Academic Year. In addition to their

studies, students are required to participate in 120 hours of volunteer work including in elderly people's homes, medical centres, and with the Pharmacists Syndicate.

- **Al Quds University's Youth Economic Empowerment Programme:** In 2023 the Foundation began supporting an ambitious multi-year project called "Youth Economic Empowerment through Research and Technology Innovation" supporting employability training and business incubation to enhance employability, innovation and entrepreneurship among Palestinian youth in Jerusalem and the West Bank.
- **Mada Al-Carmel - the Arab Centre for Applied Social Research – PhD Students Programme and Core Funds:** The Foundation continued to partner 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 in Israel. In the 2022/23 financial year Mada Al-Carmel continued with its series of publications, seminars and conferences, also expanding its scope to include a summer camp for undergraduate (BA) students, in order to support the diverse academic challenges and needs faced by Palestinian students in Israel.
- **Hewar - The Arab Association for Alternative Education:** This partnership was provided to create the Hewar Daycare Centre. Unfortunately, the opening of the Day Care Centre was further delayed due to building permit and municipal complications.
- **Baladna Association for Arab Youth:** The Foundation continued to partner with Baladna to support the organisation's core funding and educational materials. Baladna provides youth with the training, resources and practical tools they need to confront discrimination and the marginalisation of Palestinian people in Israel. The organisation's projects aim to empower Palestinian youth to become agents of positive social change and develop community projects responsive to the needs of their communities, also fostering awareness of the Palestinian identity and history among Palestinian youth groups in Israel. In the 2022/23 financial year, Baladna expanded its work to include a Naqab Youth Project aimed at Palestinian Bedouin residents of the Naqab, and engaged ten local youth groups, and a total of 334 high school students to undertake active roles in their communities through its Hirak project.
- **Yaffa Youth Movement Association (YYMA):** The Foundation continued its partnership with the YYMA, which aims to build a strong and democratic Palestinian-Arab community in Yaffa. In addition to providing cultural and educational workshops to young people in Yaffa, YYMA made great strides with its podcast

programme, which included episodes on Palestinian culture, cuisine and history, and which received over 31,000 listens across the world.

- **Challenge to Change:** From November 2022-March 2023 the Foundation provided support to Challenge to Change in their SheCodes programme providing coding and work skills training for marginalised Palestinian women. 93 women benefited in total, with 100% of beneficiaries reporting increased self-esteem and confidence that they could earn an income after the training. 29 graduates received job offers immediately upon completion of the training course.
- **IMET 2000:** The Foundation also began supporting one Palestinian student from the Jordan Valley to study for a BA in Veterinary Science at An Najah University, Nablus, via IMET2000. In her first of five years this student achieved an average of 86% in her exams and continuous assessment.
- **Alumni Programme:** With support from the Open Society Foundations, the Galilee Foundation hired an Alumni Coordinator to develop a comprehensive programme of training and support for its ever-expanding network of beneficiaries from its scholarship programme. It also commissioned and published an Impact Report on the scholarship programme's success to date, with support from the Asfari Foundation.

Future Plans

In 2023-24, the Foundation plans to continue its work establishing an alumni programme for its students in order to keep in touch with them once they graduate and monitor the scholarship programme's impact. It is hoped that a strong alumni network can benefit the wider community through engagement in capacity building, entrepreneurial collaboration, and job creation.

The Events following October 7th 2023 have strongly impacted our partners on the ground and our students in Israel and East Jerusalem. Palestinian students of Israel have been suspended, expelled or even arrested for misdemeanours as minor as raising the Palestinian flag or liking the wrong social media post. Although none of our beneficiaries have been involved to date, the possibility remains that any of them could be in the future. Some have lost their jobs for speaking Arabic at work. The start of the new academic year has been delayed due to the military call up and its effect on the functionality of universities. Our partners have responded with giving legal support to affected students and running new legal advice workshops on how to avoid sanctions and mental health workshops to counter the fallout from anxiety, panic and increased hostility towards them. These events have required the Galilee Foundation to look at how we can assist the new legal and mental health needs of partners and students within the limits of our objects. We are planning to

raise some funds to support Adalah's increased employment costs as well as ACA's workshops and mental health interventions.

