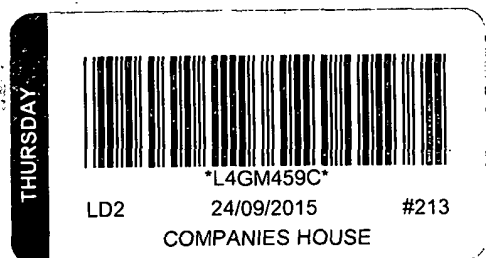


Charity Registration No. 1116751

Company Registration No. 5938633 (England and Wales)

THE ASFARI FOUNDATION
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2014



THE ASFARI FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Adeeb Asfari Mr Ayman Asfari Mrs Sawsan Asfari Mr John Ferguson Dr Marwan Muasher
Chief Executive Officer	Ms Marieke Bosman
Charity number	1116751
Company number	5938633
Registered office	Acre House 11/15 William Road London NW1 3ER
Auditors	H W Fisher & Company Acre House 11-15 William Road London NW1 3ER
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
Solicitors	Bircham Dyson Bell 50 Broadway London SW1H 0BL

THE ASFARI FOUNDATION

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THE ASFARI FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The Trustees present their report and accounts for the year ended 31 December 2014.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts, the Companies Act 2006 and the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities', issued in March 2005.

Structure, governance and management

The Asfari Foundation is a company limited by guarantee (company number 5938633) and a registered charity (charity number 1116751). It was set up in September 2006 by the Asfari family and is governed by its Memorandum and Articles of Association. Over the years the Asfari family has made substantial gifts to the charity. The Foundation does not actively fundraise.

The Trustees, who are also the directors for the purpose of company law, and who served during the 2014 year were:

Mr Adeeb Asfari	
Mr Ayman Asfari	
Mrs Sawsan Asfari	
Mr John Ferguson	(Appointed 24 June 2014)
Dr Marwan Muasher	(Appointed 24 June 2014)

The Foundation's Articles of Association provides for a minimum of three Trustees. The Board appointed two additional Trustees in 2014 in order to enhance the Board's collective capabilities.

None of the Trustees has any beneficial interest in the company. The Trustees guarantee to contribute £1 in the event of a winding up. The Board of Trustees met four times in 2014 to agree the broad strategy and areas of activity for the Foundation, including consideration of grant making, investment, reserves and risk management policies and performance. The Board of Trustees is empowered under the Articles of Association to delegate authority to sub-committees. During the year there were two sub-committees: the Investment Committee and the Programmes Committee. These Committees consider and approve new grant applications vetted by the team, decide on changes to or issues with projects, review & monitor investments and communicate or meet as necessary. Their mandates are agreed by and they report to the Board, which ratifies all their decisions.

The Trustees delegate the day-to-day running of the charity to the Foundation's office in London, where staff, consultants, programmes and budget are overseen by a Chief Executive Officer. During the period under review the team consisted of the CEO, a full-time Programme Manager for the Youth Empowerment Programme, a Programmes Assistant, a part time Finance and Administration Manager, a part-time Administrator and a part-time bookkeeper. The staff team is supported by technical consultants and advisors in the UK and the Arab region who have extensive and relevant experience.

Grant making policy

The Asfari Foundation is a grant making organisation. A significant part of its objectives are achieved through partnerships with specialised, capable and reputable grantee organisations which are non-political and non-sectarian and share the Foundation's goals and values. The Asfari Foundation accepts applications from partner organisations and also identifies potential partners itself. Every partner is subject to a vetting procedure which establishes whether the organisation is experienced and reputable, shares the Foundation's goals and values, and whether the proposed project meets the Foundation's objectives and helps its target communities effectively. The Foundation only supports partners who work with others regardless of gender, religion, ethnicity, or (dis)ability.

Once the vetting process has been completed and a project agreed, a contract is drafted which sets out the responsibilities of the Foundation and of the partner organisation. When this is signed, the grant is made. During the project period the partner submits regular narrative and financial reports, and staff usually also visit the project and keep in touch with partner staff. Partnerships can run for several years as long as progress is satisfactory. Results are measured both in terms of outputs (e.g. students supported) but also through outcomes such as changes in the lives of partner target groups and communities. The Foundation regularly reviews and evaluates its programmes and operational work.

