

**ALFANAR**  
(Company limited by guarantee no. 5141908  
registered charity no. 1105048)

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2010**

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(Company limited by guarantee no. 5141908, registered charity no. 1105048)

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**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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## ALFANAR

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### LEGAL AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2010

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<b>Trustees</b>	Lubna Olayan Hakeem Belo-Osagie Laila Iskander Julia Middleton Nadia Plumbly Cynthia Oakes	(Chair) (appointed 29 January 2011)    (appointed 15 May 2010)
<b>Company secretary</b>	Margherita Gatt	
<b>Managing director, UK</b>	Myrna Atalla	(appointed 1 October 2010)
<b>Managing director, Egypt</b>	Nada Mobarak	
<b>Company reg. no.</b>	5141908	
<b>Charity reg. no.</b>	1105048	
<b>Registered office</b>	18 Parkside 28-56 Knightsbridge London SW1X 7JW	
<b>Bankers</b>	C. Hoare & Co 37 Fleet Street London EC4P 4DQ	
<b>Independent examiner</b>	John Ball FCA Gotham Erskine LLP Chartered Accountants Friendly House 52 - 58 Tabernacle Street London EC2A 4NJ	
<b>Solicitors</b>	Withers LLP 16 Old Bailey London EC4M 7EG	

**BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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The Trustees, who act as the directors of the Charity for the purposes of the Companies Act, and trustees for charity law purposes, submit the annual report and the financial statements of Alfanar for the year ended 31 December 2010. The Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (revised 2005)'.

**Organisation and structure**

Legal and administrative information as set out on page 1 forms part of this report. The Charity is a company limited by guarantee and has dispensation from the relevant authorities to omit "Limited" from its name. The Company was incorporated on 1st June 2004 and granted charitable status on 22nd July 2004.

To strengthen its organisational capacity, Alfanar's Board of Trustees appointed Ms. Lubna Olayan Chairperson of the Board of Trustees and added Ms. Cynthia Oakes to the Board of Trustees in 2010. The Trustees also secured the approval of Mr. Hakeem Belo-Osagie to join the Board. His appointment was completed on 29th January 2011.

**Aims and Objects of the Charity**

The Charity's objects are:

- a. the advancement of education and learning for the public benefit and in particular to educate men and women and young people of all ages from a broad range of geographical, ethnic, social and economic backgrounds in the Arab World (this includes all member countries of the Arab League), to enable them to realise their full potential as individuals, within their communities and within society as a whole;
- b. to develop the capacity and skills of the members of socially and economically disadvantaged communities in countries in the Arab World (including all member countries of the Arab League) in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society, provided always that nothing contained herein shall authorise or be deemed to authorise the carrying on of any activity for any purposes except those regarded as charitable by the laws of England and Wales.

**Report of activity**

Alfanar aims to improve lives in disadvantaged communities throughout the Arab region by fostering the growth of innovative, self-reliant social purpose organisations that effectively respond to community needs. Alfanar backs social ventures that ensure learning and self-reliance as opposed to dependency. Founded in 2004 by Tarek Ben Halim, Alfanar is the Arab region's first venture philanthropy organisation. Since inception, Alfanar has supported and built the capacity of nine charities, nonprofits, and social enterprises in Egypt to achieve their social aims in financially sustainable ways.

Alfanar's venture philanthropy approach entails: 1) administering financial grants to social purpose organisations selected through a structured screening process against approved selection criteria, 2) providing regular guidance to partner organisations to improve project design, implementation, and management systems and 3) sourcing professional volunteer expertise to assist partners in overcoming specific management challenges, especially those related to the achievement of financial sustainability.

