

مؤسسة عبد المحسن القطان  
A. M. Qattan Foundation



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

**Company Registration Number: 02171893**  
**Charity Registration Number: 1029450**

**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2012**

# The A. M. Qattan Foundation

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**A.M. Qattan Foundation**  
Company Information  
For the year ended 31 March 2012

**Names of Trustees** Mr Abdel Mohsin Al-Qattan  
Mrs Laila Al-Qattan  
Mr Omar Al-Qattan, (Secretary)  
Mrs Najwa Al-Qattan  
Mrs Leenah Al-Qattan  
Ms Nadia Hijab (appointed 20 May 2012)

**Executive Director** Mr. Ziad Khalaf – Ramallah

**Secretary** Mr Omar Al-Qattan

**Registered Office & Business Address** Tower House  
226 Cromwell Road  
London SW5 OSW

**Company Registration Number** 02171893

**Charity Registration Number** 1029450

**Auditors** Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London EC1 M7AD

**Solicitors** Thomas Eggar  
75/76 Shoe Lane  
London EC3A 3JB

**Bankers** EuropeArab Bank  
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London W1K 4HX  
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PO Box 592  
18 Cromwell Place, London  
SW7 2LB

# **A.M. Qattan Foundation**

## **Trustees' Report**

### **For the year ended 31 March 2012**

#### **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.

The information on the preceding page forms a part of this report.

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

A registered charity - a company limited by guarantee

#### **Method for Recruitment and Appointment of Trustees**

Until 2011-12, the BoT was mainly composed of its founding members. During the course of the year, the Board also appointed its first non-founding member, **Ms. Nadia Hijab**, who attended her first BoT meeting in May 2012. Recommendation and selection of new members remains the responsibility of the BoT. No external bodies or individuals are allowed to appoint trustees.

#### **Risk Management**

The Trustees recognise that protecting the Charity from harm is essential to the A.M. Qattan Foundation's ability to implement its programmes. A Risk Management Policy and a Risk Register are in place and are regularly reviewed and then approved by the Board of Trustees. The Register identifies the major risks to which the Charity may be exposed. To minimise these risks, the Trustees have established rigorous financial policies, controls and procedures for the authorisation of projects and transactions. During the year, the financial procedures manual was updated, finalised and approved by BoT.

All significant activities are subject to a risk review as part of their initial assessment and thereafter during implementation. Major risks are then identified in terms of their likelihood and potential impact. These include risks affecting

- Operational performance, including risks to our staff, partners, beneficiaries and consultants;
- Achievement of our aims and objectives; and
- The expectations of our beneficiaries and supporters.

#### **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. The Strategic Review process launched in late 2008 culminated in adopting a five-year strategic plan 2010-2013. The plan has as one of its main targets the establishment of a rigorous correlation between the Charity's stated aims, values and objectives and its operational strategies and achievements. The process has also put into place a number of evaluation procedures to allow the Trustees to regularly monitor this correlation to ensure that benefit to the public, and specifically to our target group, is achieved. As we are more than three years into our five-year strategic plan, a review process is now being planned for late 2012 and early 2013.

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.

# **A.M. Qattan Foundation**

## **Trustees' Report**

### **For the year ended 31 March 2012**

#### **The Charity's Aims and Beneficiaries**

The A.M. Qattan Foundation was founded and registered as a charity in the UK in 1994. Since 1998, it has worked towards the development of culture and education in Palestine, with a particular focus on children, teachers and young artists through programmes that foster critical thinking, creativity and the production of knowledge. The Foundation also collaborates on and supports a number of regional and international projects, including workshops, artistic and professional exchanges, residencies, academic bursaries and professional networking forums.

The **Qattan Centre for Educational Research and Development** actively participates in raising the standards of education and teaching in Palestine. It engages directly with schoolteachers and administrators in developing their skills and knowledge to improve learning conditions for pupils of all ages. Its quarterly magazine, UK-Palestine teacher exchange programme and regional summer school in drama in education, held in Jordan, have also allowed it to reach a regional and international audience and beneficiary base.

The **Qattan Centre for the Child** in Gaza City holds over 111,000 books and other media and offers a variety of library and information services. Established to compensate for the lack of incentives and opportunities open to children at school and elsewhere, it aims to nurture their curiosity, expand their knowledge and facilitate their access to outside cultures. The Centre provided free in-house services to its current 12,860 members and had 49,927 visitors who borrowed 161,002 books and other materials during this period. Thousands more benefited from its increasingly active outreach programme (see full details below).

The **Culture and Arts Programme** supports talented people, particularly the young, in a number of creative fields, offering them incentives to develop their skills and explore new horizons. It also promotes cultural collaboration between Palestine, the Arab region and the rest of the world. Three major projects embody the spirit of this work: a funding programme in the performing arts, co-financed with the Ford Foundation; the **Palestinian Audio-visual Project** (now renamed the **Audio-visual Unit**), which provides support in film production, technical training, DVD publishing and distribution, school film education and film subtitling; and, since 2008, the **Gaza Music School Project**, co-funded with the Swedish International Development Cooperation Agency. New developments have also placed the Programme at the forefront in leading the establishment of a network in the performing arts, and made possible the launch of its first funding programme focussed on the cultural projects in the Palestinian refugee communities of the Lebanon. The latter is in collaboration with the Prince Claus Fund in the Netherlands. Further details can be found below.

**The Mosaic Rooms**, a cultural space for exhibitions, lectures and workshops in West London, opened to the general public in November 2008. In the reporting period, the Rooms have more than trebled their visitor numbers and enjoyed a significant quality change in their programming and public profile.

A permanent office building in Ramallah combined with a state-of-the-art cultural centre is currently in the design phase. This was delayed considerably because of our appointed architect's ill health, which obliged him to stop working on the project, after which it became clear that his team were not up to the task of adhering to our specifications. A decision was thus taken to terminate their contract in 2011. In early 2012, as a result of an extensive but frustrated search for appropriate firms in Palestine and regional, the BoT decided to organise an international design competition in order to ensure the best possible results. An architectural consultancy firm, ARCHIFOLIO, was thus engaged to research possible candidates based on previous experience with similar design projects, as well as other factors. This due diligence process was completed in May 2012 and a number of international architects have expressed their intention to participate. An international jury will meet in September or October 2012 to make its final decision about the winning candidate.

# **A.M. Qattan Foundation**

## **Trustees' Report**

### **For the year ended 31 March 2012**

#### **Objectives, Achievements and Identification of needs**

These have not changed and remain as follows:

#### **Vision**

A just, free, enlightened and tolerant society with a global presence; one that embraces dialogue and is a producer of knowledge, art and literature.

#### **Mission Statement**

An independent, not-for-profit developmental institution working in the culture and education sectors targeting a variety of social groups, particularly children, teachers and young artists, which

- Aims to empower free-thinking, enlightened individuals to overcome the challenges of war and injustice and to create a flourishing and dynamic society in Palestine and the Arab World;
- Adopts a long-term, participatory developmental ethos through programmes that foster critical thinking, research, creativity and the production of knowledge, while also providing an inspiring model of transparency and excellence;
- Advocates cultural and educational development as an essential tool of resistance for a society faced by conditions of acute political instability and humanitarian catastrophe.

#### **Values**

##### *Defence of the rights and dignity of all*

Inspired by the enduring vision enshrined in the Universal Declaration of Human Rights, which affirms that "All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood," the Foundation supports women and men to combine their self-development with the service of others, specifically through the provision of inclusive public services of a high standard.

##### *Freedom, pluralism, dialogue, the production of knowledge and new thinking*

The Foundation believes in the individual's rights to freedom of thought, creed, and free expression. These rights are key components of its internal policies and its work in the fields of culture and education, where the sharing of ideas and practices is considered essential for the production of knowledge and new thinking.

##### *Working in a collegiate spirit of productivity*

The Foundation is aware that it can only realise its goals if it has the support of its target constituencies and their shared agreement on the value, meaning and potential effectiveness of its work. As such, it always aims to operate in a collegiate spirit of cooperation and partnership with its staff and the groups it serves, whether they are children, artists or teachers.

##### *The courage to be just*

The Foundation realises that long-term peace, equality and prosperity require the courage to be just and defend the oppressed.

The Charity's projects and programmes, which are all based on identified needs in Palestinian society, actively operate within the framework of the values adopted to fulfil the mission and vision of the Charity.

# A.M. Qattan Foundation

## Trustees' Report

### For the year ended 31 March 2012

#### **Strategy**

The key elements of our medium to long term strategy are:

- Implementing the five-year strategic plan, including review and development of all policies, new organisational structure, salary scale and matrix of authority. Most of these documents have now been completed and approved by the BOT, and have contributed significantly to an improved level of integration between different geographical offices and between the three programmes, a key element of our strategy;
- Expansion of new partnerships with a view to achieving 40% co-funding goal by 2014;
- Continuous expansion of our user-base among target groups, both in and outside Palestine;
- Continuous expansion of our networks of international institutions (and individuals) with which we develop common projects in education and/or culture;
- Increase of our ability to influence educational and cultural policy in Palestine.

