



(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 2017

The A. M. Qattan Foundation

Contents

	Page
Trustees' Report	1 - 35
Independent Auditors' Report	36 - 37
Statement of Financial Activities	38
Balance Sheet	39
Statement of Cashflows	40
Notes to the Financial Statements	41-54

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 2017 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow 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) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 (APB'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 company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the [describe the annual report] to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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, the accompanying financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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.

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

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

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

	Notes	Unrestricted £	Restricted £	2017 Total £	Unrestricted £	Restricted £	2016 Total £
Income From:							
Donations and legacies		487,884	7,735,018	8,222,902	639,287	8,889,311	9,528,598
Investments - bank interest		1,662	-	1,662	1,010	-	1,010
Charitable activities							-
The Mosaic Rooms		35,102	5,000	40,102	55,966	950	56,916
Other		-	1,735,160	1,735,160	-	546,593	546,593
Total Income		<u>524,648</u>	<u>9,475,178</u>	<u>9,999,826</u>	<u>696,263</u>	<u>9,436,854</u>	<u>10,133,117</u>
Expenditure On:							
Raising funds		-	-	-	420	-	420
Charitable activities							
Grant-making:							
Grant expenditure	2	60,000	3,974,568	4,034,568	1,000	3,816,952	3,817,952
Grant related support costs	3a	3,650	770,501	774,151	1,313	573,559	574,872
Total Grant-making expenditure		63,650	4,745,069	4,808,719	2,313	4,390,511	4,392,824
The Mosaic Rooms	3b	367,735	6,295	374,030	366,528	2,962	369,490
Total Expenditure		<u>431,385</u>	<u>4,751,364</u>	<u>5,182,749</u>	<u>369,261</u>	<u>4,393,473</u>	<u>4,762,734</u>
Net income / (expenditure)		93,263	4,723,814	4,817,077	327,002	5,043,381	5,370,383
Fund balances brought forward		355,052	10,001,069	10,356,121	28,050	4,957,688	4,985,738
Fund balances carried forward	9	<u>448,315</u>	<u>14,724,883</u>	<u>15,173,198</u>	<u>355,052</u>	<u>10,001,069</u>	<u>10,356,121</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 41 to 54 form part of these financial statements.

The A. M. Qattan Foundation

Balance Sheet as at 31 March 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed Assets					
Tangible fixed assets	5a		5,556,759		4,920,409
Assets under construction	5b		7,233,249		3,596,226
Fixed Asset Investment	5c		8,500		8,500
			<u>12,798,508</u>		<u>8,525,135</u>
Current Assets					
Stock		17,621		16,588	
Debtors	6	3,246,584		1,106,901	
Cash at bank		<u>11,671,964</u>		<u>8,021,528</u>	
		<u>14,936,169</u>		<u>9,145,017</u>	
Current Liabilities					
Other creditors		11,250,113		5,668,580	
Accruals & deferred income		<u>2,641</u>		<u>4,932</u>	
		<u>11,252,754</u>		<u>5,673,512</u>	
Net Current Assets			<u>3,683,415</u>		<u>3,471,505</u>
Total Assets less Current Liabilities			16,481,923		11,996,640
Liabilities: Amounts falling due after more than one year					
Provision for employees' benefits	7		<u>1,308,725</u>		<u>1,640,519</u>
			<u>15,173,198</u>		<u>10,356,121</u>
Funds					
Unrestricted			448,315		355,052
Restricted	8		<u>14,724,883</u>		<u>10,001,069</u>
	9		<u>15,173,198</u>		<u>10,356,121</u>

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

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

.....
Omar Al-Qattan
Chairman

COMPANY NUMBER: 02171893

The A. M. Qattan Foundation
Statement of Cashflows
For the year ended 31st March 2017