In 2010, Alfanar continued to develop and strengthen its venture philanthropy portfolio and activities in Egypt. The Charity grew its portfolio from three to six partners in Cairo and Minia. Alfanar's partners serve some of the most disadvantaged communities in Egypt. They employ multi-faceted, rights-based strategies to address critical social issues, including early childhood education, arts education, employment generation, access to general and mental healthcare, and psychological treatment to victims of domestic violence and harmful sexual practices. Alfanar developed its relationships with existing partners, the **Future Lights for Development Organisation** and the **Helwan Association for Community Development**. It also established new partnerships with **Wa'y Association for Charitable Activities**, **Al Mawred Al Thaqafy**, **Shomoo Association for Sustainable Development** and **Kelmetna Association for Dialogue and Development**. Alfanar completed its partnerships with El Nafeza Foundation for Cultural Development, Wadi El Nil Association for Protection of Quarry Workers, Information and Technology Support Project, and the Egyptian Association for Social and Economic Rights (T Centre). More detail is provided below about the projects run by these partners and supported by the Charity.

**BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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Alfanar has successfully worked in Egypt for the past seven years and is currently raising funds to expand its venture philanthropy approach to other Arab countries. In preparation for expansion, Alfanar doubled its full-time team to four. In October 2010, Alfanar hired a Managing Director based in London to strengthen the Charity's fundraising, communication and expansion efforts. Additionally, Alfanar hired a Programme Assistant based in London to design and launch "Jussoor" (meaning "bridges" in Arabic), a youth outreach initiative aimed at engaging young people, aged 18-25, in Alfanar's venture philanthropy mission through workshop and creative lab engagement sessions. Alfanar's communication and outreach efforts aim to raise the Charity's profile and build sustainable levels of support for its development work in the Arab region.

**Review of partnerships in Egypt in 2010**

Alfanar began working with the **Future Lights for Development Organisation (FLDO)** in 2007 to establish a model Montessori day care centre in Deir el Malak coupled with an outreach programme that builds a network of day care centres in other poor neighbourhoods of Cairo that are trained by FLDO on the Montessori approach to early childhood education. The outreach programme has succeeded in growing FLDO's network of partner nurseries from 4 in 2007 to 14 in 2010. FLDO aims to grow this network to 20 nurseries in 2011. FLDO's network is expanding to more poor districts of Greater Cairo, including Ezbet El Nakhl, El Khosoos, El Sayeda Zeinab, Mokattam and Imbaba. Alfanar's 2010-2011 grant to FLDO includes a microloan programme that partner nurseries can apply for in order to upgrade school infrastructure and purchase educational tools.

Holistic in its approach to ensuring high-quality early childhood education, FLDO works with multiple levels of stakeholders to improve the nurseries. 40 supervisors in partner nurseries have received ongoing Montessori training, which enables them to provide children with a more effective learning environment. Supervisors go on to train the remaining teachers in their respective day care centres. FLDO also designs and delivers training aimed at strengthening the ability of nursery 'helpers' to ensure sanitation, cleanliness, hygiene and nutrition. FLDO has trained 25 'helpers.' Awareness-raising meetings are held with children's mothers to discuss issues that further improve the learning environment, including child behaviour, health, and development. Since September 2007, FLDO has held sessions with 550 mothers, directly taught 150 children, and indirectly impacted 250 children through partner day care centres.

In 2010, for the second consecutive year, SODIC, the Egyptian real estate development company and the Global Fund for Children (GFC) supported Alfanar's work with FLDO. SODIC significantly increased its corporate support for FLDO in 2010-2011. The GFC also awarded Alfanar a grant to add a children's health component to the FLDO project in 2010-2011. Through its low-cost fee structure, FLDO's model Montessori day care centre recovered 46% of its costs in 2010.

The **Helwan Association for Community Development (Bashayer)** provides economic and social support to women in the district of Helwan, an impoverished, industrial district of Cairo. In 2010, Alfanar's support to Bashayer allowed the association to train over 100 women in sewing and crochet skills, and provide income-generating job opportunities to an average of 120 women every month through its production unit. Alfanar also supported Bashayer's health clinic, which provides varied medical services benefiting over 1,400 community members in 2010. The gynaecology clinic is the most frequented service, attracting over 1,100 women patients. With the help of a marketing agency, Bashayer enrolled 400 new insurance subscribers to its health clinic in 2010, bringing the total number of clinic cardholders to 700. The clinic currently covers over 70% of its running costs. In addition to health services provided through the clinic, Bashayer works with external consultants to implement a health awareness and outreach programme targeting four surrounding slum areas that lack access to medical services – Arab Ghoneim, Helwan El Balad, Kafr El Elw, and El Shobak. In 2010, a total of seven health caravans, including a paediatrician, orthopaedist and general practitioner, provided health services to approximately 270 community members. Additionally, Bashayer conducted 21 awareness-raising sessions with more than 300 women members of the community on a variety of social issues including malnutrition, anaemia, early detection of breast cancer, reproductive health, health care for newborns, HIV/AIDS, hepatitis, and diabetes. Five other sessions were held with school-age girls to discuss proper nutrition and health issues related to adolescence. Finally, through Alfanar's support, Bashayer ran an adult literacy class, benefiting 14 women.

**BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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In 2010, Alfanar entered a new funding partnership with the Cairo-based **Wa'y Association for Charitable Activities (Wa'y)**. The project supported by Alfanar aims to raise awareness of the psychological impact of violence and trauma and provide rehabilitation and support to victims, with a special focus on women and children victims of domestic violence. The objective of the project is to train social workers and development practitioners within nongovernmental organisations (NGOs) to identify cases of violence and refer them to Wa'y's clinic for treatment. In 2010, 11 NGOs signed up for the programme, which included a 13-day training for 22 participants in October-November. Since the training, a referral system was put in place. Wa'y provided psychological support to 29 women and 20 children victims of physical, psychological, sexual and financial abuse by their families or spouses. Seven of the women and three of the children treated were referred to the centre's psychiatrist for further care. The majority of the children treated have suffered physical or psychological abuse by their parents, which can often lead to involuntary urination, stuttering and violent behaviour.

Alfanar worked with **Al Mawred Al Thaqafy (Al Mawred)** to finalise the design of a new partnership, which began at the end of 2010. With Alfanar's support, Al Mawred will establish a music and circus arts school for 150 children and youth, aged 6-18, in the historic Cairo district of El Darb El Ahmar. The school will create a safe space for growth, development, and expression in a neighbourhood that suffers from high levels of deprivation and child labour. It will offer a structured curriculum, including basic/advanced percussion, brass, music literacy, music appreciation, acrobatics, juggling/clowning, magic tricks, gymnastics/stage movement, social skills, computer literacy and English language. The partnership will also provide medical and psychosocial care through six physicians, psychologists and social workers. The school complements wider restoration works being carried out in El Darb El Ahmar by the Agha Khan Foundation. It will contribute to the district's cultural revival through art exposure, appreciation, and vocation training for youth.

Alfanar worked with the **Shomoo Association for Sustainable Development (Shomoo)** to refine the aims and design of a new partnership, which was approved by Alfanar's Board of Trustees in October 2010. Delays in approval by the Egyptian government postponed major implementation activities to early 2011. With Alfanar's support, Shomoo will implement a multi-faceted programme to combat domestic violence against women in Minia. It will include: setting up a listening programme for victims of domestic violence at the association's premises; establishing and training committees composed of 30 members each in 6 villages to refer cases to the listening programme; training 20 literacy class teachers in villages Shomoo works in to address violence-related issues in their curriculum; and introducing activities in children's clubs that promote gender equality with 300 children. To achieve these objectives, Shomoo will conduct capacity-building workshops with its staff, committee members and teachers in the outreach villages. Cases requiring specialised care will be referred to a volunteer psychiatrist in Minia City already committed to the programme. Of the 1,000 women expected to benefit from this partnership, 40 are expected to require referral to the association and 20 to the specialist.

Alfanar guided the **Kelmetna Association for Dialogue and Development (Kelmetna)** through a six-month process of research, development, and project design before establishing a formal partnership in December 2010. Delays in approval by the Egyptian Ministry of Social Solidarity postponed partnership activation and grant transfer to early 2011. The objective of this partnership is to reinforce resilience in 150 children at risk in El Felaha, El Marg, one of Cairo's informal slums. Resilience is the process of effectively adapting to adversity, trauma, tragedy, threats, or significant stress such as family and relationship problems, health problems, or workplace and financial stressors. Through Alfanar's support, Kelmetna will work to improve the ability of children at risk to respond to difficult circumstances, including harmful sexual practices and will provide the necessary psychological and psychiatric treatment to those engaged in such practices. 15 youth from the community and 10 schoolteachers will be trained to conduct resilience-enforcing activities with these children and to identify and refer cases in need of more specialized/professional support. Kelmetna will also work with 100 families to raise awareness about child health and psychological issues and equip them with the necessary tools to address sex education/sexual issues at home.

**BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**Achievements and Performance**

In 2010, Alfanar grew its team globally to four full-time members. In addition to the Cairo-based Managing Director and Programme Assistant who identify, manage and monitor the Charity's local partnerships as well as its communications and fundraising efforts in Egypt, Alfanar hired a Managing Director in London to develop, manage and implement its expansion, global fundraising, and organisational development strategies. The Charity also hired a London-based Programme Assistant to design, execute, monitor, and report on its pilot youth outreach initiative, Jussoor.

Alfanar enhanced efforts to communicate more widely and raise awareness about its work in 2010. Through the in-kind support of an independent filmmaker, Alfanar filmed and produced four short films describing the vision late founder Tarek Ben Halim set out to achieve – the Memorial Video – as well as the nature and achievements of the Charity's partnerships with **FLDO**, **Bashayer**, and the **Wadi el Nil Association for the Protection of Quarry Workers (WNA)**. Additionally, many thanks are due to J Walter Thomson (JWT), which donated its expertise and resources to design and launch a new website for Alfanar and to train the Charity's staff on administering the website's content management system. Alfanar's new website, which can be viewed at [www.alfanar.org.uk](http://www.alfanar.org.uk), allows interested supporters to make online donations through Alfanar's Just Giving account. The Charity employed additional online mechanisms to communicate progress in 2010, namely Alfanar on Facebook, Twitter, and Youtube.

In 2010, Alfanar was featured in eight newspaper articles. Six obituaries and articles about the life of late founder Tarek Ben Halim appeared in *The Guardian*, *The Telegraph*, *The National*, *Philanthropy UK*, *The Sydney Morning Herald*, and *Vineyard Gazette Online*. In June 2010, *The National* published "Sewing Together Hope and Community" highlighting the nature and progress of Alfanar's partnership with **Bashayer**. In September 2010, *The Daily News Egypt* published "Starting early: Day care centres follow Montessori method" emphasizing **FLDO's** progress in providing high-quality early childhood education. Links to all of these articles are available on Alfanar's website.

The Charity consolidated and professionalized its efforts to raise cash and in-kind support from donors in the United Kingdom, Egypt and the wider Arab region. Donors to the Charity may make unrestricted or restricted donations to Alfanar or to the Memorial Fund in memory of Tarek Ben Halim. Through the concerted effort of the Tarek Ben Halim Memorial Committee, consisting of volunteers, Board members, and staff, the Memorial Fund raised £215,225 in 2010. The Charity is deeply grateful for the support of numerous Memorial Fund donors, including Amr Ben Halim, Charles Garraway, Mark Huang, Terry and Jonathan Miller, Hutham Olayan, Ben Rauch and Margaret Scott, Susan Sandouka, and corporate donor in Egypt Lecico. Additionally, significant support for the Memorial Fund was raised through events, namely sponsorship for Sherine Jafar's London Marathon run and Loukas Karentzos in the Mount Olympus marathon. The Charity thanks all those named and unnamed for their critical support to the Memorial Fund in 2010.

The Charity would like to recognize the individual, corporate and foundation support it received more generally in 2010 in the form of restricted and unrestricted funds, amounting to £206,441. For a second consecutive year, Alfanar, Inc., US very generously funded the Charity's operating costs in Egypt. We would like to thank Kharafi National (KSC) for making a significant five-year pledge in unrestricted funding to Alfanar. It is this type of deep, long-term engagement we hope to cultivate more of in 2011. In December 2010, Alfanar expanded its partnership with SODIC to support innovative grassroots organisations serving some of the most disadvantaged communities in Cairo and Minya. SODIC approved a corporate grant to Alfanar covering the direct project costs of two ongoing partnerships, **FLDO** and **Bashayer**, as well as two new partnerships, **Shomoo** and **Al Mawred**. In 2010, the GFC expanded its support for Alfanar's work with **FLDO** through a grant to add a children's health component to the project. Finally, we would like to thank Maher and Taya Maksoud, the Godolphin & Latymer School in London, and a number of individual donors for their generous support to Alfanar in 2010.

**BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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In 2010, Alfanar began developing an outreach initiative aimed at engaging young people, aged 18-25, in Alfanar's venture philanthropy work through interactive workshop and follow-up creative lab sessions during which participants tackle an organisational challenge faced by Alfanar. Through active problem solving, strategic planning, and project implementation, participants build personal skills while contributing to the Charity's growth. Jussoor is a creative way to engage the next generation of philanthropists, social entrepreneurs, and leaders early on with Alfanar's venture philanthropy mission. Through Jussoor, Alfanar hopes to grow a pool of motivated volunteers and supporters who can amplify messages about Alfanar's work, raise its profile in new circles, and help grow funding and support. We would like to thank Common Purpose for supporting Alfanar with the design and delivery of the first Jussoor workshop. Through the support of a silent donor, Alfanar developed Jussoor's logo, visual identity, flyer, and website – [www.jussoor-alfanar.org](http://www.jussoor-alfanar.org) and conducted the first Jussoor workshop in London on 5 - 6 February 2011.

In 2010, Alfanar began consolidating and expanding its venture philanthropy investment portfolio in Egypt. Alfanar doubled its portfolio of partners, activating four new projects and expanding its partnership with **FLDO**. Alfanar aims to continue growing and deepening its reach in Egypt, with the goal of investing in ten partnerships in 2011. In preparation for expansion to other countries in the Arab region, Alfanar's management team conducted a weighted analysis of all Arab League states against Alfanar's expansion criteria – development need, conflict levels, availability of local partners, fundraising case, and internal knowledge. Alfanar's Board of Trustees approved piloting up to three partnerships in Lebanon in 2011, provided the appropriate partners and requisite funding can be secured. Alfanar has begun discussions with potential Lebanese partners, donors, and team members. In 2011, Alfanar will begin actively fundraising to support expansion efforts towards Lebanon and other Arab countries.

Alfanar's Managing Director in Egypt, Nada Mobarak, will stand down from her role in June 2011. Nada has worked tirelessly since the founding of the Charity to set up and develop Alfanar's programme in Egypt. The Trustees would like to extend their heartfelt thanks to Nada for her hard work and unwavering dedication to achieving Alfanar's mission.

Alfanar has deeply mourned the loss of its founder Tarek Ben Halim who passed away in December 2009. Over the course of 2010, Alfanar's Board of Trustees, fulltime team, and dedicated volunteers and donors consolidated efforts to grow the Charity's critical development work in Egypt. We, as a team, remain committed to achieving the vision Tarek Ben Halim set out for us, that of a vibrant, professional, and effective civil society throughout the Arab region.

**Reserves policy**

The Trustees consider the Charity's free reserves of £238,015 are sufficient to meet immediate needs. Reserves are significantly increased on 2009 levels as the Charity is preparing for significant expansion in 2011 and beyond. The Board of Trustees will keep the level of reserves under review as the Charity expands its activities.

**Risk management policy**

The risks facing the Charity are primarily associated with the establishment and operation of its Egypt branch, and its future expansion. The rigorous selection of projects supported by the Charity is designed to mitigate these risks. The Charity has a policy of employing experienced development professionals in Egypt, the UK and elsewhere when it sets up new operations. Professional staff identify key risks and take action to mitigate them. As the Charity expands its activities, it will further develop appropriate and robust processes and seek expertise as needed.

**BOARD OF TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**Public benefit statement**

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. The public benefit of the Charity's activities is outlined under 'Aims and Objects of the Charity' above.

**Statement of Trustees' responsibilities**

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company and charity law applicable to charities in England and Wales requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements the Board of Trustees have:

- selected suitable accounting policies and applied them consistently,
- made judgements and estimates that are reasonable and prudent,
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis (unless it is inappropriate to presume that the Charity will continue in operation).

