

The AUC Foundation

Annual report and financial statements

For the year ended 31 December 2023

Charity Registration Number: 1192888

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Reference and administrative information

For the year ended 31 December 2023

Trustees	M S Gabr H Rachid S Shenouda
Chair	M S Gabr
Charity registered number	1192888
Registered office	Bates Wells Braithwaite Thames Exchange 10 Queen Street Place London EC4R 1BE
Independent examiner	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Bank of Egypt House 8-9 Stratton Street London W1J 8LF

Trustees' report

For the year ended 31 December 2023

The Trustees present their annual report along with the financial statements of The AUC Foundation ('Charity') for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out on page 6 and comply with The Charity's governing document, the Charities Act 2011 and "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 United Kingdom and Republic of Ireland' ('FRS' 102), effective from accounting periods commencing 1 January 2015 or later".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

The AUC Foundation ('the Charity') is a charitable incorporated organisation (CIO), not having share capital and was incorporated on 21 December 2020. It operates in accordance with a Governing Document adopted on 21 December 2020. If the Charity is wound up, the members have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Organisation and management

The Trustees make the key decisions about the conduct of the charity. The Trustees give their time voluntarily and do not receive any remuneration for their services to the charity.

The Trustees are considered the key management personnel of the Charity.

Recruitment and appointment of Trustees

The Trustees have complete control of the Charity in relation to the application of funds. Trustees are appointed in accordance with the Charity's governing document. All decision-making of the Charity is made in accordance with the Charity's Conflicts of Interest policy.

Trustees

The Trustees of the Charity during the year ended 31 December 2023 and up to the date of approval of this report were:

M S Gabr
H Rachid
P Hannon (resigned 7 September 2022)
S Shenouda
Dr A E Sharkawy PhD (resigned 7 July 2023)

Trustees' report (Continued)

For the year ended 31 December 2023

OBJECTIVES AND ACTIVITIES

Policies and objectives

The principal objective of the Charity is the advancement of education in the heritage and culture of the Arab world.

Public benefit statement

The Trustees of the Charity have given due regard to the Charity Commission's guidance on public benefit and have taken reasonable steps to ensure that this guidance has been considered in the activities undertaken by the Charity to deliver its charitable purposes.

The Charity delivers a benefit to the public through the pursuance of its principal object, the advancement of education and learning and in particular, the provision of facilities for education at suitable establishments and the award of scholarships, maintenance allowance, or grants for students.

ACHIEVEMENTS AND PERFORMANCE

The Charity received a payment in the year in accordance with the gift agreement pledged in 2022 (\$475,000 to be received over 5 years).

The Charity held one meeting with board of trustees during the year.

FINANCIAL REVIEW

Results for the year

The results for the year are shown in the statement of the financial activities on page 6. During the year, the Charity received donations and other income totalling of £64,444 (2022: £321,651). The cost of raising funds was £Nil (2022: £Nil) and amount spent on charitable activities totalled to £53,174 (2022: £11,688) which brought total expenditure for the year to £53,174 (2022: £11,688). The result for the year ended 31 December 2023 was a surplus of £11,270 (2022: £309,963).

The balance of the unrestricted reserves as at 31 December 2023 was £9,537 (2022: £18,323) and restricted reserves totalled £311,696 (2022: £291,640).

Reserves policy

The level of reserves is monitored and reviewed by the Trustees at least annually. The Trustees believe that the Charity should target to hold unrestricted financial reserves equivalent to a minimum of four month's operating costs.

As at 31 December 2023 the Charity's unrestricted reserves was £9,537 (2022: £18,323).

Trustees' report (Continued)

For the year ended 31 December 2023

Trustees' responsibilities statement

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with 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).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for the year.

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 "Accounting and Reporting by Charities; Statement of recommended practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulation 2008 and the provisions of the governing document. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

This report was approved by the Trustees and signed on their behalf by:


M.S. Gabr
Trustee

Date: Oct. 29, 2024

Independent examiner's report to the Trustees of The AUC Foundation

I report to the Charity Trustees on my examination of the accounts of The AUC Foundation for the year ended 31 December 2023.