THE ASFARI FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

For all partnerships involving scholarships, fellowships and bursaries, the Foundation has careful procedures to ensure that these opportunities are advertised openly and broadly, and that applicants are carefully and fairly selected on the basis of need, merit and promise. Selection procedures include a formal application and panel interviews. Agreements are signed with successful candidates setting out what the Foundation expects from them, and they are required to report to the Foundation at regular intervals. The Foundation keeps in close touch with its scholars through visits, emails and phone calls, and will continue to do so after scholars graduate. While good progress during the scholarship is considered positive, the Foundation views the future success and community contribution of the scholars as the true outcome of the scholarships.

Related Parties

For details on related parties, please see note 16 to the accounts.

Principal Risks and Uncertainties

A full risk assessment had been carried out by the Trustees along with strategies for mitigating principal risks. A risk register is kept and regularly reviewed and updated.

Principal risks include Compliance Risk, the risk the Foundation or those in receipt of its grants do not comply with UK or Charity Commission rules & regulations or laws. The risk is mitigated by close observation of regulations and monitoring of partners. The Foundation must ensure that grants given are used for the charitable purpose. Exposure to this risk is managed through due diligence and regular monitoring. Internal controls over income, expenditure, assets and investments are subject to continuous improvement.

Mission and objectives

Charitable objectives, vision, mission and programmes

The Foundation's charitable object as set out in its Articles of Association is 'to further such charitable objects as the Trustees in their absolute discretion think fit, but to include the advancement of education and the relief of poverty'. This is translated into the Foundation's vision, mission and programmes.

The Asfari Foundation's **vision** is for an educated and democratic society, based on the rule of law, which promotes development and progress through knowledge, tolerance and integrity.

The Foundation's **mission** is to help young people make a valuable contribution to society by empowering them through education, research and the power of free thinking; and to encourage the development of vibrant and effective civil societies. When necessary, the Foundation also provides humanitarian relief aid when emergencies occur in its target countries. The Asfari Foundation works in the UK and the Arab world, particularly in Syria, Lebanon and Palestine.

The Foundation's work is based on the following values:

- A belief in the individual's right to education, knowledge and freedom of thought, in the interests of a successful, just and open society.
- To strive for excellence and to support those who seek the same.
- To operate transparently and to select partners and beneficiaries based on merit and need.

The Foundation carries out its objectives through a range of activities, set out below.

Programme Activities in 2014

The Youth Empowerment Programme: empowering young people to create change

The Youth Empowerment Programme (formerly the Future Leaders Programme) gives talented and motivated but disadvantaged young people the opportunity to acquire the skills and knowledge to contribute to their societies.

In 2014, the Foundation spent a total of £868,000 (2013: £938,000) on its Youth Empowerment Programme. With these funds, the Foundation supported nine new partners and 11 existing partner organisations across four countries, enabling some 1,600 young people from Syria, Lebanon, Palestine (including Palestinian citizens of Israel) and the UK to access opportunities for training and development. As part of the Foundation's commitment to supporting young Syrian

THE ASFARI FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

refugees, a small number of young Turkish people (in Gaziantep) also benefited from support from the Foundation, pairing up with their Syrian peers to set up small businesses together, thus knitting together host communities and refugees.

Under the **UK Scholarships programme** (which provides Master's scholarships at UK universities for young people from the Foundation's Arab target countries) ten young people from Syria and Palestine were supported with scholarships for taught Masters programmes at the universities of Edinburgh, St Andrews, Oxford Brookes and East Anglia, and at the Royal College of Music in London. The Foundation's successful 'leadership training' weekend for all its scholars (plus some of the Asfari Fellows supported under the Civil Society programme) was held in November.

Under the **Middle East Young People's programme** (providing grants to projects for disadvantaged young people in the Foundation's Arab target countries to set up and grow small businesses) the Foundation worked with partner organisations in Palestine, Jordan, Israel and Turkey. In Palestine, it supported an education campaign encouraging some 150 young female Palestinian entrepreneurs to register with the Palestinian Chamber of Commerce. In Jordan, the Foundation supported an online enterprise competition reaching some 100 Syrian young entrepreneurs, which resulted in a three week 'boot camp' for the top ten participants, delivered in Beirut. In Turkey, the Foundation supported a business plan competition and training series benefiting some 100 budding young entrepreneurs from Syrian refugee and Turkish host communities in Gaziantep. The Foundation supported training, networking and development opportunities for at least 20 young Palestinian artists in Israel, enabling them to generate income from their artistic activities. In addition, the Foundation also supported year-long vocational training in nurse aid and child care professions for 12 Syrian, Lebanese and Palestinian young people in Lebanon. In total, some 380 young people were supported under this programme.