The Board of Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

**Preparation of the report**

This report of the Board of Trustees has been prepared taking advantage of the small companies exemption of section 417 (1) of the Companies Act 2006.

**Accountants**

Gotham Erskine LLP as accountants have indicated their willingness to continue in office and offer themselves for re-appointment.

By order of the Board

Lubna Olayan  
Trustee  
Date: 10th May 2011

## **Independent examiner's report to the Board of Trustees of Alfanar**

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I report on the financial statements for the year ended 31 December 2010 set out on pages 9 to 15.

### **Respective responsibilities of Board of Trustees and Independent examiner**

As described on page 7 the Board of Trustees, which is the board of directors of Alfanar for the purposes of company law, and the board of trustees for the purposes of charity law, is responsible for the preparation of the financial statements. The Board of Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the Company is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts (under section 43 of the 1993 Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the Act, as amended); and
- state whether particular matters have come to my attention.

### **Basis of Independent examiner's statement**

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Company, and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as Board of Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John Ball FCA  
Gotham Erskine LLP  
Chartered Accountants  
Friendly House  
52 - 58 Tabernacle Street  
London EC2A 4NJ

Date:

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating Income and Expenditure Account & Statement of Total Realised Gains and Losses)**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total Funds 2010 £	Total Funds 2009 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	320,717	100,949	421,666	191,469
Bank interest receivable		104	-	104	-
Other incoming resources		-	-	-	175
<b>TOTAL INCOMING RESOURCES</b>		<b>320,821</b>	<b>100,949</b>	<b>421,770</b>	<b>191,644</b>
<b>RESOURCES EXPENDED</b>					
Donations to projects	3	-	103,325	103,325	65,521
Other charitable expenditure	5	126,530	1,060	127,590	83,400
<b>TOTAL RESOURCES EXPENDED</b>		<b>126,530</b>	<b>104,385</b>	<b>230,915</b>	<b>148,921</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>194,291</b>	<b>(3,436)</b>	<b>190,855</b>	<b>42,723</b>
<b>TOTAL FUNDS AT 1 JANUARY 2010</b>		<b>43,891</b>	<b>20,811</b>	<b>64,702</b>	<b>21,979</b>
<b>TOTAL FUNDS AT 31 DECEMBER 2010</b>		<b>£ 238,182</b>	<b>£ 17,375</b>	<b>£ 255,557</b>	<b>£ 64,702</b>

The annexed notes form part of these financial statements

**BALANCE SHEET  
AS AT 31 DECEMBER 2010**

	Notes	2010		2009	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	6		167		223
<b>CURRENT ASSETS</b>					
Debtors	7	4,834		12,576	
Cash at bank and in hand		278,269		57,274	
		<u>283,103</u>		<u>69,850</u>	
<b>CREDITORS: amounts falling due within one year</b>					
	8	(27,713)		(5,371)	
<b>NET CURRENT ASSETS</b>					
			<u>255,390</u>		<u>64,479</u>
<b>NET ASSETS</b>					
			<u>£ 255,557</u>		<u>£ 64,702</u>
<b>FUNDS</b>					
Restricted funds	9		17,375		20,811
General fund	9		238,182		43,891
			<u>£ 255,557</u>		<u>£ 64,702</u>

For the year ended 31 December 2010 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- (i) The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). They were approved, and authorised for issue, by the directors on 10th May 2011 and signed on their behalf by:-

\_\_\_\_\_  
LUBNA OLAYAN, Trustee

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**1. ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention and in accordance with accounting standards, the Charities SORP (Statement of Recommended Practice: "Accounting and Charities (revised 2005)") and the Financial Reporting Standard for Smaller Entities (effective April 2008).

The effects of events relating to the year ended 31 December 2010 which occurred before the date of the financial statements by the Board of Trustees have been included in the financial statements required to show a true and fair view of the state of affairs at 31 December 2010 and the results for that year on that date.

***Company status***

Alfanar is a company limited by guarantee. In the event of the Charity being wound up, the liability in guarantee is limited to £1 per member of the Charity.