#### **How we measure the success of the strategy?**

- Regular assessment of demand on the services provided, especially to teachers, trainers and children;
- Reflections and feedback from beneficiaries and partners;
- Degree of response and attendance by public in our cultural activities;
- The quality and longevity of external funding partnerships;
- Press coverage of our activities;
- Level of networking and collaborative efforts with local organizations working in culture and education;
- Participation (both qualitative and quantitative) in the various activities of the Culture and Arts Programme both inside and outside Palestine;
- The Foundation also carries out independent, periodic evaluations of its projects and programmes using relevant expertise.

Herewith is a summary of activities of the Foundation's general management and three main programmes:

#### **General Management**

Executive Director: Ziad Khalaf

During the reporting period, work continued on the review and development of the Foundation's policies and procedures in accordance with the targets of the five-year strategic plan. The human resources manual, accounting manual and authorisation matrix have all been approved, as well as finalising the policy of the employees' indemnity fund scheme, which will be submitted to the BoT for approval during 2012.

Eighteen new co-funding agreements were signed to the value of \$4,435,157 including the Walid and Helen Kattan Science in Education Project grant (\$3m over 5 years). The Foundation also obtained preliminary approval from the Swedish International Development Cooperation Agency for a two-year, 13m (thirteen million) Swedish Krona commitment aimed at establishing a network of institutions working in the performing arts, as well as providing a grants scheme in support of this field.

Other major developments include the launch of an international architectural competition for our new Ramallah headquarters, following our repeated but unsuccessful attempts to work with local architects. Results of this competition will be announced in October 2012.

Among numerous international and local visitors, we note with particular pleasure the Lady Mayor of London's visit in Spring 2011 and in winter of 2012 that of four MBA students from the Judge Business School at Cambridge University who stayed in Ramallah over a four-week period to complete a case study of the Foundation's new building plans as part of their final academic project.

# **A.M. Qattan Foundation**

## **Trustees' Report**

### **For the year ended 31 March 2012**

#### **Communications and Resource Development**

Director: Nida Tawil

During her first year with us, Nida has launched the process of selecting and appointing the company who will redesign and revamp our (very old) website. The winning candidates, SYNTAX from Amman, Jordan, are expected to deliver the final site by the end of 2012. The Communications & Resource Development manuals were also developed and finalised over the reporting period, our regular newsletter and mailing list upgraded and improved and, with the employment of a new communications coordinator, our online presence significantly enhanced. Thus the current website has been updated much more regularly and our presence on social media networks expanded and strengthened.

As mentioned above, 18 new co-funding proposals were accepted and agreed, with 15 others currently under discussion or development.

#### **1) The Qattan Centre for the Child (QCC) – Gaza City**

Director: Reem Abu Jaber

The Centre continued to provide an open space where children can express themselves freely, give free rein to their imagination, be creative and overcome the difficult circumstances that they and the Gaza Strip are living through. Current membership is up from 9,669 last year to 12,860 (with total membership reaching 24,563 since opening in September 2005) while the annual number of visits reached 49,927.

The outreach services programme continued, with a number of exciting developments: new and continuing external funding opportunities, notably with the Swiss Agency for Development and Cooperation (SDC), American Near East Refugees Aid (ANERA), Save the Children (UK), the Norwegian Refugee Council, Welfare Association - Geneva, Friends of Waldorf Education – Germany, and Drosos Foundation in Switzerland. Our collaboration with Drosos Foundation involved the comprehensive renovation and development of the Maghazi Community Rehabilitation Society library into a children's library/cultural centre, including renovation, refurbishment, systems and programme development and staff training, for a period of four years after which the new, self-governing centre will become totally independent of QCC. The renovated and refurbished centre opened in summer 2011 and as a result of its success has encouraged Drosos Foundation to invite us to prepare a new project proposal for a similar upgrade programme to three other centres in the Gaza Strip. The Welfare Association co-funded programme for the development and capacity building of six kindergardens in the Gaza Strip continued, establishing a unique collaboration between similar KGs in Lebanon, the West Bank, and the Galilee.

Furthermore, Welfare Association has asked us to develop a concept note for franchising QCC in other parts of Palestine. What this actually means is still under discussion, but the initial idea, proposed by WA chair Dr. Nabil Qaddumi after he visited QCC last year, was that we should explore the possibility of building similar projects to QCC in other parts of Palestine, particularly in the West Bank. The concept paper is still in development but we see enormous potential in this for taking the know-how and experience built up at QCC over more than a decade of planning and implementation to new communities.

The regular outreach programme reached 316 small libraries, schools and KGs during the year. QCC is currently in final discussions with the Bank of Palestine who have offered to sponsor the purchase and commissioning of a fully equipped and specially designed mobile library bus which we hope to acquire and bring into the Gaza Strip in 2012, with help from the Franco-German Cultural Centre in Ramallah.

#### ***The Library***

The Library's collection increased to 111,851 items including books, videos, cassettes, CDs and material for special needs. 161,002 loans were made internally and externally to members.



# **A.M. Qattan Foundation**

## **Trustees' Report**

### **For the year ended 31 March 2012**

The team is acutely aware of the need to enrich the current collection with new books and materials but the continuing siege on Gaza has made this task very difficult. Efforts continue however to bring new books through the good offices of the British, French or German consular and cultural services. In addition, the Foundation managed to obtain a donation of books from the Sabre Foundation in the USA. It consists of 7,950 books, of which 5,236 are children's books and 3,034 are academic (school and university level) books. This will significantly enrich the QCC's English language books collection.

#### ***Library Activities***

To promote the use of the library and encourage reading, QCC librarians held a series of cultural activities aimed as "magnets" for children to use the library resources and develop their habit of reading, research and self-learning. The Family Literacy Programme successfully implemented its activities in collaboration with 24 kindergartens. The Centre plans to further develop and expand this programme.

#### ***Arts Programme***

The Centre provides an arts programme that covers the visual arts, drama, cinema and other recreational activities. During the reporting period, it organized workshops, events and film screenings through its six principal clubs: the reading club, the drama and theatre club, the popular dance club, the choir, the little artist and the electronic writers' club.

#### ***IT Literacy***

The Centre organized a number of specialized IT courses, ranging from introductory to advanced, in subjects such as Visual Basic, video editing, Front Page, Photoshop, Windows, MS Word, website design and other programme through its Web Designers' Club, its Programmers' Club and its Librarians' Club.

#### ***Other Developments***

Other programmes included the summer, winter and Ramadan programmes of special activities; the Centre's permanent clubs; COPE and Let Us Learn Together. Both parent-focussed programmes involved 111 fathers and mothers, four KG trainers and over 158 children. Other collaborative projects with QCERD Ramallah colleagues on story-telling and science education took place (via video conference), including with the Gaza Community Mental Health Programme. The programme focused on the children of the Samoni area of Gaza which had been severely hit by the Israeli invasion of 2009; it continues until early 2013. We are now looking at the possibility of integrating the Samoni programme into our concept paper for Drosos Foundation, with a view to establishing a permanent service for this ravaged area.

## **2) The Qattan Centre for Educational Research and Development in Ramallah and Gaza City (QCERD)**

Director: Wasim Kurdi

Palestinian teachers remain the primary focus of the QCERD work and it continues to support them through three major tracks: Arts and Education; Science and Education; and Languages/The Social Sciences and Education, using the following approaches:

#### ***Educational Research***

The Creative-Reflective Research approach, where researchers, teachers and students are full partners in the research projects, continues to be adopted as follows:

1. Research methodologies in the Drama Education forum under the supervision of Prof. David Davis, where a group of 26 teachers went through three research stages: planning for drama lessons, implementation of lesson plans, and finally writing a reflective research paper related to their classroom practices in drama.
2. A research project with 7 teachers selected from those teachers who participated in the aforementioned course, aimed at publishing a comprehensive research paper on the effect of drama in teaching and learning in the Palestinian schools.

# A.M. Qattan Foundation

## Trustees' Report

### For the year ended 31 March 2012

3. Another track of research in education was established at the center through which researchers, teachers and students affiliated with local and international institutions work on research projects that support our professional development programmes. One example is the ongoing research project on autism lead by Elaine Ashbi, a graduate student at the University of Birmingham, a project that is totally funded by QCERD and aims at enriching teachers in two Palestinian schools who work with autistic students with new knowledge and methodologies related to autism and school education. The project will produce research and a proposal about the future of autism and schooling in Palestine. Another example is the research project by teachers and local researchers to study the state of school education in the Gaza Strip. A third example is a research project in history led by Nour Joudeh, a graduate student from Georgetown University, USA. The QCERD supported Joudeh's internship to benefit from her expertise in history studies and to support the teachers in the History Project at QCERD.

#### ***Professional Development Programmes***

In the **Art in Education Track**, the Drama Summer School Programme underwent comprehensive revision and development at the instructional and content levels in light of its accumulated experience. One major recommendation for the next year is to invite new instructors, and ask current instructors to lead as many modules in one year as possible so that participant teachers will be exposed to different approaches and methodologies. A major addition to the programme for this year was a new introductory drama course held in Palestine to support the Drama Summer School in Jerash. As a result, there was an increase in the number of applications for the first year to 350. Another major step taken this year was the signing of a Memorandum of Understanding with the Palestinian Ministry of Education and with UNRWA Headquarters in Jerusalem aimed at facilitating participants' classroom implementation of the ideas acquired in the summer school programme, and the facilitation of the QCERD researchers' visits and research in public and UNRWA schools.