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 and a wider selection of smaller live events throughout the coming year as well as hold a major gala event in spring 2024. We will continue to reach out to trusts and foundations internationally and we plan to increase the number of regular donors through greater engagement with the wider community. Having expanded operationally with the hire of a community engagement officer and a Trusts and Foundations consultant we are progressing 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 and are currently working on updating our strategy with regard to the future development of the Foundation.

2023 has already indicated that the consequences of the covid pandemic are still with us in terms of working practices. A return to the old normality continues to seem unlikely for the foreseeable future. We continue to develop our team building strategies for the new normal of remote and hybrid working and look to seize opportunities as well as meet challenges.

As the situation in Israel and the occupied Palestinian territories in particular and the Middle East in general develops in a dangerous and uncertain manner, the Galilee Foundation will need to continue to be flexible to adapt to the challenges ahead, and the impacts these will have on operations in general and fundraising in particular. Without being cynical we must encourage all stakeholders to recognize any possible opportunities in adversity and contribute innovative ideas for fundraising or to raise awareness, 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.

Income in the year was substantially higher due to the receipt of USD1,061,536 which will be used to support the Al-Quds Economic Empowerment program in the period to December 2026, and USD395,000 to support the core costs Mada Al-Carmel.

Total expenditure of the Foundation on projects, generating funds and operational costs from 1 September 2022 until 31 August 2023 was USD1,714,405 while the majority of the Foundation's expenditure went towards the projects, totalling USD1,591,863. The Scholarship Programme remains the Foundation's core and largest project, with the majority of project expenditure allocated to it.

Overall the results for the year were consistent with the budget.

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 an 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 an 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 2020-21 and in 2021-22 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 as mentioned above.

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

USD208,863 would be needed to continue operating at a minimal level for at least 12 months.

The Board of Trustees consider that any reserves held above that level are available to be used to increase the number of students supported under the Scholarship program, or to new programs arising during the following years.

The Foundation's consolidated balance sheet remains strong with net current assets of USD2,703,681. 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 consequences of the election of the far-right government followed by the current war in Gaza on the physical and material safety of our partners and beneficiaries in Israel and in the West Bank given the increasing tensions, alongside uncertainties with respect to possible escalation as well as the constraints on our fundraising and banking activities from the UK have added an extra layer of unpredictability. The Managing Director, Executive Director and Chairman have considered possible scenarios and strategies and are confident that adjustment to our activities can mitigate against the possibility of being unable to temporarily function in any capacity to meet our objects.

The Trustees are of the view that a Going concern basis is appropriate financially and that there are no material concerns currently regarding our operations. We will continue to monitor the situation on the ground with our partners and respond accordingly.

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 are disclosed in note 6 and related party transactions are disclosed in Note 7 to the accounts.

There are currently five part-time employees and two external consultants 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 £100 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 August 2023 was 8 (2022:7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The Galilee Foundation

Trustees' annual report

For the year ended 31 August 2023

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 approved by the trustees on 8th May 2024 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 The Galilee Foundation (the 'charitable company') for the year ended 31 August 2023 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 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
- 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Independent auditor's report

to the members of

The Galilee Foundation

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano FCA (Senior statutory auditor)
20 May 2024
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