***Fund accounting***

General funds are unrestricted funds which are available for use at the discretion of the Trustees in the general objects of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the Charity and have been raised by the Charity for particular purposes.

***Incoming resources***

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gift Aid is included on date of receipt.

***Resources expended***

All expenditure is accounted for on an accruals basis.

***Foreign currencies***

Transactions in foreign currencies are recorded at the average rate ruling during the year. Monetary liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

***Tangible fixed assets and depreciation***

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated on the cost of fixed assets over their estimated useful lives on the following rates:

Office equipment	-	25% of net book value
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All assets costing more than £250 are capitalised.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**


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**2. VOLUNTARY INCOME**

	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total Funds 2010 £
<u>TBH Memorial Fund donations</u>			
Mr and Mrs Mustafa Ben Halim		-	-
Loukas Karentzos - Mt Olympus marathon sponsorship	2,918	-	2,918
Alfanar, Inc., US	-	2,589	2,589
Sherine Jafar - London marathon sponsorship	154,400	-	154,400
Lecico	-	11,400	11,400
Amr Ben Halim	30,000		30,000
Other donations	6,732	7,186	13,918
	<u>194,050</u>	<u>21,175</u>	<u>215,225</u>
<u>Other</u>			
Mr and Mrs Mustafa Ben Halim	-	-	-
Alfanar, Inc., US	54,382	-	54,382
Maher and Taya Maksoud	-	11,400	11,400
Kharafi National	64,740	-	64,740
Mrs Ghada Hourani Kawar	-	-	-
Mrs Margery H. Oakes	-	-	-
Mr Ahmed Badrawi	-	-	-
SODIC	-	52,147	52,147
Global Fund for Children	-	6,150	6,150
Other donations	345	10,077	10,422
	<u>119,467</u>	<u>79,774</u>	<u>199,241</u>
Gifts in kind	7,200	-	7,200
	<u>£ 320,717</u>	<u>£ 100,949</u>	<u>£ 421,666</u>

In 2010, Cynthia Oakes donated services with an estimated cost of £7,200 for secretarial support. In Oakes and the Ben Halim family donated services with an estimated cost of £10,899 for secretarial office costs. Cynthia Oakes was appointed a director of Alfanar, Inc., US in December 2010.

**3. PROJECT DONATIONS**

	2010 £
Al Mawred Al Thaqafy	15,327
El Nafeza Foundation for Cultural Development	-
Wadi El Nil Association for the Protection of Quarry Workers	-
Wa'y Association for Charitable Activities	15,309
Information and Technology Support	-
Future Lights for Development Organisation	45,660
Helwan Association for Community Development (Bashayer)	13,009
Egyptian Association for Social and Economic Rights (T Centre)	-
Shomoo Association for Sustainable Development	14,020
	<u>£ 103,325</u>

Further information about the activities funded through the donations made to the projects above can be found in the Board of Trustees' Report.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**


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<b>4. TRUSTEES AND STAFF</b>	<b>2010</b>
	<b>£</b>
Gross salaries	39,737
Social security costs	4,721
Salaries of overseas staff	36,343
Other overseas staff costs	2,415
	<u><u>£ 83,216</u></u>

2.5 full time staff equivalents were employed by the Company in the year (2009 : 2.1).  
One employee received remuneration in the range of £60,000 to £70,000 per annum.  
The Trustees received no remuneration nor the reimbursement of expenses.

**5. OTHER CHARITABLE EXPENDITURE**

	<b>Unrestricted Funds 2010 £</b>	<b>Restricted Funds 2010 £</b>	<b>Total Funds 2010 £</b>
Staffing costs (note 4)	83,216	-	83,216
Bank charges & interest	1,360	-	1,360
Staff expenses	512	-	512
Secretarial support	7,200	-	7,200
Accounting and compliance services	8,462	-	8,462
Rent - Cairo office	6,220	-	6,220
Rent - London office	2,500	-	2,500
Other expenses	2,112	-	2,112
Travel & accommodation expenses	4,005	-	4,005
Publicity & promotion	-	-	-
Outreach programme	-	1,060	1,060
Website	65	-	65
Translation	222	-	222
Insurance	893	-	893
Payroll fees	752	-	752
Independent examiner's fees	3,600	-	3,600
Depreciation	56	-	56
Loss on exchange	4,562	-	4,562
Legal and professional fees	793	-	793
	<u><u>£ 126,530</u></u>	<u><u>£ 1,060</u></u>	<u><u>£ 127,590</u></u>

