



(A charitable company limited by guarantee without having a share capital)

Company Registration Number: 02171893  
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**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED**  
**31 December 2017**

# The A. M. Qattan Foundation

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## **The A. M. Qattan Foundation Trustees' Report**

This progress report covers a nine-month period, compared to the regular 12 month long annual reports. In 2016 the Board of Trustees took the decision to change the start of the fiscal year from 1 April to 1 January. In addition to the change in reporting milestones, the Foundation's programmes and general management team have spent considerable time on follow up of the new building construction, and opening activities, planning for the move there and the action plans to follow. Nevertheless, considerable progress was made in the Foundation's operations as well as in its programmatic work during the reporting period.

### **Governance**

The object of the Charity is the advancement of the education of Arabs in general and of Palestinians in particular; and the advancement of the education of the public in Arab and Palestinian studies. The Charity is governed by policies and procedures devised originally with support from a professional firm of auditors to cover all operations. A semi-annual and an annual report on all programmes, projects and management issues are submitted to the Board of Trustees (BoT) for discussion, guidance and approval. The BoT meets with the Management Committee (MC) of the Charity at least twice a year. The MC is composed of all members of staff at Director level and selected senior staff .

### **The Constitution of the Charity**

The A.M. Qattan Foundation is a registered charity - a company limited by guarantee

### **Public Benefit**

We have referred to the guidance in Section 17 of the Charities Act 2011 on Public Benefit when reviewing our aims and objectives and in planning our future activities . In particular, the Trustees, as well as all senior members of staff, are asked to carefully consider how planned activities will contribute to the aims and objectives they have set.

In that regard, the Trustees are satisfied that all activities and the benefits arising from them are strictly in line with the Charity's stated aims; that its activities are solely focussed on children, teachers, artists and creators; that all opportunities and benefits are offered on an open, transparent but competitive basis, while ensuring that activities are distributed across geographical, economic and social areas and strata with a specific focus on marginalised or impoverished communities (for example in rural areas or refugee camps), without compromising the quality of services provided.

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## General Management

Following the recruitment of the HR office and the Head of the Information Technology (IT) Unit, in the previous reporting period, the Foundation has made significant steps towards the centralization of support and administrative functions. In addition, there was a significant increase in communications outreach, continued work on diversification of resources, completion of the evaluations needed to underpin the next strategic plan, and work on the final stages of construction and fitting of the new building.

In HR, a new Performance Management and Incentives Policy was approved by the board and implemented as part of the end-of-year evaluations. The staff of the Walid and Helen Kattan Science Education Project became permanent of the Foundation, and the organisational structure will be revisited during the strategic planning process to take place in late 2018. Progress has been made in securing tax exemption from the Ministry of Finance for the Employee Savings Fund. The fourth round of grants to employees' children was agreed; 14 grants were approved, totalling \$37,000.

The IT infrastructure was further developed. For example, the Ramallah-based library software was upgraded and important improvements were made to the website. Operational and staff needs at the new building were assessed, and the possibility of installing a human resources development system is being considered.

The work of the Communications & Public Relations department almost doubled due to the exponential increase in the number and diversity of public activities, which created significant challenges for the team and required additional resources. In addition to promoting the Foundation's regular activities, the Communications Department provided significant support to the recently-established Public Programme, widening the Foundation's networks and increasing the number of events that required media planning, documentation and coverage. The Communications Department also supported an increased number of activities undertaken by the Culture and Arts Programme that required extensive documentation and monitoring.

In pursuit of more diversified and sustainable funding sources, the Foundation signed two agreements totalling \$140,230 during the reporting period. A concept paper titled *A Creative Child: A Bright Future*, was developed and submitted to Dubai Cares Foundation. Work is underway to develop a fundraising proposal for the Science Studio and a list of interested donors is being compiled. The Foundation is examining the extension of the Mobile Library project with the Bank of Palestine and launching a new round of the Culture, Art and Community Participation project with the Swiss Agency for Development and Cooperation (SDC). In an effort to develop AMQF assets, negotiations are taking place with the Carmel Company to swap 900 square metres of land (which the AMQF recently acquired) for an adjacent land parcel.

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The terms of reference (ToR) for special grants was developed and adopted. An updated version of the AMQF bylaws was amended and endorsed. An amended terms of reference (ToR) for the Management Committee was approved and rolled out. Work continues to deliver on the approved recommendations of internal audit reports. In addition, the ToR for the external evaluation of the Culture and Arts Programme was developed as was the draft ToR for the strategic planning process. With the completion of round of evaluations, the new five-year strategic plan will be developed in 2018.

Work continued apace on the new building. The majority of drop ceilings, false wall panels, office room dividers and stone flooring of the interior and exterior terraces were finished. Work also began to install movable partitions under the supervision of an expert from the Dynamobel Company. In addition to louvers, aluminium and glass panels were fully installed on all the facades of the new building. Most electrical equipment, including the generator, panels, machines and mechanical system equipment, were procured and installed. The groundwork for all electrical and mechanical systems was also finished. With the exception of those purchased directly, tenders for furniture supply were invited and awarded. Meanwhile, preparations are underway to prepare the building's gardens.

Some issues were faced during the reporting period. Most notably, the completion and equipping of the new building was delayed. There were difficulties in implementing the new proposal for performance appraisal and to centralise support operations, and insufficient use was made of IT in the process of automating operational procedures. The Foundation continued to face difficulties in recruiting qualified staff with appropriate qualifications for some positions. The fact that an increasing number of events were open to the public also required some adjustments. All of these issues were tackled in ways that either resolved or mitigated the effect on the Foundation's work and the opening of the new building is now set for June 2018.

### **The Foundation's fundraising policy**

The Foundation has an in-house resource development manager at its Ramallah headquarters who is responsible for fundraising. The foundation follows its own fundraising policy approved by the Board of Trustees. The Policy states that external funding should not exceed 40% of the Foundation's annual budget, and that the Foundation should play a leading role in the design and implementation of any and all projects. In addition, no conditions should be attached to external funding that contradict the Foundation's core mission, which is to serve the interests of Arab and Palestinian society without discrimination. The Foundation approaches donors in

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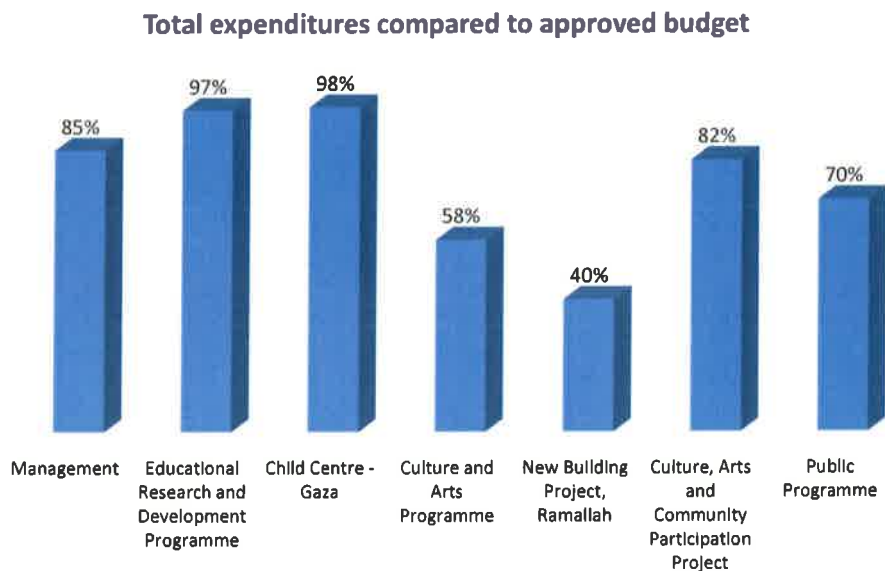
order to extend and expand its programmes' operations by co-funding selected projects and programmes. The Foundation approaches international aid agencies and private businesses to co-fund or support its activities, for examples the Swiss Agency for Development and Cooperation, The Swedish Development and Cooperation Agency, and the Bank of Palestine. The Qattan family is responsible for covering all administrative expenses and the majority of programme costs in order to ensure the Foundation's sustained independence.

### Summary of the Financial Report

During the reporting period, total revenue was £16,460,347. Total expenditure was £5,437,973. By the end of the 2017 fiscal year, total disposable cash stood at £10,815,999.

Towards the end of the 2017 fiscal year, the balance of the Savings Fund for staff in Palestine was \$428,300 while the Staff Severance Pay Fund had a balance of \$1,514,010.

Total expenditure comprised 56% of the approved 2017 budget. This expenditure represents 78% when the AMQF new building project is excluded. The following chart shows the percentage of expenditures compared to the approved budget appropriations of all AMQF programmes and projects.



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## **Child Centre – Gaza**

The reporting period covers the summer break, a typically busy period over three months in the summer. It also reports on part of the spring and autumn programme cycles in 2017.