Under the **UK Young People's programme** (which makes grants to projects which help disadvantaged young people in the UK access employment and enterprise opportunities) the Foundation worked with partners to provide employability skills training for some 200 young people through a peer learning scheme in Ipswich, Kent and London, give 490 young people a taste of the world of enterprise in London and the rural South West, support three young people on nine-month paid internships with MPs in the House of Commons, provide tailored employability support and advice for 56 disadvantaged young people in Northumberland, enable 400 young people in south London to gain work experience in local businesses, deliver highly focused training and psychosocial support for 50 severely disadvantaged young people in London and help eight young people in south east England set up their own businesses. In total, some 1,200 young people were supported under this programme.

Under the **Middle East Scholarships programme** (which continues the Foundation's commitment to scholarship students studying at universities across the Middle East) the Foundation supported 13 Syrian and five Palestinian undergraduate students and two Lebanese Masters students at the American University of Beirut. The Foundation also supported one Syrian student studying ophthalmology in Germany. In total, 21 young people were supported under this programme.

The Civil Society Programme: engaged citizens, strong civil societies

The overall goal of the Foundation's Civil Society Programme is to contribute to resilient and vibrant civil societies in the Foundation's target countries through:

- Development and transfer of knowledge and skills (in individuals and organisations);
- Research and reporting on civil society issues, particularly by young Arab writers;
- Networking and the exchange of ideas.

This programme is closely linked to the Youth Empowerment and Relief programmes through its focus on working with and supporting young people and organisations that are run by or support young people.

In 2014, the Foundation worked with 13 partners (seven new partners and six established partners). Total expenditure on this Programme in 2014 was £1,037,000 (2013: £1,017,000). Highlights of 2014 include a cornerstone donation to Chatham House to establish the Asfari Centre within the new Queen Elizabeth II Academy for Leadership in International Affairs, which was inaugurated by her Majesty the Queen in November, supporting 12 civil society leaders from the region to develop their skills and contacts, the work of partners getting attention in international media channels such as LA times, Newsweek, france24, the work of fellows being published in others like the Guardian and CBS news and launching the activities of the Asfari Institute at the American University of Beirut engaging many academics and practitioners through a series of seminars, conferences and research activities.

THE ASFARI FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The Civil Society Programme has two sub programmes:

The Individual Grants Programme allows young practitioners from civil society organisations, ranging from smaller charities to NGOs and International Organisations, to access learning opportunities such as fellowships and bursaries to develop their leadership skills and knowledge to support the work of their organisations. In 2014 the Foundation supported 12 civil society leaders from Syria, Palestine, Lebanon and the UK to develop their skills through bursaries and fellowships in the UK and the US focusing on sectors like journalism and refugee rights and general research and leadership skills.

The Organisational Grants Programme provides grants to partner organisations that work on strengthening civil society, particularly where such work relates to young people. In Lebanon, the Foundation continued to support an initiative that brings hundreds of academics and practitioners together to strengthen networks and contribute to knowledge building around citizenship and civil society in the Middle East.

In the UK, the Foundation supported research and academic initiatives related to Syria's civil society that aim at building the capacity of young scholars and provide access to and encourage exchange of information and knowledge about Syria in the UK and internationally.

In Syria, the Foundation supported Syrian organisations working on the emergence of independent and objective media in the country through the printing and distribution of magazines for youth to 25,000 young people and their families throughout Syria; trained 40 Syrian doctors and lawyers on documenting sexual violence and torture for use as evidence in international courts; and supported the creation of an e-platform to strengthen 100 non-violent civil society groups and organisations in Syria, helping them exchange ideas and play a constructive role in finding a democratic solution to the conflict in Syria.

The Foundation also supported 246 young Palestinian citizens of Israel to learn more about the principles of democracy, gender equality, pluralism, tolerance and community building. University students were trained to mentor the younger people on identifying a problem in their communities, designing a project to address it, and carrying out their plans. In Palestine, the Foundation supported a programme that helps a Palestinian rural community in the West Bank to come together to mobilise resources and undertake a project that young people identify as necessary for their community, thus developing civil society and citizenship in the process.