Two books in drama in education were translated and published, together with translations of articles from different referenced journals to support participant teachers during their enrollment in the programme. Finally, the programme will be supported by the aforementioned research projects that are related to Drama in Education.

As for the second programme in the Art and Education Track, the Animation in Education programme, seven animation studios were developed in seven schools in Jerusalem, where they are currently run by teachers in these schools as part of our professional development programme. Teachers worked with their students on animated film productions focusing on various themes and stories from the Palestinian curriculum. A festival showcasing the programme's productions, including screenings of the animation films produced, was held in Ramallah and Jerusalem. Based on feedback from the audience, a three-year concept paper was developed to introduce animation and art in other Palestinian schools.

A third supporting programme to the Art and Education Track is the Cinema Literacy programme for schools. A concept paper was developed with 5 schools through which 25 short films will be introduced to teachers and students to develop the cinema literacy of participant teachers and students in those targeted schools.

In the **Science and Technology Track**, the comprehensive professional development programme for Jerusalem Kindergartens was launched early this year. This is a three-year programme working with 40 kindergartens on a professional development programme in early childhood education. As part of the support to participants, a group of teachers from QCERD's own programmes was formed to assist in planning and implementation. An interactive website was also developed to help participants share their ideas and lesson plans.

The Walid and Helen Kattan Science Education Project is currently under the supervision of the Science and Technology Track at QCERD. This year, project staff of researchers and coordinators held several meetings to develop the project's vision and conceptual framework and came out with an action plan for its second year. For the action plan to be comprehensive and more relevant, several

# A.M. Qattan Foundation

## Trustees' Report

### For the year ended 31 March 2012

focus groups, workshops and school visits were held at various schools, with science teachers, school principals and science educators.

Finally, the **Languages and Social Sciences in Education (LSSE) Track** continued working for the third year with kindergarten teachers in cooperation with the Early Childhood Resource Centre (ECRC). In this programme, several QCERD teachers worked as trainers as a way to support new teachers and take an active role in the professional development process at the ECRC.

Another important element of the LSSE track is the professional-development-through-narration programme, where teachers write their personal experiences throughout their educational life, and take a position or a point of view about teaching and learning through reflection. Teachers are motivated by publishing their narrative accounts in *Rua Tarbawiyyeh* magazine, our educational quarterly, so that these can then be used as references for new teachers throughout their professional life.

A third element in the LSSE track is the Project Based Professional Development programme. Teachers from different schools worked on projects that concern their schools and communities, such as "The Olive Tree: A History and a Tale"; "Toward a Clean Deir Qaddis (village)"; "Toward A Green Rantis (village)"; "All about the Qibia Massacre"; "Shuqba (village) Water Reservoir"; "Al-Burj (village) Water Resources: A Context for Social History"; "Life in Jerusalem"; "Archeology and Fossils," and other similar projects, all led by teachers and their students in partnership with local communities.

A fourth programme under the LSSE track is the History Project, composed of a history teachers' forum and the oral narrative history project, in addition to several projects led by history teachers. The overall objective of the History Project is to support teachers with new methodologies and new ways of thinking about history.

#### **Teacher Forums**

The Centre continued to provide professional and material support to the teachers' forums, which were established through teachers' own initiatives in several towns and cities. The QCERD intervention focused on energizing the forums and networking between them. Forums are now active in Yaabad, Jenin, Jericho and Tulkarem (northern and central West Bank); and in Ithna, Halhoul and Doura in the south, as well as one in Nazareth, which is specifically focused on drama in education.

Teachers' Forums in Gaza continued to play an important role in the professional development process. The English Teachers' Forums and the Supervisors Forum in Gaza conducted several educational meetings, focus groups, and workshops.

#### **Teachers Centre at Ni'ilin**

The centre at the village of Ni'ilin (West Bank) increased its activities with a number of professional development workshops and film screenings in its beautiful medieval courtyard (the Khawaja Fortress). The centre is now producing its annual action plan in coordination with the QCERD and plays an important role in supporting teachers, students, and the community with educational, literacy and cultural programmes.

#### **The Qattan-Qaddumi Scholarship**

As part of teacher empowerment programme, the A.M. Qattan Foundation and Hani Qaddumi Scholarship Fund continued its joint and co-funded scholarship programme for schoolteachers. The scholarship supports in-service Palestinian teachers to continue their Master's degree in the field of education in different foreign countries, especially the United Kingdom, United States, Canada and Australia, and other English-speaking countries. This year, two teachers received the scholarship: Nancy Albhaisi, an English language teacher from Gaza, is currently a graduate student in Drama and Teaching at University of Warwick in the UK; and Mariam Hijawi, a social studies teacher from Ramallah, who is currently a graduate student in the Psychology Department at the University of Manchester.

# **A.M. Qattan Foundation**

## **Trustees' Report**

### **For the year ended 31 March 2012**

The aim of the scholarship is to empower Palestinian teachers, expand their educational opportunities and mobility within their teaching profession, and engage them in the field of educational research as well as leading professional development programmes with other teachers in their school and in other local educational institutions. The scholarship also aims at establishing ties between international universities and scholars working in the field of education and the QCERD, in order to support its in-service teacher education programme.

#### ***Resources, Publications and Documentation***

##### ***The Library***

The number of visitors to the libraries in Ramallah and Gaza was 8,495. The collection in the libraries exceeded 28,964 titles; around 6,464 titles were added during the reporting period. Membership in databases included Questia, HINARI, ASCD, NSTA and NCTM.

##### ***Ru'a Tarbawiyah Journal & Other Publications***

The Centre published three issues (no. 35, 36 & 37) of its quarterly educational periodical, *Ru'a Tarbawiyah* and translations of two books: *Drama for Learning: Dorothy Heathcote's Mantle of the Expert Approach to Education*; and *The World of Drama*.

#### **3) The Culture and Arts Programme**

Director – Mahmoud Abu Hashhash

The Culture and Arts Programme continues to see a steady rise in the number of people who benefit directly and indirectly from its work as well as a widening of the range of cultural and artistic activities which it has organized or supported either on its own or in conjunction with others, both in Palestine and abroad. The Programme signed a co-funded agreement with the Prince Claus Fund to support cultural activities in the refugee camps of Lebanon. This will be launched in Summer 2012.

##### ***The Performing Arts***

Through the co-funding agreement with the Ford Foundation, 17 new grants were approved in the performing arts, including seven for new productions, seven for promotion, research and translation and three in specialized training. These were complemented by 8 musical study scholarships in instrumental and vocal fields for students studying in the USA, France, UK, Germany and elsewhere, and 10 scholarships in theatre and dance. The Programme also supported 34 events in music, theatre and dance across Palestine, including major festivals. Increasingly it is also being called upon to play a leading role in countrywide professional networks such as the performing arts network (PAN) developed with the major national partners with support from the Swedish International Development Cooperation Agency.

The Programme also once again supported the Performing Arts Summer School in partnership with the Royal Flemish Theatre and Les Ballets C de La B in Belgium. However, this year's school marked a major departure from previous years in that it resulted in the development and production of an original play first at the Royal Flemish Theatre in Brussels then on a tour to five different cities in Palestine.

##### ***Literature***

The 2011 Young Writer of the Year Award for best novel and best play was withheld this year by the jury, which also gave a number of commendations. The Programme also supported 8 major readings and announced the terms for the Young Writer of the Year Award (YWYA) 2012 for best poetry and short story collections, which will be given in October 2012. It also supported the 3rd edition of PALFEST, which for the first time this year was held in the besieged Gaza Strip.

# A.M. Qattan Foundation

## Trustees' Report

### For the year ended 31 March 2012

#### **Visual Arts**

The Programme received 40 applications for the 2012 Young Artist of the Year Award (YAYA), which is held biennially. The jury shortlisted ten artists. They will produce and exhibit their final works before an international jury in October 2012. Most of the eleven shortlisted artists from the 2010 award were able to exhibit their work in London in a group show held in two parts in March and April 2011 at the Mosaic Rooms.

The Programme also organized and supported 12 art exhibitions by local and foreign artists, and four workshops, most notably with artists Suleiman Mansour and Nasser Soumi, as well as visiting curators from France and the UK Albert de Galbert and Omar Kholeif. The second edition of S:in international video art festival was also held.

#### **Artistic and Literary Residencies**

The Programme funded seven literary and art residencies, including at Cité des Arts in Paris, the Delfina Foundation in London and Città dell arte in Biella, Italy, in addition to supporting the participation of five artists in shows in Berlin, Warsaw and Venice.

#### **Publications**

Due to disappointing distribution and poor customer service from our previous publishers Dar Al-Adab and following extensive research for a viable alternative, we have now moved our Arabic publishing to a new outfit, Al-Ahlia, based out of Amman and Beirut. Al-Ahlia have now published six of the 2010 short story and poetry award winners to a much improved standard.

#### **Guest House**

The Foundation hosted 22 visitors from several countries that included the UK, France, Italy, USA, Belgium and Colombia at its guesthouse in Ramallah. The majority of guests were artists undertaking projects with the local community.

#### **Other Activities**

The Programme continued to upgrade and enrich the *Narrating Gaza* website ([www.narratinggaza.ps](http://www.narratinggaza.ps)) with new materials.