During this period, the Child Centre – Gaza (CCG) continued to provide services and develop programmes that took into account children's needs and priorities as well as the context of the work in a conservative society affected by harsh political, economic and living conditions.

CCG services were informed by a participatory planning process and ongoing evaluation of the work. The CCG management and staff made relentless efforts to devise solutions to facilitate operations and create a positive environment given the many challenges faced due to Gaza's conditions. During the summer break the pay of Palestinian Authority staff was cut by 30 to 50%. There were also many power cuts, negatively impacting on all aspects of life. In particular, wastewater treatment has been completely disrupted and raw sewage is now pumped into the sea, causing significant contamination and warnings have been issued against visiting, swimming or fishing in the sea. The sea had previously been important for the population, especially the children of Gaza, to bathe and alleviate the sweltering heat of the summer.

As a result of the limits on recreational options in the Gaza Strip, an increasing number of children visited the centre which has, over the years, managed to win public trust and confidence. It continues to offer a variety of high-quality activities and courses, which keep pace with the latest IT, scientific and cultural developments. The centre also provides a safe and convenient environment for parents and children of different age groups.

The growing number of children who subscribe or renew their membership at the CCG as well as the fact that some come from different backgrounds poses challenges. The staff need to make special efforts to help the children adapt to the premises, learn about activities and interact with other children in joint activities. The biggest challenge is to help violent or naughty children to engage in activities in an atmosphere of mutual respect and commitment to the CCG's standards of ethics and conduct. During their time at the CCG, many of the children showed a positive change in their conduct, self-confidence and freedom of expression.

The influx of a large number of children during school breaks also poses significant challenges to service delivery and the CCG has to increase its capacity, activities and human resources. Among other things, it used refurbished spaces at the adjacent Is'ad al-Tofula Park Centre and organised trips offsite to accommodate demand. It has also had to regulate the number of people who can visit and use the Centre's services

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which is a problem for parents used to sending their children to the centre for the larger part of the day.

The CCG continues its outreach to children, parents and professionals who work with children throughout the Gaza Strip, particularly in marginalised areas that lack cultural and recreational services. Indicators of success included a rising demand for the CCG's services and an increase in the number of memberships and borrowed books. The CCG also expanded local partnerships with universities and community organisations and leveraged co-funding. CCG events were also the focus of increasing media interest and coverage.

### 1. Selected Activities and Achievements

#### ▪ Self-Learning, Reading, Research and Expression

The CCG library, which increased by 2,365 items in 2017, also functions as a space for cultural programmes, which included *Hakawati* (storytelling), shadow theatre, cultural competitions and activities to promote reading. This helped to promote self-learning, developed a love of research and investigation and improve linguistic skills, including among children with reading and writing difficulties.

CCG clubs also hosted talented children with creative writing skills and organised literary evenings for wider audiences. Several literary encounters were held with Palestinian storyteller Mays Dagher, the author Munir Fasheh, and the novelist Khaled Juma.

The CCG English Language Club created an enabling and supportive environment to promote the children's linguistic and personal skills and improve their methods of presentation and debate. In addition to literary events with Palestinian-Australian writer and activist Samah Sabawi and Danish writer Glenn Ringtved, the Club also sponsored a Talk Show. The children had the opportunity to publish both their Arabic and English literary works.

The CCG's Outreach Unit delivered a variety of activities to broaden the children's horizons and knowledge.

#### ▪ Training Workshops and Professional Development

Two CCG library staff participated in courses to strengthen their skills, the first in social media marketing, mobile apps, and graphic design, while the second received a diploma from the International Network of Emerging Library Innovators - Middle East & North Africa at the completion of a two-year course.

The CCG also offered training and skills-building services in a range of areas to several organizations and community associations throughout the Gaza Strip,



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including the al-Noor Rehabilitation Centre for the Visually Impaired, the al-Amal Institute for Orphans, and the Dar Suad Al-A'zamy Association.

In addition, courses were organised for cultural actors from local community organisations as well as kindergarten principals and educators on areas such as quality assurance, academic planning for kindergartens, and healing and education through the arts, much of it in the context of the Early Childhood Care and Development (ECCD) project, co-funded by Save the Children International. And, in collaboration with the Ministry of Education, the CCG organised a training course for teachers on Arduino to improve their IT skills.

### **▪ Non-curricular Programmes in Science and IT**

Among the science programmes the CCG offers to the public is the Do it Yourself programme which provides children an opportunity to adopt a scientific approach to the problems they face in their day-to-day lives. The children's 16 projects were exhibited in the closing ceremony of the Scientific Products exhibition. Other programmes include the Green World, which this year focused on aquaculture as a way to cope with decreasing agricultural land and dwindling availability of water in the Gaza Strip.

In addition, several courses were organized at the computer lab including robotics, smart electronics, animation, and number games as well as programming, design and filmmaking. The children's models and designs were exhibited at various forums.

### **▪ Enriching Children's Creative Skills**

The 12 summer courses on performing arts taught children new skills in drama, performance and theatre. These included: courses in ballet and ongoing training for the children of the Qattan choir. The third Rozana Heritage Festival brought children together with their grandmothers to meet heritage specialists, explore multiple archaeological sites and organise awareness sessions with parents in the areas surrounding these sites.

Nine courses were delivered to children in fine art programmes in summer 2017 covering areas such as video artworks reflecting real-life experience among children; printing; and animation filmmaking with a trainer from Glazaa, Belgium.

### **▪ Participation in Local and International Events**

In total, the CCG received 12,861 children in events and activities that included participation in the Reading is Life campaign launched by the Ministry of Culture, the Library Week, the World Arabic Language Day 2017, and the Talking Point project in collaboration with the Goethe Institute.

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The CCG participated in the Science Days and Science Film Festival 2017 which attracted more than 3,300 visitors. It also launched, in collaboration with the Palestine Chess Federation, the first chess tournament, which was enthusiastically received by both children and parents. And, in collaboration with the Young Palestinian Filmmakers Society, it curated the Fourth International Young Filmmakers Festival which screened films from Palestine, Iraq, Lebanon, Norway and Greece.

It partnered with the Tamer Institute for Community Education as part of the Promotion of Reading campaign, engaging more than 250 children from six schools. CCG children also participated in the Sea and Freedom carnival, curated by the Edward Said National Conservatory of Music and the children of the Qattan Choir, Performing Arts Club and Aerobics courses performed for the first time, winning the audience's admiration.

### ▪ **Joint Programmes for Parents and Children**

The *Dardashat* (Parents' Chats) programme aims to engage parents and covers a variety of educational, social and health issues to enhance the children's upbringing and education and seminars that include psychological support, child's rights, speech disorders, and dental care. A total of 18,937 children under the age of six and their parents participated in these activities.

The CCG also hosts Parent Encounters to support the cognitive, social, emotional, and physical development of children at the kindergartens and schools benefiting from the Early Childhood Development programme as well as the Improved Education project funded by the Norwegian Refugee Council. A total of 1,318 parents took part in the programme.

The CCG Ateliers target children under six years old accompanied by their mother or father and focus on painting to develop the children's sense of art and fine motor skills. A total of 18,963 children took part in these activities. Other programmes targeting children under six and their parents include Science for Toddlers and the Sesame and the Computer activity.

## **2. Challenges and Opportunities**

Gaza is affected by political, economic and social instability which the CCG overcomes through teamwork, continued collaboration between colleagues and insistence on achieve tangible deliverables. The challenges included:

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- The ban on travel, denial of access through the Beit Hanun Crossing and the closure of Rafah Crossing have prevented CCG staff from participating in external training events and book fairs.
- The position of the Head of Library and Technical Services continues to be vacant.
- Due to a rising demand by girls' schools an increasing number of female students participated in CCG programmes. An effort has been made to integrate boys' schools in these programmes, although female students remained the majority.
- Some children exhibited negative behaviour. Specific activities were organized and successfully addressed many of these attitudes.
- The delay in funding of child-friendly spaces restricted the CCG to a single team working one day a week in every area. An animator was also employed in the child-friendly spaces.
- Because they are unavailable locally, scientific and IT devices must be purchased from abroad. There is also a delay in delivering some devices to Gaza.

### **Opportunities**

- IT capacity, including videoconferencing, enables joint activities with partners outside Gaza. For example, a collage workshop delivered with the Palestinian Museum.
- External funding contributed to developing the Science Lab room and providing scientific and IT devices and tools. Child-friendly spaces afford good fund-raising models for new spaces that target children in marginalised areas with no similar services.

### **3. Programme Management**

The CCG budget appropriation for the reporting period was \$1,035,005 of which 98% was spent by the end of December 2017.

#### **▪ Coordination and Synergy with Other Programmes**

The CCG continued to provide technical and financial support to the Educational Research and Development Programme (ERDP) Office in Gaza. The CCG purchased, configured, transferred data and connected communication devices to a central storage unit. It also purchased a firewall system to link the ERDP Office to the AMQF network, and UPS batteries were replaced. The CCG continued to support administrative and financial affairs, procurement and health insurance.