The Galilee Foundation

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

For the year ended 31 August 2023

	Note	Unrestricted \$	Restricted \$	2023 Total \$	Unrestricted \$	Restricted \$	2022 Total \$
Income from:							
Donations and legacies	2a	49,893	244,106	293,999	11,896	255,446	267,342
Charitable activities							
Scholarship programme	2b	11,884	136,559	148,443	7,718	199,360	207,078
Other projects	2b	144,520	1,674,292	1,818,812	6,954	89,991	96,945
Other trading activities	2c	1,494	-	1,494	755	-	755
Investments		186,913	-	186,913	151,895	-	151,895
Total income		394,704	2,054,957	2,449,661	179,218	544,797	724,015
Expenditure on:							
Raising funds		28,979	-	28,979	16,304	-	16,304
Other trading activities		1,307	-	1,307	71	-	71
Charitable activities							
Scholarship programme		79,031	676,744	755,775	58,620	765,752	824,372
Other projects		206,855	721,489	928,344	46,897	170,491	217,388
Total expenditure	3a	316,172	1,398,233	1,714,405	121,892	936,243	1,058,135
Net income / (expenditure) before net (losses) on investments		78,532	656,724	735,256	57,326	(391,446)	(334,120)
Net losses on investments	9	(17,098)	-	(17,098)	(107,797)	-	(107,797)
Net income / (expenditure) before other recognised gains and losses	5	61,434	656,724	718,158	(50,471)	(391,446)	(441,917)
Gains / (losses) on foreign exchange		83,110	-	83,110	(140,971)	-	(140,971)
Transfers		(296,080)	296,080	-	(411,446)	411,446	-
Net movement in funds	14a	(151,536)	952,804	801,268	(602,888)	20,000	(582,888)
Reconciliation of funds:							
Total funds brought forward		4,411,671	28,478	4,440,149	5,014,559	8,478	5,023,037
Total funds carried forward		4,260,135	981,282	5,241,417	4,411,671	28,478	4,440,149

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 14a to the financial statements.

The Galilee Foundation

Balance sheet

Company no. 06037771

As at 31 August 2023

	Note	\$	2023 \$	\$	2022 \$
Fixed assets:					
Investments	9		2,535,137		2,552,235
Tangible Fixed Assets	10		2,599		1,940
			<u>2,537,736</u>		<u>2,554,175</u>
Current assets:					
Debtors	11	340,710		71,802	
Cash at bank and in hand		<u>2,398,388</u>		<u>1,875,457</u>	
			2,739,098		1,947,259
Liabilities:					
Creditors: amounts falling due within one year	12	<u>35,417</u>		<u>61,285</u>	
Net current assets			<u>2,703,681</u>		<u>1,885,974</u>
Total net assets			<u><u>5,241,417</u></u>		<u><u>4,440,149</u></u>
The funds of the charity:	13a				
Restricted funds			981,282		28,478
Unrestricted funds					
Designated funds		1,369,685			1,914,000
General funds		<u>2,890,450</u>			<u>2,497,671</u>
Total Unrestricted Funds			<u>4,260,135</u>		
Total charity funds			<u><u>5,241,417</u></u>		<u><u>4,440,149</u></u>

Approved by the trustees on 8 May 2024 and signed on their behalf by

Mrs S Asfari
Trustee

The Galilee Foundation

Statement of cash flows

For the year ended 31 August 2023

	Note	2023 \$	\$	2022 \$	\$
Cash flows from operating activities					
Net income / (expenditure) for the reporting period		801,268		(582,888)	
(as per the statement of financial activities)					
Depreciation	5	2,116		1,327	
(Gains) / losses from foreign exchange		(83,110)		140,971	
Losses on investments	9	17,098		107,797	
Dividends and interest from investments		(186,913)		(151,895)	
(Increase)/Decrease in debtors	11	(268,908)		13,429	
(Decrease) in creditors	12	(25,868)		(98,416)	
Net cash provided by / (used in) operating activities		255,683		(569,675)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		186,913		151,895	
Purchase of fixed assets	10	(3,212)		–	
Proceeds from sale of fixed assets		437		–	
Proceeds from sale of investments	9	–		339,334	
Net cash provided by investing activities		184,138		491,229	
Change in cash and cash equivalents in the year		439,821		(78,446)	
Cash and cash equivalents at the beginning of the year		1,875,457		2,094,874	
Change in cash and cash equivalents due to exchange rate movements		83,110		(140,971)	
Cash and cash equivalents at the end of the year		2,398,388		1,875,457	

Analysis of cash and cash equivalents

	At 31 August 2022 \$	Cash flows \$	Other changes \$	At 31 August 2023 \$
Cash in hand	1,875,457	439,821	83,110	2,398,388
Total cash and cash equivalents	1,875,457	439,821	83,110	2,398,388

1 Accounting policies

a) Statutory information

The 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.

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) Functional and presentation currency

These financial statements are presented in US\$, which is the Company's functional currency.

d) Public benefit entity

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

e) Going concern

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

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.

f) 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.

g) 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.

h) 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.

i) 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.

