



**A . M . Q A T T A N
F O U N D A T I O N**

(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 2011

The A. M. Qattan Foundation

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The A. M. Qattan Foundation

Company Information

Trustees

Mr Abdul Mohsen Al-Qattan
Mrs Laila Al-Qattan
Mr Omar Al-Qattan
Mrs Najwa Al-Qattan
Mrs Leenah Al-Qattan

Executive Director

Mr Ziad Khalaf - Ramallah

Secretary

Mr Omar Al-Qattan

Registered Office & Business Address

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226 Cromwell Road
London
SW5 0SR

Company Registration Number

02171893

Charity Registration Number

1029450

Auditors

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London
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A M QATTAN FOUNDATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011

Governance

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 for discussion, guidance and approval. The Board meets with the Management Committee of the Charity at least twice a year. The Management Committee is composed of all members of staff at Director level.

The Constitution of the Charity

A registered charity - a company limited by guarantee

Method for Recruitment and Appointment of Trustees

This is a privately funded charity and so far the board is mainly constituted from its founding members. Recommendation and selection of members is the responsibility of the Board. No external bodies or individuals are allowed to appoint trustees. However, during the reporting period the Board decided to study the possibility of recruiting new members and has asked the Secretary to develop the requisite guidelines, using external legal advice if necessary. These guidelines are currently being developed.

Risk Management

The Trustees recognise that protecting the Charity from harm is essential to the AM 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 controls and procedures for the authorisation of projects and transactions.

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 the Charity Commission's general guidance 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 will also put into place a number of evaluation procedures which will allow the Trustees to regularly monitor this correlation to ensure that benefit to the public, and specifically to our target group, is achieved.

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 and young 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.

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 **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.

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The **Qattan Centre for the Child** in Gaza City holds over 110,000 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 9,669 members, its 55,555 unique visitors and to thousands more through its outreach programme.

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 works in film and Television training, DVD publishing and distribution, school film education and film subtitling; and, most recently, the **Gaza Music School Project**, co-funded with the Swedish International Development Agency.

The Mosaic Rooms, a new space for exhibitions, lectures and workshops in Central London, opened to the general public in November 2008.

A permanent office building in Ramallah combined with a state-of-the-art cultural centre is currently in the design phase. This has been delayed 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 so a decision was taken to terminate their contract. We are now looking for an alternative firm. Thus the planned 2012-13 opening has been postponed by at least a year to 2014.

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.

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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.

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;
- Growth 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;
- 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. A new organisational structure, salary scale, resource development policy, and risk management policy were approved, and the human resources manual, accounting

policy and authorization matrix are under final review for approval. To help meet the strategic objective of reaching 40% in external funding partnerships, Nida Tawil was hired for the new post of Director of Communications and Resource Development.

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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 down to 9,669 from 12,000 (with total membership reaching 21,398 since opening in September 2005) while the annual number of visits reached 55,555 children and approximately 148 parents. These drops in numbers are due to several factors. First, as a means of better measuring active memberships, all old memberships were cancelled and interested children were asked to renew their memberships so it was mainly the active library users who came to renew their membership. In addition, some children with older memberships live far away, in Rafah for example, but used the library only once or twice a year, so they were not interested in renewing. In addition to that, children reaching the age of 15 have as a matter of policy to give up their memberships.

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), Save the Children (UK), the Norwegian Refugee Council, Welfare Association - Geneva, Friends of Waldorf Education – Germany, and Drosos Foundation in Switzerland. This last project involves the rehabilitation of an existing space, in this case in Maghazi Refugee Camp, into a children's library/recreation centre, including refurbishment, systems, staff training and programme development, for a period of four years after which the new, self-governing centre will become totally independent of QCC. Renovation and rehabilitation work has finished, and the Centre is expected to open in summer 2011. The Welfare Association co-funded programme involves the development and capacity building of six kindergartens in the Gaza Strip, and establishing a unique collaboration between similar KGs in Lebanon, the West Bank, and the Galilee.

The Library

The Library's collection topped 110,657 items including books, videos, cassettes, CDs and material for special needs. External lending, where children borrow books and CDs to take home, reached 66,304 items and internal lending, where children use books and CDs inside the library reached 164,170 items.

The team are 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.

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 first year of activity 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 principle 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, MSWord, 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, another parent-focussed programme involving 50 fathers and mothers, aimed at helping them cope with "difficult" children; collaborative projects with QCERD on story-telling (via video conference), with the Gaza Mental Health Programme and a programme focused on the children of the Samoni area of Gaza which had been severely hit by the Israeli invasion of 2009.