Responsibilities and basis of report

As the Trustees of the Charity, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2001 ('the Act')

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- the accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charity (Accounts and Reports) Regulations 2008 other than requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

Buzzacott LLP

Claire Collins, ACCA
Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: **10 October 2024**

Statement of financial activities

For the year ended 31 December 2023

		Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds year ended 31 December 2023 £
	Note			
Income from:				
Donations	3	5,000	59,403	64,403
Other income	4	-	41	41
Total income		5,000	59,444	64,444
Expenditure on:				
Charitable activities	5	15,056	(68,230)	(53,174)
Total expenditure		15,056	(68,230)	(53,174)
Net income and net movements in funds		20,056	(8,786)	11,270
Reconciliation of funds:				
Total funds brought forward		291,640	18,323	309,963
Total funds carried forward		311,696	9,537	321,233

All activities relate to continuing operations.

All recognised gains and losses are included in the above statement of financial activities.

The notes on pages 11 to 13 form part of these financial statements.

Statement of financial activities

For the year ended 31 December 2022 (comparative period)

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds year ended 31 December 2022 £
Income from:				
Donations	3	291,640	30,000	321,640
Other income	4	-	11	11
Total income		<u>291,640</u>	<u>30,011</u>	<u>321,651</u>
Expenditure on:				
Charitable activities	5	-	(11,688)	(11,688)
Total expenditure		<u>-</u>	<u>(11,688)</u>	<u>(11,688)</u>
Net income and net movements in funds		291,640	18,323	309,963
Reconciliation of funds:				
Total funds brought forward		-	-	-
Total funds carried forward		<u>291,640</u>	<u>18,323</u>	<u>309,963</u>

All activities relate to continuing operations.

All recognised gains and losses are included in the above statement of financial activities.

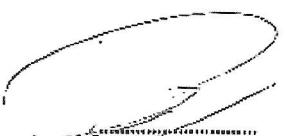
The notes on pages 11 to 13 form part of these financial statements.

Statement of financial position

As at 31 December 2023

	Note	2023 £	2022 £
Current assets			
Cash at bank		105,952	30,011
Debtors: amounts within one year	8	373	-
		106,325	30,011
Creditors: amounts falling due within one year	10	(21,288)	(11,688)
Net current assets		85,037	18,323
Debtors: amounts more than one year	9	236,196	291,640
Net assets		321,233	309,963
Charity Funds			
Unrestricted funds		9,537	18,323
Restricted funds	12	311,696	291,640
Total funds		321,233	309,963

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


Mrs Gabr
Trustee

Date: Oct. 29, 2024

Notes to the financial statements

For the year ended 31 December 2023

1. General information

The AUC Foundation ('the Charity') is a charitable incorporated organisation (CIO), not having share capital and is incorporated in England and Wales. The Charity registration number is 1192888. Its registered office and principal place of business is St. Peters House, 130 Wood Street, London, EC2V 6DL.

2. Accounting policies

2.1 Basis of preparation

These accounts have been prepared for the year ended 31 December 2023 with comparative information presented for the year ended 31 December 2022.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or in the notes to these accounts.

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the financial reporting standard applicable in the United Kingdom 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 Charities Act 2011.

The Charity constitutes as public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

2.2 Critical accounting estimates and areas of judgement

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

The following principal accounting policies have been applied:

2.3 Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts.

The Trustees of the Charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

2.4 Cash flow statement

The financial statements do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirement to produce such a statement under Accounting and Reporting by charities Statement of Recommended Practice (Charities SORP (FRS 102)).

Notes to the financial statements

For the year ended 31 December 2023

2. Accounting policies (continued)

2.5 Income recognition

Income is recognised in the period in which the Charity is entitled to receipt, the amount can be measured reliably and it is probable that income will be received. Where income relates to future periods, this income will be deferred. Grants and donations received for the general purposes of the charitable company are included as unrestricted funds; grants and donations for activities restricted by the wishes of the donor are taken to restricted funds.

2.6 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to make a payment to a third party, it is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is included in the accounts on an accruals basis and included attributable VAT, which cannot be recovered.

Expenditure is allocated to the particular activity on a direct basis or by allocation based on the level of direct expenditure relating to that activity.

2.7 Debtors

Debtors are recognised at their settlement amount, less any provisions for non-recoverability. Prepayment are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

2.8 Cash at bank

Cash at bank represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisitions.

2.9 Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the Charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

2.10 Taxation

The AUC Foundation is a registered Charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

2.11 Fund accounting

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

Unrestricted general funds are available for use at the discretion of the Trustees in the furtherance of the general objectives of the Charity.

