

Company Registration No. 01215037 (England and Wales)
Registered charity number: 801026

THE ARAB BRITISH CENTRE

DIRECTORS' AND TRUSTEES' REPORT
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

CHANTER, BROWNE & CURRY

Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London SW6 4TU.

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THE ARAB BRITISH CENTRE

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THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2015**

The trustees who are also directors of the charity for the purposes of the Companies Act, present their report and the financial statements for the year ended 31 December 2015 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

Objectives and Activities

The charity's objects are to advance the education of the British public in the culture, art, science, religion, economy and contemporary history of the Arab world including by providing and maintaining a centre (hereafter referred to as "The Centre") for the dissemination of such information.

The charity owns and maintains a six-storey property at 1 Gough Square, off Fleet Street in central London, which houses The Centre. A number of organisations having objects similar to the The Arab British Centre are housed at The Centre, and contribute towards the costs related to the office space they occupy and the facilities they use.

The Arab British Centre has a specialised library - mainly in English - about the history, politics, arts and culture of the Arab World. The library has been compiled over many years and includes an extensive collection of Arabic fiction titles in English Translation as well as essential out of print books rarely available elsewhere. The library is a public borrowing library.

The charity organises and promotes Arab-related arts and cultural events in the UK. It hosts a regular programme of activities including Arabic language courses, Arabic calligraphy and oud music courses. The Centre houses permanent and temporary collections of contemporary art inspired by the Arab world and recognises individuals and organisations working in similar fields through its Award for Culture. In addition to the charity's regular on-site activities, it has produced a number of one-off projects in external locations and supports other organisations through its grants programme.

In planning its activities for the year, the charity's trustees have considered the Charity Commission's general guidance on public benefit.

Achievements and Performance

Over the course of the past year, The Arab British Centre has continued to develop its programme in the areas of culture, art and education, aiming to raise the British public's awareness of the Arab world.

2015 started with The Arab British Centre supporting a concert by the Egyptian rock band, Cairokee. In February and March, The Arab British Centre showcased a photography exhibition "The Palestinian Olive Harvest" by Nik Pikard in collaboration with Zaytoun. The exhibition was part of the UK's annual Fairtrade Fortnight events.

In March, The Arab British Centre hosted the first solo exhibition by Austrian-Moroccan artist Malika Sqalli's, 'Optimism Ahead', showcasing her latest photography work. The Arab British Centre also partnered with Human Rights Watch Film Festival and Mosaics Room to present the UK's premiere of The Dream of Shahrazad by Francois Verster at Human Rights Watch Film Festival London 2015.

In July, The Arab British Centre hosted 'The Melting Pots' exhibition with Noon Arts. The exhibition brought together seven artists from multi-disciplinary backgrounds, showcasing works inspired by the cities of Tripoli and Benghazi.

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REPORT OF THE TRUSTEES (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2015**

Achievements and Performance (continued)

In August, Dima Al Khatib (a Syrian-born Palestinian journalist and poet), Farah Chamma (a Dubai-born Palestinian spoken word poet) and Yassine V. Cherif (a Greek-Tunisian new player currently based in Paris) attended The Arab British Centre for an evening of music and poetry. In September, The Arab British Centre hosted an exhibition of textile-based works by the Sudanese-British artist Omeima Mudawi-Rowlings.

In 2014, The Arab British Centre presented the exhibition "Whose Gaze Is It Anyway?", looking at the history of Arab pop-culture through printed matter – posters, notebooks, diaries and book covers as well as through a video installation. Such was its success, the exhibition went on tour during 2015 and early 2016 to Leicester and Stoke-on-Trent.

In the autumn of 2015, The Arab British Centre became communications partner for both the Nour Festival Of Arts and The Green Caravan Film Festival. Nour Festival Of Arts showcases film, music, literature, poetry, performance and visual arts. It reaches a diverse audience of local, national and international visitors. It grows each year to take new audiences on an journey into the region, its cultures and art forms. The Green Caravan Film Festival is a traveling festival for social and environmental films. In October 2015 it came to London from its Kuwaiti headquarters for the first time.

