

Charity Registration No. 1063835

Company Registration No. 03398543 (England and Wales)

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr A Massoud Dr F Haddad Mr K Dawas Mr N Tamimi Dr L Nashef Mr M Bustami Dr R Charif Dr A Awwad	(Appointed 25 April 2016)
Secretary	Mrs R M Leonard	
Charity number	1063835	
Company number	03398543	
Registered office	47 Eden Park Avenue Beckenham Kent BR3 3HJ	

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

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FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The Foundation for Al-Quds University Medical School (FQMS) was incorporated on 3 July 1997 as a company limited by guarantee No 3398543. FQMS received registration of its charitable status from the Charity Commissioners on 7 August 1997 with the registered charity number 1063835. The principal charitable objects of FQMS are the advancement of education in the public field of medicine and in particular for the advancement of all aspects of the work of the Medical School at Al-Quds University. At the time of formation this was the only Palestinian medical school: the charity has since extended its work to support medical schools in Gaza and Nablus. In recognition, it adopted a working name in addition to FQMS: The Al-Quds Foundation for Medical Schools in Palestine.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

This report covers the period between January 1 and December 31 2016.

The 19th AGM of the Foundation, held on Thursday 17th October 2016, was kindly hosted by Mrs Dalia Rishani in London. Mr Adam Wolton and Mr Said Shehadeh resigned their positions as Trustees. Mr Khaled Dawas was confirmed as the incoming Chairman with Dr Nihad Tamimi elected as Vice Chairman. The remaining trustees for the period were Dr Mahmud Bustami, Dr Rawya Charif, Dr Fuad Haddad, Dr Ahmed Massoud, Dr Awwad Awwad, Mr Anthony Leonard (treasurer) and Dr Lina Nashef. Miss Rita Leonard continued to act as secretary and Dr Jeanne Frossard as officer for student affairs. In addition to the AGM, trustees met on the following dates in 2016: 17th April, 21st August and 20th November. In between formal meetings, trustees conducted the business of the charity with regular email contact, at least monthly.

FQMS activities included support for undergraduates and postgraduate training. These include the following:

FQMS continued to support external teachers and examiners, external student elective placements (for senior medical students from the West Bank and Gaza), expanded temporary student accommodation during clinical placements (Al Quds University), support for attending conferences, faculty development (IUG, Gaza), bursaries for students based on merit and need (West Bank and Gaza), administration of 9 Madrinha Trust Scholarships facilitated by FQMS (3 Al Quds, 4 IUG, 1 Al Azhar, 1 Al Najah) with 4 new scholars selected and support for transport for medical students within Gaza

FQMS support for postgraduate trainees continued. Our pathology trainee, the only postgraduate trainee outside the UK is due to sit her final specialty exams and return to Palestine in 2018. Other trainees through our FQMS/Juzoor partnership, funded by the Arab Fund for Economic and Social Development continued their training as follows:

- a. Gynae-oncology trainee in London (UCLH) – started in 2016
- b. Haem-pathology trainee in Bristol – started in 2016
- c. Paediatrician specialising in paediatric cardiology in Southampton - started 2015.

We are very grateful to the Arab Fund for approving phase 2 of this FQMS/Juzoor project, which started in 2016. We have placed 2 trainees (mentioned above) and expect Radiology and General Surgery trainees in the coming few months. The previously supported neurosurgical trainees continue in NHS/Deanery funded training posts in Cardiff and Southampton.

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Since April 2014, FQMS has continued with remunerated administrative support. Rita Leonard is our sole salaried employee, becoming full time in September 2016. We are particularly grateful to the students' host institutions and supervisors and to all who helped in their reception and placement. In 2016, many students were unable to travel to their electives because of travel restrictions in Gaza. We are also very grateful to our partner the Madrinha Trust for funding scholarships and mentoring deserving medical students in both Gaza and the West Bank. FQMS congratulates the deans and all their colleagues and students for continuing progress in the face of immense difficulties.

Our annual fundraising dinner was successfully held in March 2016. Professor Jonathan Rosenhead, the Chair of the British Committee for the Universities of Palestine, was keynote speaker and Professor Hani Abdeen, the Dean of Al Quds University Medical School, our honoured guest, addressed those present. Our excellent entertainment was provided by Colm O'Regan on the piano, Molly Lynch singing, as well as Saied Silbak playing the oud. Dalia Rishani and her father, Hany Salaam, attended and she was awarded the FQMS Major Benefactor Award for her many years of hospitality, encouragement and generosity.

For the preparation of the accounts, which form part of this report, FQMS is especially grateful to our past treasurer Mr Anthony Leonard and to our secretary Miss Rita Leonard, who prepared the records. Sadly, Mr Leonard passed away during the latter end of the year. He was a long standing FQMS supporter and a dear friend to many of us. We are also grateful to our previous independent examiners Messrs C P O'Donnell & Co.

Many supporters, not specifically mentioned, have made extremely generous donations to the charity as well as giving of their time and skills. The trustees are very grateful for all their support and encouragement without which none of the charity's work will be possible. We remain committed to the development of FQMS in expertise and service towards the fulfilment of its objective of furthering medical education. In continuing to support medical education for Palestine, FQMS hope to lay the foundations for a better future.