Notes to the financial statements

For the year ended 31 August 2023

1 Accounting policies (continued)

j) 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.

k) 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.

l) Operating leases

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

m) Tangible fixed assets

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

n) 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.

o) 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.

p) 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.

Notes to the financial statements

For the year ended 31 August 2023

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 \$	2023 Total \$	Unrestricted \$	Restricted \$	2022 Total \$
Donations re: Scholarship Programme	–	137,854	137,854	–	175,180	175,180
Half Marathon – Scholarship Programme		–	–		7,802	7,802
Donations	49,893	106,252	156,145	11,896	72,464	84,360
	49,893	244,106	293,999	11,896	255,446	267,342

2b Income from charitable activities

	Unrestricted \$	Restricted \$	2023 Total \$	Unrestricted \$	Restricted \$	2022 Total \$
The Asfari Foundation	30,448	–	30,448	–	122,179	122,179
The Amjad & Shua Bseisu Foundation	570	5,700	6,270	–	–	–
Physics X	76	18,478	18,554	–	–	–
Open Society Foundation	11,818	118,182	130,000	–	–	–
Arab Center for Research and Policy	113,492	1,668,491	1,781,983	14,672	167,172	181,844
	156,404	1,810,851	1,967,255	14,672	289,351	304,023

2c Income from trading

	Unrestricted \$	Restricted \$	2023 Total \$	Unrestricted \$	Restricted \$	2022 Total \$
Sale of goods	1,494	–	1,494	755	–	755

The Galilee Foundation

Notes to the financial statements

For the year ended 31 August 2023

3a Total resources expended (current year)

	Raising funds \$	Charitable Activities Scholarship programme \$	Other projects \$	Governance Costs \$	Support Costs \$	2023 Total \$	2022 Total \$
Staff costs (Note 6)	–	–	–	–	101,805	101,805	69,854
Audit and accountancy	–	–	–	13,714	11,751	25,465	21,309
Administration expenses	–	–	–	–	25,988	25,988	21,246
Grants to institutions (Note 4)	–	676,744	865,119	–	–	1,541,863	936,243
Bank & foreign exchange charges	–	–	–	–	4,804	4,804	4,832
Purchase of goods for resale	1,307	–	–	–	–	1,307	71
Fundraising costs	13,173	–	–	–	–	13,173	4,580
	14,480	676,744	865,119	13,714	144,348	1,714,405	1,058,135
Support costs	14,435	72,174	57,739	–	(144,348)	–	–
Governance costs	1,371	6,857	5,486	(13,714)	–	–	–
Total expenditure 2023	30,286	755,775	928,344	–	–	1,714,405	1,058,135

The Galilee Foundation

Notes to the financial statements

For the year ended 31 August 2023

3b Total resources expended (prior year)

	Raising funds # \$	Charitable Activities Scholarship programme \$	Other projects \$	Governance Costs \$	Support Costs \$	2022 Total \$
Staff costs (Note 6)	-	-	-	-	69,854	69,854
Audit and accountancy	-	-	-	9,642	11,667	21,309
Administration expenses	-	-	-	-	21,246	21,246
Grants to institutions (Note 4)	-	765,752	170,491	-	-	936,243
Bank & foreign exchange charges	-	-	-	-	4,832	4,832
Purchase of goods for resale	71	-	-	-	-	71
Fundraising costs	4,580	-	-	-	-	4,580
	4,651	765,752	170,491	9,642	107,599	1,058,135
Support costs	10,760	53,799	43,040	-	(107,599)	-
Governance costs	964	4,821	3,857	(9,642)	-	-
Total expenditure 2022	16,375	824,372	217,388	-	-	1,058,135

4 Grant making

	2023 Grants to institutions \$	2022 Grants to institutions \$
Cost		
Mada Al-Carmel: Arab Centre for Applied Social Research – to support research project	395,000	–
Mada Al-Carmel: Arab Centre for Applied Social Research – to support PHD students	75,500	75,500
Yaffa Youth Movement Association (YYMA)	82,966	–
The Arab Culture Association: to support the Scholarship Programme	676,744	765,752
The Arab Culture Association: to support the Alumni Programme	39,791	
Challenge to Change – Galilee Foundation She Codes programme	8,325	–
Al-Quds University Economic Empowerment Strategy – Youth Economic Empowerment	183,741	–
Al-Quds University Scholarship Programme	19,805	25,000
Adalaha Legal Centre	40,000	–
Baladna Assoc.: Core funds	69,991	69,991
Total grants for the year	1,591,863	936,243