Humanitarian Relief Programme: citizens working together to overcome emergencies

The Asfari Foundation's Humanitarian Relief Programme supports humanitarian action to alleviate the trauma and loss inflicted by man-made and natural emergencies in its target countries. The continuing humanitarian emergency created by the crisis in Syria remained the Foundation's key focus in 2014, except for a medical relief grant for injured Palestinians at the time of the war in Gaza.

In 2014, the Foundation spent a total of £1,283,000 (2013: £996,000) on its Humanitarian Relief Programme.

Key achievements in 2014 include partnerships with 21 organisations in Syria, Lebanon, Palestine, Jordan and Turkey reaching some 40,000 people in need. The Foundation made two major donations to the appeals of Save the Children and the IRC which contributed to them raising £2.2m for Syria, which will have helped many more Syrians. The Foundation also provided key seed funding for the Syria Campaign, an awareness-raising campaign that raised the voices of ordinary Syrians to millions of citizens around the world to ask them to show their concern, support Syrians in various ways, and help bring a peaceful end to the Syrian conflict. An additional key achievement was the commissioning and publication of a mapping study on the educational needs of young Syrian refugees aged 12-25 years living in Syria's neighbouring host countries.

Relief Programme support is provided through four sub-programmes:

Under the **Refugee Education sub-programme**, Turkish language training was provided to 120 young Syrian refugees in Turkey and a designated learning space was rehabilitated. Vocational training was provided to 140 Syrian, Lebanese and Palestinian young people in Tyre, Lebanon. Social capoeira courses were provided to 250 young Syrian refugees in Azraq camp in Jordan, including the 'training of trainers' for 15 young Syrian refugees. Three educational programmes supported by the Foundation in the Bekaa Valley provided basic education for some 1,050 Syrian children. The Foundation also supported a drop-in centre for 80 Syrian and Jordanian young people involved in child labour in Amman, and 420 children at kindergartens in Za'atari Camp. Overall, this programme helped 2,075 children and young people.

THE ASFARI FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

Other relief donations helped to ease the immediate suffering of Palestinians in Gaza through restocking rapidly depleting surgical and medical supplies at Makassed Hospital in Jerusalem, enabling the treatment of 20 severely injured young Palestinians. Some 840 people benefited directly from mines clearance and risk education for Syrian and Lebanese communities in the Bekaa Valley in Lebanon. Medical pre and post-natal care was provided to 50 Syrian refugee mothers in a hospital in Irbid. In total, some 910 people benefitted from the Foundation's support of these programmes.

In Syria, the Asfari Foundation continued to support five emerging **Syrian civil society organisations** working with Syrians in need inside Syria, which were provided with tailored capacity building training as well as regular grants for their relief work to Syrians in need living in various parts of Syria, including those under regime and rebel control. The help they provided to communities inside Syria included food and non-food items, medicine, shelter, education, community services (including water distribution and garbage disposal) and psycho-social support for Syrians in need, benefitting some 37,000 Syrians affected by the conflict. Furthermore, as a continuation of a programme started in 2013 tailored capacity building training was provided for some 19 young staff members on project cycle management of these and three additional Syrian civil society organisations based in Lebanon, by competent Lebanese trainers organised by the Foundation.

The Foundation also supported a conference to promote better coordination between international aid organisations and Syrian civil society in Jordan, attended by 44 participants; and in cooperation with Vitol and the Said Foundation, it commissioned a mapping study on the educational needs of young Syrian refugees aged 12-25 years living in Syria's neighbouring host countries to help the Foundation and other donors better target their educational support to young Syrians denied access to education. The findings of this study were presented at a workshop in Amman.

The Foundation provided all the seed funding and helped raised additional funds to set up the Syria Campaign which aims to bring the stories of ordinary Syrians, particularly those helping other citizens, to the attention of the world community. Over 2013 and 2014 The Foundation donated £507,000 directly to the Campaign and has helped to raise a further £422,000 from third party donors so far. The Syria Campaign's membership grew rapidly in 2014, from 40,000 members in September to 98,000 by the end of the year. Its videos of ordinary Syrian heroes were viewed by over 1.6m people around the world. Data suggests that its member community is one of the most engaged and active in the world of social movement building.

