

**REGISTERED COMPANY NUMBER: 10585970 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1181788**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020  
FOR  
HINDAWI FOUNDATION  
(A COMPANY LIMITED BY GUARANTEE)**

**HINDAWI FOUNDATION**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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## **HINDAWI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 1 January 2020 to 31 December 2020. The trustees have adopted the provisions of 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) (effective 1 January 2015).

#### **FINANCIAL REVIEW**

The Hindawi Foundation's income for the year was £142,643. Charitable expenditure totalled to £136,321. Purchase of rights for new acquisitions accounted for 19% of expenditure, with renewals of existing contracts totalling 3%.

At present, the Charity's policy is to maintain a minimum reserve for the continued maintenance of the Foundation's online publishing platforms, including funds to contribute to annual electronic book fees, which currently average £13,502 per calendar year. Current reserve funds total £10,756. This approach is to be reviewed by the Trustees annually and on receipt of any significant donations that would enable the creation of a broader reserve.

#### **OBJECTIVES AND ACTIVITIES**

##### **Mission Statement**

Translating into Arabic and publishing literary works (including scientific, learned, academic, other non-fiction and fictional works). Publishing or republishing literary works originally written in Arabic (including scientific, learned, academic, other non-fiction and fictional works) Making translated works and Arabic content freely digitally available.

The catalyst for the creation of the Hindawi Foundation was a UN Development Fund report, which stated: "For Arab societies, translation is a formidable challenge ... the number of books translated in the Arab world [per year] is one fifth of the number translated in Greece ... a marked shortage of translations of basic books on philosophy, literature, sociology, and the natural sciences is quite evident."

The Hindawi Foundation was created to meet that need. Although some progress has been made in the development of the book industry and in translation into Arabic in recent years, availability remains scarce, translation lacking and of an often poor standard, and access to works which present new Ideas or challenge perspectives in the Arabic-speaking world is problematic or prohibited.

The Foundation aims to transform the literary landscape of the Arabic-speaking communities around the globe by providing a permanent, online library of thought-provoking, interesting, and valued fiction and non-fiction works, which is freely available to any Arabic speaker with access to the internet.

##### **Activities**

The Foundation seeks to achieve its objectives through two avenues: the translation of literary works from English and other languages into Arabic and the re-publication and publication of Arabic works which align with the Foundation's criteria. English (and other) language acquisitions take the form of both works in copyright, for which the Foundation negotiates translation rights contracts and works which have entered the public domain. Works are published primarily in e-book formats on the Foundation's website and app. The Foundation also prints a select number of titles in trade paperback format, which are made available for sale through retailers and at book fairs across the Middle East and North Africa region, although book fair activities were significantly disrupted in 2020 as a result of the worldwide Covid-19 outbreak.

## **HINDAWI FOUNDATION**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Objectives**

The Trustees' objectives for 2020 included the ongoing development of the Foundation's list of translated foreign language and original Arabic language works, alongside the expansion of the Foundation's programme into the new field of poetry (see Achievements and Performance). The Trustees' longer-term objectives include the development and expansion of the Foundation's content, as well as ongoing work to ensure the long-term availability of our online library.

#### **OBJECTIVES AND ACTIVITIES**

##### **Achievements and performance**

In the 2020 calendar year, the Foundation made 88 newly translated books available and published 175 in the Arabic language. The Foundation's new publications in 2020 have enabled beneficiaries to have free access to hundreds of previously unpublished or unavailable works in Arabic that provide stimulating content and encourage the enjoyment of literature. Access to the Hindawi Foundation's publications has always been of key benefit to Arabic speakers in volatile, insecure, or impoverished countries/regions where traditional routes of access to literature may well be impossible, but the value of the Foundation's contribution was particularly highlighted as a result of the global Covid-19 crisis in 2020.

While Covid-19-related restrictions on movement and commerce varied considerably across the Arabic-speaking world, access to physical books for education and enjoyment was dramatically curtailed in many countries. The Foundation's website and app. enabled many Arabic speakers to access for the first time (or continue to access) an online literature library of unique depth and breadth.

In 2020, the Foundation also began work on a poetry programme, to provide a separate reading and listening poetry experience in Arabic. As with the Foundation's online literature library, access will be free for users. The programme will launch in 2021.

The Trustees have had regard to the Charity Commission's guidance on public benefit.

#### **INVESTMENT POLICY**

The Trustees resolved that the guiding principle of the Foundation's Investment Policy is: To invest available funds on a moderate risk basis with the intention of generating income to fund the Foundation's running costs, while strategically drawing down on the principle to help fund the expansion of the Foundation's programmes to further the Charity's Objectives.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, the Articles of Association adopted on 12 December 2018, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Management**

The Trustees guide the overall direction of the charity to ensure that activities align with the Foundation's aims and objectives. Unless decisions are deemed to relate to long-term financial management, or relate to the charity's objectives, or staff have specifically requested Trustee input, then they are delegated to staff. Production and printing of titles is undertaken by the Hindawi for Print and Distribution (Cairo-registered company) which is a wholly owned subsidiary of Hindawi Foundation.