Khaled Dawas, FQMS Chair

Financial review

It is the policy of FQMS, that the unrestricted funds are maintained at a level to fulfil the foreseeable needs of the charity.

We currently have problems with transferring funds to some of our recipients because of tightening of NGO banking facilities of late. Our supported medical schools in Gaza have several projects which we fund but are awaiting transfers of significant monies. There are also significant delays in receiving pledged funds to pay for salaries of trainees from a source in the Middle East. Thus we find that holding a larger reserve to allow for these unpredictable factors is important for the charity.

Furthermore we hold the following estimated funds awaiting disposal:

1. £25,000 pledged to a trainee but delayed for a year at least
2. Upcoming expenses of £75,000 for trainees salaries in U.K. hospitals

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

REPORT OF THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Structure, governance and management

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

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

Dr A Massoud

Dr F Haddad

Mr K Dawas

Mr N Tamimi

(Appointed 25 April 2016)

Dr L Nashef

Mr M Bustami

Dr R Charif

Dr A Awwad

Mr A Wolton

(Resigned 16 June 2016)

Mr S Shehadeh

(Resigned 17 October 2016)

Mr A Leonard

(Deceased 1 December 2016)

Approved by order of the board of trustees and signed on its behalf by:

.....

Mr K Dawas

Trustee

Dated:

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

I report on the accounts of the charity for the year ended 31 December 2016, which are set out on pages 5 to 12.

Respective responsibilities of trustees and examiner

The charity's trustees, who are also the directors of Foundation for Al-Quds University Medical School for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

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

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity 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 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 next statement.

Independent examiner's statement

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - (ii) 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 Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

P T Minchell
For and on behalf of Clarkson Hyde LLP

Chartered Accountants

Dated:

3rd Floor
Chancery House
St Nicholas Way
Sutton
Surrey
SM1 1JB

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 £	2015 £
<u>Income from:</u>			
Donations and gifts	3	198,203	117,080
Investments	4	1,306	1,695
		<hr/>	<hr/>
Total income		199,509	118,775
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	5	5,488	6,435
		<hr/>	<hr/>
Charitable activities	6	175,062	136,822
		<hr/>	<hr/>
Total resources expended		180,550	143,257
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		18,959	(24,482)
Fund balances at 1 January 2016		416,437	440,919
		<hr/>	<hr/>
Fund balances at 31 December 2016		435,396	416,437
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	9		277		554
Current assets					
Debtors	11	53,793		9,621	
Cash at bank and in hand		385,728		411,733	
		<u>439,521</u>		<u>421,354</u>	
Creditors: amounts falling due within one year	12	<u>(4,402)</u>		<u>(5,471)</u>	
Net current assets			435,119		415,883
Total assets less current liabilities			<u>435,396</u>		<u>416,437</u>
Income funds					
Unrestricted funds			435,396		416,437
			<u>435,396</u>		<u>416,437</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2016. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on

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Mr K Dawas
Trustee

Company Registration No. 03398543

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Charity information

Foundation for Al-Quds University Medical School is a private company limited by guarantee incorporated in England and Wales. The registered office is 47 Eden Park Avenue, Beckenham, Kent, BR3 3HJ.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

These accounts for the year ended 31 December 2016 are the first accounts of Foundation for Al-Quds University Medical School prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2016. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

IT Equipment	25% Straight Line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and gifts

	2016	2015
	£	£
Donations and gifts	198,203	117,080
	<u> </u>	<u> </u>

4 Investments

	2016	2015
	£	£
Interest receivable	1,306	1,695
	<u> </u>	<u> </u>

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5 Raising funds

	2016	2015
	£	£
<u>Fundraising and publicity</u>		
Admin expenses	7,072	6,854
Accountancy fees	2,000	1,340
Bank charges	29	26
Exchange rate gain	(13,885)	(2,062)
Wages and salaries	9,995	-
Depreciation	277	277
	<u>5,488</u>	<u>6,435</u>

6 Charitable activities

	2016	2015
	£	£
Support costs for students	175,062	136,822
	<u>175,062</u>	<u>136,822</u>

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

Number of employees

The average monthly number employees during the year was:

2016	2015
Number	Number
1	1
<u>1</u>	<u>1</u>

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Tangible fixed assets

IT Equipment
£

Cost

At 1 January 2016

1,109

At 31 December 2016

1,109

Depreciation and impairment

At 1 January 2016

555

Depreciation charged in the year

277

At 31 December 2016

832

Carrying amount

At 31 December 2016

277

At 31 December 2015

554

10 Financial instruments

2016 2015

£ £

Carrying amount of financial assets

Debt instruments measured at amortised cost

53,793 9,621

Carrying amount of financial liabilities

Measured at amortised cost

1,887 5,471

11 Debtors

2016 2015

Amounts falling due within one year:

£ £

Accounts receivable

48,691 -

Other debtors

5,102 9,621

53,793 9,621

FOUNDATION FOR AL-QUDS UNIVERSITY MEDICAL SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

12 Creditors: amounts falling due within one year

	2016	2015
	£	£
Other taxation and social security	2,515	-
Accounts payable	447	-
Accruals and deferred income	1,440	5,471
	<u>4,402</u>	<u>5,471</u>
	<u><u>4,402</u></u>	<u><u>5,471</u></u>