The Foundation also supported **fundraising** in aid of Syria. This included a London fundraising event run by students, which raised £10,000 for the International Rescue Committee's work with Syrian refugees in Lebanon. The Foundation also contributed considerable sums to the Christmas appeals of the International Rescue Committee and Save the Children to encourage others to donate; between them, using the seedfunds, these two organisations raised a total of £2.2m which was used for work with Syrian refugees in all neighbouring host countries for education, healthcare, protection of unaccompanied children within refugee camps, support for women and girls who have suffered violence, non-food items including cooking equipment, winter and hygiene kits.

Operational progress

In 2014 the Foundation continued to make good operational progress. Systems were further developed and refined. The Trustees acted on a range of recommendations to further improve governance, including various new policies for and an expansion of the Board of Trustees. Two new Board members were appointed in 2014. The Foundation expanded its small team through the appointment of a Programmes Assistant and a Finance and Administration Manager and it identified a Civil Society Programme Manager, who will start with the Foundation in 2015. It also located a new office which it moved into in 2015.

THE ASFARI FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

Future plans

In 2015, the Foundation will continue to work towards its overall goals and objectives by continuing to work with current partners and identifying new partners based on the objectives set for each Programme, and by developing its programme and operational methods. In particular, the Foundation plans to:

- Where possible, support projects that improve cooperation between civil society, and between organisations working on Syrian relief in particular;
- Look into effective ways to support refugee education for Syrian young people with the greatest possible impact;
- Investigate the best ways to support small business development by young people in the Arab region;
- Further develop in particular its Monitoring and Evaluation systems and its alumni network;
- Review its constitution and objectives to ensure they continue to meet the needs of its target countries and the aims of the Trustees as closely as possible, and reflect the latest legal requirements;
- Move into its new office;
- Set up new data management systems;
- Ensure that its administrative and financial systems are as robust as possible, easy to use and follow best practice;
- Further document the various processes and policies of the Foundation;
- Upgrade its website and to start issuing a newsletter on its work.

Financial review

Total income received was £2,711,000 (2013: £4,449,000). This included a generous donation from the Asfari family of £1,983,000 and £200,000 in donations for the Foundation's relief work in Syria from friends of the Foundation. £528,000 was received from the Foundation's investments (2013: £314,000)

Total expenditure of the Foundation on programmes and operational costs during 2014 was £3,524,000 (2013: £3,369,000). Of this, £3,187,000 (2013: £2,940,000) was spent on programmes (90% of expenditure) and £338,000 was spent on all costs related to implementing the programmes, whether project technical, administrative, operational, management or governance (10% of expenditure).

The Foundation is developing an endowment, and currently owns two floors in a building in Central London, valued at £7,817,000, from which it derives rental income. The Foundation also holds an investment in a commercial property fund, valued at £2,928,000. It is in the process of developing an investment policy to ensure diversity of investments and sustainable and secure returns on its growing endowment.

Reserve policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that free reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Investment policy

The Foundation is working on an Investment Policy that sets out the long term investment objective, risk profile and investment restrictions. The objective of the Foundation's current investment portfolio is to generate an increase in capital and income and is reviewed on a total return basis.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit. Both the nature of the Foundation's programmes, with their focus on helping disadvantaged young people through education and into employment, its work on strengthening civil society (which then in turn helps others), and the relief work it provides to people facing emergencies clearly serve public benefit. Moreover, its stringent selection criteria and process for scholarship students (open recruitment of partners and students, based on merit, need and promise) and its vetting process for partner organisations also ensure compliance.

THE ASFARI FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

Audit information


There is no relevant audit information of which the charitable company's auditor is unaware. The Trustees have taken all steps 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.

Auditors

HW Fisher & Company were appointed auditors to the company and, in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put to the members.

On behalf of the Board of Trustees

Mr Ayman Asfari
Chairman


Dated: 22.1.Sep / 2015

THE ASFARI FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of The Asfari Foundation for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE ASFARI FOUNDATION

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE ASFARI FOUNDATION

We have audited the accounts of The Asfari Foundation for the year ended 31 December 2014 set out on pages 10 to 20. 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 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 anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement on page 8, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Andrew Rich (Senior Statutory Auditor)
for and on behalf of H W Fisher & Company
Chartered Accountants
Statutory Auditor