## HINDAWI FOUNDATION

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Recruitment and appointment of new trustees

The existing Trustees are responsible for the recruitment of new Trustees. Selection of new Trustees is a collaborative process with particular emphasis placed on individuals who will bring a different perspective, as well as relevant skills and experience to the board. Potential Trustees can be suggested by any existing Trustee and are then discussed internally, before a formal invitation is extended. Potential Trustees are given details of the Foundation's charitable aims and activities. If they agree, they are then proposed at the subsequent Trustees' meeting.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

10585970 (England and Wales)

##### Registered Charity number

1181788

##### Registered office

York House  
41 Sheet Street  
Windsor  
Berkshire  
SL4 1DD

##### Trustees

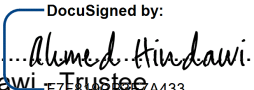
A A A Hindawi  
N M S A Abdelmottaleb  
H El Sokkari (resigned 3.6.20)  
A Ezzat (resigned 29.5.20)  
P H Peters  
Dr N Oweidat (appointed 2.4.21)

##### Independent Examiner

FLB Accountants LLP  
Chartered Accountants & Registered Auditors  
250 Wharfedale Road  
Winnersh Triangle  
Berkshire  
RG41 5TP

15/9/2021 | 03:48 PDT

Approved by order of the board of trustees on ..... and signed on its behalf by:

DocuSigned by:  
  
.....  
A A A Hindawi, Trustee

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HINDAWI FOUNDATION

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### Independent examiner's report to the trustees of Hindawi Foundation ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

DocuSigned by:

*Daniel Faust*

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Daniel Faust  
FCCA  
FLB Accountants LLP  
Chartered Accountants & Registered Auditors  
250 Wharfedale Road  
Winnersh Triangle  
Berkshire  
RG41 5TP

16/9/2021 | 15:45 BST

Date: .....

**HINDAWI FOUNDATION****STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

		<b>Year Ended 31.12.20 Unrestricted fund £</b>	<b>Period 12.12.18 to 31.12.19 Total funds £</b>
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Donations and legacies		<b>142,643</b>	185,000
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Operating expenses		<b>117,137</b>	126,378
Admin and other expenses		<b>19,184</b>	20,640
<b>Total</b>		<b>136,321</b>	147,018
<b>NET INCOME</b>		<b>6,322</b>	37,982
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>(89,350)</b>	(127,332)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(83,028)</b>	(89,350)

The notes form part of these financial statements

**HINDAWI FOUNDATION****BALANCE SHEET  
31 DECEMBER 2020**

		<b>2020 Unrestricted fund £</b>	<b>2019 Total funds £</b>
<b>FIXED ASSETS</b>	Notes		
Investments	5	<b>55,854</b>	55,854
<b>CURRENT ASSETS</b>			
Cash at bank		<b>10,756</b>	7,895
<b>CREDITORS</b>			
Amounts falling due within one year	6	<b>(149,638)</b>	(153,099)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<b>(138,882)</b>	(145,204)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>(83,028)</b>	(89,350)
<b>NET ASSETS/(LIABILITIES)</b>		<b>(83,028)</b>	(89,350)
<b>FUNDS</b>	8		
Unrestricted funds		<b>(83,028)</b>	(89,350)
<b>TOTAL FUNDS</b>		<b>(83,028)</b>	(89,350)

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements




## HINDAWI FOUNDATION

### BALANCE SHEET - continued 31 DECEMBER 2020

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

The financial statements were approved by the Board of Trustees and authorised for issue on 15/9/2021 at 03:48 PDT and were signed on its behalf by:

DocuSigned by:  
  
P7F8T9CB3E7A433...  
A A A Hindawi - Trustee

The notes form part of these financial statements

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**HINDAWI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020****1. ACCOUNTING POLICIES****Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

**Functional and presentation currency**

The Charity's functional and presentation currency is GBP.

**Material uncertainty related to going concern**

We draw attention to the current Covid-19 pandemic and the potential economic impact the virus will have in the coming months. In establishing whether to continue to report under the going concern assumption we have considered the following points:

- The impact on the day to day trade of the business
- The impact on the ability of our suppliers to meet our needs
- The impact of our staff's ability to perform their duties
- The impact on our cash position of a period of minimum activity

We have put measures in place to try to ensure the Charity remains a going concern but due to the potential impact of Covid-19 and how rapidly the responses to Covid-19 are developing we see it as prudent to indicate a material uncertainty exists that may cast doubt on the Charity's ability to continue as a going concern.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Turnover is from the provision of services and stated after trade discounts, other sales tax and net of VAT.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**HINDAWI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****1. ACCOUNTING POLICIES - continued****Fund accounting**

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the period ended 31 December 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the period ended 31 December 2019.