In November, The Arab British Centre hosted 'Chew and Glue: Dialogue and Cohesion Amongst UK Iraqi Diaspora', which explored connections to Iraq, the United Kingdom, and one another.

The Arab British Centre's sixth and final exhibition of the year was 'Parallel Orientalism', a series of black and white photographs by Palestinian-Italian artist Fatima Abbadi.

In the run up to Christmas, the Arab British Centre hosted its third *Festive Souk* which attracted many visitors in its premises for three days to see artists and creatives from multi-disciplinary backgrounds who showcased works inspired by the rich and diverse cultures of the Arab world. Shoppers had the opportunity to purchase a whole range of products ranging from textiles, clothing, accessories, jewellery, crafts, ceramics, limited edition prints, literature and food.

During 2015, The Arab British Centre financially supported seven cultural projects and initiatives through its grants programme. Grants were awarded to the following: 'Nascent States' at Waterside Contemporary Gallery; Ramadan Night by Arts Canteen at Rich Mix; Freedom Theatre UK Tour (Theatre Play) 'Qisetna'; Talking Syria; Scenes from 68 by Sandpit Arts; AnaDjazairi by Nadira Amrani; and An Arab Woman Speaks by The Faction.

The Arab British Centre has continued its successful Arabic language, Calligraphy and Oud music courses. All of these courses have proved to be extremely popular.

The Arab British Centre has continued its partnership with Banipal and is continuously expanding its collection of modern Arabic fiction in English translation as well as a growing range of non-fiction titles about the culture and society of the Arab world. The library is maintained as a public borrowing library with a database of users that continues to expand. A book club with the aim of connecting more readers to modern Arabic fiction in translation continues to run on a bi-monthly basis.

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2015**

Financial Review

The attached financial statements summarise the charity's transactions for the year ended 31 December 2015.

Principal funding sources

The charity's principal sources of funding are:-

- (1) The activities of the charity, which attract charges for events and courses, sponsorship and donations;
- (2) Contributions from resident organisations to the running costs of the Arab British Centre;
- (3) The income from endowment funds and bank balances, including bank interest, dividends and interest on investments;
- (4) The capital growth in investments.

Investment policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit. The trustees have considered the most appropriate policy for investing funds. The charity has investments with Investec Wealth & Investment. The remainder of the charity's funds are held on bank deposit. The performance of the investments during the year has been satisfactory.

Reserves policy

Transfers from expendable endowment fund are made, usually on a quarterly basis, to income funds. The trustees aim to hold sufficient income funds to cover budgeted expenditure for the forthcoming quarter.

The trustees have agreed that any transfers to income funds must not reduce the value of the investment funds to below £1.6 million. This should ensure that the investment funds can produce an adequate annual income to cover the operating costs of The Centre, and ensure the long-term survival of the charity.

As noted below, the charity is hoping to build on its success in increasing the range of events and other activities with which it is involved. The charity's policy is to organise events and activities which meet the following criteria:-

- (1) Their direct costs are fully or substantially paid for out of sponsorship, donations or receipts; and
- (2) A risk assessment is carried out to ensure that any anticipated deficit on the event or activity is fully affordable out of the income fund.

Plans for future periods

The charity plans to continue the activities outlined above in the forthcoming years. In particular, the trustees hope to significantly increase the number of lectures, talks, art displays and artistic performances that the charity will organise.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2015**

Reference and administrative details

Registered charity number	801026
Company number	1215037
Registered office and principal place of business	1 Gough Square London EC4A 3DE.