5 Net income for the year

This is stated after charging:

	2023 \$	2022 \$
Depreciation	2,116	1,327
Operating lease rentals:		
▪ Property	5,835	6,283
Auditor's remuneration (excluding VAT):		
▪ Audit	11,428	9,642

6 Staff costs and numbers

Staff costs were as follows:

	2023 \$	2022 \$
Salaries and wages	96,436	66,327
Staff pension costs	4,070	4,298
Social security costs	1,299	(771)
	101,805	69,854
Total emoluments paid to staff were:	96,436	66,327

No employee earned more than \$76,039 during the year (USD equivalent of GBP 60,000) (2022: \$69,703).

The total employee benefits including pension contributions of the key management personnel were \$57,353 (2022: \$28,153).

The average weekly number of employees (head count based on number of staff employed) during the period was 4 (2022: 3).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: \$nil). No charity trustee received payment for professional or other services supplied to the charity (2022: \$nil).

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

7 Related party transactions

During the year donations totalling \$30,448 (2022: \$122,179) 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) as well as to fund the Galilee Foundation's organisational development and capacity building in accordance with the conditions of the donations.

In 2023 the charity paid \$5,835 (2022: \$6,283) to the Asfari Foundation in respect of the rental of office space.

\$75,000 (2022: \$72,464) was received from Goldman Sachs Gives on a recommendation from the Fadi Abuali Annual Giving Fund. Mr Abuali is the husband of Leila Garadaghi, a trustee of the Galilee Foundation

Other aggregate donations from related parties were \$11,314 (2022: \$9,276).

8 Taxation

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

9 Investments

	2023 \$	2022 \$
Fair value at the start of the period	2,552,235	2,999,366
Additions	–	–
Disposal proceeds	–	(339,334)
Net change in fair value	(17,098)	(107,797)
Fair value at the end of the period	2,535,137	2,552,235

The investments comprise an Ooredoo Intl Finance Ltd bond, a Qatar National Bank bond, and publicly listed shares in Royal Dutch Shell plc, Gilead Sciences Inc, Glaxosmithcline plc, Johnson & Jonson Inc, Pzizer Inc, Viatrix Inc., and Haleon plc

10 Tangible fixed assets

	Fixtures and fittings	
	2023	2022
Cost	\$	\$
At the start of the year	5,308	5,308
Additions in year	3,212	–
Disposals in year	(995)	–
	<u>7,525</u>	<u>5,308</u>
At the end of the year	7,525	5,308
Depreciation		
At the start of the year	3,368	2,041
Charge for the year	2,116	1,327
Eliminated on disposal	(558)	–
	<u>4,926</u>	<u>3,368</u>
At the end of the year	4,926	3,368
Net book value		
At the start of the year	<u>1,940</u>	<u>3,267</u>
	<u>1,940</u>	<u>3,267</u>
At the end of the year	<u>2,599</u>	<u>1,940</u>
	<u>2,599</u>	<u>1,940</u>

All of the above assets are used for charitable purposes.

11 Debtors: amounts falling due within one year

	2023	2022
	\$	\$
Trade debtors	604	1,049
Prepayments	1,875	3,381
Accrued income	338,231	67,372
	<u>340,710</u>	<u>71,802</u>
	<u>340,710</u>	<u>71,802</u>

12 Creditors: amounts falling due within one year

	2023	2022
	\$	\$
Trade creditors	3,093	1,564
Grants payable	20,538	50,079
Accruals	11,786	9,642
	<u>35,417</u>	<u>61,285</u>
	<u>35,417</u>	<u>61,285</u>

Notes to the financial statements

For the year ended 31 August 2023

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

	General unrestricted \$	Designated \$	Restricted \$	Total funds \$
Investments	2,535,137	–	–	2,535,137
Fixed assets	2,599	–	–	2,599
Net current assets	352,714	1,369,685	981,282	2,703,681
Net assets at 31 August 2023	2,890,450	1,369,685	981,282	5,241,417

Of the General Unrestricted Funds \$1,369,685 are designated meaning that the charity has committed these funds to future projects.