	2017 £	2017 £	2016 £	2016 £
Net Cash provided by Operating Activities		<u>5,923,516</u>		<u>7,447,486</u>
Cash flows from investing activities				
Interest received	1,662		1,010	
Cost of purchasing tangible fixed assets	(266,242)		(2,386,865)	
Cost of constructing assets	(3,637,023)		(2,255,407)	
Foreign Exchange on SoFA	<u>1,628,523</u>		<u>385,911</u>	
Net cash used in investing activities		<u>(2,273,080)</u>		<u>(4,255,351)</u>
Change in cash and cash equivalents in the reporting period		<u>3,650,436</u>		<u>3,192,135</u>
Cash and cash equivalents at the beginning of the reporting period		8,021,528		4,829,392
Cash and cash equivalents at the end of the reporting period		<u>11,671,964</u>		<u>8,021,528</u>
Reconciliation of Operating Profit to Net Cash provided by Operating Activities			2017 £	2016 £
Net income / (expenditure)			4,817,077	5,370,383
Depreciation charges			353,109	256,485
Foreign exchange movements			(1,628,523)	(385,911)
Foreign exchange on Fixed assets			(725,570)	(188,083)
Interest received			(1,662)	(1,010)
Loss on fixed asset disposals			2,353	559
Decrease / (increase) in debtors			(2,139,683)	663,091
Increase / (decrease) in creditors			5,247,448	1,735,207
(Increase) / decrease in stock			(1,033)	(3,235)
Net cash provided by from operating activities			<u>5,923,516</u>	<u>7,447,486</u>

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

The A. M. Qattan Foundation

Notes to the Financial Statements

For the year ended 31 March 2017

1 Accounting Policies

Company information

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

Basis of Accounting

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

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

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

Going Concern

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

Tangible Fixed Assets

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

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

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

Assets Under Construction

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

Taxation

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

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

1 Accounting Policies (Continued)

Investment Income

Gross investment income is accounted for on a receivable basis.

Donations and Grants

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

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

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

Expenditure

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

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

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

Fund Accounting

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

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

Provisions

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

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

Stock Accounting

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

Foreign Currency Balances

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

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

1 Accounting Policies (Continued)

Critical Accounting Estimates and Areas of Judgement

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

Financial Instruments

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

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

Basic Financial Assets

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

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

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

Impairment of Financial Assets

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

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

Derecognition of Financial Assets

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

Classification of Financial Liabilities

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

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

1 Accounting Policies (Continued)

Basic Financial Liabilities

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

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

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

Other Financial Liabilities

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

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

Derecognition of Financial Liabilities

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

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

2 Charitable Grants Expenditure	Unrestricted	Restricted	2017
	£	£	Total
			£
Donations paid to 66 (2016: 65) individuals	-	144,921	144,921
Donations paid to 91 (2016: 129) Institutions	60,000	405,366	465,366
	<u>60,000</u>	<u>550,287</u>	<u>610,287</u>
Arts and Literature Unit (ALU)	-	286,060	286,060
Child Friendly Spaces - UPA	-	30,526	30,526
Cognitive, Social, Emotional & Physical Development Public Programme	-	70,239	70,239
Audio - Visual Unit (AVU)	-	106,718	106,718
Community Based Heart program	-	52,925	52,925
Culture, Arts & Social Engagement	-	4,501	4,501
Educational Research and Development Programme (ERDP)	-	127,171	127,171
Explore, Learn & Enjoy - IDRf	-	804,076	804,076
Improved Education - NRC	-	29,186	29,186
Improved Education - Phase 2 NRC	-	616	616
Mobile Library - Bank of Palestine	-	4,370	4,370
Performing Arts Project - European Commission	-	24,194	24,194
Performing Arts Network (PAN)	-	40,933	40,933
PHL for Children & Empowering Women in Gaza	-	9,877	9,877
Child Centre - Gaza (CCG)	-	16,008	16,008
Visual Arts: A Flourishing Field (VAFF)	-	972,530	972,530
Supporting Contemporary Art Production and Practice in Gaza CKU	-	7,347	7,347
Selat 2 Links: Through the Arts	-	1,986	1,986
Wajd- Co-Curricular Activities for the Orphans	-	19,213	19,213
Co-Curricular Activities for the Children of Wajd Phase 2	-	15,844	15,844
The Walid & Helen Kattan Science Education Project	-	70,966	70,966
	-	728,995	728,995
	<u>60,000</u>	<u>3,974,568</u>	<u>4,034,568</u>