Our advisers

Auditors	Chanter, Browne & Curry Chartered Accountants 1 Plato Place 72-74 St Dionis Road London SW6 4TU.
Bankers	Santander Business Banking Centre Clarence House, Clarence Place Newport, Gwent NP19 7UP.
Solicitors	Russell-Cooke LLP 2 Putney Hill London SW15 6AB.
Investment fund managers	Investec Wealth & Investment Limited

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The trustees and officers serving during the year and since the year end were as follows:

Sir Derek Plumbly KCMG (Chairman) (appointed 28/01/2016)
Mr Maytham Akbar
Mr Brian Constant C.B.E. (Honorary Treasurer)
Miss Tessa Bryson
Ms Laila El Baradei
Mr Saeed Taji Farouky
Ms Randa Adel Ashmawi
Mr Haroun Al-Mishwit

Company Secretary

Mrs Nadia El-Sebai

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2015**

Structure, Governance and Management

Governing document

The Arab British Centre is a charitable company limited by guarantee, incorporated on 5 June 1975 and registered as a charity on 17 February 1989. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. By a written resolution dated 28 June 2011, the trustees adopted new Articles of Association in order to reflect current legislation including the Companies Act 2006. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and appointment of the Council

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the Council. Under the requirements of the Articles of Association, the first board meeting of each calendar year shall be known as the retirement board meeting. At the third retirement board meeting since their last appointment, a trustee shall retire. They shall be eligible for re-appointment if they have served less than six years in office. A trustee who has served six or more years in office at the relevant retirement board meeting must retire and cannot be re-appointed until they have had a period of at least two years out of office, unless on the recommendation of the majority of the board the trustee is re-appointed for one further consecutive term of duration to be determined by the trustees.

Unless otherwise determined by a General Meeting, the number of the members of the Council shall not be less than five nor more than twelve. Currently the only members of the charity are the members of the Council.

The Council seeks to ensure that only persons with an interest and knowledge of the Arab world are appointed as trustees. Extensive measures are in place to ensure that only trustworthy persons are appointed. These include taking up references and carrying out due diligence checks.

Trustee induction

The trustees receive documents relating to the rules and obligations of trustees as set out by the Charity Commission.

Organisational structure

The Arab British Centre has a Council of between 5 and 12 members who meet six times per year and are responsible for the strategic direction and policy of the charity. At present the Council has seven members from a variety of backgrounds relevant to the work of the charity.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis, especially now that the charity is seeking to expand its range of activities. The trustees believe that by ensuring that the investment funds are restricted to expenditure on the charity's core function of operating and maintaining The Centre, in line with the wishes of the original fund donors, adequate resources will be available to secure the charity's long term survival.

The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2015**

Responsibilities of the Council

Company law requires the Council to prepare financial statements for each financial year. Under that law the Council have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Council must not approve the financial statements unless the trustees are satisfied that the financial statements give a true and fair view of the financial activities of the charity and of its financial position at the end of the year. In preparing these financial statements, the Council are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Council is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006.

The Council is 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.

Auditors

A resolution proposing that Chanter, Browne & Curry be re-appointed as the charity's auditors, will be put to the Annual General Meeting.

Statement of Disclosure of Information to Auditors

As far as each of the trustees are aware, there is no relevant audit information of which the charity's auditors are unaware, and each trustee has taken all the steps that ought to have been taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report was approved by the board of directors and trustees on 14 July 2016 and is signed on its behalf.



.....
Mr Maytham Akbar
Trustee

THE ARAB BRITISH CENTRE

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE ARAB-BRITISH CENTRE LIMITED

We have audited the financial statements of The Arab British Centre ("the charitable company") for the year ended 31 December 2015 set out on pages 9 to 17. The financial framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 6, the trustees (who are also the directors of the charitable company for the purpose 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, including 'APB Ethical Standard - Provisions Available for Small Entities (Revised)', in the circumstances set out in note 14 to the financial statements.

Scope of the audit of the financial statements

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 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 requirements of the Companies Act 2006.