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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 following three research approaches continue to be adopted:

1. Creative-Reflective Research, where researchers, teachers and students were full partners in the research projects. Seven research topics were undertaken all related directly to the daily lives and reflections of the participants.
2. Applied Research, with focus on problem-based learning, emotional intelligence, integrated learning and scientific enquiry.
3. Curriculum-based research, where alternative approaches in applying the curriculum are continually investigated in teaching Arabic, English, math, science and history. As always, teachers were active participants in the research.

Teacher Professional Development

The Centre continued to offer professional development courses for teachers with emphasis in three areas; development of pre-school teachers; the relationship between history and literature and their role in fostering national identity, and the use of drama in education. As an offshoot of the Drama in Education Summer School, participants applied their new acquired skills in the classroom during the academic year 10/11 under the supervision of the QCERD. During this year, eleven teachers finished the 3-year requirements of the Drama in Education Programme; all are well positioned now as teachers-trainers in the field. The Drama in Education Teachers Forum held three workshops during which more than 166 members shared their applied experiences and received further theoretical and practical training.

Special programmes this year included a wide-ranging project in a number of schools based on the use of 2D animation and claymation in the classroom; an early childhood programme focused on science and IT education; a project focused on teaching autistic children; a number of programmes inspired by the Mantle of the Expert method.

A major new programme document on science education and the development of a science centre/museum in Palestine was commissioned by Walid and Helen Kattan. The document was completed and approved by Mr and Mrs Kattan who have generously committed to funding the programme over a period of five years for an estimated total of \$3m. Final agreement, budget and contractual matters to be completed in summer 2011. Walid Kattan is the brother of Abdel Mohsin Al-Qattan and a retired businessman based in the USA. His wife Helen is a US citizen.

Furthermore, in collaboration with the Hani Qaddumi Scholarship Foundation (see <http://www.hq-sf.org/>) QCERD provided a scholarship to Sawsan Maree, who will study for an MA in Drama in Education at the University of Warwick. As for last year's recipient Faraed Saadeh, he has completed his studies and returned to teach at his school in the West Bank.

Forums

The Centre continued to provide professional and material support to the teachers' forums, which were established through teachers' 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.

In addition, the Centre's affiliate Teachers' Resource Centre in the village of Ni'illin (West Bank), increased its activities with a number of film screenings and popular arts performances for adults and children in its beautiful medieval courtyard (the Khawaja Fortress), in addition to several workshops specifically focused on local teachers. The Centre also supported the establishment of the Teacher's Centre's library.

Workshops & Study Days

The Centre carried out numerous workshops and study days that included subjects such as creative thinking, emotional intelligence, maths education, the role of play in education, creative writing and the use of multimedia in teaching. In particular, QCERD launched its first animation project.

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The main event this year was a two-day national conference on education held on 18 and 19 December 2009 (The 3rd Qattan Educational Conference) attended by more than 280 teachers and professionals (and a small number of pupils).

Resources, Publications and Documentation

• *The Library*

The number of visitors to the libraries in Ramallah and Gaza was 6,769. The collection in the libraries exceeded 22,500 titles; around 1,375 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. 32,33 &34) of its quarterly educational magazine, *Ru'a Tarbawiyah*. Other planned publications include two translations of works on drama in education.

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 Performing Arts

Through the co-funding agreement with the Ford Foundation, 14 new grants were approved in the performing arts, including nine for new productions, two for promotion, two in research and translation and one in specialized training. These were complimented by 11 study scholarships in instrumental and vocal fields, and six study scholarships in theatre and dance. The Programme also supported 40 events in music, theatre and dance across the country, including major festivals.

As for training in the performing arts, the Programme supported another four specialized workshops, and for the fourth year running, organized the Performing Arts Summer School in partnership with the Royal Flemish Theatre and Les Ballets C de La B in Belgium.

Literature

The Programme organized the Young Writer of the Year Award (YWYA) 2010 for best poetry and short story collections. 14 short story collections and 21 poetry collections applied. The international jury chose the *Lawa* by Asma' Azaizeh (Galilee) in the best poetry category and jointly *Typo* by Isra' Kalash (Jenin), and *Cherry Cheese Cake* by Saleem Al Beyk (Galilee) for the best short story collection. It also supported 7 literary events, including the 2nd edition of PALFEST, and the 4th Conference on Literature at Bethlehem University.

Visual Arts

The Programme received 62 applications for the 2010 Young Artist of the Year Award (YAYA). The jury shortlisted eleven artists, who produced their final works in October 2010. The international jury selected the winners during a fascinating few days spent debating and meeting the artists directly or via videoconference.

The Programme also organized and supported 11 art exhibitions by local and foreign artists, and four workshops and events in Palestine and abroad including a workshop in jewellery design by the internationally renowned designer Nida El-Asmar, and a workshop by the Anglo-Lebanese team FEBRIK in Talbeyah Refugee Camp in Jordan.