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

	General unrestricted \$	Designated \$	Restricted \$	Total funds \$
Investments	2,552,235	–	–	2,552,235
Fixed assets	1,940	–	–	1,940
Net current assets	(56,504)	1,914,000	28,478	1,885,974
Net assets at 31 August 2022	2,497,671	1,914,000	28,478	4,440,149

14a Movements in funds (current year)

	At 1 September 2022 \$	Income & gains \$	Expenditure & losses \$	Transfers \$	At 31 August 2023 \$
Restricted funds:					
Mada Al-Carmel – Core Funds	7,000	395,000	(395,000)	–	7,000
Galilee Foundation – UK Funds	–	106,253	–	(106,253)	–
Scholarship Program – (Arab Cultural Association, Ferial & Mohamed Abuali Scholarship, Open Society)	–	274,413	(676,744)	402,331	–
Alumni Programme (Open Society)	–	82,982	(39,791)	–	43,191
Yaffa Youth Movement Association	–	82,964	(82,966)	2	–
Al-Quds Youth Economic	–	1,061,536	(183,741)	–	877,795
Hewar Daycare	–	–	50,000	–	50,000
Baladna – Association for Arab Youth	21,478	51,809	(69,991)	–	3,296
Total restricted funds	28,478	2,054,957	(1,398,233)	296,080	981,282
Unrestricted funds:					
Designated fund	1,914,000	–	–	(544,315)	1,369,685
General funds	2,497,671	477,814	(333,270)	248,235	2,890,450
	4,440,149	2,532,771	(1,731,503)	–	5,241,417

Movements in funds (continued)**Purposes of grants made – restricted funds**

Yaffa Youth Movement Association (YYMA) – core funding for partner

Mada Al-Carmel: Arab Centre for Applied Social Research – to support core funding for partner

The Arab Culture Association – to support the Scholarship & Alumni Programmes.

Alumni Programme – supported by Open Society to develop alumni links

Al-Quds – to support the Scholarship & Youth Economic Empowerment Programmes

Baladna – to support studies preparation of students

Hewar Daycare – programme originally supported from funds received from Doha Institute. The building of the daycare center is no longer progressing, and the sum shown represents the amount previously charged now credited back. Use of funds to be agreed.

Galilee Foundation UK – Support costs of the charity within the UK

Purposes of grants made – unrestricted funds

Mada Al-Carmel: Arab Centre for Applied Social Research – to support PHD Program

Al-Quds Scholarship Program

Adalah Law Centre

Challenge to Change – Work readiness & Employability

Designated funds represent the value of future commitments to scholarship students & other projects 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 & projects.

14b Movements in funds (prior year)

	At 1 September 2021 \$	Income & gains \$	Expenditure & losses \$	Transfers \$	At 30 August 2022 \$
Restricted funds:					
Mada Al-Carmel – PHD program	–	–	(75,500)	75,500	–
Mada Al-Carmel – Core Funds	7,000	–	–	–	7,000
Galilee Foundation – UK Funds	–	72,464	–	(72,464)	–
Scholarship Program – (Arab Cultural Association, Qatar Foundation for Education, Ferial & Mohamed Abuali Scholarship)	–	382,342	(765,752)	383,410	–
Al-Quds	–	–	(25,000)	25,000	–
Baladna – Association for Arab Youth	1,478	89,991	(69,991)	–	21,478
Total restricted funds	8,478	544,797	(936,243)	411,446	28,478
Unrestricted funds:					
Designated funds:	2,027,994	–	–	(113,994)	1,914,000
General funds	2,986,565	179,218	(370,660)	(297,452)	2,497,671
	5,023,037	724,015	(1,306,903)	–	4,440,149

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	
	2023	2022
	\$	\$
Less than one year	507	464
One to five years	–	–
	507	464

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 £100.