THE ARAB BRITISH CENTRE

INDEPENDENT AUDITORS' REPORT (CONTINUED) **TO THE MEMBERS OF THE ARAB-BRITISH CENTRE LIMITED**

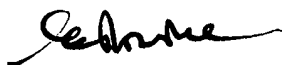
Opinion on other matter prescribed by the Companies Act 2006

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:

- 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 financial statements 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



.....
Peter Browne (Senior Statutory Auditor)
for and on behalf of Chanter, Browne & Curry

14 July 2016

Chartered Accountants
Statutory Auditor

1 Plato Place
72-74 St Dionis Road
London
SW6 4TU.

THE ARAB BRITISH CENTRE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

SUMMARY INCOME AND EXPENDITURE ACCOUNT

		2015		2014
	Notes	Unrestricted income funds	Endowment funds	Total funds
		£	£	£
INCOMING RESOURCES	1.3			
Donations	2	1,575	-	1,575
Income from charitable activities	3	89,126	-	89,126
Investment income	4	184	34,350	34,534
Total incoming resources		90,885	34,350	125,235
RESOURCES EXPENSES	1.4			
Costs of raising funds				
Investment management costs	5	-	17,770	17,770
Charitable activities	5	192,616	6,443	199,059
Total resources expended		192,616	24,213	216,829
Net income/(expenditure) for the year before other recognised gains/(losses)		(101,731)	10,137	(91,594)
TRANSFERS				
Gross transfers between funds	7	120,000	(120,000)	-
		18,269	(109,863)	(91,594)
OTHER RECOGNISED GAINS/ (LOSSES)				
Gains/(losses) on revaluation of investments	9	-	(30,595)	(30,595)
Gains/(losses) on sale of investments		-	67,273	67,273
Net movement in funds for the year		18,269	(73,185)	(54,916)
RECONCILIATION OF FUNDS				
Total funds brought forward		46,718	2,745,825	2,792,543
TOTAL FUNDS CARRIED FORWARD		64,987	2,672,640	2,737,627

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

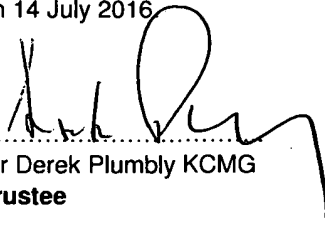
THE ARAB BRITISH CENTRE

BALANCE SHEET AT 31 DECEMBER 2015

	Notes	2015			2014
		Unrestricted income funds	Endowment funds	Total funds	Total funds
		£	£	£	£
Fixed assets					
Tangible assets	8	13,040	890,683	903,723	902,889
Investments	9	-	1,709,085	1,709,085	1,861,239
		<u>13,040</u>	<u>2,599,768</u>	<u>2,612,808</u>	<u>2,764,128</u>
Current assets					
Debtors	10	9,868	-	9,868	12,024
Cash at bank and in hand		<u>65,795</u>	<u>72,872</u>	<u>138,667</u>	<u>53,671</u>
		75,663	72,872	148,535	65,695
Creditors: amounts falling due within one year	11	23,716	-	23,716	37,280
Net current assets		<u>51,947</u>	<u>72,872</u>	<u>124,819</u>	<u>28,415</u>
Net assets		<u>64,987</u>	<u>2,672,640</u>	<u>2,737,627</u>	<u>2,792,543</u>
Funds of the charity					
Endowment funds	12, 13			2,672,640	2,745,825
Unrestricted income funds	12, 13			64,987	46,718
Total charity funds				<u>2,737,627</u>	<u>2,792,543</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the board of directors and trustees on 14 July 2016.


Sir Derek Plumbly KCMG
Trustee


Mr Maytham Akbar
Trustee

Company Registration Number: 01215037

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2015**

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year, except where noted.

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments and freehold land and buildings at market value. The financial statements have been prepared in accordance with:-

- the Companies Act 2006;
- the Financial Reporting Standard for Smaller Entities (effective January 2015); and
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16/07/14.