Artistic and Literary Residencies

The Programme funded 9 literary and art residencies, including at Cité des art in Paris, the Delfina Foundation in London and Città dell'arte in Biella, Italy, in addition to supporting the participation of 3 artists in shows in Paris and Tunis.

Publications

The Programme supported the publication of *Raising Dust: A Cultural History of Dance in Palestine* (I.B. Tauris, London, 2010).

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Guest House

The Foundation hosted 21 visitors from several countries that included the UK, France, Italy, USA, Belgium, Sweden, Australia and Norway 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) with new materials.

As part of the Foundation's human resource development policy, the Programme staff participated in training activities and seminars in the US and Egypt.

The Palestinian Audio Visual Project/Classics of European Cinema in Translation – this has now been integrated into the Culture and Arts Programme under a newly created **Audio-visual Unit**. Six short feature film projects were selected for cash or in-kind support by an international jury of film professionals. Of these two have now been completed, and one is in post-production. One project has been postponed and two not produced because they were unable to complete the required pre-conditions. The project was successful in

importing a complete camera grip unit which it now offers at a discounted rate to filmmakers but is still trying to import a lighting unit which has not been as easy due to Israeli customs restrictions which we are trying to overcome.

The UK-Palestine Co-production Treaty was also signed by both countries' governments and, in the UK, has been ratified by Parliament. The Foundation was instrumental in negotiating the terms of this agreement, upon the request of the PA government and the British Council. We look forward to facilitating the signing of similar cooperation agreements with other EU countries.

The Gaza Music School Project (Academic Coordinator: Ibrahim Najjar) –

Registration for the new year opened in June 2010. 87 new students are now enrolled and are being taught seven instruments. There are also three new teachers. Videoconference lessons were also used on a number of occasions.

Eight concerts were organised throughout the year. The Foundation managed to add an additional 80 meters square to the GMS facilities bringing the total area of the school to 320 square meters, providing an additional 5 classrooms, and new spaces for instruments storage.

In collaboration with Al-Kamandjati Association, 3 music trainers from France, Greece and the US visited the GMS during the fall of 2010. They contributed to the regular training programme, offered master classes, and joined the teachers and students in staging performances. Another collaborative effort was implemented with Musik Fund from Belgium. Through their expertise, two workshops in instrumental repair and maintenance were held in January and March 2011. Eleven local musicians participated in the training as well as establishing a repair workshop are being planned.

Support in-kind and in cash also continued to pour into the project from different parts of the world, including our three-year co-funding partnership with the Swedish International Development Agency (SIDA) which comes to an end in 2011 and is currently under review.

The Mosaic Rooms

(currently managed by Omar Al-Qattan on a voluntary basis)

The Rooms enjoyed a significantly busier programme of events including:

Exhibitions:

Bashar Hroub, *Reflective Consciousness*: (May 6 – June 3) A young artist from Hebron, Hroub has been working on an MA in Fine Arts at the University of Southampton, which co-sponsored his first UK exhibition at the Mosaic Rooms. The show was also supported by Bashar's university.

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Jawad Al-Malhi, *New Works*: (June 11 – July 8) this exhibition was part of the Qattan-Delfina partnership which invited Jerusalem artist Al-Malhi to stay at the Delfina facilities in Victoria while showing new work at both Delfina and Mosaic Rooms. The artist also gave a tour of both shows.

Earls' Court Festival 2010: (July 4 – 31) Once again this year, we renewed our support to the ECF by hosting four of their events, including their launch. Three of these events were offered free of charge and the first was paid for. Although there was a marked improvement in the organisation and quality of events, and although our involvement certainly attracted new faces to the space, the overall benefit of this partnership is still debatable and should be reviewed next year.

Mona Saudi, *Poetic Inspirations*: (September 24 – October 22) The distinguished Jordanian sculptor's first UK show was both the best attended and best covered visual arts exhibition held at the Rooms since our opening. The exhibition also attracted for the first time funding from the Royal Borough of Kensington and Chelsea (£3,000, as part of their *Across the Street, Around the World* cultural festival which took place during September and October). The artist also gave a well-attended talk to the public.

We also launched our **first education outreach programme** during this show, *Transforming Narratives*. Dia Batal, a furniture designer (and previous winner of a Qattan Foundation bursary for her MA studies in fine art at Goldsmith College) and Reem Chareef, a Lebanese architect who has previously worked with CAP on a summer art programme in Burj el-Barajneh Camp in Lebanon, designed an ambitious programme with primary school children at St Francis of Assisi comprehensive school in Kensington, which they launched with a visit to Mona Saudi's show. The programme continued in the classroom and lasted until February 2011, culminating in the schoolchildren's work being shown at the Mosaic Rooms in March.