**3. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	<b>Year Ended 31.12.20</b>	<b>Period 12.12.18 to 31.12.19</b>
Translation & Publishing	<u>1</u>	<u>1</u>

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

**4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	<b>Unrestricted fund £</b>
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	185,000
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
Operating expenses	126,378
Admin and other expenses	<u>20,640</u>
<b>Total</b>	<u>147,018</u>
<b>NET INCOME</b>	<u>37,982</u>

**HINDAWI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**Unrestricted  
fund  
£**RECONCILIATION OF FUNDS**

Total funds brought forward (127,332)

TOTAL FUNDS CARRIED FORWARD (89,350)**5. FIXED ASSET INVESTMENTS**Shares in  
group  
undertakings  
£**COST LESS IMPAIRMENT**

At 1 January 2020 and 31 December 2020

**55,854****NET BOOK VALUE**

At 31 December 2020

**55,854**

At 31 December 2019

**55,854**

The investment assets are all outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Hindawi For Print and Distribution**

Registered office: Egypt

Nature of business: Print and Distribution

Class of share:	%
Ordinary	holding <b>100</b>

	<b>31.12.20</b>	31.12.19
	<b>£</b>	<b>£</b>
Aggregate capital and reserves	<b>76,625</b>	63,877
Profit for the year/period	<u><b>12,962</b></u>	<u>18,883</u>

**HINDAWI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020 £	2019 £
Other loans (see note 7)	130,000	130,000
Trade creditors	10,665	17,629
Social security and other taxes	765	778
Other creditors	168	336
Accrued expenses	8,040	4,356
	<u>149,638</u>	<u>153,099</u>

**7. LOANS**

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year on demand:		
Other loans	<u>130,000</u>	<u>130,000</u>

**8. MOVEMENT IN FUNDS**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	(89,350)	6,322	(83,028)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>(89,350)</u>	<u>6,322</u>	<u>(83,028)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	142,643	(136,321)	6,322
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>142,643</u>	<u>(136,321)</u>	<u>6,322</u>

**HINDAWI FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020****8. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 12.12.18 £	Net movement in funds £	At 31.12.19 £
<b>Unrestricted funds</b>			
General fund	(127,332)	37,982	(89,350)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>(127,332)</u>	<u>37,982</u>	<u>(89,350)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	185,000	(147,018)	37,982
	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS</b>	<u>185,000</u>	<u>(147,018)</u>	<u>37,982</u>

**9. RELATED PARTY DISCLOSURES**

Included within creditors amounts falling due within one year are loans repayable on demand, due to Dr A A A Hindawi (Trustee), of £130,000. These loans were provided to the entity prior to its change in status from Community Interest Company to a Charity, limited by guarantee, on 12 December 2018.

Dr A A A Hindawi confirmed his intention not to recall or demand repayment of the loans as at 31 December 2020, except that insofar as the funds of the charity permit repayment and that such repayment will not adversely affect the ability of the charity to carry on its operations for a minimum period of 12 months following the date of approval of the financial statements of the charity for the period ended 31 December 2020.

**HINDAWI FOUNDATION****DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Year Ended 31.12.20 £	Period 12.12.18 to 31.12.19 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	<b>80,106</b>	185,000
Gift aid	<b>62,536</b>	-
	<b>142,643</b>	<b>185,000</b>
<b>Total incoming resources</b>	<b>142,643</b>	<b>185,000</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	<b>28,522</b>	28,800
Employer national insurance	<b>2,768</b>	2,791
Pensions	<b>864</b>	1,227
Pension admin costs	<b>396</b>	-
Translation expense	<b>2,415</b>	7,976
Subscriptions	<b>956</b>	877
Copyrights	<b>32,268</b>	45,334
Web hosting	<b>30,925</b>	26,424
E-book fees	<b>16,965</b>	10,039
Book purchasing	-	39
Royalties	<b>419</b>	411
Travel	<b>409</b>	2,460
Audio book fees	<b>230</b>	-
	<b>117,137</b>	<b>126,378</b>
<b>Support costs</b>		
<b>Finance</b>		
Bank charges	<b>1,162</b>	796
Foreign exchange losses	<b>1,826</b>	1,049
	<b>2,988</b>	<b>1,845</b>
<b>Governance costs</b>		
Accountancy fees	<b>10,751</b>	3,808
Legal fees	<b>5,184</b>	9,941
Telephone & internet	<b>261</b>	208
Recruitment fees	-	4,838
	<b>16,196</b>	<b>18,795</b>

This page does not form part of the statutory financial statements

**HINDAWI FOUNDATION****DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**


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	Year Ended 31.12.20 £	Period 12.12.18 to 31.12.19 £
Total resources expended	<u><b>136,321</b></u>	<u>147,018</u>
<b>Net income</b>	<u><b>6,322</b></u>	<u>37,982</u>

This page does not form part of the statutory financial statements

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