#### **▪ Monitoring and Evaluation (M&E)**

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Stakeholder participation in, and commitment to, CCG programmes and courses is documented on attendance sheets, measured by pre- and post-evaluation exercises, success stories, teacher and parent comments and matching verification criteria to goals. Based on regular contacts, schools noted that most of the groups that took part in the CCG library programmes were involved in local and international reading competitions. Children also scored highly in school-district competitions.

The evaluation of the Early Childhood Programme shows increasing public participation in its events and activities. As for the child-friendly spaces project, it is highly valued by parents and children. Parents have observed a decrease in violence among their children and are optimistic that with continued participation in the project it will completely disappear. Partner institution staff say the project has helped rejuvenate their institutions.

The Mobile Library is also clearly benefiting children, who expressed a wish for more than one lesson. Librarians too were clearly satisfied and suggested that teachers receive training in child management and storytelling techniques.

The outcomes for the training programmes and IT activities were positive overall. Among other things, children who participated in working groups demonstrated a spirit of collaboration in finalising assigned projects and learned more through group participation; many children said the programmes contributed to discovering their talents and learning new skills; there was high satisfaction with the CCG environment, including the halls, trainers, tools and technologies; and audience numbers exceeded expectations.

### **▪ New Partnerships, Media and Networking**

The CCG continued to work on projects co-funded by the Bank of Palestine (Mobile Library), Save the Children International, Taawon, and the Norwegian Refugee Council.

It published press reports and posted photos, newsletters and bulletins on its website, and produced and broadcast five documentary films on programmes and activities. Its programmes, activities and events received extensive media coverage on local and international media outlets, including the Turkish Radio and Television Corporation (TRT), Swedish Radio, Anadolu Agency, al-Ghad TV, al-Mayadeen TV, An-Najah Broadcasting Channel (NBC), and al-Ayyam, al-Quds and al-Hayat al-Jadida newspapers.

The CCG received and introduced a number of personalities to the centre's goals, activities and programmes. The Director also received several foreign delegations that participated in many CCG events, including the Representative Office of Switzerland to Palestine; the Papal Mission; the Representative of Japan to Palestine; and a

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delegation of the Representative Office of Germany and Goethe Institute; and the Palestinian Minister of Culture and an accompanying delegation from the Ministry of Culture.

### **4. Recommendations**

Looking forward, in addition to sustaining and expanding successful programmes, the GCC recommends the following: an increase in training opportunities for its staff; assistance to procure educational books for the CCG library from outside the Gaza Strip and for staff members to visit annual book fairs to help with acquisition; development of an electronic system to regulate children's participation in the CCG activities and provide accurate statistics; and development of additional mechanisms and procedures to cope with overcrowded classes at the CCG, particularly during the summer and winter breaks.

### **Educational Research and Development Programme**

During 2017, the Educational Research and Development Programme (ERDP) undertook an internal review of its programmes to enhance its operations. Two brainstorming sessions were organised that engaged all ERDP staff members in discussions focused on the feasibility and effectiveness of ERDP activities and the use of resources available to it.

In the first session, the ERDP concentrated on the overall Programme direction. Among other conclusions, the team was of the view that their work with teachers was the most productive arena. In difficult circumstances and with limited capacities and poor curricula, a good teacher is much better than having ideal facilities. The second session addressed four main questions: (1) As a programme, what resources, knowledge, experience, relationships, etc. do we have? (2) What do we aim to achieve in the long term? (3) What challenges do we face in seeking to accomplish our goals? (4) What can we do in the short term to lay the ground for a strategic vision in the next five years?

We reviewed ERDP activities against this background noting the new openings created by the knowledge we have gained from experience. For example,

1. We had previously stressed the importance of interaction with the community as part of the process of education. We have now moved further to develop knowledge and experience based on practice through the Culture, Art and Community Participation project. This is grounded in a partnership between teachers, artists, social activists, parents and pupils.
2. We had recognised the importance of producing scientific exhibits by developing local experience in a national context and combining science, art

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and production. We now have the nucleus to achieve this goal: the newly-established Science Studio.

3. We are working on an Early Childhood Professional Development programme, which would incubate a professional development lab with practical applications at a model kindergarten. This is important because, although the education system in Palestine attempts to integrate early childhood into the school system, it is not equipped with the knowledge, capacity, and material resources to achieve this goal.
4. The Drama in the Context of Learning programme is moving in a new direction. A team of 20 to 30 teachers will be selected to take part in an advanced professional development programme so as to expand the project's sphere of influence. We have learned that working with teachers requires long-term engagement and it is not easy to work with a larger number of teachers.
5. Our review underscored the importance of better linking various activities and areas of work within ERDP, including:
  - Linking the Drama in the Context of Learning programme and the Science Studio to the Early Childhood Development Programme.
  - Involving teachers from the Drama in the Context of Learning programme in supporting the Culture of Cinema programme.
  - Winter courses targeting new teachers that intersect with the school curriculum and employ art, science and technology as learning pedagogies.

This learning is being fed into the activities of the ERDP. For example, the team's researchers, coordinators and exhibit developers, have worked as an integrated unit to produce a theme on learning for the inauguration of the new AMQF building. The exhibition - *In the Shadow, in the Light* – integrates science, art and technology through observation, participation and production with the audience, particularly students. In addition, workshops are being organised jointly by the Public Programme and teachers to reproduce and deconstruct symbols through works of art. These will be exhibited at the inaugural opening of the AMQF new building.

Meanwhile, the Ni'lin Teacher Centre continues to function as a comprehensive cultural space that provides a unique experience for teachers to work with the community. These teachers organise activities and events in the spheres of education, culture and art that are aimed at children and parents as well as other teachers. This space can be used for integrated events by the Public Programme.

Professional development courses have been produced to serve as the backbone of activities and programmes in the new building. Here, too, linkages across activities are emphasized, for example,

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- a. The Public Animation course is linked to the just established Puppet Animation Lab at the new AMQF building.
- b. The existing Children's Literature course is linked to the Children's Corner at the new Library.
- c. The existing Cinema Culture course is combined with the Film Screening programme at the new building.

Publications, including the *Ru'a Tarbawiyya* Quarterly, books and translations, continue to be an important part of ERDP programmes. Two publications addressed drama and childhood and a forthcoming issue will focus on science education and science exhibits.

ERDP has developed a network of high-quality relationships, enabling it to keep track of the latest expertise and applications around the world. It has done so by participating in conferences on Drama in the Context of Learning as well as of science networks and think tanks; developing a teacher exchange programme with the Woodrow School in England and initiating a Professional Development/Drama in a Learning Context programmes in Egypt and Jordan.

The new building has provided significant space to innovate new types of events, activities and programmes drawing on the ERDP's use current experiences and knowledge base. Against this backdrop, the ERDP is considering ways to:

1. Use the new building as a learning space and design educational programmes for teachers and students, taking advantage of their participation in other events at the building as well as producing tailor-made programmes both for when they are at the building and at their schools.
2. Use the new building as a base for outreach to other sites, such as schools, forums, and the Ni'lin Teacher Centre, providing science exhibits and cultural activities.
3. Develop a children's corner with special programmes in the library and at other facilities, including a model classroom, puppet animation lab and science exhibits.
4. Explore the potential to place science exhibits in multiple areas within the new building after experimentation at the Science Studio.
5. Develop an integrated learning theme that will demonstrate various processes to visitors, including observation, participation and production through a combination of practical, artistic and technical themes.
6. Continue to support ERDP programmes by providing publication and translation services as well as research opportunities, media engagement and participation in forums and conferences.

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Against this background, it is clear that ERDP must focus its resources, expertise, and relations in order to achieve maximum engagement with the public, striving to reach a broader audience, particularly amongst children and adolescents. Given all that is happening to our community, as well as around the world, art and science are even more essential, indeed pivotal, for the future of our society.

### **Culture and Arts Programme**

The period covered by this progress report covers a shorter transition period for the Foundation's operations. Beyond a doubt, the transition has impacted activities the Culture and Arts Programme (CAP), particularly its capacity to disburse funds given the large number of projects that it supported during this period. In particular, new productions needed a longer time than the reporting period to be finalised and all payments disbursed. Accordingly, CAP anticipates that disbursements will increase considerably over the next two months.

Nevertheless, CAP managed to deliver its programmes smoothly and to bolster a strong working relationship with the newly-established Public Programme. The collaboration between the two programmes included the Young Artist of the Year Award (YAYA) 2018 and the Palestinian-Flemish Cultural Festival slated for February 2018 in Ghent, Belgium, and in May 2018 in Ramallah, Palestine. CAP and the Public Programme plan to collaborate on a joint annual plan and budget that will explore areas of cooperation and joint activity.