Shema Ladva, *Portraits from Sainsbury's*: (November 5-24) This was an exhibition of portraits by a local artist of her co-workers from the nightshift at the Sainsbury's supermarket located on the Cromwell Road. The opening was attended by these co-workers and was a positive way to engage a different local audience.

Kai Wiedenhofer, *The Book of Destruction*: (January 28-February 12) Award winning German photographer exhibited a series of photographs from his prize winning images of Gaza after the 2009 Operation Cast Lead. This was the first time the photographs had been exhibited in London, and the exhibition received much press attention including features in the Observer, the Guardian, British Journal of Photography, Radio with BBC World Service, and TV coverage with Al Jazeera, Al Arabiya etc. As such the exhibition and the artist talk were the best attended so far. The exhibition was also used for fundraising purposes, to help support those featured in Kai's photographs. We estimate around £12,000 was raised.

Omar Joseph Nasser-Khoury, *Silk Thread Martyrs*: (18 February-March 9) Debut exhibition of the young Palestinian fashion designer's latest collection of garments to coincide with London Fashion Week. The private view was very well attended, and also doubled as the open house event for promoting venue hire. The exhibition received press attention from CNN online, the Telegraph online, BBC World Service radio arts programme 'The Strand',

Guardian fashion newsletter, as well as numerous blogs. Co-sponsored by The British Council, Palestinian Territories.

Young Artists Award, *Such Stuff as Dreams are Made on*: (Part I March 18-31, Part II April 8-21) The exhibition of the A.M Qattan Foundation Young Artist Award 2010 was held in two parts to ensure the 7 artists could be best represented. Both openings were quieter than the previous two private views, but were well attended and the exhibition has had a steady flow of visitors. Part II has received more interest and greater attendance thanks to the BBC online coverage.

Literary Events:

Literary and other cultural events hosted by the Rooms included the launch of books by Nicholas Rowe (*Raising Dust – A Cultural History of Dance in Palestine*) and Sarec Maqdisi (*Palestine Inside Out – An Everyday Occupation*), as well as a reading by Randa Jarrar from her book *A Map of Home*, as part of the Beirut 39/Hay Festival collaboration.

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In early September, Palestinian-British playwright Hannah Khalil organised a reading with six actors of her play *Scenes from 62 Years*. November saw the launch of *Absent Presence* by Mohammed Darwish, and in December we hosted Dash Arts Café session with Iraqi 'ud player Khyam Allami. January saw the launch of the *Atlas of Palestine* by Dr Salman Abu Sitta. In February we hosted with Verso author Prof. Shlomo Sand in conversation with Omar Al-Qattan on *What is a Nation?*; Saif Ghobash-Banipal Prize for Arabic Literary Translation winner's reception; and *Emerging Arab Voices*-a panel discussion on contemporary Arabic fiction in association with IPAF and Saqi Books. In March we held events with two celebrated authors in conversation with Omar Al-Qattan: Raja Shehadeh (Orwell Prize winner 2009) and Hisham Matar, both for the launch of their news books. Hisham Matar's launch was the most well attended literary event we have held so far (more than 120 people in the audience) and was held in association with Penguin Books.

Other events

- In March we held an exhibition showing the result of our local outreach project *Transforming Narratives*. All participating children and parents were invited to attend and see the results of the children's work, which was hung and displayed in the Grand Room. They were also to be given certificates congratulating them on their participation. Unfortunately attendance was low, but this was felt to be due to some of the family situations, where the children's parents might not have been able to take the children to the gallery on the weekend or felt comfortable with this. On consideration for the future we would hold such an event during school time when the school could organise a bus to take the children here.
- The Rooms were also used free of charge by the Welfare Association (UK) to raise funds for the Cycle for Gaza event and by Dr Jamal Nasser to launch his book on Palestine and International law. As part of our participating with *Across the Street Festival* for Mona Saudi's exhibition the rooms were given for free to *Spread the Word* for poetry reading and music evening entitled *Looking Back, Looking Forward*.

Residencies:

During this reporting period there were the following **residencies**: Pascal Hachem a Lebanese artist stayed with us during the opening of his exhibition at the Selma Feriani Gallery; Walaa Ahmed Al Qaisiya was a Palfest Intern resident during her internship at Bloomsbury Publishing; Omar Joseph Nasser-Khoury was resident during his exhibition with us; Ziad Antar a Lebanese artist was resident during his exhibition opening at the Selma Feriani Gallery.