#### **The Audio-visual Unit**

Equipment: The unit was finally able to import the full set of professional film grip and lighting equipment which was delayed due to Israeli customs procedures. The equipment was inventoried and checked and is now ready for use by local productions. At the date of this report, it has already received three requests from full length feature films for the use of the equipment, as well as a number of shorts. The units are now supervised and maintained by a full-time technician.

The Audio-visual Unit has also employed a local expert consultant to develop existing and new tracks in the audio-visual field.

Production Support: 27 applications were received for production support and five new projects were approved. Of the five films approved from the previous support round, two are expected to go into production in Summer 2012 and one has been recommended for development. Four of the films co-produced by the project have now been completed.

The UK-Palestine Co-production Treaty was also signed and finally ratified by both countries' governments and parliaments. The Foundation was instrumental in negotiating the terms of this agreement, upon the request of the Palestinian Ministry of Culture and the British Council. A completed draft treaty with France was agreed with the Centre National de cinématographie in France but the May 2012 presidential elections led to its postponement until a new government is in place. We hope that the Franco-Palestinian treaty will be signed before the end of 2012.

#### **The Gaza Music School Project**

The Trustees are particularly proud of the creation of the GMS in 2008 and its successful hand-over, as originally planned, to the Edward Said National Conservatory of Music on 31 March 2012.

# A.M. Qattan Foundation

## Trustees' Report

### For the year ended 31 March 2012

During the reporting period, the school saw a marked increase in applications and an increase of enrolment in September 2011 to 126 students (including 45 new students), up from 87 in the previous year, and an increase of the number of teachers to 13 teaching nine different instruments.

Eight concerts were organised throughout the year and numerous music repair and tuning workshops with support from Music Fund in Belgium.

Support in-kind and in cash also continued to pour into the project from different parts of the world, both from individuals and musical organisations.

#### **The Mosaic Rooms**

*(Head of Programming and Operations: Rachael Hornsby; supported by Omar Al-Qattan on a voluntary basis)*

2011-12 has seen our busiest and most successful twelve-month period since opening, during which we managed to more than treble our attendance figures, increase the regularity of our talks and literary events, multiply the numbers of partnerships with local and international institutions and, above all, establish ourselves as the main independent forum of high quality and avant-garde Arab culture in London. This has given us the confidence to lead the 2013 edition of SHUBBAK – Festival of Contemporary Arab Culture, launched by the Mayor of London and now an independent trust chaired by Omar Al-Qattan and hosted by the Foundation.

Our collaboration with PR agency Colman Getty managed to put us firmly on the London cultural radar with extensive and regular coverage in the printed press as well as online and on radio and television. Finally, two resounding votes of confidence of which we are particularly proud: our first Arts Council grant for our 2011 autumn season and a glowing survey of our database of visitors by the Audiences London agency, that indicated more than 97% of visitor satisfaction (a copy of the full survey is available on the Mosaic Rooms website).

#### **Activities Report**

The Rooms held the following **visual arts exhibitions** during the period:

**Young Artists Award, *Such Stuff as Dreams are Made on:*** (Part II April 8-21) The exhibition of the 2010 Young Artist Award was held in two parts to ensure the seven artists could be best represented. Part II received more interest and greater attendance thanks to the BBC online coverage.

**John Halaka, *Landscapes of Desire:*** (May 6-25) This was the first UK exhibition of recent drawings by renowned American activist artist John Halaka.

**Mohammad Joha, *Dreams in Black and White:*** (3-22 June) This was the first UK solo exhibition by the Qattan Foundation's 2004 Young Artist Award Winner.

**Rania Matar, *A Girl and Her Room:*** (1-23 July) This was Rania's second exhibition at the Mosaic Rooms and the first time this series of photographs had been shown in the UK. This exhibition was a major part of the Mayor of London's **Shubbak** festival and as such received significant press attention and one of the highest levels of public attendance for an MR exhibition. This was a very successful exhibition and contributed significantly to raising our public profile.

We were closed during August for refurbishment works.

**Nedda El-Asmar, *The Passion of Simplicity*** (9-28 Sept) A collaboration with the Design Museum Ghent, the exhibition included over 100 high-end domestic objects by the Belgian-Palestinian designer. This was the Mosaic Rooms' first design exhibition as part of the London Design Festival, and the first solo show by Nedda in the UK. The press attention was disappointing for the show, though it did feature in listings. Attendance was strong for a short exhibition. The private view doubled as another open house event for venue finders. We also had a special late night evening, and Nedda gave talks at both the V&A for LDF and 100% Design. We sold some of her smaller objects in the bookshop throughout the show.

**Fadi Yazigi, *Che, Angel, Donkey, It's Me*** (7-28 Oct) The first UK solo show by eminent Syrian painter and sculptor Fadi Yazigi to coincide with Frieze Art Fair.

# A.M. Qattan Foundation

## Trustees' Report

### For the year ended 31 March 2012

**Ariella Azoulay, *From Palestine to Israel*** (4 Nov-1 Dec) An exhibition of rarely-seen photographs from the Israeli state archive documenting the first years of the State and its relationship with the remaining Palestinians curated by Ariella Azoulay. Received some strong press coverage, and the exhibition was very well attended, with the highest visitor numbers of any MR exhibition since opening.

***A Tribute To Adonis*** (3 Feb-30 March): The first UK exhibition of the great Syrian poet's drawings. This exhibition achieved the strongest press coverage so far, with a series of interviews done whilst Adonis was over. This exhibition marked the start of our new opening hours (Tues-Sat 11-6pm) and extended exhibition period (6-8 week exhibitions). The exhibition and new opening hours attracted good consistent attendance, although the literary evenings were the main draw.

**Literary and other cultural events** included the following: Iraqi poet Fawzi Karim *Plague Lands* poetry collection launch; Palestinian novelist and BBC journalist Anwar Hamed gave a talk on his Hungarian and Arabic novels; James Mather launched *Pashas*; The Egyptian Youth Coalition gave a talk on the January revolution; Beit Al Karamah held a family day fundraiser for their Nablus-based women's cooking school; Abraaj Capital Art Prize held a book launch and panel discussion during Shubbak festival; Lebanese novelist Jad El Hage launched *One day in April*, his most recent novel; a panel discussion in association with the New Statesman magazine on the future of Syria; the launch of young Syrian novelist Fadi Azzam's *Sarmada*, in its English translation, in association with Swallow Editions; the launch of Iraqi novelist Luay Abdulillah's *Comedy of Divine Love*.

Moreover, as part of the season of talks to coincide with Ariella Azoulay's exhibition, Dr Francis Gooding spoke on archival and colonial film, Adam Broomberg on photography and power, Michel Khleifi on the uses and abuses of archive film, and Ghada Karmi on Israel's dilemma in Palestine. We then launched Selma Dabbagh's first novel, *Out of It* in association with Bloomsbury Publishing; Ahdaf Soueif launched *Cairo: My City, Our Revolution* again with Bloomsbury Publishing; Wael Ghonim spoke about his book *Revolution 2.0* in association with the New Statesman; Dr Caecilia Pieri gave our first architecture talk on modernist architecture in 20<sup>th</sup> century Baghdad. We also held a poetry reading by Somalian poet Caasha Luul Mohammed Yusuf in association with the Poetry Translation Centre; and a children's story telling event with author Wafa Tarnowska.

As part of the *A Tribute to Adonis* season we held our first series of ticketed events including Adonis in conversation with Khaled Mattawa, Hans Ulrich Obrist, Omar Al-Qattan and Yang Lian. All four talks were sold out. Each exhibition throughout the year was also accompanied by an artist talk by the exhibiting artists.

Rania Matar also gave a talk to a group of 30 secondary school students. Ariella Azoulay gave a tour to a group of students from University College London. Her exhibition had visits from two secondary school groups. The Mosaic Rooms also participated in an RBKC Arabic speaking networking event, and in the RBKC arts and education day aimed at local schoolteachers. We have also begun conversations to take part in RBKC's 2012 Nour Festival.

**Film Screenings:** During Shubbak we held a weeklong film festival in association with the Dubai Film Festival, 'New Arab Films.' All 5 screenings were well attended and well received. Eyal Sivan's 'Jaffa and the Orange's Clockwork' was screened as part of the season of talks during Ariella Azoulay's *From Palestine to Israel* exhibition.

**Edward Said Annual Lecture at the British Museum:** 2011's Edward W Said London Lecture was given by Professor Rashid Khalidi, the Edward W Said Professor of Middle East Studies at Columbia University in New York, on *Human Dignity in Jerusalem*. The British Museum kindly gave us the space once again free of charge and London Review of Books partnered with ticket sales. Professor Khalidi was introduced by Neil MacGregor, the director of the British Museum, and by Mariam Said. The lecture was principally sponsored by the Foundation and by Maria and Samer Cortas. 2012's lecture will be held at the British Museum on the 24<sup>th</sup> May and will be given by Ahdaf Soueif on the Egyptian revolution with reference to Edward Said.

The Mosaic Rooms was also awarded a grant of £30,000 by the Arts Council for our autumn programme of exhibitions and events. This was our first application and was achieved thanks to the fundraising services of Caroline Whitaker, a remarkable feat in these times of recession. We believe

# A.M. Qattan Foundation

## Trustees' Report

### For the year ended 31 March 2012

this to be a clear recognition of the work we are doing and of the role we are playing in promoting Arab culture in London.