The £1,060 cost incurred under Development programme relates to the Jusoor workshop and materials provided in the Trustees report.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**


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**6. TANGIBLE FIXED ASSETS - Office equipment****Cost**

At 1 January 2010 and at 31 December 2010

**Depreciation**

At 1 January 2010

Charge for the year

At 31 December 2010

**Net book value**

At 31 December 2010

At 31 December 2009

**7. DEBTORS****2010****Due within one year****£**

Donations receivable

577

Sundry debtors

1,757

Prepayments

2,500

£ 4,834**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR****2010****£**

Project payments

14,763

Other creditors

5,769

Accruals

7,181

£ 27,713

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**


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9. STATEMENT OF FUNDS	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £
<b>RESTRICTED FUNDS</b>				
TBH Memorial Fund	1,191	21,175	(18,427)	-
Project donations	19,620	79,774	(85,958)	-
	<u>£ 20,811</u>	<u>£ 100,949</u>	<u>£ (104,385)</u>	<u>£ Nil</u>

Last year, the Trustees created a fundraising appeal, the Tarek Ben Halim Memorial Fund, in n Charity's late founder and benefactor. Donors to the Fund may restrict their donations to certain ac the year, £215,225 was raised towards the Fund, of which £194,050 was unrestricted, and £21,175 towards the Charity's projects. The balance carried forward of £3,939 relates to the Jussoor initiative.

Funds restricted towards project costs consist of monies received with the condition that they should directly on funding grants and donations to the Charity's partner projects.

SUMMARY OF FUNDS	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £
General Fund	43,891	320,821	(126,530)	-
Restricted Funds	20,811	100,949	(104,385)	-
	<u>£ 64,702</u>	<u>£ 421,770</u>	<u>£ (230,915)</u>	<u>£ Nil</u>

**10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	General Funds 2010 £	Restricted Funds 2010 £	Total Funds 2010 £
Tangible fixed assets	167	-	167
Current assets	265,728	17,375	283,103
Creditors due within one year	(27,713)	-	(27,713)
	<u>£ 238,182</u>	<u>£ 17,375</u>	<u>£ 255,557</u>

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Financial Reporting by  
2008).

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; to the extent  
the year ended

respect of the

furtherance of

of donors which

of entitled to the  
receipt.

of any assets and  
the balance sheet date.

of intended to write off

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Total  
Funds  
2009  
£

6,412

-

-

-

-

11,191

17,603

26,500

75,335

-

-

3,206

641

2,910

24,887

4,488

25,000

162,967

10,899

£ 191,469

2009, Cynthia  
al support and

2009

£

-

16,762

27,370

-

34,860

20,399

29,126

25,722

-

£ 65,521

an be found in

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2009  
£

6,090  
664  
34,655  
1,972

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£ 43,381

Total  
Funds  
2009  
£

43,381  
1,322  
-  
5,129  
7,412  
4,801  
5,000  
2,109  
3,280  
2,146  
-  
114  
226  
800  
92  
2,350  
75  
759  
4,404

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£ 83,400

ore details are

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£  
940

717  
56  
773

£ 167  
£ 223

2009  
£  
10,550  
2,026  
-  
£ 12,576

2009  
£  
-  
-  
5,371  
£ 5,371

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**Carried  
Forward**  
£

**3,939**  
**13,436**  

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**£ 17,375**

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memory of the  
activities. During  
was restricted

d be expended

**Carried  
Forward**  
£

**238,182**  
**17,375**  

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**£ 255,557**

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*Total  
Funds  
2010*  
£

*223*  
*69,850*  
*(5,371)*  

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**£ 64,702**

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