Other news:

The Rooms' new website fully launched in January. This has increased our newsletter sign up/database, and general visibility. We have also started to increase our virtual presence through facebook and twitter, to engage new audiences.

With support from Colman Getty, we have improved awareness of the Mosaic Rooms, exhibition and event attendance. The level of rental uptake has improved though not as dramatically as hoped, but we aim through continued exposure and offers and advice from CG to improve this throughout the year; we might still consider purchasing a new database of potential audiences/or a targeted flyer campaign for autumn programme to expand our current audiences and bring in new groups to the space; expand our education outreach programme and, improve our sponsorship and public funding income. This will be achieved through the appointment of a specialist fund-raising consultant, and we may need to consider employing someone to assist us in the launch and sustaining of the 'Being Young' year long online project aimed at 14-21 year olds in the Arab World and UK. Further education and outreach project are also under consideration.

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.

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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 independence and long-term sustainability of its projects. 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 2011, it has been able 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
- Barenboim-Said Foundation
- Paltel Group Foundation

This allowed it to expand its work without compromising its independence. In 2010-2011, the percentage of external funding reached 26% of the overall budget, a significant step in achieving the target set last year by the Board to double the Foundation's budget and increase external funding to 40% of total.

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

The Foundation maintains a 100% Cash Reserves policy as far as its employees severance pay and employees' Provident Fund are concerned (£710,234 as of March 31 2011). No other reserves policy is currently in place.

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 HQ building, with the opening now postponed to 2014. 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.

A M QATTAN FOUNDATION TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2011

Connected Charity

The Charity continues to provide office, meeting rooms and hospitality to the Welfare Association UK; in October 2010 it also hosted the Welfare Association Geneva's weekend workshop on the planning of the Palestinian Museum. Two of the Charity's Trustees are also members of the Board of Trustees of the Swiss charity and one was also a member of the UK sister charity until he resigned after nine years of service in November 2010. Welfare Association (Geneva) is one of the largest independent Palestinian NGOs, working in social, economic and cultural development.

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.

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 23/3/11
and signed on their behalf by:


M. Abdel Mohsin Al-Qattan, Chair

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 2011 which comprise the Statement of Financial Activities [the Summary Income and Expenditure Account], the Balance Sheets, the Statement of Cashflows 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 so that we might state to the charitable company's members and trustees those matters which 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 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 charity'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 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 2011 and of the 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;
- 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 adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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

25/8/2011 Page: 13

The A. M. Qattan Foundation
Statement of Financial Activities (Incorporating the Summary Income and
Expenditure Account)
For the year ended 31 March 2011

	Notes	Unrestricted £	Restricted £	2011 Total £	Restated 2010 Total £
INCOMING RESOURCES					
Incoming resources from generated funds					
Donations		20,000	2,187,424	2,207,424	1,741,533
Investment income - bank interest		102	2,942	3,044	1,662
Charitable activities					
The Mosaic Rooms		58,767	5,353	64,120	77,876
Other incoming resources			<u>14,436</u>	<u>14,436</u>	<u>17,926</u>
Total Incoming Resources		<u>78,869</u>	<u>2,210,155</u>	<u>2,289,024</u>	<u>1,838,997</u>
Resources Expended					
Charitable activities					
Grant-making:					
Grant expenditure	2	-	2,099,112	2,099,112	1,593,263
Grant related administrative costs	3	-	<u>244,461</u>	<u>244,461</u>	<u>265,544</u>
Total Grant-making expenditure		-	2,343,573	2,343,573	1,858,807
The Mosaic Rooms		218,123	10,257	228,380	58,926
Governance costs	4	<u>3,360</u>	<u>61,354</u>	<u>64,714</u>	<u>9,693</u>
Total Resources Expended		<u>221,483</u>	<u>2,415,184</u>	<u>2,636,667</u>	<u>1,927,426</u>
Net (Outgoing) Resources for the Year	5	(142,614)	(205,029)	(347,643)	(88,429)
Other Recognised Gains and Losses					
Unrealised gain / (loss) on foreign currency transactions		-	861	861	(11,503)
Net Movement in Funds		(142,614)	(204,168)	(346,782)	(99,933)
Fund balances brought forward, as previously reported		162,773	3,018,509	3,181,282	3,690,920
Prior year adjustment	11	-	-	-	(409,705)
Fund balances brought forward, restated		<u>162,773</u>	<u>3,018,509</u>	<u>3,181,282</u>	<u>3,281,215</u>
Fund balances carried forward	10	<u>20,159</u>	<u>2,814,341</u>	<u>2,834,500</u>	<u>3,181,282</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 18 to 22 form part of these financial statements.