Acre House
11-15 William Road
London
NW1 3ER

Dated: 22/9/15

THE ASFARI FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Unrestricted funds £	Restricted funds £	Total 2014 £	Restated Total 2013 £
<u>Incoming resources from generated funds</u>					
Donations and legacies	2	1,982,542	-	1,982,542	4,135,396
Investment income	3	528,232	-	528,232	313,565
		2,510,774	-	2,510,774	4,448,961
Other incoming resources	4	-	200,046	200,046	-
Total incoming resources		2,510,774	200,046	2,710,820	4,448,961
<u>Resources expended</u>					
	5				
Charitable activities					
Grants to individuals and organisations		3,313,672	200,046	3,513,718	3,359,937
Governance costs		10,532	-	10,532	8,925
Total resources expended		3,324,204	200,046	3,524,250	3,368,862
Net (outgoing)/incoming resources		(813,430)	-	(813,430)	1,080,099
Other recognised gains and losses					
Gains on investment assets		556,539	-	556,539	159,670
Net movement in funds		(256,891)	-	(256,891)	1,239,769
Fund balances at 1 January 2014		11,630,329	-	11,630,329	10,390,560
Fund balances at 31 December 2014		11,373,438	-	11,373,438	11,630,329

THE ASFARI FOUNDATION**BALANCE SHEET****AS AT 31 DECEMBER 2014**

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Tangible assets	10		3,143		4,362
Investments	11		10,745,029		10,668,490
			<u>10,748,172</u>		<u>10,672,852</u>
Current assets					
Debtors	12	699,525		269,979	
Cash at bank and in hand		585,151		1,623,167	
		<u>1,284,676</u>		<u>1,893,146</u>	
Creditors: amounts falling due within one year	13	<u>(659,410)</u>		<u>(935,669)</u>	
Net current assets			<u>625,266</u>		<u>957,477</u>
Total assets less current liabilities			<u><u>11,373,438</u></u>		<u><u>11,630,329</u></u>
Income funds					
Unrestricted funds					
Unrestricted income funds		10,657,229		11,470,659	
Revaluation reserve		716,209		159,670	
		<u>11,373,438</u>		<u>11,630,329</u>	
			<u><u>11,373,438</u></u>		<u><u>11,630,329</u></u>

The accounts were approved by the Board on 22 Sept 2015


.....
Mr Ayman Asfari
Trustee

THE ASFARI FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

3 Investment income

	Restated	
	Total 2014 £	Total 2013 £
Rental income	288,044	288,978
Fund investment income	239,998	23,013
Interest receivable	190	1,574
	<u>528,232</u>	<u>313,565</u>

4 Other incoming resources

	2014 £	2013 £
Third party donations	<u>200,046</u>	-

5 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Grant funding £	Total 2014 £	Total 2013 £
Charitable activities						
<u>Grants to individuals and organisations</u>						
Grant funding of activities	-	-	-	3,186,685	3,186,685	2,940,997
Support costs	149,832	-	177,201	-	327,033	418,940
Total	<u>149,832</u>	<u>-</u>	<u>177,201</u>	<u>3,186,685</u>	<u>3,513,718</u>	<u>3,359,937</u>
Governance costs	3,803	1,219	5,510	-	10,532	8,925
	<u>153,635</u>	<u>1,219</u>	<u>182,711</u>	<u>3,186,685</u>	<u>3,524,250</u>	<u>3,368,862</u>

Governance costs includes payments to the auditors of £5,510 (2013: £5,250) for audit fees. Non-audit fees paid to the auditors were £25,260 (2013: £22,784).