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

2 Charitable Grants Expenditure (Continued)

	Unrestricted	Restricted	2016
	£	£	Total
			£
Donations paid to 65 (2015: 53) individuals	-	160,560	160,560
Donations paid to 129 (2015: 125) Institutions	1,000	774,974	775,974
	<u>1,000</u>	<u>935,534</u>	<u>936,534</u>
Arts and Literature Unit (ALU)	-	242,894	242,894
Child Friendly Spaces - UPA	-	11,579	11,579
Future, Cognitive, Social, Emotional & Physical			
Development of Children through ECCD	-	39,872	39,872
Create Ibdaa - A Culture and Arts Project in Gaza (QCC)	-	19,423	19,423
Audio - Visual Unit (AVU)	-	48,231	48,231
Community Based Heart program	-	6,476	6,476
Culture, Arts & Social Engagement - SDC	-	9,439	9,439
Educational Research and Development Programme (ERDP)	-	752,070	752,070
Explore, Learn & Enjoy - IDRf	-	13,195	13,195
Improved Education - Norwegian Refugee Council	-	2,724	2,724
Mobile Library - Bank of Palestine	-	21,359	21,359
Our Communities, Our Schools - Phase 2 -			
Norwegian Refugee Council	-	2,956	2,956
Performing Arts Project - European Commission	-	421,519	421,519
Performing Arts Network Programme (PAN) - SIDA	-	50,481	50,481
Promoting Healing and Learning for			
Children & Empowering Women in Gaza	-	61,341	61,341
Child Centre - Gaza (CCG)	-	757,552	757,552
Selat: Links Through the Arts	-	9,836	9,836
Selat: Links Through the Arts 2	-	3,989	3,989
Supporting Contemporary Art Production			
and Practice in Gaza 2015-16 - CKU	-	4,243	4,243
Wajd-Co-Curricular Activities for the			
Orphans of the 2014 Assault on Gaza	-	97,380	97,380
The Walid & Helen Kattan Science Education Project	-	304,859	304,859
	<u>1,000</u>	<u>3,816,952</u>	<u>3,817,952</u>

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

2 Charitable Grants Expenditure (Continued)	2017	2016
	£	£
Grants paid to institutions in excess of £10,000 during the year are as follows:		
The Edward Said National Conservatory of Music	-	162,103
Popular Art Center	-	54,020
Ministry of Education, PNA	-	38,775
The Freedom Theatre	-	34,774
Theatre Day Production	-	26,526
Al Harah Center for Theatre & Arts	-	26,526
Ashtar for Theatre Education & Training	-	26,526
El Funoun Popular Dance Troupe	-	26,526
Palestinian Circus School	-	24,234
Al Kamandjati Association	15,300	24,234
Yes Theatre for Communication Among Youths	16,830	17,412
Magnificat Institute	-	12,335
Beit Al-Musica - Shefa Amr	-	10,613
Center for Palestinian Studies/Columbia University	21,038	18,242
The Committee for Educational Guidance for Arab Students	16,065	-
Shiber Hur Theatre Group	15,300	-
IRAB Association	12,240	-
Leb & Pal Heritage Association "Koufia"	12,240	-
Association Sabil	10,710	-
Institute for Palestinian Studies	10,710	-
Arab Resource Center for Popualr Arts (Al Jana)	12,240	-
Ashtar Theatre	19,125	-
The Society of Women Graduates	20,655	-
	<u>182,453</u>	<u>502,846</u>

The direct charitable expenditure of the Palestine branch consisted of:

	2017	2016
	£	£
Staff costs	1,523,363	1,204,287
Depreciation	282,067	224,017
Other direct programme costs	<u>2,166,963</u>	<u>2,386,848</u>
	<u>3,972,393</u>	<u>3,815,152</u>

3a Grant Related Support Costs

	Unrestricted	Restricted	2017
	£	£	Total
			£
Salaries	-	458,943	458,943
Office costs	-	162,636	162,636
Depreciation	-	63,243	63,243
Legal and professional fees	-	64,005	64,005
Auditors' remuneration:			
Audit fee	<u>3,650</u>	<u>21,674</u>	<u>25,324</u>
	<u>3,650</u>	<u>770,501</u>	<u>774,151</u>

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

3a Grant Related Support Costs (Continued)	Unrestricted	Restricted	2016
	£	£	Total
			£
Salaries	-	299,858	299,858
Office costs	-	140,174	140,174
Depreciation	-	29,520	29,520
Legal and professional fees	-	91,708	91,708
Auditors' remuneration:			
Audit fee	1,313	12,299	13,612
	<u>1,313</u>	<u>12,299</u>	<u>13,612</u>
	<u>1,313</u>	<u>573,559</u>	<u>574,872</u>

3b The Mosaic Rooms	Unrestricted	Restricted	2017
(including Support costs)	£	£	Total
			£
Salaries	194,615	-	194,615
Office/programme costs	165,321	-	165,321
Depreciation	7,799	6,295	14,094
	<u>367,735</u>	<u>6,295</u>	<u>374,030</u>

	Unrestricted	Restricted	2016
	£	£	Total
			£
Salaries	144,991	-	144,991
Office costs	218,589	-	218,589
Depreciation	2,948	2,962	5,910
	<u>366,528</u>	<u>2,962</u>	<u>369,490</u>

The average number of persons employed by the charity during the year was 99 (2016 - 88).