During this reporting period there were the following **residencies**: all exhibiting artists (apart from Adonis) stayed at the rooms for a period of time; we also hosted the Indian artist Guari Gill who was resident during her exhibition at Green Cardamon gallery; Syrian writer Fadi Azzam whilst he was over for his book tour; Palestinian artist Fawzy Emrany who was over for a group show at the Janet Rady Gallery; and hosted our first longer term residency with Lebanese artist Laudi Alibama who stayed for 6 weeks whilst continuing her project development in London.

**Rentals:** Rooms were rented by the Anglo Jordanian society for an evening event; RBKC for various training days; Friends of the Citizen for an evening event; A&N Media for a training day; MIDAS PR for a discussion event; two birthday parties; a Christmas party for the The American Institute for Foreign Study; a children's party; a lecture for the Arab Club of Britain; Opera Holland Park for their Friends reception; the Egyptian society for an evening of readings; British Council for an all day symposium; and Heriot-Watt University for a prospective students introduction evening. The boardroom has also been regularly hired for meetings by Queensway, the tenants on the second floor.

**Education:** An education project around the theme of a survival kit for the 21<sup>st</sup> Century, inspired by one of Nedda El-Asmar's designs, was led by Dia Batal, and delivered in two London secondary schools: the Sion Manning RC Girls School, a local secondary school, and also the South Camden Community School in North London. During Laudi Alibama's residency she also delivered a series of screen-printing workshops to another group of students at the Sion Manning RC Girls School. We are now working with a consultant, Natasha Freedman, to develop a more consistent strategy for community outreach and education for 2012/13.

**Future Events:** We are fully programmed for the rest of 2012. In April we open *Iraq: How, Where, For Whom?* a collaborative exhibition between Iraqi artist Hanaa' Malallah and UK duo kennardphillipps; June sees our first architecture exhibition, presented by the Museum of Architecture as part of the British Council International Architecture and Design Showcase 2012 and the London 2012 Cultural Olympiad; in July we will have a solo show by Egyptian artist Nermin Hamman in association with Rose Issa Projects; and in the autumn we will present the first UK public solo exhibition by Moroccan artist Abderrahim Yamou, which will form part of the RBKC Nour Festival. Each exhibition will see an accompanying programme of talks, starting with *What Purpose Free Speech When No One Listens?* an ongoing series reflecting on the nature and meaning of democracy both in the context of the Arab world as well as of our own political culture in the UK and the West.

**Future Directions:** The experience of the last year has suggested a number of new directions, which we are now exploring: first, an ongoing, thematic approach over a particular year (for 2013, we are considering the idea of looking at the Disappearing/Disappeared Cities of the Arab World, starting with Al-Lydd; for 2014, the theme of *What is Civil War?*). Secondly, we are proposing to establish an ongoing education and outreach programme that is *independent* of the exhibitions on show (this will undoubtedly help us in our strategic aim to apply for NPO status in two years' time – please see annual plan). Thirdly, we are working at strengthening our national network of partnerships to increase the possibility of touring our exhibitions and visiting writers and artists. Finally, in order to strengthen and raise our profile, we are exploring the idea of creating a Mosaic Rooms Circle of Friends to include well-known figures from London who can lend credibility and moral support to our work and improve our public profile.

#### Grants Policy

The majority of the grants provided by the Foundation are from within the Culture and Arts Programme. Otherwise grants are assessed and decided upon by the Board and selected according to their relevance to our overall objectives.

#### Financial status

The Charity is principally funded by the Al-Qattan Charitable Trust. Ever since its establishment, the Trust has been and continues to be committed to the Charity's work and to the success, financial



# A.M. Qattan Foundation

## Trustees' Report

### For the year ended 31 March 2012

independence and long-term sustainability of its programmes. It also maintains extremely strict parameters for accepting external funding of any sort, which must be totally unconditional. In that spirit, and during the year ended 31 March 2012, the Foundation continued to develop excellent collaborative projects with highly prestigious institutions as below:

- The Ford Foundation,
- Swedish International Development Agency (SIDA)
- Belgian Technical Cooperation (BTC)
- Government of the Kingdom of the Netherlands
- Norwegian Refugee Council (NRC)
- Swiss Agency for Development and Cooperation (SDC)
- UNICEF
- Welfare Association
- Friends of Waldorf Education
- Save the Children-UK
- Drosos Foundation
- ANERA (American Near East Refugee Agency)
- IIE (Institute of International Education)

This allowed it to expand its work without compromising its independence. In 2011-2012, the percentage of external funding reached 39% of the overall budget, up from 26% in 2011, which in effect means that we have achieved, two years ahead of schedule, the target set in 2008-9 by the BoT to double the Foundation's budget and increase external funding to 40% of total within five years.

Hence the increase in incoming resources from generated funds were due to the rise in the number of co-funded projects and activities. This is also reflected in the significant increase in grant expenditure due to an increase in the number of projects and activities.

Under Charitable Activities, the expansion of activities in The Mosaic Rooms, London, continues. However, this necessitated a significant rise in the cost of this activity.

#### **Reserves Policy**

At 31 March 2012, the Charity held reserves of £2,990,814 of which £2,956,688 were held as restricted funds and £34,126 held as unrestricted funds. Of the latter, £5,219 were tied up in fixed assets and so not freely available to spend.

Therefore the balance of the unrestricted reserves or the Charity's free reserves according to the Charity Commission guidance amounted to £28,907.

The Trustees have reviewed the Charity's needs for the reserves in line with the guidance issued by the Charity Commission and believe that the amount held as the Charity's unrestricted or free reserves should be at least £100,000 to cover the increased operational needs of the Charity. It is therefore intended the sum of approximately £120,000 will be received on a yearly basis from the unrestricted element of the funding from the Al-Qattan Charitable Trust so that the accumulated unrestricted or free reserves could be built up to the desired level through retention over the period of the next two years and be in place by 2014.

The Al-Qattan Charitable Trust in Jersey has been the Foundation's largest donor to date, over a period of more than 13 years. The Al-Qattan Charitable Trust was set up with a mandate to support the Foundation's core programme and running expenses, among other charitable goals. Most of the funding is restricted but as has been noted above, the intention is to receive unrestricted funding to allow the increase in the Charity's free reserves. The Foundation's Trustees therefore feel confident of the short and medium term security of this funding source. However, they also regard the emergency provisions outlined above as necessary to cover any suspension of the Al-Qattan Charitable Trust's funding for reasons beyond their control.

# **A.M. Qattan Foundation**

## **Trustees' Report**

### **For the year ended 31 March 2012**

This policy will be reviewed by the Trustees on an annual basis as part of the Charity's budgeting processes.

#### **Future Plans**

- To maintain high standards of professionalism and achieve our objectives in all the sectors covered by our projects;
- Make further progress on the design of the Foundation's new Palestine cultural centre and office building, with the opening now postponed to 2015. This will offer state of the art facilities for the Foundation's management and programmes, as well as public facilities including a gallery, library and a multi-purpose hall. It is currently in the design phase.
- Expand the network of relations with kindred organisations in the Middle East, specifically to ensure proper sharing of information, research and artistic productions of the Foundation's Programmes to the maximum number of people in the region.
- Expand the distribution network of our published material to cover the whole of the Middle East, particularly through new technology;
- Increase annual spending by attracting further external funding, without decreasing the level of contributions by the Al-Qattan Charitable Trust while focussing on the quality of programmes rather than the quantity.

#### **Connected Charity**

The Charity continues to provide office, meeting rooms and hospitality to the Welfare Association UK; two of the Charity's Trustees are also members of the Board of Trustees of the Swiss charity. The Swiss-based Welfare Association (Geneva) is one of the largest independent Palestinian NGOs, working in social, economic and cultural development. It is also one of the Foundation's main strategic partners in developing quality teacher-focussed educational projects in Palestine.

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

The trustees (who are also directors of the A. M. Qattan Foundation for the purposes of company law) 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 requires 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

**A.M. Qattan Foundation**  
**Trustees' Report**  
**For the year ended 31 March 2012**

In so far as the trustees are aware:

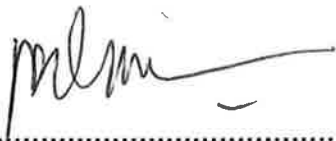
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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.

**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 6/8/.....2012 and signed on their behalf by:



.....  
**Omar Al-Qattan, Secretary**  
Signed on behalf 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 the A. M. Qattan Foundation for the year ended 31 March 2012 which comprise the Statement of Financial Activities [the Consolidated Summary Income and Expenditure Account], the Balance Sheet, the Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 for no purpose other than to draw to the attention of the charitable company's trustees and members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and the charitable company's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' Responsibilities Statement, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- 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.


### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion 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.

