

Registered Number 08384963

KURDISTAN CHILDREN'S HOSPITAL FOUNDATION

Abbreviated Accounts

31 December 2015

Abbreviated Balance Sheet as at 31 December 2015

	Notes	2015	2014
		\$	\$
Fixed assets			
Tangible assets	3	-	52,244,457
		<u>-</u>	<u>52,244,457</u>
Current assets			
Cash at bank and in hand		186,381	4,635,128
		<u>186,381</u>	<u>4,635,128</u>
Prepayments and accrued income		-	2,216,733
Creditors: amounts falling due within one year	4	(2,915,148)	(3,142,029)
Net current assets (liabilities)		<u>(2,728,767)</u>	<u>3,709,832</u>
Total assets less current liabilities		<u>(2,728,767)</u>	<u>55,954,289</u>
Creditors: amounts falling due after more than one year	4	0	0
Provisions for liabilities		0	0
Accruals and deferred income		0	0
Total net assets (liabilities)		<u>(2,728,767)</u>	<u>55,954,289</u>
Reserves			
Revaluation reserve		-	0
Other reserves		-	0
Income and expenditure account		(2,728,767)	55,954,289
Members' funds		<u>(2,728,767)</u>	<u>55,954,289</u>

- For the year ending 31 December 2015 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.
- The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Board on 7 November 2016

And signed on their behalf by:

Michael Ebsary, Director

Notes to the Abbreviated Accounts for the period ended 31 December 2015**1 Accounting Policies****Basis of measurement and preparation of accounts**

The Foundation's activities, which consist of overseeing the performance and managing the development of the children's hospital construction and operation, have been suspended due to the absence of ongoing funding sources. The initial phase of the development of the hospital commenced in April 2015 and was suspended in August 2015. The Trustees have adopted a "mothballing" strategy aimed at preserving the hospital facilities and the Foundation's cash balance until sufficient funding for the hospital operations is obtained. If and when sufficient funding becomes available, the Foundation will proceed to carry out the main activities for which it was established as appropriate. In the absence of appropriate funding, the Foundation will look at suitable arrangements to be effected. One potential action is to identify other charities with similar objects to those of the Foundation, to which the Foundation can sell or donate the Foundation's assets, such that the hospital can be used for the purposes it was originally intended by the Foundation. The Foundation would then be wound up in an orderly manner following the completion of this action.

Consequently, the Financial Statements of the Kurdistan Children's Hospital Foundation (the "Foundation") have been prepared on a basis other than a going concern. The Foundation's balance sheet has been presented on the basis that the assets will be liquidated within one year of the Foundation's Board of Directors approving these Financial Statements. The Foundation's tangible fixed assets are presented on the Balance Sheet as at December 31, 2014 at their amortized historical cost.

Except as described above, the Financial Statements have been prepared in accordance with applicable UK accounting standards (UK Generally Accepted Accounting Practice). In particular, they comply with the Companies Act 2006, Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, the Statement of Recommended Practice 'Accounting and Reporting by Charities' (FRS 102) effective 1 January 2015 (the "SORP") in all material respects.

Accounting policies

Accounting policies have been reviewed in accordance with FRS 18 "Accounting Policies".

Tangible assets depreciation policy**Tangible fixed assets**

Tangible fixed assets, excluding land, held by the Foundation are stated at cost less accumulated depreciation. Land is stated at cost. They are subject to review for impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs.

Depreciation is calculated using the straight-line method to allocate the cost of each asset less its residual value over its estimated useful life. Depreciation commences from the date an asset is available for use. No depreciation is charged on assets in the course of construction.

The useful lives for depreciation purposes for the principal categories of assets are:

Buildings 20 years
Furniture, fixtures and fittings 3-15 years
Motor vehicles 5 years
Medical equipment 5 years

Other accounting policies

Incoming resources

Incoming resources are recognised in the period in which the Foundation is entitled to receipt, any conditions are met and where the amount can be quantified with reasonable certainty. Donations in kind are recognised when they are certain and measurable.

Resources expended

All resources expended are recognised on an accruals basis. Support costs are those costs that do not produce or constitute the output of the charitable activity. Governance costs include the costs of governance arrangements that relate to the general running of the Foundation as opposed to those costs associated with charitable activities. These costs include such items as external audit and legal advice for those charged with governance and costs associated with constitutional and statutory requirements.

Provisions

Provisions are recognised when the Foundation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are discounted to present value where the effect is material.

Foreign currencies

The functional currency of the Foundation is the United States (USD) dollar. Transactions denominated in foreign currencies are translated into US dollars at the exchange rates ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currency are translated into US dollars at the rate ruling at the balance sheet date. All foreign exchange gains and losses, realised and unrealised are recognised in the Statement of Financial Activities.

Taxation

As a registered charity the charity is exempt from taxation on its income and gains falling within part 11 of the Corporation taxation Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied for charitable purposes. Legal advice taken points to the charity being exempt from taxation in the Kurdistan Region of Iraq.

2 Company limited by guarantee

Company is limited by guarantee and consequently does not have share capital.

3 Tangible fixed assets

\$

Cost

At 1 January 2015	52,453,548
Additions	3,297,467
Disposals	-
Revaluations	-

Transfers	-
At 31 December 2015	<u>55,751,015</u>
Depreciation	
At 1 January 2015	209,091
Charge for the year	55,541,924
On disposals	-
At 31 December 2015	<u>55,751,015</u>
Net book values	
At 31 December 2015	<u>0</u>
At 31 December 2014	<u>52,244,457</u>

4 Creditors

	2015	2014
	\$	\$
Non-instalment debts due after 5 years	2,915,148	3,142,029

5 Transactions with directors

Name of director receiving advance or credit:	Dr. Rang Nouri Shawis
Description of the transaction:	Trustee expenses reimbursed
Balance at 1 January 2015:	-
Advances or credits made:	\$ 6,080
Advances or credits repaid:	-
Balance at 31 December 2015:	<u>\$ 6,080</u>

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