The A. M. Qattan Foundation Balance Sheet at 31 March 2011

	Notes	2011 £	2011 £	Restated 2010 £	Restated 2010 £
Fixed Assets					
Tangible fixed assets	6		2,828,472		2,937,739
Assets under construction			<u>120,308</u>		<u>85,700</u>
			<u>2,948,780</u>		<u>3,023,439</u>
Current Assets					
Debtors	7	890,268		363,733	
Cash at bank		<u>882,748</u>		<u>988,831</u>	
		<u>1,773,016</u>		<u>1,352,564</u>	
Current Liabilities					
Other creditors		1,167,785		600,231	
Accruals		<u>9,277</u>		<u>3,283</u>	
		<u>1,177,062</u>		<u>603,514</u>	
Net Current Assets			<u>595,954</u>		<u>749,050</u>
Total Assets less Current Liabilities			3,544,733		3,772,489
Liabilities: Amounts falling due after more than one year					
Provision for employees' benefits	8		<u>710,234</u>		<u>591,206</u>
			<u>2,834,500</u>		<u>3,181,282</u>
Funds					
Unrestricted	9		20,159		162,773
Restricted			<u>2,814,341</u>		<u>3,018,509</u>
	10		<u>2,834,500</u>		<u>3,181,282</u>

The notes on pages 18 to 22 form part of these financial statements.

Approved by the Board of Trustees, and authorised for distribution, on 23/8/11
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 2011

	2011	2011	2010	2010
	£	£	£	£
Net Cash Inflow from Operating Activities		<u>43,282</u>		<u>277,770</u>
Returns on Investments and Servicing of Finance				
Interest received	3,044		1,661	
	<u>3,044</u>		<u>1,661</u>	
Net Cash Inflow from Returns on Investments and Servicing of Finance		<u>3,044</u>		<u>1,661</u>
Capital Expenditure and Financial Investment				
Cost of purchasing tangible fixed assets	(152,409)		(195,554)	
	<u>(152,409)</u>		<u>(195,554)</u>	
Net Cash Outflow from Capital expenditure and Financial Investment		<u>(152,409)</u>		<u>(195,554)</u>
(Decrease) / Increase in Cash		<u><u>(106,083)</u></u>		<u><u>83,877</u></u>

The notes on pages 23 to 27 form a part of these financial statements

The A. M. Qattan Foundation
Notes to the Statement of Cashflows
For the year ended 31st March 2011

Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities	2011	2010
	£	£
Net incoming/(outgoing) resources	(347,643)	(88,429)
Depreciation charges	226,097	223,317
Interest received	(3,044)	(1,661)
Unrealised gain/(loss) on foreign exchange	861	(11,503)
(Profit)/loss on fixed asset disposals	971	1,810
Increase in debtors	(526,535)	(11,737)
Increase in creditors	692,575	165,973
Net cash inflow from operating activities	<u>43,282</u>	<u>277,770</u>

Reconciliation of Net Cash Flow to Movements in Net Cash

Decrease in cash in the year representing change in net debt	£ (106,083)
Net cash at 1 April 2010	<u>988,831</u>
Net cash at 31 March 2011	<u>882,748</u>

Analysis of Changes in Net Debt

	At 1 April 2010 £	Non-cash Changes £	Cash Flows £	At 31 March 2011 £
Cash at bank and in hand	988,831	-	(106,083)	882,748
Total Net Funds	<u>988,831</u>	<u>-</u>	<u>(106,083)</u>	<u>882,748</u>

The A. M. Qattan Foundation

Notes to the Financial Statements

For the year ended 31 March 2011

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 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.

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

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.

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 2011 (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.

2 Charitable Grants Expenditure	Unrestricted	Restricted	2011 Total	Restated 2010 Total
	£	£	£	£
Donations paid to 61 (2010: 51) individuals		111,739	111,739	213,647
Donations paid to 61 (2010: 62) Institutions		233,056	233,056	31,440
	<u>-</u>	<u>344,795</u>	<u>344,795</u>	<u>245,087</u>
The Qattan Centre for Educational Research and Development		482,719	482,719	433,563
The Qattan Centre for the Child Culture and Arts Programme		657,935	657,935	599,344
Enhancing the Outreach Services Programme in the Gaza Strip		207,104	207,104	146,185
Drama Summer School		21,735	21,735	25,998
Production Support Project		58,971	58,971	50,902
Developing a Family Literacy Programme in Kindergartens in the Gaza Strip		43,773	43,773	2,202
Gaza Music School		3,214	3,214	20,741
Using Simulation in Education		95,114	95,114	56,472
Teachers' Resource Centre		-	-	8,540
Research in Palestinian Schools		17,186	17,186	3,212
Flowers Seller Film		18,594	18,594	1,017
Scientific Literary for Early Childhood		6,427	6,427	-
Animation in Education		29,458	29,458	-
Festival for Popular Palestinian Games		8,576	8,576	-
For a Happy Childhood		31,799	31,799	-
Reading for Fun		17,923	17,923	-
Samouni Family project - Gaza		4,647	4,647	-
Musical Theatre Production of Sleeping Beauty		24,858	24,858	-
Partnership for Development		7,265	7,265	-
Parental Skills		12,058	12,058	-
		4,961	4,961	-
	<u>-</u>	<u>2,099,112</u>	<u>2,099,112</u>	<u>1,593,263</u>

