

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

THE ARAB BRITISH CENTRE
(A not for profit company limited by guarantee)

**DIRECTORS' AND TRUSTEES' REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

CHANTER, BROWNE & CURRY

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

THE ARAB BRITISH CENTRE

CONTENTS

	Page
Report of the trustees and directors	1 - 10
Report of the independent auditors	11 - 13
Statement of financial activities	14
Balance sheet	15
Notes to the financial statements	16 - 22

THE ARAB BRITISH CENTRE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021 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 applicable in the UK and Republic of Ireland (FRS 102) (second edition - October 2019) - (Charity SORP (FRS 102) Revised).

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

The Arab British Centre continued to expand its programme reach across the United Kingdom and support Arab artists and organisations based in the UK and the Arab world. The Covid-19 pandemic continued well into the first quarter of 2021 with a government lockdown extended until April. The Centre kept its doors closed to the public during that time, however the team continued to carry out the majority of its cultural programme digitally via online platforms, enabling them to stay connected to its audiences and continue its mission to disseminate arts and culture from the Arab world throughout the year.

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and Performance (continued)

January- February- March

Making Marks Digital Residency

The year began with the second iteration of the Making Marks Digital Residency programme called Connect ME, a collaborative digital residency programme focused on connecting artists aged 18-30 based in the GCC countries (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates, Saudi Arabia) and the United Kingdom. It was devised by the Arab British Centre as a way to stimulate international connections and creativity despite the restrictions on movement that the COVID-19 pandemic enforced throughout 2020 and 2021. Over a four-week digital “residency”, Connect ME pairs an artist based in the UK with an artist based in the GCC to create new, collaborative work that considers how digital tools can encourage connectivity across borders. The results could be anything from an augmented reality experience to a short film, a zine, a live performance – the only stipulation is it must be delivered to the public through digital channels.

The Winter Residency ran from February – March 2021. Following an open call, the artists selected were Dina Khatib (UAE) and Ollie Cameron (UK), and Meshal Al-Obaidallah (KSA) and Carolin Schnurrer (UK). This edition of the Connect ME residency was led by mentor Manal AlDowayan, a multi-media artist from Saudi Arabia who is equally recognised for her work in sound, video, neon, and sculpture. Each artwork created as part of Connect ME was hosted on the Making Marks website, either as an embedded video or as a platform to visit a specially created website by the artists.

The following commissioned works were created as part of the programme:

- FAREWELL ARABIA: A Bold New Vision by Carolin Schnurrer and Meshal Al-Obaidallah

With 4,500 kilometres separating them, during their collaboration Meshal Al- Obaidallah (SA) and Carolin Schnurrer (UK) were only able to perceive each other’s cultures through lenses. This led to a digital exchange of memories, rituals, ideas, and anecdotes.

Meshal’s practice is very much grounded in his own geographic locale, by archiving current affairs of his region. Carolin’s practice is at a more primal sensory level, establishing connections that surpass the limits of borders, culture, language, and other categories of exclusion. Together, they sought to recalibrate perceptions of ‘the other’ culture. In their work, FAREWELL ARABIA: A Bold New Vision, they explored the Arabian Peninsula through the lenses of orientalism (externally) and provincialism (internally). How is ‘the other’ perceived from a distance?

FAREWELL ARABIA: A Bold New Vision is centred around an old post-colonial British documentary, set in the Arabian Peninsula of the previous century. In the documentary, the narrator tells of the sudden development of Arabia, in the wake of the oil boom, its impact on society, and the uncertain future. Similarly, FAREWELL ARABIA: A Bold New Vision recycles history to tell of the current changing landscape, urban rezoning, and the colossal giga-projects. Who does this culture belong to? Who is it changing for? What kind of culture will be left?

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and Performance (continued)

Through their exchange, Meshal and Carolin collected found footage, sound bites, quotes, symbols, and other fragments. These reappropriated fragments were processed, destroyed, accelerated, decelerated, and rearranged. This mishmash of fact and fiction prompted a not-so-new understanding of the region. With a focus on audio and text, the collage is presented as a story on an experimental website, narrated by an inhuman voice.

- Articles of Exceptional Value by Dina Khatib and Ollie Cameron

What does distance look like? Articles of Exceptional Value is a collaborative effort by two artists to document the 5,597 km distance between them. In a time where physical forms of communication are heavily restricted, Dina and Ollie explored how visualising the unseen space between them could become a means for connection and exchange. Over the course of a month, they posted a series of packages to each other between the UK and Dubai, each one containing an unusual drawing device that gathered intricate data of its journey. In both countries the postal services have long lists of prohibited items, including sending art. In response to this, each artwork's title is inspired by a different prohibited item from these lists.

The postal services also include the prohibition of sending "articles of exceptional value". Every time a package was mailed, the artists were required to declare the monetary value of each box. Dina and Ollie chose this to be the title for the body of work, as they found that with every mark generated over time, the packages gained an alternative form of value; an unrepeatably recording of the 5,597km distance connecting them.