1.2 Fund accounting

The company has two separate funds:-

- (1) An expendable endowment represented by the freehold land and property and investment funds. Transfers from this fund to income funds can be made at the discretion of the trustees.
- (2) General unrestricted income fund available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

1.3 Incoming resources

These are included in the Statement of Financial Activities when:-

- the charity becomes entitled to the resources;
- the trustees are virtually certain they will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Donations are recorded as income in the accounting period in which they are received, except where the donor specifies that they should be used for a specific period.

Investment income is included in the financial statements when receivable.

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2015**

1.4 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Costs of generating funds comprise the investment funds management charges.

Governance costs represents auditors' remuneration.

All other expenditure is included under charitable expenditure. It comprises the cost of operating The Centre.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost on a straight line basis over the expected useful lives, as follows:-

Freehold building	- 100 years
Fixtures and fittings	- 5 years
Computers	- 3 years

No depreciation is provided on freehold land.

1.6 Investments

Fixed asset investments are revalued at mid-market value at the balance sheet date and the gain or loss on revaluation is taken to the Statement of Financial Activities.

1.7 Debtors

Debtors are recognised at the settlement amount due after any discount offered.

1.8 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount.

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

2 Donations received

	2015		2014
	<u>Unrestricted income funds</u>	<u>Endowment funds</u>	<u>Total funds</u>
	£	£	£
Donations received	1,575	-	1,575
	5,261		

3 Income from charitable activities

	2015		2014
	<u>Unrestricted income funds</u>	<u>Endowment funds</u>	<u>Total funds</u>
	£	£	£
Contributions from users	57,346	-	57,346
Income from Arabic calligraphy classes	3,130	-	3,130
Income from Arabic classes	14,765	-	14,765
Income from music classes	12,845	-	12,845
Income from events and functions	-	-	-
Sponsorship	-	-	-
Hire of boardroom	-	-	-
Library memberships	195	-	195
Other income	845	-	845
	89,126	-	89,126
	120,412		

A number of organisations with similar objects to the charity, occupy the majority of the charity's property, and their presence is financially underwritten by the charity. The organisations contribute towards the costs related to the office space and facilities which they use.

4 Investment income

	2015		2014
	<u>Unrestricted income funds</u>	<u>Endowment funds</u>	<u>Total funds</u>
	£	£	£
Bank interest received	184	-	184
Dividends received from listed investments:-			
- UK investments	-	26,544	26,544
- overseas investments	-	7,507	7,507
Interest received from UK listed investments	-	299	299
	184	34,350	34,534
	32,445		

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

5 Expenditure on charitable activities

	2015		2014
	<u>Unrestricted income funds</u>	<u>Endowment funds</u>	<u>Total funds</u>
	£	£	£
Costs of raising funds			
Investment management costs	-	17,770	17,770
			17,011
Charitable activities			
Cost of operation of the Centre:-			
User generated costs	-	-	25
Depreciation	7,959	6,443	14,402
Repairs and maintenance	2,896	-	2,896
Staff costs:-			
- gross wages and salaries	84,750	-	84,750
- employers' NICs	6,437	-	6,437
- pension contributions	2,847	-	2,847
Office and other costs	67,557	-	67,557
Events, festivals and functions	16,030	-	16,030
	188,476	6,443	194,919
			250,342
Governance costs			
Auditors' remuneration	4,140	-	4,140
	192,616	6,443	199,059
			254,302

During the year, a trustee, Ms Randa Ashmawi, was temporarily employed to fill the vacate position of Executive Director. She was paid a gross salary of £11,985. The appointment was approved by board resolutions. The trustees feel the appointment was in the best interests of The Arab British Centre. No other trustees received any remuneration. No trustees were reimbursed for expenses during the year.

No employee was paid more than £60,000 in year. The average number of employees during the year was 3 (2014: 3).