THE ASFARI FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

6 Grants payable

	Unrestricted funds £	Restricted funds £	Total 2014 £	Restated Total 2013 £
Youth Empowerment				
Grants to institutions:				
The American University of Beirut (Syrian Scholars)	332,942	-	332,942	332,048
University of East Anglia	71,817	-	71,817	-
SPARK	59,936	-	59,936	-
The Social Mobility Foundation	45,000	-	45,000	45,000
Jusoor	41,537	-	41,537	-
Community Service Volunteers	35,000	-	35,000	-
MyBnk	34,874	-	34,874	-
University of Edinburgh	33,610	-	33,610	58,738
Tomorrow's People	30,000	-	30,000	-
ASALA	30,000	-	30,000	-
Keeping Kids Company	29,132	-	29,132	20,000
LIFE Generation	27,469	-	27,469	10,805
Child and Mother Welfare Association	20,000	-	20,000	20,500
Arab Culture Association	20,000	-	20,000	-
Oxford Brookes University	17,500	-	17,500	20,000
Royal College of Music	11,000	-	11,000	5,000
The Prince's Trust	10,000	-	10,000	50,000
Ophthalmic Scholarship	9,878	-	9,878	-
Herriot Watt University	4,941	-	4,941	38,930
University of St Andrews	1,970	-	1,970	97,857
School of Oriental & African Studies	1,613	-	1,613	15,310
Welfare Association	-	-	-	44,823
Save the Children	-	-	-	40,000
Culture and Free Thought Association	-	-	-	20,000
Dar Al Amal	-	-	-	20,000
St Johns Eye Hospital	-	-	-	11,500
Bidna Capocira	-	-	-	10,000
Duke of Edinburgh Award	-	-	-	10,000
The Galilee Foundation	-	-	-	10,156
Asfari Leadership Weekend	-	-	-	7,004
The International Medical and Educational Trust 2000	-	-	-	6,400
Tumouhi Association	-	-	-	2,911
Grants to individuals: additional small payments for for Asfari students at AUB, UK and Austrian universities	-	-	-	41,218
	868,219	-	868,219	938,200

THE ASFARI FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

Civil Society

Grants to institutions:

Chatham House	570,000	-	570,000	127,518
Syria Dceply	59,678	-	59,678	50,000
The Asfari Institute for Civil Society & Citizenship at AUB	148,759	-	148,759	629,653
St Andrews University (Centre for Syria Studies)	66,286	-	66,286	42,250
Association for Support of Free Media (ASML)	50,000	-	50,000	40,000
Physicians for Human Rights	30,000	-	30,000	-
Dawlaty	28,376	-	28,376	-
Baladna	26,000	-	26,000	-
Dalia Association	21,177	-	21,177	-
Reuters Institute for Journalism, Oxford University	15,130	-	15,130	63,434
Columbia Business School Student Costs	11,121	-	11,121	31,017
Refugee Studies Centre, Oxford University	10,000	-	10,000	-
Jadaliyya	-	-	-	24,500
Civil Society Workshop at Chatham House	-	-	-	8,398
Prepayment Reversal	-	-	-	(14,867)
	<u>1,036,527</u>	-	<u>1,036,527</u>	<u>1,001,903</u>

Relief

Grants to institutions:

The Syria Campaign	256,988	200,046	457,034	250,000
Humanitarian grants to Syrian civil society organisations (kept anonymous for security reasons)	180,179	-	180,179	280,034
International Rescue Committee	150,000	-	150,000	25,000
Save The Children	108,452	-	108,452	60,000
Refugee Studies Centre	56,086	-	56,086	-
Medecins Sans Frontieres	50,000	-	50,000	20,000
Mines Action Group	46,000	-	46,000	-
Popular Aid for Relief & Development	40,000	-	40,000	20,000
The Refugee Education Trust	40,000	-	40,000	-
Capacity building for Syrian civil society organisations	31,126	-	31,126	42,453
Madad Foundation	29,500	-	29,500	-
Bidna Capocira	27,492	-	27,492	-
Oxfam Italia	22,750	-	22,750	-
Jusoor	20,000	-	20,000	20,000
Wilton Park	15,000	-	15,000	-
Welfare Association	12,422	-	12,422	70,000
London Business School Middle East Club	5,000	-	5,000	5,000
Mousawat Organisation	(9,305)	-	(9,305)	19,305
ACTED	-	-	-	51,757
Jordanian Women's Union	-	-	-	22,345
Mouvement Social	-	-	-	20,000
Sub-total	<u>1,081,690</u>	<u>200,046</u>	<u>1,281,736</u>	<u>925,894</u>

THE ASFARI FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

Carried forward total	1,081,690	200,046	1,281,736	925,894
United Nations Relief and Works Agency	-	-	-	20,000
Soul B Music	-	-	-	15,000
Hands Up for Syria	-	-	-	10,000
Syria Relief	-	-	-	10,000
Refuge Productions Ltd	-	-	-	10,000
The Jasmine Ball	-	-	-	10,000
Mother & Child Welfare Association	-	-	-	5,000
SOAS Student Union	-	-	-	5,000
UNICEF	-	-	-	5,000
	1,081,690	200,046	1,281,736	995,894
Other				
Grants to institutions:				
Give a Child a Toy	-	-	-	5,000
	-	-	-	5,000
Total	2,986,436	200,046	3,186,482	2,940,997

£200,046 of the Syria campaign donations were made by third parties.