### **Matters on which we are required to report by exception**

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:

- the charitable company has not kept proper and adequate accounting records 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 or trustees' remunerations specified by law are not made; or
- we have not received all the information and explanations we require for 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

8/8/2012

**The A. M. Qattan Foundation**  
**Statement of Financial Activities (Incorporating the Summary Income**  
**and Expenditure Account)**  
**For the year ended 31 March 2012**

|   | Notes | Unrestricted<br>£ | Restricted<br>£  | 2012<br>Total<br>£ | 2011<br>Total<br>£ |
|---|-------|-------------------|------------------|--------------------|--------------------|
| <b>INCOMING RESOURCES</b>   |       |                   |                  |                    |                    |
| <b>Incoming resources from generated funds</b>                    |       |                   |                  |                    |                    |
| Donations   |       | 237,748           | 3,089,908        | 3,327,656          | 2,207,424          |
| Investment income - bank interest                                 |       | 140               | -                | 140                | 3,044              |
| <b>Charitable activities</b>                                      |       |                   |                  |                    |                    |
| The Mosaic Rooms  |       | 74,802            | 66,287           | 141,089            | 64,120             |
| <b>Other incoming resources</b>                                   |       |                   | 18,978           | 18,978             | 14,436             |
| <b>Total Incoming Resources</b>                                   |       | <u>312,690</u>    | <u>3,175,173</u> | <u>3,487,863</u>   | <u>2,289,024</u>   |
| <b>Resources Expended</b>   |       |                   |                  |                    |                    |
| <b>Cost of generating funds</b>                                   |       |                   |                  |                    |                    |
|   |       | 25,455            | -                | 25,455             | -                  |
| <b>Charitable activities</b>                                      |       |                   |                  |                    |                    |
| <b>Grant-making:</b>  |       |                   |                  |                    |                    |
| Grant expenditure   | 2     | 9,450             | 2,671,315        | 2,680,765          | 2,099,112          |
| Grant related administrative costs                                | 3a    | -                 | 270,127          | 270,127            | 244,461            |
| <b>Total Grant-making expenditure</b>                             |       | 9,450             | 2,941,442        | 2,950,892          | 2,343,573          |
| The Mosaic Rooms  | 3b    | 262,738           | 74,432           | 337,170            | 228,380            |
| <b>Governance costs</b>   | 4     | 1,080             | 16,616           | 17,696             | 64,714             |
| <b>Total Resources Expended</b>                                   |       | <u>298,723</u>    | <u>3,032,490</u> | <u>3,331,213</u>   | <u>2,636,667</u>   |
| <b>Net Incoming /(Outgoing) Resources before (losses) / gains</b> | 5     | 13,967            | 142,682          | 156,650            | (347,643)          |
| <b>Other Recognised Gains and Losses</b>                          |       |                   |                  |                    |                    |
| Unrealised (loss) / gain on foreign currency transactions         |       | -                 | (335)            | (335)              | 861                |
| <b>Net Movement in Funds</b>                                      |       | 13,967            | 142,347          | 156,314            | (346,782)          |
| Fund balances brought forward, restated                           |       | <u>20,159</u>     | <u>2,814,341</u> | <u>2,834,500</u>   | <u>3,181,282</u>   |
| <b>Fund balances carried forward</b>                              | 10    | <u>34,126</u>     | <u>2,956,688</u> | <u>2,990,814</u>   | <u>2,834,500</u>   |

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

The results for the year all relate to continuing operations.

The notes on pages 22 to 28 form part of these financial statements.


## The A. M. Qattan Foundation Balance Sheet as at 31 March 2012

|  | Notes | 2012<br>£        | 2012<br>£        | 2011<br>£        | 2011<br>£        |
|--|-------|------------------|------------------|------------------|------------------|
| <b>Fixed Assets</b>  |       |                  |                  |                  |                  |
| Tangible fixed assets  | 6a    |                  | 2,756,546        |                  | 2,828,472        |
| Assets under construction  | 6b    |                  | 134,131          |                  | 120,308          |
|  |       |                  | <u>2,890,676</u> |                  | <u>2,948,780</u> |
| <b>Current Assets</b>  |       |                  |                  |                  |                  |
| Stock  |       | 12,334           |                  | -                |                  |
| Debtors  | 7     | 1,977,647        |                  | 890,268          |                  |
| Cash at bank   |       | <u>1,754,276</u> |                  | <u>882,748</u>   |                  |
|  |       | <u>3,744,257</u> |                  | <u>1,773,016</u> |                  |
| <b>Current Liabilities</b>                                       |       |                  |                  |                  |                  |
| Other creditors  |       | 2,770,878        |                  | 1,167,785        |                  |
| Accruals   |       | <u>21,118</u>    |                  | <u>9,277</u>     |                  |
|  |       | <u>2,791,996</u> |                  | <u>1,177,062</u> |                  |
| <b>Net Current Assets</b>  |       |                  | <u>952,261</u>   |                  | <u>595,954</u>   |
| <b>Total Assets less Current Liabilities</b>                     |       |                  | 3,842,937        |                  | 3,544,733        |
| <b>Liabilities: Amounts falling due after more than one year</b> |       |                  |                  |                  |                  |
| Provision for employees' benefits                                | 8     |                  | <u>852,123</u>   |                  | <u>710,234</u>   |
|  |       |                  | <u>2,990,814</u> |                  | <u>2,834,500</u> |
| <b>Funds</b>   |       |                  |                  |                  |                  |
| Unrestricted   | 9     |                  | 34,126           |                  | 20,159           |
| Restricted   |       |                  | <u>2,956,688</u> |                  | <u>2,814,341</u> |
|  | 10    |                  | <u>2,990,814</u> |                  | <u>2,834,500</u> |

The notes on pages 22 to 28 form part of these financial statements.

6/8/12

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

  
 .....  
**Abdul Muhsen Al-Qattan**  
 Director

**COMPANY NUMBER: 02171893**

**The A. M. Qattan Foundation**  
**Statement of Cashflows**  
**For the year ended 31st March 2012**

|   | 2012<br>£        | 2012<br>£             | 2011<br>£        | 2011<br>£               |
|---|------------------|-----------------------|------------------|-------------------------|
| <b>Net Cash Inflow from Operating Activities</b>                            |                  | <u>1,086,969</u>      |                  | <u>43,282</u>           |
| <b>Returns on Investments and Servicing of Finance</b>                      |                  |                       |                  |                         |
| Interest received   | <u>(140)</u>     |                       | <u>3,044</u>     |                         |
| <b>Net Cash Inflow from Returns on Investments and Servicing of Finance</b> |                  | <u>(140)</u>          |                  | <u>3,044</u>            |
| <b>Capital Expenditure and Financial Investment</b>                         |                  |                       |                  |                         |
| Cost of purchasing tangible fixed assets                                    | <u>(215,301)</u> |                       | <u>(152,409)</u> |                         |
| <b>Net Cash Outflow from Capital expenditure and Financial Investment</b>   |                  | <u>(215,301)</u>      |                  | <u>(152,409)</u>        |
| <b>(Decrease) / Increase in Cash</b>  |                  | <u><u>871,528</u></u> |                  | <u><u>(106,083)</u></u> |

The notes on pages 22 to 28 form part of these financial statements.

**The A. M. Qattan Foundation**  
**Statement of Cashflows (continued)**  
**For the year ended 31st March 2012**

| <b>Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities</b> | <b>2012</b>             | <b>2011</b>          |
|--|-------------------------|----------------------|
|  | <b>£</b>                | <b>£</b>             |
| Net incoming/(outgoing) resources  | 156,650                 | (347,643)            |
| Depreciation charges   | 225,330                 | 226,097              |
| Interest received  | 140                     | (3,044)              |
| Unrealised (loss) / gain on foreign exchange   | (335)                   | 861                  |
| Loss on fixed asset disposals  | 48,075                  | 971                  |
| Increase in debtors  | (1,087,379)             | (526,535)            |
| Increase in creditors  | 1,756,822               | 692,575              |
| Increase in stock  | (12,334)                | -                    |
| <b>Net cash inflow from operating activities</b>                                       | <b><u>1,086,969</u></b> | <b><u>43,282</u></b> |

| <b>Reconciliation of Net Cash Flow to Movements in Net Cash</b> | <b>2012</b>             |
|---|-------------------------|
|   | <b>£</b>                |
| Increase in cash in the year representing change in net debt    | 871,528                 |
| Net cash at 1 April 2011  | <u>882,748</u>          |
| Net cash at 31 March 2012                                       | <u><u>1,754,276</u></u> |

| <b>Analysis of Changes in Net Debt</b> | <b>At</b>             | <b>Non-cash</b> | <b>Cash</b>           | <b>At</b>               |
|--|-----------------------|-----------------|-----------------------|-------------------------|
|  | <b>1 April</b>        | <b>Changes</b>  | <b>Flows</b>          | <b>31 March</b>         |
|  | <b>2011</b>           | <b>£</b>        | <b>£</b>              | <b>2012</b>             |
|  | <b>£</b>              |                 |                       | <b>£</b>                |
| Cash at bank and in hand               | 882,748               | -               | 871,528               | 1,754,276               |
| <b>Total Net Funds</b>                 | <b><u>882,748</u></b> | <b><u>-</u></b> | <b><u>871,528</u></b> | <b><u>1,754,276</u></b> |



# The A. M. Qattan Foundation

## Notes to the Financial Statements

### For the year ended 31 March 2012

#### 1 Accounting Policies

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) issued in March 2005.

##### **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     |

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.

##### **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.

##### **Resources Expended**

Expenditure is included on an accruals basis.

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.

Governance costs are those costs incurred to comply with constitutional and statutory requirements.