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2011 (Continued)

2 Charitable Grants Expenditure (Continued)

	2011 £
Grants paid to institutions in excess of £5,000 during the year are as follows:	
The Edward Said National Conservatory of Music	15,800
Popular Art Theatre	12,000
Ensemble Fring Theatre	15,000
Khalil Al Sakakini Cultural Center	10,000
Palestine National Theatre	8,000
Nawa Association	16,000
Al Hakawati Theatre	12,000
Hekayat Zaman Association	8,000
Palestine Popular Dance Troupe	5,400
Sheber Hur Theatre Troupe Production at the Young Vic, London	22,500
Popular Art Center	9,000
1st Ramallah Group	13,689
Al Maghazi Association	107,205
	<u>254,594</u>

	2011 £	Restated 2010 £
The direct charitable expenditure of the Palestine branch consisted of:		
Staff costs	857,469	638,425
Depreciation	201,473	182,395
Other costs	1,040,170	764,524
	<u>2,099,112</u>	<u>1,585,344</u>

3 Grant Related Administrative Costs

	Unrestricted £	Restricted £	2011 Total £	Restated 2010 Total £
Salaries	-	174,103	174,103	177,558
Office costs	-	41,595	41,595	59,386
Depreciation	-	28,762	28,762	28,600
	<u>-</u>	<u>244,461</u>	<u>244,461</u>	<u>265,544</u>

The average number of persons employed by the company during the year was 73 (2010 - 83).

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.

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2011 (Continued)

4 Governance	Unrestricted	Restricted	2011 Total	Restated 2010 Total	
	£	£	£	£	
Legal and professional fees	-	54,903	54,903	668	
Auditors' remuneration:					
Audit fee	3,360	6,451	9,811	9,025	
	<u>3,360</u>	<u>61,354</u>	<u>64,714</u>	<u>9,693</u>	
5 Net (Outgoings) Resources for the Year			2011 £	Restated 2010 £	
This is stated after charging:					
Depreciation of tangible fixed assets			226,097	223,317	
Auditors' remuneration:					
Unrestricted			3,360	3,114	
Restricted			6,451	5,911	
			<u>6,451</u>	<u>5,911</u>	
6 Tangible Fixed Assets					
	Freehold Land and Buildings £	Furniture and Fittings and Books £	Computer Equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2010 as previously reported	3,519,615	769,404	204,194	15,996	4,509,209
Prior year adjustment (note 11)	(532,905)	-	-	-	(532,905)
At 1 April 2010 Restated	<u>2,986,710</u>	<u>769,404</u>	<u>204,194</u>	<u>15,996</u>	<u>3,976,304</u>
Additions	-	96,810	20,995	-	117,805
Disposals	-	(8,173)	(13,996)	-	(22,169)
	<u>-</u>	<u>(8,173)</u>	<u>(13,996)</u>	<u>-</u>	<u>(22,169)</u>
At 31 March 2011	<u>2,986,710</u>	<u>858,041</u>	<u>211,193</u>	<u>15,996</u>	<u>4,071,940</u>
Depreciation					
At 1 April 2010 as previously reported	549,816	438,430	172,158	1,362	1,161,766
Prior year adjustment (note 11)	(123,201)	-	-	-	(123,201)
At 1 April 2010 Restated	<u>426,615</u>	<u>438,430</u>	<u>172,158</u>	<u>1,362</u>	<u>1,038,565</u>
Charge for year	104,894	100,125	18,209	2,869	226,097
On disposal	-	(7,216)	(13,979)	-	(21,194)
	<u>-</u>	<u>(7,216)</u>	<u>(13,979)</u>	<u>-</u>	<u>(21,194)</u>
At 31 March 2011	<u>531,509</u>	<u>531,339</u>	<u>176,387</u>	<u>4,232</u>	<u>1,243,468</u>
Net Book Value					
At 31 March 2011	<u>2,455,201</u>	<u>326,701</u>	<u>34,806</u>	<u>11,764</u>	<u>2,828,472</u>
At 31 March 2010	<u>2,560,096</u>	<u>330,973</u>	<u>32,037</u>	<u>14,633</u>	<u>2,937,739</u>

During 2008, Mr. Abd-Elmohsin 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.