During the reporting period, the second round of the Culture, Art and Community Participation project was launched with co-funding from the Swiss Agency for Development and Cooperation (SDC). CAP also began implementing the Visual Arts: A Flourishing Field (VAFF) project with funding from the Consulate General of Sweden represented by the Swedish International Development Cooperation Agency. At the time of reporting, five grants in the amount of SEK 8 million (equivalent to \$912,000) were approved. The CAP team is currently following up on the development of project proposals with the remaining shortlisted institutions. All eight grants of the first project round will have been approved and each grant will be delivered in 18 months. Applications for the second project phase will open in early 2019.

Eight new grants were offered through the Links through the Arts programme (*Selat*) during the reporting period. A visit was made to explore the prospects for designing and implementing a capacity-building programme in the performing arts among Palestinian youth in particular. This activity would build on the experience of the Summer School for Performing Arts.

In addition, CAP continued to support the culture and art scene in Palestine and promote Palestine's cultural visibility abroad. It enabled more artists to develop their expertise and skills by means of education, training, artist residencies and



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opportunities for producing new art. In this regard, CAP offered a range of grants and organised a variety of interventions and events.

CAP was able to deliver a major part of the activities in its annual plan. A summary of the achievements during the reporting period follows below.

CAP facilitated the engagement of artists in new, outstanding cultural or knowledge-based productions led or supported by the AMQF, providing an opportunity for artists to make a living wholly or partially by working in their cultural spheres. It supported 16 new performing art, visual art and audio-visual projects chosen from dozens of applications by specialist juries followed stringent criteria. The selections were supported by the Qattan Grant for Performing Arts and *Selat* in partnership with the Prince Claus Fund. CAP also continued to follow up on and finalise those projects already being implemented from previous rounds of the Qattan Grant for Performing Arts and *Selat*. In addition to providing the opportunity for new cultural and artistic projects as well as remuneration for their work, several of the projects enabled young artists to take advantage of training and capacity-building programmes to improve their prospects for a sustainable future in the arts.

CAP also offered 16 new scholarships to music, performing arts, and cultural management students. These included six scholarships in music; four in theatre and dancing; three in art; and six in cultural management. Several of these enabled students to pursue their education in institutions and universities around the world. In 2017, eight students earned BA and MA degrees with support from the CAP. Most of the graduates produced their own work and/or participated in a variety of art projects.

The CAP launched a new round of the Young Writer of the Year Award 2017 (YWYA 17) and helped to launch events for the winning literary works in 2016. With the participation of its partners Goethe Institute, Consulate General of France and FilmLab: Palestine, the CAP organised a new round of the Ramallah Doc project. A group of Palestinian filmmakers presented their projects to producers and editors from different countries, some of whom showed interest in some of the projects. To support the work, CAP and its partners organised a workshop on the development of trailers and another on pitching techniques. Also in collaboration with its partners, CAP continued to provide artist residencies to visual and performing artists. A total of 217 young and dedicated artists, including 66 women, engaged in new projects, which are currently being followed up.

The CAP also sought to ensure that artists who benefit from AMQF programmes lead community initiatives beyond the framework of institutional support. Apart from day-to-day work pressure, the CAP has followed up on implementing this goal, requiring extensive monitoring. The CAP has also proceeded with collating and promoting success stories of programme beneficiaries. To this avail, it monitored the experiences of those who took the lead in community-based initiatives. Hand in hand with the Public

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Programme, building working relationships with beneficiaries and planning their contributions either within AMQF programmes or in cooperation with other institutions will be easier and more realistic. This activity requires a concerted organisational effort, financial resources, spaces, media coverage, etc. The CAP will work on this activity during the coming period.

Another goal of the CAP is to build a broader and more diverse audience both locally and internationally, through programmes supported by the AMQF. In this context, the CAP has continued to support a number of high quality and significant art festivals, maintained large-scale public participation and covered a large area of Palestine. The Programme supported 10 international and local festivals, including contemporary dance, music, theatre, cinema and folklore. Organised in many Palestinian cities and towns, these festivals attracted diverse audiences of tens of thousands. Through its seasonal grants, the CAP also supported 16 projects and events in literature, visual arts, performing arts and training in different areas. Additionally, the CAP supported the participation of six Palestinian individuals and collectives in international culture and art events, contributing to creating a wider audience of Palestinian culture abroad. More than 100,000 people attended all 325 local events organised with support from the CAP in Nablus, Ramallah, Jerusalem, Bethlehem, Beit Sahur, Jericho, Gaza Strip, Haifa, Kafr Rumman, Khirbet Zakariya, Beit Ikhsa, al-Bi'ina, al-Fureidis, Mas'ada, Ayda refugee camp, al-Duheisha refugee camp and al-Tira in the Triangle. Outside Palestine, events were featured in Paris, Manchester, Leeds, Edinburgh, London, Birmingham, Athens, Kassel, Estonia, Ankara, Bursa, Beirut and Oslo.

Finally, the CAP searches for local communities that are involved in identifying and devising solutions for problems through art and cultural interventions. To this end, it joined forces with the ERDP to implement the second phase of the Culture, Art and Community Participation project. Covering a renewable period of three years, the project is co-funded by the SDC. In the context of this project, the CAP offered three grants to deliver three different projects selected from 50 projects that had applied for the grant. In a long-term process, the Programme engaged with beneficiaries to develop and launch projects in respective areas. Beneficiaries included Yes Theatre (Hebron), Bedouin Silver Tent Association in the Anata area (Jerusalem) and Hakawi Society for Culture and Arts (Gaza).

The Visual Arts: A Flourishing Field (VAFF) project was also launched, supporting a substantial goal: To make the visual art scene livelier and more capable of sustainability.

In November 2016, the AMQF agreed the VAFF project with the Consulate General of Sweden through Sida. With a budget of US\$ 4,042,455, the project will be delivered over six years (2017 towards the end of 2022). The idea was developed with a number of visual art institutions and artists in Palestine to support the visual arts, ensure

## **The A. M. Qattan Foundation Trustees' Report**

continued and sustainable operations of institutions and enhance institutional infrastructure and administrative apparatuses. The project will contribute to supporting the arts scene with outstanding productions that engage the public.

The VAFF project seeks to achieve the following goals:

- Provide capacity building and promote the sustainability of visual art institutions.
- Develop visual art education programmes and research opportunities, allowing easy access for art students, artists and professionals in the art and culture field.
- Empower art institutions to support artists and art professionals to produce artwork and community-based art projects, and to garner wide audiences.

Because the AMQF has established the Public Programme as a key, new programme, the CAP has been able to focus its activity on capacity-building interventions and projects. In addition to grants, the CAP focused on expanding its partnership base, developing key programmes and recruiting new grant projects, such as the VAFF project.

58% of the CAP budget line items were spent.

### **Public Programme**

The newly established Public Programme (PP) adopted a series of policies and mapped out its contributions as a discrete programme as well as a collaborator with the AMQF's other programmes. This enabled it to design an ambitious programme of outreach to the public directly and in collaboration with other cultural institutions as well as within the AMQF.

#### **1. Contribution to Achieving Goals and Targets**

##### **Supporting Community Self-Reliance in Culture and Education**

The PP designed the Collectives programme as part of its efforts to support community self-reliance in culture and education. This includes "Wednesdays at Sakakini", a collaborative residency programme with the Khalil Sakakini Cultural Centre. In another initiative, the Palestine Hosting Society brought together a number of food enthusiasts and persons interested in the culture of food. *ékleipsis*, curated by Lara Khaldi, produced a performance and art exhibition of *A'tma* (1972), a play by the *Balalin*

## **The A. M. Qattan Foundation Trustees' Report**

(Balloons) Theatre Troupe and Russian Opera *Victory Over the Sun* (1913). An exhibition by LARP, a performance and improvisation collective, questioned the concept and tenets of art through widespread exhibitions and carnivals across Palestine. The Picnic project emphasized the importance of meeting within public spaces as well as narrating the stories of the city's population, including residents and visitors.

In terms of building partnerships to better use available resources the PP coordinated with CAP to produce the /si:n/ Festival for Video Art and Performance; it also produced the Qi2018 festival jointly with CAP. Yazan Khalili's book, *Scouting for Locations*, was launched with the Sharjah Art Foundation. In coordination with Belgian partners in the Flemish-Palestinian Film Festival, Noor Abuarafeh and Rama Mari produced two films. Tape That, an artist collective based in Berlin, was hosted in the context of the Q-Residency programme in collaboration with the Representative Office of Germany in Ramallah and the Palestinian Museum in Birzeit. On Women in Revolutions, a multimedia research project, was organised in partnership with Gallery One Palestine, the Institute of Women's Studies at Birzeit University and Ramallah Cinema Club.

In addition, in collaboration with the AMQF Communication and Public Relations Department, Q-Tours facilitated 10 tours for almost 300 people around the new AMQF building. These included school teachers in coordination with the ERDP as well as departments and faculties of Birzeit University, An-Najah National University and Al-Quds University.