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

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2012 (Continued)**

**1 Accounting Policies (continued)**

**Fund Accounting**

Details of the nature and purpose of each restricted fund is set out in note 9.

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 is 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 5% 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**

Stocks are stated at the lower of cost and net realisable value. Stock in the financial statements represents books purchased on a sale or return basis. Net realisable value represents the amounts recoverable less any associated transport costs.

**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 on translation are taken to the Statement of Financial Activities.

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2012 (Continued)**

| <b>2 Charitable Grants Expenditure</b>                         | <b>Unrestricted</b> | <b>Restricted</b> | <b>2012<br/>Total</b> | <b>2011<br/>Total</b> |
|--|---------------------|-------------------|-----------------------|-----------------------|
|  | <b>£</b>            | <b>£</b>          | <b>£</b>              | <b>£</b>              |
| Donations paid to 57 (2011: 61) individuals                    | -                   | 103,915           | 103,915               | 111,739               |
| Donations paid to 72 (2011: 61) Institutions                   | 9,450               | 497,599           | 507,049               | 233,056               |
|  | <u>9,450</u>        | <u>601,515</u>    | <u>610,965</u>        | <u>344,795</u>        |
| The Qattan Centre for Educational Research<br>and Development  | -                   | 447,236           | 447,236               | 482,719               |
| The Qattan Centre for the Child<br>Culture and Arts Programme  | -                   | 645,347           | 645,347               | 657,935               |
| QCERD Gaza   | -                   | 164,515           | 164,515               | 207,104               |
| Science Education Project                                      | -                   | 90,927            | 90,927                | -                     |
| Production Support Project                                     | -                   | 79,008            | 79,008                | -                     |
| Enhancing the Outreach Services<br>Programme in the Gaza Strip | -                   | 67,820            | 67,820                | 43,773                |
| NRC - Our Communities, Our Schools                             | -                   | -                 | -                     | 21,735                |
| Gaza Music School  | -                   | 22,523            | 22,523                | -                     |
| Drama in Education   | -                   | 109,056           | 109,056               | 95,114                |
| SIDA Proposal Development                                      | -                   | 66,035            | 66,035                | 58,971                |
| Scientific Literacy for Childhood                              | -                   | 7,582             | 7,582                 | -                     |
| Comp. Dev. Of KGs in Jerusalem                                 | -                   | 13,001            | 13,001                | 29,458                |
| Quality of Education in Jerusalem                              | -                   | 22,837            | 22,837                | -                     |
| Research in Palestinian Schools                                | -                   | 5,030             | 5,030                 | -                     |
| Kan Ya Ma Kan Project  | -                   | 1,323             | 1,323                 | 18,594                |
| Samouni Family Project - Gaza                                  | -                   | 16,140            | 16,140                | -                     |
| For a Happy Childhood  | -                   | 50,110            | 50,110                | 24,858                |
| Activities for Orphaned Children                               | -                   | 77,002            | 77,002                | 17,923                |
| Partnership for Development                                    | -                   | 45,958            | 45,958                | -                     |
| Positive Parenting - ANERA                                     | -                   | 42,773            | 42,773                | 12,058                |
| Animation in Education   | -                   | 11,822            | 11,822                | -                     |
| World Water Day  | -                   | 42,679            | 42,679                | 8,576                 |
| Parental Skills Project  | -                   | 6,278             | 6,278                 | -                     |
| Create "Ibdaa" GMS   | -                   | 2,420             | 2,420                 | 4,961                 |
| Create "Ibdaa" QCC   | -                   | 18,793            | 18,793                | -                     |
| Teachers' Resource Centre                                      | -                   | 13,585            | 13,585                | -                     |
| Flowers Seller Film  | -                   | -                 | -                     | 17,186                |
| Festival for Popular Palestinian Games                         | -                   | -                 | -                     | 6,427                 |
| Other projects   | -                   | -                 | -                     | 31,799                |
|  | <u>9,450</u>        | <u>2,671,315</u>  | <u>2,680,765</u>      | <u>2,099,112</u>      |

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2012 (Continued)**

**2 Charitable Grants Expenditure (Continued)**

|  | <b>2012</b><br><b>£</b> |
|--|-------------------------|
| Grants paid to institutions in excess of £10,000 during the year are as follows: |                         |
| The Edward Said National Conservatory of Music                                   | 45,165                  |
| Al Kamandjati Association  | 16,601                  |
| Youth Art and Levante - Yante  | 12,529                  |
| Tamour Organisation  | 10,023                  |
| Al Mada Association  | 10,650                  |
| Yabous Productions   | 31,322                  |
| Al Maghazi Association   | 20,912                  |
| Khan Younis Kindergarten   | 23,486                  |
| Ya-Hala Kindergarten   | 34,729                  |
| Saber Abu-Daher Kindergarten   | 22,424                  |
| Bissan Blossoms Kindergarten   | 38,691                  |
| Al Falah Kindergarten  | 40,271                  |
| Al Maghazi Kindergarten  | 27,647                  |
|  | <u>334,450</u>          |

|   | <b>2012</b><br><b>£</b> | <b>2011</b><br><b>£</b> |
|---|-------------------------|-------------------------|
| The direct charitable expenditure of the Palestine branch consisted of: |                         |                         |
| Staff costs   | 975,314                 | 857,469                 |
| Depreciation  | 204,259                 | 201,473                 |
| Other costs   | 1,491,742               | 1,040,170               |
|   | <u>2,671,315</u>        | <u>2,099,112</u>        |

**3a Grant Related Administrative Costs**

|              | <b>Unrestricted</b> | <b>Restricted</b> | <b>2012</b>    | <b>2011</b>    |
|--------------|---------------------|-------------------|----------------|----------------|
|              | <b>£</b>            | <b>£</b>          | <b>Total</b>   | <b>Total</b>   |
|              | <b>£</b>            | <b>£</b>          | <b>£</b>       | <b>£</b>       |
| Salaries     | -                   | 186,653           | 186,653        | 174,103        |
| Office costs | -                   | 64,661            | 64,661         | 41,595         |
| Depreciation | -                   | 18,813            | 18,813         | 28,762         |
|              | <u>-</u>            | <u>270,127</u>    | <u>270,127</u> | <u>244,461</u> |

**3b The Mosaic Rooms**

|              | <b>Unrestricted</b> | <b>Restricted</b> | <b>2012</b>    | <b>2011</b>    |
|--------------|---------------------|-------------------|----------------|----------------|
|              | <b>£</b>            | <b>£</b>          | <b>Total</b>   | <b>Total</b>   |
|              | <b>£</b>            | <b>£</b>          | <b>£</b>       | <b>£</b>       |
| Salaries     | 94,171              | -                 | 94,171         | 78,902         |
| Office costs | 166,309             | 74,432            | 240,741        | 146,823        |
| Depreciation | 2,258               | -                 | 2,258          | 2,655          |
|              | <u>262,738</u>      | <u>74,432</u>     | <u>337,170</u> | <u>228,380</u> |

The average number of persons employed by the charity during the year was 92 (2011 - 73).

During the course of both years no payments were received by the trustees in respect of remuneration and expenses. No employee earned over £60,000 in this year or the preceding year.

**The A. M. Qattan Foundation**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2012 (Continued)**

|          |   |                     |                     |                  |                 |
|----------|---|---------------------|---------------------|------------------|-----------------|
| <b>4</b> | <b>Governance</b>                                       |                     |                     |                  |                 |
|          |   | <b>Unrestricted</b> | <b>Restricted</b>   | <b>2012</b>      | <b>2011</b>     |
|          |   | <b>£</b>            | <b>£</b>            | <b>Total</b>     | <b>Total</b>    |
|          |   |                     |                     | <b>£</b>         | <b>£</b>        |
|          | Legal and professional fees                             | -                   | 5,274               | 5,274            | 54,903          |
|          | Auditors' remuneration:                                 |                     |                     |                  |                 |
|          | Audit fee   | <u>1,080</u>        | <u>11,342</u>       | <u>12,422</u>    | <u>9,811</u>    |
|          |   | <u>1,080</u>        | <u>16,616</u>       | <u>17,696</u>    | <u>64,714</u>   |
| <br>     |   |                     |                     |                  |                 |
| <b>5</b> | <b>Net Incoming / (Outgoing) Resources for the Year</b> |                     |                     | <b>2012</b>      | <b>2011</b>     |
|          |   |                     |                     | <b>£</b>         | <b>£</b>        |
|          | This is stated after charging:                          |                     |                     |                  |                 |
|          | Depreciation of tangible fixed assets                   |                     |                     | 225,330          | 226,097         |
|          | Auditors' remuneration:                                 |                     |                     |                  |                 |
|          | Unrestricted  |                     |                     | 1,080            | 3,360           |
|          | Restricted  |                     |                     | <u>11,342</u>    | <u>6,451</u>    |
| <br>     |   |                     |                     |                  |                 |
| <b>6</b> | <b>Tangible Fixed Assets</b>                            |                     |                     |                  |                 |
|          |   | <b>Freehold</b>     | <b>Furniture</b>    | <b>Computer</b>  | <b>Motor</b>    |
|          |   | <b>Land and</b>     | <b>and Fittings</b> | <b>Equipment</b> | <b>Vehicles</b> |
|          |   | <b>Buildings</b>    | <b>and Books</b>    |                  |                 |
|          | <b>Cost</b>   | <b>£</b>            | <b>£</b>            | <b>£</b>         | <b>£</b>        |
|          | At 1 April 2011   | 2,986,710           | 858,041             | 211,193          | 15,996          |
|          | Additions   | -                   | 152,040             | 49,439           | -               |
|          | Disposals   | -                   | <u>(88,606)</u>     | <u>(25,778)</u>  | <u>-</u>        |
|          | At 31 March 2012  | <u>2,986,710</u>    | <u>921,475</u>      | <u>234,854</u>   | <u>15,996</u>   |
|          | <b>Depreciation</b>                                     |                     |                     |                  |                 |
|          | At 1 April 2011   | 531,509             | 531,339             | 176,387          | 4,232           |
|          | Charge for year   | 94,599              | 108,702             | 19,152           | 2,877           |
|          | On disposal   | -                   | <u>(41,484)</u>     | <u>(24,825)</u>  | <u>-</u>        |
|          | At 31 March 2012  | <u>626,108</u>      | <u>598,557</u>      | <u>170,714</u>   | <u>7,109</u>    |
|          | <b>Net Book Value</b>                                   |                     |                     |                  |                 |
|          | At 31 March 2012  | <u>2,360,601</u>    | <u>322,918</u>      | <u>64,140</u>    | <u>8,887</u>    |
|          | At 31 March 2011  | <u>2,455,201</u>    | <u>326,702</u>      | <u>34,806</u>    | <u>11,764</u>   |