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension contributions charge represents contributions payable by the company to the fund.

6 Taxation

As a charity, The Arab British Centre is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the two years ended 31 December 2015.

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

7 Transfers between funds

	2015	
	<u>Unrestricted income funds</u>	<u>Endowment funds</u>
	£	£
Net transfers from investment funds to cover costs of operation of The Centre	120,000	(120,000)

8 Tangible fixed assets

	<u>Freehold land and buildings</u>	<u>Fixtures and fittings</u>	<u>Computers</u>	<u>Total</u>
	£	£	£	£
Cost				
At 1 January 2015	1,288,633	87,478	20,136	1,396,247
Additions	-	6,519	8,717	15,236
Disposals	-	-	-	-
At 31 December 2015	<u>1,288,633</u>	<u>93,997</u>	<u>28,853</u>	<u>1,411,483</u>
Depreciation				
At 1 January 2015	391,507	82,285	19,566	493,358
On disposals	-	-	-	-
Charge for the year	6,443	4,589	3,370	14,402
At 31 December 2015	<u>397,950</u>	<u>86,874</u>	<u>22,936</u>	<u>507,760</u>
Net book values				
At 31 December 2015	<u>890,683</u>	<u>7,123</u>	<u>5,917</u>	<u>903,723</u>
At 31 December 2014	<u>897,126</u>	<u>5,193</u>	<u>570</u>	<u>902,889</u>

The trustees have reviewed the value of the freehold land and buildings. They are of the opinion that the market value at 31 December 2015 was not less than the net book value shown above.

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2015**

9 Fixed asset investments

Investec Wealth & Investment	£
At 1 January 2015	1,861,239
Additions at cost	460,157
Disposals at cost	(581,716)
Net gain/(loss) on revaluation	(30,595)
At 31 December 2015 (cost = £1,372,275)	<u>1,709,085</u>

Total investments

	<u>Total</u> £
Total value of investments at 31 December 2015	1,781,957
Less: cash (included under current assets)	72,872
Fixed asset investments at 31 December 2015	<u>1,709,085</u>

The above investments are held to provide an investment return for the charity.

UK assets comprise approximately 61% of the value of the fixed asset investments as at 31 December 2015.

10 Debtors

	<u>2015</u> £	<u>2014</u> £
Contributions receivable	9,868	6,369
Prepayments	-	4,588
Other debtors	-	1,067
	<u>9,868</u>	<u>12,024</u>

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2015

11 Creditors: amounts falling due within one year	2015 £	2014 £
Trade creditors	2,074	915
Bank overdraft	-	12,540
Income tax and social security	2,608	1,468
Accruals and deferred income	5,194	9,255
Other creditors	13,840	13,102
	<u>23,716</u>	<u>37,280</u>

12 Analysis of net assets between funds

	Unrestricted income funds £	Expendable endowment funds £	Total funds £
Tangible fixed assets	13,040	890,683	903,723
Investments	-	1,709,085	1,709,085
Current assets	75,663	72,872	148,535
Current liabilities	(23,716)	-	(23,716)
Net assets at 31 December 2015	<u>64,987</u>	<u>2,672,640</u>	<u>2,737,627</u>

13 Movement in funds

	Unrestricted income funds £	Expendable endowment funds £	Total funds £
Balance at 1 January 2015	46,718	2,745,825	2,792,543
Incoming resources	90,885	34,350	125,235
Resources expended	(192,616)	(24,213)	(216,829)
Transfers	120,000	(120,000)	-
Gains/(losses) on revaluation of investments	-	(30,595)	(30,595)
Gains/(losses) on sale of investments	-	67,273	67,273
Balance at 31 December 2015	<u>64,987</u>	<u>2,672,640</u>	<u>2,737,627</u>

14 Auditors' ethical standards

In common with many companies of our size and nature we use our auditors to assist with the preparation of the financial statements.