Notes to the financial statements

For the year ended 31 December 2023

2.12 Foreign currencies

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

Transactions in foreign currencies are translated into Pounds sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities incorporating income and expenditure account.

3. Donations and legacies

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Donations	-	400	400
Donation income in kind	-	59,003	59,003
Unwinding of discount related to donation	5,000	-	5,000
Total	5,000	59,403	64,403

	Restricted Funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations	-	30,000	30,000
Unwinding of discount related to donation	291,640	-	291,640
Total	291,640	30,000	321,640

Included in donation income in kind are donated services from The American University of Cairo totalling £59,003 in respect of insurance and legal & professional fees paid on the Charity's behalf and the detail of which is in note 13 Related party transaction.

4. Other income

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Interest income	-	41	41
Total	-	41	41

Notes to the financial statements

For the year ended 31 December 2023

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Interest income	-	11	11
Total	-	11	11

5. Expenditure on charitable activities

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Charitable activities			
Insurance	-	1,157	1,157
Exchange rate difference	(15,056)	-	(15,056)
Governance costs			
Legal and professional fee	-	57,473	57,473
Accountancy fees	-	4,800	4,800
Independent examination fees	-	4,800	4,800
	(15,056)	68,230	53,174

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Governance costs			
Accountancy fees	-	6,888	6,888
Independent examination fees	-	4,800	4,800
	-	11,688	11,688

The Charity has not employed any staff directly.

6. Independent examiner's remuneration

	2023 £	2022 £
Accountancy fee	4,800	6,888
Independent examination fee	4,800	4,800
	9,600	11,688

7. Trustees' remuneration

No Trustees received any emoluments for their services as Trustees during the year.

No Trustees were reimbursed for any expenses during the year.

Notes to the financial statements

For the year ended 31 December 2023

8. Debtors: amounts due within than one year

	2023	2022
	£	£
Prepayments	373	-
	<u>373</u>	<u>-</u>

9. Debtors: amounts due after more than one year

	2023	2022
	£	£
Other debtors	236,196	291,640
	<u>236,196</u>	<u>291,640</u>

In 2022, the Charity received a grant commitment to receive an amount of \$95,000 per annum from 2022 to 2026 inclusive. An asset was recognised, discounted to present value using a discount rate of 7% per annum.

The notional interest is credited to the statement of financial activities as the discount is "unwound".

10. Creditors: amounts due within one year

	2023	2022
	£	£
Accruals	21,288	11,688
	<u>21,288</u>	<u>11,688</u>

11. Allocation of net assets between funds

The allocation of net assets between funds as at 31 December 2023 are represented by:

	Restricted funds	Unrestricted funds	Total funds
	2023	2023	2023
	£	£	£
Current assets	75,500	30,825	106,325
Non-current assets	236,196	-	236,196
Current liabilities	-	(21,288)	(21,288)
Total net assets	<u>311,696</u>	<u>9,537</u>	<u>321,233</u>

The allocation of net assets between funds as at 31 December 2022 are represented by:

Notes to the financial statements

For the year ended 31 December 2023

	Restricted funds 2022	Unrestricted funds 2022	Total funds 2022
	£	£	£
Current assets	-	30,011	30,011
Non-current assets	291,640	-	291,640
Current liabilities	-	(11,688)	(11,688)
Total net assets	291,640	18,688	309,963

12. Restricted funds

	Opening 2023	Income 2023	Expenditure 2023	Total funds 2023
	£	£	£	£
Scholarship	291,640	5,000	(15,056)	311,696
Total net assets	291,640	5,000	(15,056)	311,696

The specified purpose for which the above funds are utilised are:

To support one undergraduate Egyptian student from Upper Egypt, who demonstrates academic merit and financial need.

13. Related party transactions

The American University of Cairo paid for expenses of the Charity totalling £59,003 during the year (2022: £Nil). This has been recognized in donation income in kind (note 3). The corresponding expenditure is recognized within charitable activities. M S Gabr, a trustee of the charity, is also a trustee of The American University of Cairo. At the year end the amount due to the charity from this related party was £Nil (2022: £Nil).

Name of the trustee or member	Name of the trustees'/members' group	Nature of goods/facilities and services	Value 2023
			£
M S Gabr	The American University of Cairo	Charitable Activities	
		-Insurance	1,157
		-Legal & professional	57,473
		Current Asset	373
		-Prepayments	59,003