Through a monthly Coaching programme, the PP hosted nine new graduates and other interested individuals as PP interns. By engaging in multiple projects, these interns were given the opportunity to closely view the local and international cultural scene and develop administrative, research and coordination skills

### **Contributing to Professional Development**

The PP undertook several initiatives to support capacity-building for culture and art professionals. For example, it worked with the internationally renowned Palestinian fashion designer Rami Kashou for the Recycled project competition. This involved five fashion designers from Jenin, Nablus, Beit Sahur and Ramallah in the design of outfits from recycled textiles, clothes and materials. The PP also worked with the EDES collective, overseen by dance designer Samar Haddad King Three performing artists participated in the EDES, which was organised in collaboration with Yaa Samar! Dance Theatre and Ramallah First Group. In collaboration with RIWAQ, Asira al-

## **The A. M. Qattan Foundation Trustees' Report**

Shamaliya Municipality and Asira al-Shamaliya Sports Club two artists participated in an artist residency for an academic semester in the village of Asira al-Shamaliya.

### **Enhancing Dialogue and Social Action in Culture and Education**

As part of its contribution to society's appreciation of culture and education, the PP produced the exhibition, *A Sight of Disjunction*, in partnership with the Institute for Palestine Studies and with the participation of 14 artists from the West Bank, Gaza Strip and 1948 territory. The exhibition revolved around Tamam El-Akhal's autobiography, *The Heart Paints What the Hand Perceives*. The exhibition was shown in the city of Nazareth, at the Tishreen Association in the Triangle region and at the French Cultural Centre in Gaza.

The PP also collected photographic material and produced a film for the *Gaza – Coffee & Cigarettes* collective - jointly produced by Artist Mohammed Harb, filmmaker Abdul Rahman Hussein and journalist Bakr al-Dabous. A series of films by international artist Naeem Mohaiemen was screened under the title *Solidarity ... First and Last*. In other activities, the PP hosted a lecture by artist and Professor of Art Michael Rakowitz; Adania Shibli's novel *A Minor Detail* was launched at the Khalil Sakakini Cultural Centre; and a series of films by Kamal Aljafari were screened. Work is underway on *Subcontracted Nations*, a group exhibition to be organised at the inaugural opening of the AMQF new building that brings together 52 local and international artists. In addition, the PP worked jointly with the curator of Berlinale Shorts to design a short film programme for the inaugural opening of the AMQF new building. The programme comprises two sets at 80 minutes each.

In addition to the above, the PP working on promoting AMQF programme visibility on Arab and international levels, and PP Director delivered four lectures at the Mohammed V University of Rabat and Al Akhawayn University, Ifran. On 16 September 2017. He also participated in a cultural and academic event at the House of World Culture, Berlin. The PP also visited documenta 14, which convenes in the German city of Kassel once every five years and features a collection of art exhibitions, film screenings and other interventions.

### **2. Success Stories and Case Studies**

The PP's support of and engagement with LARP is worthy of note. LARP is part of an international collective with a focus on playing a role in the context of live theatre. It was established in Palestine in 2011 and is open to youths of multiple. LARP compiled a performance script for an imaginary art exhibition, and the participants write a biography of the artist and produce artworks associated with the artist's personality and artistic career, as well as an exhibition catalogue. Artist Jumana Abboud provided technical supervision, assisting the LARP collective members. Titled *Daydream Silhouettes*, an exhibition and seminar were organised at Gallery One Palestine,

## **The A. M. Qattan Foundation Trustees' Report**

Ramallah. The exhibition was grounded in questions the collective raised about the tenets of art in the context of widespread art exhibitions and carnivals across Palestine as well as questions about the artist's community role, relations with official and commercial institutions, and awareness of the history of Palestinian, Arab and international art.

Another success story was the work with the Hakaya Collective and a Group of Musicians to Produce the Picnic Project, which created the opportunity to meet within public spaces as well as to narrate the stories of the city's population. In particular, it raised questions about the people's relationship with, and vision of, the city of Ramallah. As part of the Wein A Ramallah Festival, the Picnic project was implemented on Bint Jubeil Street in the heart of Ramallah. Participation was open to the public, including passers-by, shop owners and interested individuals. A group discussion was moderated by the members of the storyteller team Hakaya, who raised a variety of questions and documented the ensuing conversations. The project was concluded with the telling of a collective story by the Hakaya team. Later, all documented materials were collected and transcribed in the form of a written text. The Picnic project was successful because the event was carried out in a main public space in the city.

### **3. Programme Management**

#### **a. Coordination and Synergy with Other Programmes**

There were frequent presentations to and discussions with the other AMQF programmes to develop the PP activities. In collaboration with the CAP, the PP drafted a major portion of the annual programme for the AMQF new building. This was facilitated by all collectives and individuals supported by CAP seasonal grants. With the ERDP, the PP is organizing teacher activities in tandem with *Subcontracted Nations*, a group exhibition to be organised for the inaugural opening of the AMQF new building. Work is ongoing with the Science Studio to develop exhibits to be showcased during the opening. Other collaboration across programmes was described above. Meanwhile, the comments made by other AMQF programmes on next year's PP activities will be taken into account and the PP will also examine ways of collaboration to deliver these activities.

#### **b. PP Staff**

The PP faced a major challenge in putting together its team due to the dearth of specialists in cultural management as well as curators. PP staff will need intensive, long-term training, particularly after the PP moves to the AMQF new building. The PP should be able to send staff members for specialist training or to support them to complete their education in specific disciplines, particularly cultural management, evaluation of exhibitions and cultural production.

# The A. M. Qattan Foundation Trustees' Report

## c. Monitoring and Evaluation

The PP monitors all the activities and events it produces and supervises. It makes every effort to ensure the quality of the artistic, intellectual and organisational aspects of an event, working with independent juries to evaluate various projects and taking their recommendations into account as projects are developed. It also seeks to assess the response of the public, the press and the participants themselves. However, it has faced some challenges in this regard. For example, it sought a writer to document, analyse and evaluate PP-supported events and undertakings. However, writers capable of cultural criticism based on historical and evidence-based principles are difficult to find in Palestine and the post remains unfilled. In addition, it was also difficult to monitor the projects produced in Gaza and it was only possible to follow up on implementation via Skype or telephone.

## 4. Budget

70% of the PP annual budget was disbursed. The underspend is largely due to the cancellation of a number of events planned for the opening of the new building which was postponed.

It is worth noting that the PP received a grant from the Volkswagen Foundation to fund a joint research project with Mohammed V University of Rabat, Cairo University and Leibniz-Zentrum Moderner Orient (ZMO). The research project is titled *Liminal Spaces as Sites of Socio-cultural Transformation and Knowledge Production in the Arab World*.

## 5. Recommendations

Project Coordinators need the opportunity to improve their skills, particularly in cultural management and curatorship. Serious consideration should be given to enabling some staff members to complete their education in cultural management, cultural studies and curatorial studies. In addition, project coordinators should visit international cultural events as well as similar cultural institutions in order to strengthen their skills and capacity.

## The Mosaic Rooms

This reporting period saw two solo exhibitions and one group exhibition, showcasing new work. These were either produced with the support of The Mosaic Rooms or brought together for the first time. During this period we had our highest attended exhibitions after Larissa Sansour's in 2017, with the solo exhibition *Still* by Judy Price and the group show *Shift*. Press coverage for this period's exhibitions was varied and included coverage in some influential art publications including Financial Times, Frieze, Art Review, and The Art Newspaper.

## The A. M. Qattan Foundation Trustees' Report

We hosted weekly public events over this period, ranging from panel discussions, to performance and music, to workshops, all with consistent and good attendance. As part of Shubbak Festival, The Mosaic Rooms organised Survival of the Artist at the British Museum, a day long symposium of talks with international panellists and a specially conceived performance that asked how art and artists in the Arab world can survive and respond in times of conflict and censorship. For Shubbak The Mosaic Rooms also hosted three nights of *Dar Al Sulh*, a unique supper club by the artist Michael Rakowitz, in collaboration with Regine Basha and Dr Ella Habiba Shohat. The Mosaic Rooms' garden was transformed into a dining space for an al-fresco communal dinner, each night was a sell-out.

July saw the completion of the first year of data collection through The Mosaic Rooms audience survey. The collection target was achieved, and the data released. A provisional report was written in September of this year. The data provides some useful insights into current audiences and is an excellent basis for continuing research. The positive feedback included the fact that the main visitor motivation was 'to be intellectually stimulated' with the vast majority saying they would recommend the MR and rating their experience as 'very good'.

An audience consultation took place in November 2017, the Audience Agency were commissioned to run these so that we had independent facilitators and analysis. Two groups of visitors were consulted. The consultation focussed on perceptions of The Mosaic Rooms, and of the programme offer. The report will be expected in the next reporting period, from which we will review and draw action points.