7 Support costs

	2014	2013
	£	£
Office costs	85,650	131,343
Other Professional Services	91,551	138,488
Staff costs	149,832	148,066
Depreciation	-	1,043
	327,033	418,940

8 Trustees

Trustees Directly incurred expenses borne by the Foundation of £2,272 (2013: £nil).

THE ASFARI FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2014 Number	2013 Number
Managerial, administrative and programme technical	4	4

Employment costs

	2014 £	2013 £
Wages and salaries	133,526	134,208
Social security costs	15,173	13,464
Other pension costs	4,936	4,069
	<u>153,635</u>	<u>151,741</u>

There were no employees whose annual emoluments were £60,000 or more.

10 Tangible fixed assets

	Office Equipment £
Cost	
At 1 January 2014 and at 31 December 2014	<u>6,094</u>
Depreciation	
At 1 January 2014	1,732
Charge for the year	1,219
At 31 December 2014	<u>2,951</u>
Net book value	
At 31 December 2014	<u>3,143</u>
At 31 December 2013	<u>4,362</u>

THE ASFARI FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

11 Fixed asset investments

	Investment fund	Investment property	Total
	£	£	£
Market value at 1 January 2014	3,159,670	7,508,820	10,668,490
Disposals at opening book value	(480,000)	-	(480,000)
Change in value in the year	248,451	308,088	556,539
Market value at 31 December 2014	<u>2,928,121</u>	<u>7,816,908</u>	<u>10,745,029</u>
Historical cost:			
At 31 December 2014	<u>2,520,000</u>	<u>7,508,820</u>	<u>10,028,820</u>
At 31 December 2013	<u>3,000,000</u>	<u>7,508,820</u>	<u>10,508,820</u>

The investment property uplift in the year is based on an RPI increase of 10.6 index points.

12 Debtors

	2014	2013
	£	£
Other debtors	18,598	1,851
Prepayments and accrued income	680,927	268,128
	<u>699,525</u>	<u>269,979</u>

Within accrued income is a Gift Aid balance of £620,000

THE ASFARI FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

13 Creditors: amounts falling due within one year	2014	2013
	£	£
Creditors	16,977	27,748
Taxes and social security costs	5,105	34,371
Other creditors	-	38,215
Accruals	592,879	835,335
Deferred income	44,449	-
	<u>659,410</u>	<u>935,669</u>

Accruals include £440,651 (2013: £714,843) of grants payable in 2015 which were committed to as at 31 December 2014.

14 Pension and other post-retirement benefit commitments Defined contribution

	2014	2013
	£	£
Contributions payable by the company for the year	<u>4,936</u>	<u>4,069</u>

THE ASFARI FOUNDATION

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

15 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2014 are represented by:			
Tangible fixed assets	3,143	-	3,143
Investments	10,745,029	-	10,745,029
Current assets	1,284,676	-	1,284,676
Creditors: amounts falling due within one year	(659,410)	-	(659,410)
	<u>11,373,438</u>	<u>-</u>	<u>11,373,438</u>
Unrealised gains included above:			
On investments	716,209	-	716,209
	<u>716,209</u>	<u>-</u>	<u>716,209</u>
Reconciliation of movements in unrealised gains			
Unrealised gains at 1 January 2014	159,670	-	159,670
Net gains on revaluations in year	556,539	-	556,539
Unrealised gains at 31 December 2014	<u>716,209</u>	<u>-</u>	<u>716,209</u>

16 Related parties

Mr Ayman Asfari, who is the CEO of Petrofac Ltd, is a trustee of the American University of Beirut to whom The Asfari Foundation donated £482,000 (2013: £962,000) in the year under review. Mr Asfari also sits on the panel of senior advisors of Chatham House with grants being made by the Asfari Foundation to Chatham House totalling £570,000 (2013: £128,000). Chatham House are tenants in the Foundation's investment property. Rental income of £288,000 was received by The Foundation from Chatham House. Mrs Sawsan Asfari is a trustee of The Welfare Association and The Galilee Foundation to whom the Foundation donated £12,000 (2013: £115,000) and £Nil (2013: £10,000) in the year respectively. Mrs Marieke Bosman is the CEO of the Asfari Foundation and also sits on the Advisory Board at Chatham House.