During the course of the year, trustees were reimbursed \$6,808 (2016: \$3,158) in respect of travel expenses to attend Board meetings. One employee earned over £60,000 in this year. No employee earned over £60,000 in the preceding year.

Key Management Personnel include the Trustees and the Senior Management Team (consisting of: The Director General, CCG Director, ERDP Director, CAP Director, Director of Finance, Director of Administration, Director of Communication & Public Relations, Public Programme Director, and Director of the Mosaic Rooms). Total remuneration paid to Key Management Personnel amounted to £410,628 (2016: £278,812).

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

4 Net Incoming / (Outgoing) Resources for the Year

	2017	2016
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets	353,109	256,485
Auditors' remuneration:		
Unrestricted	3,650	1,313
Restricted	21,674	12,299
	21,674	12,299

5 Tangible Fixed Assets

	Freehold Land and Buildings	Furniture and Fittings and Books	Computer Equipment	Motor Vehicles	Total
Cost	£	£	£	£	£
At 1 April 2016	5,437,430	1,323,480	513,690	87,426	7,362,026
Additions	2,247	201,774	62,221	-	266,242
Disposals	-	(27,494)	(21,899)	-	(49,393)
Exchange differences	810,045	202,062	73,577	13,023	1,098,707
	6,249,722	1,699,822	627,590	100,449	8,677,582
Depreciation					
At 1 April 2016	1,143,311	1,020,070	246,694	31,542	2,441,617
Charge for year	114,627	103,659	119,163	15,660	353,109
On disposal	-	(25,767)	(21,273)	-	(47,039)
Exchange differences	175,479	154,409	37,844	5,405	373,137
	1,433,417	1,252,372	382,428	52,607	3,120,824
Net Book Value					
At 31 March 2017	4,816,305	447,450	245,162	47,842	5,556,759
At 31 March 2016	4,294,119	303,410	266,996	55,884	4,920,409

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

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

5b Assets Under Construction

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

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

5c Fixed Asset Investments		2017	2016
		£	£
Cost			
At 1 April 2016		8,500	8,500
Additions		-	-
		<u>8,500</u>	<u>8,500</u>
At 31 March 2017		<u>8,500</u>	<u>8,500</u>

This relates to a painting and artwork purchased during 2014 by A. M. Qattan Foundation.

6 Debtors		2017	2016
		£	£
Other debtors		3,170,344	1,029,941
Prepayments and accrued income		76,240	76,960
		<u>3,246,584</u>	<u>1,106,901</u>

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

7 Provision for Employees' Benefits

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

		2017	2016
		£	£
Provision brought forward		1,640,519	1,340,583
Net movement in the year		<u>(331,794)</u>	<u>299,936</u>
Provision carried forward		<u>1,308,725</u>	<u>1,640,519</u>

8 Restricted Funds

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

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

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

9 Analysis of Net Assets between Funds

	Unrestricted £	Restricted £	2017 Total £
Fixed assets	49,503	12,749,005	12,798,508
Net current assets	398,812	3,284,603	3,683,415
Liabilities: Due after more than one year	-	(1,308,725)	(1,308,725)
	<u>448,315</u>	<u>14,724,883</u>	<u>15,173,198</u>
	Unrestricted £	Restricted £	2016 Total £
Fixed assets	10,575	8,514,560	8,525,135
Net current assets	671,479	2,800,026	3,471,505
Liabilities: Due after more than one year	-	(1,640,519)	(1,640,519)
	<u>682,054</u>	<u>9,674,067</u>	<u>10,356,121</u>

10 Related Parties

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

a) Transactions with related parties are as follows:

	2017 £	2016 £
Details:		
Unrestricted contribution from Al Qattan Charitable Trust - Guernsey	981,450	3,803,566
Unrestricted contribution from Mr. Abdel Mohsin Al-Qattan	2,624,941	-
In-kind donation from Mr. Abdel Mohsin Al-Qattan	-	1,594,978
In-kind donation from Mr. Omar Al-Qattan	-	-
Restricted contribution from Directors for new Palestine building	<u>3,101,340</u>	<u>4,533,230</u>

b) Balances with related parties are as follows:

	2017 £	2016 £
Details		
Restricted net assets from Directors for new Palestine building	<u>6,923,467</u>	<u>3,699,166</u>

11 Financial Commitments

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

	2017 £	2016 £
Payments due:		
Within one year	-	771
Within 2-5 years	-	-
More than 5 years	<u>-</u>	<u>-</u>

The prior year figure related to a 36 month hire of a photocopier held in the London office. The lease expired in March 2017. AMQF are renting a photocopier on a monthly basis until a new lease can be agreed.

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2017 (Continued)

12 Post balance sheet events

In August 2017, probate was granted over a material legacy left to the Foundation, upon which two properties were bequeathed alongside a painting. Valuations were undertaken on each property and painting. The total of each valuation was £7,950,000, 2,608,000 Jordan Dinar, and £1,000,000 respectively. Both properties are now in the process of being transferred to The A M Qattan Foundation.

The A. M. Qattan Foundation

Detailed Income and Expenditure Account

The A. M. Qattan Foundation - UK

	2017	2017	2016	2016
	£	£	£	£
Income				
Donations receivable		391,003		571,925
Grants receivable				
Gift aid on donation from Omar		96,881		67,362
Investment income		1,662		1,010
The Mosaic Rooms				
- Restricted donations to exhibitions	5,000		950	
- Exhibition sales	2,605		15,464	
- Book sales (incl. closing stock of books)	10,743		14,572	
- Ticket sales	17,830		13,676	
- Rental income	3,924		12,254	
	40,102		56,916	
		529,648		697,213
Expenditure				
Office staff salary/NIC	194,615		144,991	
Casual staff and recruitment costs	1,401		3,423	
Donations	62,175		2,800	
Audit and accountancy	12,395		13,864	
The Mosaic Rooms	93,640		133,017	
Rates	9,565		9,491	
Telephone	445		415	
General office costs	5,685		5,655	
Repairs and maintenance	73		525	
Bank charges and interest	1,345		1,779	
Fundraising consultant	-		420	
Stationery	3,328		3,548	
Professional Fees	-		900	
Premises and general insurance	4,175		7,537	
Couriers	5,556		2,974	
Depreciation:				
Furniture and fittings	2,712		331	
Office equipment	5,087		2,617	
Travel	807		99	
Cleaning	2,598		2,529	
Training costs	1,259		-	
IT support	11,609		14,035	
Events catering	3,251		4,588	
Hospitality	621		1,260	
Advertising	6,087		12,329	
Equipment under £500	1,011		883	
Bad and doubtful debts	293		-	
Exchange rate variance	177		(262)	
		(429,910)		(369,748)
Net income / (expenditure)		99,738		327,465

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 2017

The A. M. Qattan Foundation - Palestine

	2017	2017	2016	2016
	£	£	£	£
Income				
Donations receivable		7,735,018		8,889,311
Investment income		-		-
Other income		<u>1,735,160</u>		<u>546,593</u>
		9,470,178		9,435,904
Expenditure				
Donations	482,179		877,121	
Project expenses (see Note 1 below)	3,362,609		2,884,295	
Administration salaries	383,229		246,706	
Severance pay	75,714		53,151	
Office expenses	162,636		140,174	
Professional fees	85,679		104,007	
Depreciation	63,243		29,520	
Other	4,470		7,375	
Accommodation and travel	<u>133,082</u>		<u>50,637</u>	
		<u>(4,752,840)</u>		<u>(4,392,986)</u>
Operating Surplus / (Deficit)		<u><u>4,717,338</u></u>		<u><u>5,042,918</u></u>

Note 1

Project Expenses

Employees' benefits	1,523,363	1,204,287
Office expenses	445,438	307,028
Workshop and training	-	-
Professional fees	142,367	98,524
Transportation	-	-
Project activity expenditure	231,579	577,760
Project related conferences and seminars	276,070	280,892
Depreciation	282,067	224,017
Accommodation and travel	133,082	50,637
Other	<u>328,643</u>	<u>141,150</u>
	<u><u>3,362,609</u></u>	<u><u>2,884,295</u></u>

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