During this period we applied to Arts Council England for an up to £15,000 grant to support Pascal Hachem's exhibition. Sadly, though they said it was a very strong application it was unsuccessful purely because of preference for another project. This reflects how competitive the grants are becoming and how limited the resources are. We were awarded £2,000 from Nour towards the same exhibition. Commercial activities are not generating expected income, most likely due to current economic climate.

The Mosaic Rooms commissioned consultant Dani Burrows to help deliver a strategic review. The process commenced end of October and ran into December and included individual interviews with staff, staff group workshops, and external stakeholders' interviews. The report is due in January.

Facebook likes increased from 5,942 likes on the 1<sup>st</sup> April to 6,428 by the end of December, an increase of 8%. Twitter followers increased by 5% from 5,537 follows on the 1<sup>st</sup> April to 5,805 followers in the same period. The Mosaic Rooms Instagram account increased from 1,309 followers to 2,184, increasing by 66%. There was a total



## **The A. M. Qattan Foundation Trustees' Report**

of 41,463 sessions on The Mosaic Rooms website, 85% were new visitors. A total of 355 subscribers signed up to the Mosaic Rooms mailing list, going from 7,113 subscribers 1st April to 7,468 by the end of December, marking an increase of 5%. The total number of visitors to the gallery during the reporting period is 5,719 this marks a 14% increase on last year's figure over this period which was 5,015. This figure also excludes external events, total number of attendees to events held outside of The Mosaic Rooms was 478.

Current and forthcoming activities include a series of exhibitions, working in partnerships with curators and regional institutions to mark the 10<sup>th</sup> anniversary of The Mosaic Rooms. The commissioning of Reiber and Co to run a PR campaign over this anniversary programme period. Looking to also trial a series of learning and engagement programmes to try to expand reach in local area and communities.

At times The Mosaic Rooms seeks external funding to help support a particular programme or exhibition that would exceed its allocated budget from the Foundation. At such times approaches are made to national organisations such as Arts Council England or to individuals. For grant applications to national organisations The Mosaic Rooms uses a professional bid writer provided by Achates Philanthropy to help support the work of the team.

# The A. M. Qattan Foundation Trustees' Report

## **Trustees' Responsibilities in relation to the Financial Statements**

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

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

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

The trustees are responsible for keeping proper 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; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## The A. M. Qattan Foundation Trustees' Report

### Auditors

Kingston Smith LLP have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

This report was approved by the Board of Trustees on 07/09/.....2018 and signed on their behalf by:



Omar Al-Qattan,

Chairman of the Board of Trustees

# **The A. M. Qattan Foundation**

## **Independent Auditors' Report to the Trustees of**

### **The A. M. Qattan Foundation**

We have audited the financial statements of Thr A.M. Qattan Foundation ('the company') for the period ended 31 December 2017 which comprise Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of 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.

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

#### **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 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.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

# **The A. M. Qattan Foundation**

## **Independent Auditors' Report to the Trustees of**

### **The A. M. Qattan Foundation**

#### **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; and
- trustees' annual report have 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 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 where 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 exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6, 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 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 judgement 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 purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

**The A. M. Qattan Foundation**  
**Independent Auditors' Report to the Trustees of**  
**The A. M. Qattan Foundation**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- 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 charitable company'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 charitable company 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.

  
.....  
**Neil Finlayson**, Senior Statutory Auditor  
for and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House  
60 Goswell Road  
London EC1M 7AD

18/9 / 2018

**The A. M. Qattan Foundation**  
**Statement of Financial Activities (Incorporating the Summary Income and Expenditure Account)**  
**For the period ended 31 December 2017**

	Notes	Unrestricted £	Restricted £	December 2017 Total £	Unrestricted £	Restricted £	March 2017 Total £
<b>Income From:</b>							
Donations and legacies		9,256,877	7,034,278	16,291,155	487,884	7,735,018	8,222,902
Investments - bank interest		16	-	16	1,662	-	1,662
Charitable activities							
The Mosaic Rooms		18,741	14,150	32,891	35,102	5,000	40,102
Other		-	136,285	136,285	-	1,735,160	1,735,160
<b>Total Income</b>		<b>9,275,634</b>	<b>7,184,713</b>	<b>16,460,347</b>	<b>524,648</b>	<b>9,475,178</b>	<b>9,999,826</b>
<b>Expenditure On:</b>							
<b>Raising funds</b>							
<b>Charitable activities</b>							
Grant-making:		-	-	-	-	-	-
Grant expenditure	2	3,151	3,273,656	3,276,807	60,000	3,974,568	4,034,568
Grant related support costs	3a	3,730	620,403	624,133	3,650	770,501	774,151
<b>Total Grant-making expenditure</b>		<b>6,881</b>	<b>3,894,059</b>	<b>3,900,940</b>	<b>63,650</b>	<b>4,745,069</b>	<b>4,808,719</b>
The Mosaic Rooms	3b	331,580	2,012	333,592	367,735	6,295	374,030
Loss on foreign exchange		-	1,203,441	1,203,441	-	-	-
<b>Total Expenditure</b>		<b>338,461</b>	<b>5,099,512</b>	<b>5,437,973</b>	<b>431,385</b>	<b>4,751,364</b>	<b>5,182,749</b>
<b>Net income / (expenditure)</b>		<b>8,937,173</b>	<b>2,085,201</b>	<b>11,022,374</b>	<b>93,263</b>	<b>4,723,814</b>	<b>4,817,077</b>
Fund balances brought forward		448,315	14,724,883	15,173,198	355,052	10,001,069	10,356,121
<b>Fund balances carried forward</b>	9	<b>9,385,488</b>	<b>16,810,084</b>	<b>26,195,572</b>	<b>448,315</b>	<b>14,724,883</b>	<b>15,173,198</b>

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

The results for the period all relate to continuing operations.

The notes on pages 41 to 54 form part of these financial statements.

**The A. M. Qattan Foundation**  
**Balance Sheet as at 31 December 2017**

	Notes	December 2017 £	December 2017 £	March 2017 £	March 2017 £
<b>Fixed Assets</b>					
Tangible fixed assets	5a		5,018,658		5,556,759
Assets under construction	5b		9,578,476		7,233,249
Fixed Asset Investment	5c		8,878,160		8,500
			<u>23,475,294</u>		<u>12,798,508</u>
<b>Current Assets</b>					
Stock		20,491		17,621	
Debtors	6	2,000,718		3,246,584	
Cash at bank		<u>10,815,999</u>		<u>11,671,964</u>	
		<u>12,837,208</u>		<u>14,936,169</u>	
<b>Current Liabilities</b>					
Other creditors		8,671,906		11,250,113	
Accruals & deferred income		<u>7,341</u>		<u>2,641</u>	
		<u>8,679,247</u>		<u>11,252,754</u>	
<b>Net Current Assets</b>			<u>4,157,961</u>		<u>3,683,415</u>
<b>Total Assets less Current Liabilities</b>			27,633,255		16,481,923
<b>Liabilities: Amounts falling due after more than one year</b>					
Provision for employees' benefits	7		<u>1,437,683</u>		<u>1,308,725</u>
			<u>26,195,572</u>		<u>15,173,198</u>
<b>Funds</b>					
Unrestricted			9,385,488		448,315
Restricted	8		<u>16,810,084</u>		<u>14,724,883</u>
	9		<u>26,195,572</u>		<u>15,173,198</u>

The notes on pages 41 to 54 form part of these financial statements.

Approved, and authorised for distribution, by the Board of Trustees on .....  
and signed on its behalf:

  
.....  
**Omar Al-Qattan**  
Chairman

**COMPANY NUMBER: 02171893**

17/9/2018



**The A. M. Qattan Foundation**  
**Cash Flow Statement**  
**For the Period to 31 December 2017**

	December 2017 £	December 2017 £	March 2017 £	March 2017 £
<b>Net Cash provided by Operating Activities</b>		<u>11,701,854</u>		<u>5,923,516</u>
<b>Cash flows from investing activities</b>				
Interest received	16		1,662	
Cost of purchasing tangible fixed assets	(139,505)		(266,242)	
Cost of purchasing fixed asset investments	(8,869,660)		-	
Cost of constructing assets	(2,345,227)		(3,637,023)	
Foreign Exchange on SoFA	<u>(1,203,441)</u>		<u>1,628,523</u>	
<b>Net cash used in investing activities</b>		<u>(12,557,817)</u>		<u>(2,273,080)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(855,963)</u>		<u>3,650,436</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		11,671,964		8,021,528
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>10,815,999</u>		<u>11,671,964</u>
<b>Reconciliation of Operating Profit to Net Cash provided by Operating Activities</b>			<b>December 2017 £</b>	<b>March 2017 £</b>
Net income / (expenditure)			11,022,374	4,817,077
Depreciation charges			273,050	353,109
Foreign exchange movements			1,203,441	(1,628,523)
Foreign exchange on Fixed assets			404,538	(725,570)
Interest received			(16)	(1,662)
Loss on fixed asset disposals			21	2,353
Decrease / (increase) in debtors			1,245,866	(2,139,683)
Increase / (decrease) in creditors			(2,444,549)	5,247,448
(Increase) / decrease in stock			(2,870)	(1,033)
<b>Net cash provided by from operating activities</b>			<u>11,701,854</u>	<u>5,923,516</u>

The notes on pages 41 to 54 form part of these financial statements.