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 the Qattan Centre for the Child, opened to the public in September 2005.

**6b 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 year ended 31 March 2012 (Continued)**

|          |                                |                         |                       |
|----------|--------------------------------|-------------------------|-----------------------|
| <b>7</b> | <b>Debtors</b>                 | <b>2012</b>             | <b>2011</b>           |
|          |                                | £                       | £                     |
|          | Other debtors                  | 1,929,771               | 848,979               |
|          | Prepayments and accrued income | <u>47,876</u>           | <u>41,289</u>         |
|          |                                | <u><u>1,977,647</u></u> | <u><u>890,268</u></u> |

**8 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>2012</b>           | <b>2011</b>           |
|                           | £                     | £                     |
| Provision brought forward | 710,234               | 591,566               |
| Net movement in the year  | <u>141,889</u>        | <u>118,668</u>        |
| Provision carried forward | <u><u>852,123</u></u> | <u><u>710,234</u></u> |

**9 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.

**10 Analysis of Net Assets between Funds**

|   | Unrestricted<br>£    | Restricted<br>£         | 2012<br>Total<br>£      | 2011<br>Total<br>£      |
|---|----------------------|-------------------------|-------------------------|-------------------------|
| Fixed assets                              | 5,219                | 2,885,457               | 2,890,676               | 2,948,780               |
| Net current assets                        | 28,907               | 923,354                 | 952,261                 | 595,954                 |
| Liabilities: Due after more than one year | <u>-</u>             | <u>(852,123)</u>        | <u>(852,123)</u>        | <u>(710,234)</u>        |
|   | <u><u>34,126</u></u> | <u><u>2,956,688</u></u> | <u><u>2,990,814</u></u> | <u><u>2,834,500</u></u> |

**The A. M. Qattan Foundation**  
**Detailed Income and Expenditure Account**  
**For the year ended 31 March 2012**

**The A. M. Qattan Foundation - UK**

|   | 2012    | 2012                | 2011   | 2011                    |
|---|---------|---------------------|--------|-------------------------|
|   | £       | £                   | £      | £                       |
| <b>Income</b>                               |         |                     |        |                         |
| Donations receivable                        |         | 204,896             |        | 23,904                  |
| Grants receivable                           |         | 33,854              |        | -                       |
| Investment income                           |         | 140                 |        | 102                     |
| The Mosaic Rooms                            |         |                     |        |                         |
| - Restricted donations to exhibitions       | 66,287  |                     | 31,996 |                         |
| - Exhibition sales                          | 1,405   |                     | -      |                         |
| - Book sales (incl. closing stock of books) | 27,450  |                     | 6,663  |                         |
| - Ticket sales                              | 833     |                     | 1,877  |                         |
| - Art sales                                 | 28,555  |                     | -      |                         |
| - Rental income                             | 16,560  |                     | 23,583 |                         |
|   |         | <u>141,090</u>      |        | <u>64,120</u>           |
|   |         | <u>379,980</u>      |        | <u>88,126</u>           |
| <b>Expenditure</b>                          |         |                     |        |                         |
| Office staff salary/NIC                     | 94,171  |                     | 78,902 |                         |
| Donations                                   | 9,450   |                     | -      |                         |
| Audit and accountancy                       | 10,562  |                     | 14,182 |                         |
| The Mosaic Rooms                            | 161,136 |                     | 67,590 |                         |
| Rates                                       | 8,381   |                     | 1,681  |                         |
| Telephone                                   | 1,467   |                     | 7,062  |                         |
| General office costs                        | 6,608   |                     | 6,633  |                         |
| Repairs and maintenance                     | 28      |                     | 1,201  |                         |
| Bank charges and interest                   | 1,219   |                     | 456    |                         |
| Stationery                                  | 3,588   |                     | 2,212  |                         |
| Professional Fees                           | 25,455  |                     | -      |                         |
| Premises and general insurance              | 2,948   |                     | 3,014  |                         |
| Couriers                                    | 2,330   |                     | 1,561  |                         |
| Depreciation:                               |         |                     | -      |                         |
| Furniture and fittings                      | 652     |                     | 869    |                         |
| Office equipment                            | 1,606   |                     | 1,786  |                         |
| Travel                                      | 150     |                     | 1,679  |                         |
| Subscriptions                               | 788     |                     | -      |                         |
| Translation fees                            | 132     |                     | 34     |                         |
| IT support                                  | 1,226   |                     | 2,990  |                         |
| Events catering                             | 1,865   |                     | 2,661  |                         |
| Hospitality                                 | 464     |                     | 146    |                         |
| Advertising                                 | 37,916  |                     | 34,686 |                         |
| Audio and Visual equip                      | 1,013   |                     | 2,395  |                         |
|   |         | <u>(373,155)</u>    |        | <u>(231,740)</u>        |
| <b>Operating Surplus / (Deficit)</b>        |         | <u><u>6,825</u></u> |        | <u><u>(143,614)</u></u> |

This page does not form part of the financial statements on which the auditors have reported.

**The A. M. Qattan Foundation**  
**Detailed Income and Expenditure Account**  
**For the year ended 31 March 2012**

**The A. M. Qattan Foundation - Palestine**

|                                      | Notes | 2012<br>£  | 2012<br>£             | 2011<br>£    | 2011<br>£               |
|--------------------------------------|-------|------------|-----------------------|--------------|-------------------------|
| <b>Income</b>                        |       |            |                       |              |                         |
| Donations receivable                 |       |            | 3,088,905             |              | 2,183,520               |
| Investment income                    |       |            | -                     |              | 2,942                   |
| Other income                         |       |            | <u>18,978</u>         |              | <u>14,436</u>           |
|                                      |       |            | 3,107,883             |              | 2,200,898               |
| <b>Expenditure</b>                   |       |            |                       |              |                         |
| Donations                            |       | 601,514    |                       | 344,795      |                         |
| Project expenses                     |       | 2,069,799  |                       | 1,754,318    |                         |
| Administration salaries              |       | 167,258    |                       | 148,715      |                         |
| Severance pay                        |       | 19,395     |                       | 25,387       |                         |
| Office expenses                      |       | 47,905     |                       | 29,912       |                         |
| Professional fees                    |       | 16,616     |                       | 61,354       |                         |
| Depreciation                         |       | 18,813     |                       | 28,762       |                         |
| Other                                |       | 11,505     |                       | 8,525        |                         |
| Accommodation and travel             |       | 5,251      |                       | 4,019        |                         |
| Unrealised gain on transactions of   |       |            |                       |              |                         |
| Loss / (Gain) on foreign exchange    |       | <u>336</u> |                       | <u>(861)</u> |                         |
|                                      |       |            | <u>(2,958,392)</u>    |              | <u>(2,404,927)</u>      |
| <b>Operating Surplus / (Deficit)</b> |       |            | <u><u>149,490</u></u> |              | <u><u>(204,029)</u></u> |

**Note 1**

**Project Expenses**

|  |                         |                         |
|--|-------------------------|-------------------------|
| Employees' benefits                      | 975,314                 | 857,469                 |
| Office expenses                          | 390,765                 | 272,850                 |
| Workshop and training                    | 76,772                  | 8,000                   |
| Professional fees                        | 39,419                  | 24,824                  |
| Audiovisual equipment                    | -                       | 31,943                  |
| Transportation                           | 4,037                   | 4,937                   |
| Project activity expenditure             | 162,238                 | 118,626                 |
| Project related conferences and seminars | 172,377                 | 159,626                 |
| Depreciation                             | 204,257                 | 201,473                 |
| Accommodation and travel                 | -                       | 1,992                   |
| Other                                    | <u>44,621</u>           | <u>72,580</u>           |
|  | <u><u>2,069,799</u></u> | <u><u>1,754,318</u></u> |

This page does not form part of the financial statements on which the auditors have reported.