The A. M. Qattan Foundation
Notes to the Financial Statements
For the year ended 31 March 2011 (Continued)

7 Debtors	2011 £	Restated 2010 £
Other debtors	848,978	331,888
Prepayments and accrued income	41,289	31,845
	890,268	363,733

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.

	2011 £	Restated 2010 £
Provision brought forward	591,566	540,732
Net movement in the year	118,668	50,834
Provision carried forward	710,234	591,566

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.

Furthermore, during the prior year, a donation of £1,000 was received for the Edward Said Lecture. This was spent during the current year.

£9,257 of restricted donations were also received in the year to be spent on the Mosaic rooms. These donations were fully spent in the year

10 Analysis of Net Assets between Funds	Unrestricted £	Restricted £	2011 Total £	Restated 2010 Total £
Fixed assets	6,234	2,942,546	2,948,780	3,023,439
Net current assets	13,925	582,029	595,954	749,050
Liabilities: Due after more than one year	-	(710,234)	(710,234)	(591,206)
	20,159	2,814,341	2,834,500	3,181,282

11 Prior Period Adjustment

This amount represents the cost of properties "land and building" that had previously been recorded as property, plant and equipment and restricted donations by the foundation since 1998. The foundation was granted the right to use and benefit from these assets but they continued to be owned by the chairman of the board. Following notification of this in the current year, the cost of the land and accumulated depreciation of the building were retrospectively removed from the foundation records. The effect of this adjustment on the financial statements is as follows

Decrease in cost of land	321,742
Decrease in cost of buildings	211,164
Decrease in accumulated depreciation of buildings	(123,201)
Decrease in net assets	409,705

The A. M. Qattan Foundation
Detailed Income and Expenditure Account
For the year ended 31 March 2010

The A. M. Qattan Foundation - UK

	2011	2011	2010	2010
	£	£	£	£
Income				
Donations receivable		23,904		102,000
Investment income		102		299
The Mosaic Rooms		64,120		77,875
Other income		<u>-</u>		<u>1,470</u>
		88,126		181,644
Expenditure				
Office staff salary/NIC	78,902		61,854	
Donations	-		12,232	
Audit and accountancy	14,182		5,114	
The Mosaic Rooms	67,590		58,926	
Rates	1,681		-	
Telephone	7,062		4,950	
General office costs	6,633		11,989	
Repairs and maintenance	1,201		4,589	
Bank charges and interest	456		754	
Stationery	2,212		2,515	
Premises and general insurance	3,014		3,094	
Couriers	1,561		1,685	
Depreciation:				
Furniture and fittings	869		1,159	
Office equipment	1,786		1,453	
Travel	1,679		604	
Subscriptions	-		30	
Translation fees	34		621	
IT support	2,990		-	
Events catering	2,661		-	
Hospitality	146		-	
Advertising	34,686		-	
Audio and Visual equip	<u>2,395</u>		<u>-</u>	
		<u>(231,740)</u>		<u>(171,569)</u>
Operating (Loss) / Profit		<u><u>(143,614)</u></u>		<u><u>10,075</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 2011

The A. M. Qattan Foundation - Palestine

	Notes	2011 £	2011 £	2010 £	2010 £
Income					
Donations receivable			2,183,520		1,639,533
Investment income			2,942		1,362
Other income			<u>14,436</u>		<u>16,456</u>
			2,200,898		1,657,351
Expenditure					
Donations		344,795		230,757	
Project expenses		1,754,318		1,354,587	
Administration salaries		148,715		102,031	
Severance pay		25,387		13,673	
Office expenses		29,912		10,710	
Professional fees		61,354		6,579	
Depreciation		28,762		25,988	
Other		8,525		8,020	
Accommodation and travel		4,019		7,825	
Unrealised gain on transactions of (Gain) / Loss on foreign exchange		<u>(861)</u>		<u>11,503</u>	
			<u>(2,404,927)</u>		<u>(1,771,673)</u>
Operating (Loss)/Profit			<u>(204,029)</u>		<u>(114,322)</u>

Note 1

Project Expenses

Employees' benefits	857,469	638,425
Office expenses	272,850	220,625
Workshop and training	8,000	4,416
Professional fees	24,824	19,498
Audiovisual equipment	31,943	26,040
Transportation	4,937	3,663
Project activity expenditure	118,626	94,249
Project related conferences and seminars	159,626	109,389
Depreciation	201,473	182,395
Accommodation and travel	1,992	5,805
Other	<u>72,580</u>	<u>50,082</u>
	<u>1,754,318</u>	<u>1,354,587</u>

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