# The A. M. Qattan Foundation

## Notes to the Financial Statements

### For the period to 31 December 2017

#### Accounting Policies

##### Company information

A M Qattan Foundation is a charitable company limited by guarantee, without having a share capital, incorporated in England and Wales. The registered office is Tower House, 226 Cromwell Road, London, SW5 0SW.

##### Basis of Accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011.

The Charity has adopted FRS 102 for the first time when preparing these financial statements. The transition date to FRS 102 was 1 April 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31 March 2015. An explanation and reconciliation of how the transition has affected the reported financial position and financial performance is provided in the notes to the financial statements.

The financial statements have been prepared under the historic cost convention. The financial statements are prepared in sterling, although the functional currency is US dollars. The parent entity is registered in the UK however conducts the majority of its business via a branch in Palestine, where US dollars is the preferred currency. Amounts presented are rounded to the nearest pound.

##### Going Concern

The trustees have assessed whether the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on fee income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

##### Tangible Fixed Assets

Tangible fixed assets are depreciated at rates calculated to write off the cost over the term of their useful lives, as follows:

Buildings	over 20 years
Furniture and fittings	over 4 - 7 years
Books	over 10 years
Computer equipment	over 3 years
Motor vehicles	over 5 years
Fixed asset investments	Stated at cost less provision for diminution in value.

The cost of the property, plant and equipment includes all of the expenditures incurred so as to make the assets ready for use. Any subsequent expenditure is capitalised only when they increase the future economic benefits to the related property, plant and equipment.

##### Assets Under Construction

Assets under the course of construction comprise the costs incurred on an incomplete project, which include design cost, construction, direct wages and a portion of the indirect costs. After completion, all project costs are capitalised and transferred to property, plant and equipment as appropriate.

##### Fixed Asset Investments

Fixed asset investments comprise paintings and property not used for the primary purpose of the charity which are measured at fair value. Changes in fair value are recognised in profit or loss. Where fair value cannot be measured reliably the investment is carried at cost less impairment.

# The A. M. Qattan Foundation

## Notes to the Financial Statements

### For the period to 31 December 2017

#### 1 Accounting Policies (Continued)

##### **Taxation**

The company is a registered charity and therefore has no taxable profit or losses in the year.

##### **Investment Income**

Gross investment income is accounted for on a receivable basis.

##### **Donations and Grants**

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:

When donors specify that donations and grants given to charity must be used in future accounting periods, the income is deferred until those periods.

When donors impose conditions, which have to be fulfilled before the charity becomes entitled to recognise such income, the income is deferred until the pre-conditions for use have been met.

##### **Expenditure**

Expenditure is included in the Statement of Financial Activities on a accruals basis, inclusive of any VAT which cannot be recovered. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity.

##### **Fund Accounting**

Details of the nature and purpose of each restricted fund is set out in note 8.

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

##### **Provisions**

Benefits payable to the Palestine employees at the end of their employment are provided for in accordance with Palestine labour laws. The calculation is based on accruing one month's worth of compensation for each year of service based on the last basic salary paid.

The charity deducts 8% from the employees' monthly basic salaries for the provident fund and contributes a similar amount. Both contributions are deposited in a separate interest-bearing bank account.

##### **Stock Accounting**

Stock is valued at the lower of cost and net realisable value.

##### **Foreign Currency Balances**

Transactions in foreign currencies are recorded at the average exchange rate for the period. Foreign currency assets and liabilities have been translated into sterling at the rate of exchange prevailing at the balance sheet date. All differences caused by timing differences on translation are taken to the Statement of Financial Activities within Other Income.

# The A. M. Qattan Foundation

## Notes to the Financial Statements

### For the period to 31 December 2017

#### 1 Accounting Policies (Continued)

##### **Critical Accounting Estimates and Areas of Judgement**

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

##### **Financial Instruments**

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic Financial Assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

##### **Impairment of Financial Assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

##### **Derecognition of Financial Assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

##### **Classification of Financial Liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the period to 31 December 2017**

**1 Accounting Policies (Continued)**

**Basic Financial Liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Other Financial Liabilities**

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the statement of financial activities, unless they are included in a hedging arrangement.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

**Derecognition of Financial Liabilities**

Financial liabilities are derecognised when, and only when, the charity's obligations are discharged, cancelled, or they expire.

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the period to 31 December 2017**

**2 Charitable Grants Expenditure**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Dec-17</b>
	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>£</b>
Donations paid to 58 (March 2017: 66) individuals	-	97,969	97,969
Donations paid to 75 (March 2017: 91) Institutions	3,151	410,384	413,535
	<u>3,151</u>	<u>508,353</u>	<u>511,504</u>
Arts and Literature Unit (ALU)	-	189,326	189,326
Cognitive, Social, Emotional & Physical Development	-	57,299	57,299
Public Programme	-	385,203	385,203
Audio - Visual Unit (AVU)	-	36,948	36,948
Culture, Arts & Social Engagement	-	118,939	118,939
Educational Research and Development Programme (ERDP)	-	621,014	621,014
Improved Education - Phase 2 NRC	-	3,552	3,552
Mobile Library - Bank of Palestine	-	16,302	16,302
Child Centre - Gaza (CCG)	-	775,883	775,883
Visual Arts: A Flourishing Field (VAFF)	-	87,725	87,725
Selat 2: Links Through the Arts	-	25,265	25,265
Co-Curricular Activities for the Children of Wajd Phase 2	-	29,160	29,160
Co-Curricular Activities for the Children of Wajd Phase 3	-	2,263	2,263
Science Studio	-	416,424	416,424
	<u>3,151</u>	<u>3,273,656</u>	<u>3,276,807</u>

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the period to 31 December 2017**

**2 Charitable Grants Expenditure (Continued)**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Mar-17</b>
	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>£</b>
Donations paid to 66 (2016: 65) individuals	-	144,921	144,921
Donations paid to 91 (2016: 129) Institutions	60,000	405,366	465,366
	<u>60,000</u>	<u>550,287</u>	<u>610,287</u>
Arts and Literature Unit (ALU)	-	286,060	286,060
Child Friendly Spaces - UPA	-	30,526	30,526
Cognitive, Social, Emotional & Physical Development Public Programme	-	70,239	70,239
Audio - Visual Unit (AVU)	-	106,718	106,718
Community Based Heart program	-	52,925	52,925
Culture, Arts & Social Engagement	-	4,501	4,501
Educational Research and Development Programme (ERDP)	-	127,171	127,171
Explore, Learn & Enjoy - IDRf	-	804,076	804,076
Improved Education - NRC	-	29,186	29,186
Improved Education - Phase 2 NRC	-	616	616
Mobile Library - Bank of Palestine	-	4,370	4,370
Performing Arts Project - European Commission	-	24,194	24,194
Performing Arts Network (PAN)	-	40,933	40,933
PHL for Children & Empowering Women in Gaza	-	9,877	9,877
Child Centre - Gaza (CCG)	-	16,008	16,008
Visual Arts: A Flourishing Field (VAFF)	-	972,530	972,530
Selat 2: Links Through the Arts	-	7,347	7,347
Supporting Contemporary Art Production and Practice in Gaza CKU	-	19,213	19,213
Wajd- Co-Curricular Activities for the Orphans	-	1,986	1,986
Co-Curricular Activities for the Children of Wajd Phase 2	-	15,844	15,844
The Walid & Helen Kattan Science Education Project	-	70,966	70,966
	-	728,995	728,995
	<u>60,000</u>	<u>3,974,568</u>	<u>4,034,568</u>

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the period to 31 December 2017**

<b>2 Charitable Grants Expenditure (Continued)</b>	<b>Dec-17</b>	<b>Mar-17</b>
	<b>£</b>	<b>£</b>
Grants paid to institutions in excess of £10,000 during the period are as follows:		
Al Kamandjati Association	-	15,300
Yes Theatre for Communication Among Youths	-	16,830
Center for Palestinian Studies/Columbia University	-	21,038
The Committee for Educational Guidance for Arab Students	-	16,065
Shiber Hur Theatre Group	-	15,300
IRAB Association	-	12,240
Leb & Pal Heritage Association "Koufia"	-	12,240
Association Sabil	-	10,710
Institute for Palestinian Studies	-	10,710
Arab Resource Center for Popualr Arts (Al Jana)	-	12,240
Ashtar Theatre	-	19,125
The Society of Women Graduates	-	20,655
Tabee' Fanni	15,321	-
First Ramallah Group	11,490	-
Baiat Association	13,789	-
Hakawi Association for Culture and Arts	18,385	-
Qandeel for Arts and Culture	11,490	-
Tamer Institute	55,154	-
Young Artists Forum	35,620	-
	<u>161,249</u>	<u>182,453</u>
The direct charitable expenditure of the Palestine branch consisted of:		
	<b>Dec-17</b>	<b>Mar-17</b>
	<b>£</b>	<b>£</b>
Staff costs	1,209,942	1,523,363
Depreciation	212,831	282,067
Other direct programme costs	1,829,233	2,166,963
	<u>3,252,006</u>	<u>3,972,393</u>
<b>3a Grant Related Support Costs</b>		<b>Dec-17</b>
	<b>Unrestricted</b>	<b>Restricted</b>
	<b>£</b>	<b>£</b>
Salaries	-	404,410
Office costs	-	138,410
Depreciation	-	48,127
Legal and professional fees	-	12,605
Trustees' expenses	-	6,419
Auditors' remuneration:		
Audit fee	3,730	10,432
	<u>3,730</u>	<u>14,162</u>
	<u>3,730</u>	<u>624,133</u>



**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the period to 31 December 2017**

**3a Grant Related Support Costs (Continued)**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Mar-17</b>
	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>£</b>
Salaries	-	458,943	458,943
Office costs	-	162,636	162,636
Depreciation	-	63,243	63,243
Legal and professional fees	-	64,005	64,005
Auditors' remuneration:			
Audit fee	3,650	21,674	25,324
	<u>3,650</u>	<u>21,674</u>	<u>25,324</u>
	<u>3,650</u>	<u>770,501</u>	<u>774,151</u>

**3b The Mosaic Rooms**  
(including Support costs)

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Dec-17</b>
	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>£</b>
Salaries	162,406	-	162,406
Office/programme costs	157,079	-	157,079
Depreciation	12,095	2,012	14,107
	<u>331,580</u>	<u>2,012</u>	<u>333,592</u>

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Mar-17</b>
	<b>£</b>	<b>£</b>	<b>Total</b>
			<b>£</b>
Salaries	194,615	-	194,615
Office costs	165,321	-	165,321
Depreciation	7,799	6,295	14,094
	<u>367,735</u>	<u>6,295</u>	<u>374,030</u>

The average number of persons employed by the charity during the period was 101 (Mar 2017 - 99).

During the course of the period, trustees were reimbursed \$6,419 (Mar 2017: \$6,808) in respect of travel expenses to attend Board meetings. No employee earned more than £60,000 in the period to December 2017 nor in the year to March 2017.

Key Management Personnel include the Trustees and the Senior Management Team (consisting of: The Director General, Deputy Director General, CCG Director, ERDP Director, CAP Director, Director of Finance, Director of Administration, Director of Communication & Public Relations, Public Programme Director, and Director of the Mosaic Rooms). Total remuneration paid to Key Management Personnel amounted to £379,866 (Mar 2017: £410,628).

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the period to 31 December 2017**

**4 Net Incoming / (Outgoing) Resources for the Period**

	Dec-17 £	Mar-17 £
This is stated after charging:		
Depreciation of tangible fixed assets	273,050	353,109
Auditors' remuneration:		
Unrestricted	3,730	3,650
Restricted	10,432	21,674
	10,432	21,674

**5a Tangible Fixed Assets**

	Freehold Land and Buildings £	Furniture and Fittings and Books £	Computer Equipment £	Motor Vehicles £	Total £
<b>Cost</b>					
At 1 April 2017	6,249,722	1,699,822	627,590	100,449	8,677,583
Additions	-	103,654	35,852	-	139,505
Disposals	-	(2,401)	(1,034)	-	(3,435)
Exchange differences	(463,988)	(126,342)	(44,545)	(7,457)	(642,332)
At 31 December 2017	5,785,734	1,674,733	617,863	92,992	8,171,322
<b>Depreciation</b>					
At 1 April 2017	1,433,417	1,252,372	382,426	52,607	3,120,822
Charge for period	86,477	84,364	90,394	11,814	273,050
On disposal	-	(2,380)	(1,034)	-	(3,414)
Exchange differences	(109,335)	(94,851)	(29,304)	(4,304)	(237,794)
At 31 December 2017	1,410,559	1,239,505	442,482	60,117	3,152,664
<b>Net Book Value</b>					
At 31 December 2017	4,375,175	435,228	175,381	32,875	5,018,658
At 31 March 2017	4,816,305	447,450	245,164	47,842	5,556,761

During 2008, Mr. Abdel-Mohsin Al-Qattan granted the Foundation a piece of land as a donation to be used for establishing new premises for the charity. The land was valued according to prevailing market rates in Palestine.

During the year ended 31 March 2001 the Foundation started to build a cultural centre for children in Gaza. 3,041 square metres of land was allocated to the Foundation by the Municipality of Gaza for this purpose on a long leasehold basis at a peppercorn rent. The Centre, called Child Centre - Gaza, opened to the public in September 2005.

**5b Assets Under Construction**

Assets under the course of construction comprise the costs incurred on an incomplete project, which include design cost, construction, direct wages and a portion of the indirect costs. After completion, all project costs are capitalised and transferred to property, plant and equipment as appropriate.

**The A. M. Qattan Foundation  
Notes to the Financial Statements  
For the period to 31 December 2017**

<b>5c Fixed Asset Investments</b>	<b>Dec-17</b>	<b>Mar-17</b>
	<b>£</b>	<b>£</b>
<b>Cost</b>		
At 1 April 2017	8,500	8,500
Additions	<u>8,869,660</u>	<u>-</u>
At 31 December 2017	<u>8,878,160</u>	<u>8,500</u>

The cost at April 2017 relates to a painting and artwork purchased during 2014 by A. M. Qattan Foundation. Additions in the year represent a painting and property bequeathed to the A.M. Qattan Foundation.

<b>6 Debtors</b>	<b>Dec-17</b>	<b>Mar-17</b>
	<b>£</b>	<b>£</b>
Other debtors	1,906,365	3,170,344
Prepayments and accrued income	<u>94,353</u>	<u>76,240</u>
	<u>2,000,718</u>	<u>3,246,584</u>

All debtors above are financial instruments where debtors are measured at present value.

**7 Provision for Employees' Benefits**

The Foundation in Palestine provides for its employees' severance pay according to the prevailing labour law and it contributes to the employees' provident fund.

	<b>Dec-17</b>	<b>Mar-17</b>
	<b>£</b>	<b>£</b>
Provision brought forward	1,308,725	1,640,519
Net movement in the period	<u>128,958</u>	<u>(331,794)</u>
Provision carried forward	<u>1,437,683</u>	<u>1,308,725</u>

**8 Restricted Funds**

On 29 April 1998, The A. M. Qattan Foundation - Palestine was established as a branch of the A. M. Qattan Foundation for the specific purposes of managing the Foundation's work in Palestine and the projects being carried on out there.

The funds held by the branch are therefore treated as a separate restricted fund in the accounts of the charity in accordance with the treatment prescribed in the Charities' SORP.

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the period to 31 December 2017**

**9 Analysis of Net Assets between Funds**

	Unrestricted £	Restricted £	Dec-17 Total £
Fixed assets	8,922,463	14,552,831	23,475,294
Net current assets	463,025	3,694,936	4,157,961
Liabilities: Due after more than one year	-	(1,437,683)	(1,437,683)
	<u>9,385,488</u>	<u>16,810,084</u>	<u>26,195,572</u>
	Unrestricted £	Restricted £	Mar-17 Total £
Fixed assets	49,503	12,749,005	12,798,508
Net current assets	398,812	3,284,603	3,683,415
Liabilities: Due after more than one year	-	(1,308,725)	(1,308,725)
	<u>448,315</u>	<u>14,724,883</u>	<u>15,173,198</u>

**10 Related Parties**

This item represents transactions and balances with related parties, i.e. trustees, directors (management) and organisation over which they exercise control.

**a) Transactions with related parties are as follows:**

	Dec-17 £	Mar-17 £
<b>Details:</b>		
Contribution from Al Qattan Charitable Trust - Guernsey	1,533,160	981,450
In-kind donation from Mr. Abdel Mohsin Al-Qattan	-	2,624,941
Unrestricted contribution from Mr. Omar Al-Qattan	2,231,986	-
Restricted contribution from Directors for new Palestine building	<u>2,984,983</u>	<u>3,101,340</u>

**b) Balances with related parties are as follows:**

	Dec-17 £	Mar-17 £
<b>Details</b>		
Restricted net assets from Directors for new Palestine building	<u>5,464,220</u>	<u>6,923,467</u>

**11 Financial Commitments**

At 31 December 2017 the total minimum lease payments due over the lease term under non-cancellable operating leases was:

	Dec-17 £	Mar-17 £
Payments due:		
Within one year	1,613	-
Within 2-5 years	6,452	-
More than 5 years	<u>-</u>	<u>-</u>