Closing programme: online talk (81 attendees)

Connect ME Winter Residency artists Meshal Al-Obaidallah, Carolin Schnurrer, Dina Khatib, and Ollie Cameron were joined by mentor Manal AIDowayan for a presentation of their works created and a discussion on digital collaboration.

February – March

Friday Hangouts: MENA Arts UK Takeover

The first series of the Friday Hangouts ran from March – August in 2020. Rapidly devised days after the UK went into lockdown in March 2020, the Hangouts were created to encourage a sense of cultural community during the Covid-19 outbreak, and offer a platform for guests to reflect on the lockdown and talk about their work in a time when for many it had been severely uprooted.

In 2021, the Arab British Centre collaborated with MENA Arts UK to bring the Hangouts back in a brand new series of four online episodes, focusing on platforming MENA+ professionals (Middle East, North Africa and surrounding area) working in the live and recorded arts.

The programme welcomed to the Hangouts:

5 February: Sally El Hosaini, a feature film writer/director whose acclaimed debut feature, *My Brother The Devil*, picked up major prizes at Sundance, Berlin and London Film Festivals. (62 attendees)

19 February: Abi Zakarian, an award-winning British-Armenian writer whose plays include *Perfect Myth Allegory*, produced by Jermyn Street Theatre; *I am Karyan Ophidian*, produced by Shakespeare's Globe Theatre; and *Fabric*, produced by Tremers for Edinburgh Fringe Festival 2016, winning a Fringe First Award. (54 attendees)

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and Performance (continued)

5 March: Amir El-Masry, an award winning British Egyptian actor who has most recently been named a BAFTA Breakthrough Brit and earned a Best Actor nomination for his lead performance in the critically acclaimed feature film, Limbo. (77 attendees)

19 March: Khyam Allami, an Iraqi-British multi-instrumentalist musician, composer, researcher and founder of Nawa Recordings. (62 attendees)

April

Online Event - We Wrote in Symbols

We Wrote in Symbols , published by Saqi Books, celebrates the works of 75 female writers of Arab heritage who articulate love and lust with artistry and skill. For the online event, a sensational line up of writers read and discussed their work, sharing how they convey the complexities and intrigues of desire. Speakers included Selma Dabbagh, Joumana Haddad, Lisa Luxx, Saeida Rouass, Yasmine Seale and Hanan al-Shaykh.

April - October

Jarda Project - Arab Britain

Jarda is a visual arts project led by artist and curator Jessica El Mal. It was created as part of the Arab British Centre's Arab Britain programme which explores the history, achievements and experiences of Arabs in Britain, past and present. El Mal's practice regularly centres around ecology, the environment and migration. Her inspiration for Jarda came when the UK was still in lockdown and when parks, fields and forests became our only outing. Following a call out in May for women to take part as co-producers in the project, across June and July El Mal led 6 workshops, 5 of which were outdoors in Manchester and Salford's green spaces including The Royal Horticultural Society's Garden Bridgewater, Peel Park and We Are Mud's allotment.

Co-producers Maryam Alsaeid, Hibah Ali, Sanaa Sedaki, Hana Masaarane, Reem Alazemi and Soraya Agaoglu created artwork at these gardens using photography, collage, self-portraiture, screen-printing and more.

The installation they created to display their work at the People's History Museum in Manchester invited visitors on an immersive walk in nature through Arab British eyes. The exhibition ran from 21 July-10 October 2021 attracted over 10,000 visitors.

June - July

SAFAR Film Festival 1-17 July

The SAFAR Film Festival is the only festival in the UK dedicated to cinema from the Arab world. Founded in 2012 and running biennially since then, SAFAR offers a unique space for audiences to connect with, explore, and celebrate the diversity of Arab cinema past, present, and future.

In 2021, SAFAR collaborated with the Shubbak Festival to present their film programme. 2020 should have seen the fifth edition of the SAFAR Film Festival return to cinemas however, due to the pandemic, a digital-only offer brought audiences together online instead. The 6th hybrid edition of SAFAR offered film lovers the opportunity to enjoy a curated programme of Arab cinema both on the big screen and at home.

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and Performance (continued)

The 2021 edition of SAFAR was curated by Rabih El-Khoury around the theme of Generational Encounters in Arab Cinema, showcasing contemporary and classic films with emergent youth, familial disparities and societal tensions at their centre. 10 years ago popular revolts took over the Arab region and thousands headed to the streets to instigate change in their respective societies. Generational Encounters reflected on the legacy of these protests by focussing on stories of personal revolution, the kind that unfold daily in households across the region and beyond: ordinary people pushing back against patriarchy, challenging social inequality, and dreaming of change.

An online events programme further illuminated the theme, inviting directors, industry leaders, and other creatives for Q&As and panel discussions accessible globally. Total festival attendance 1,100.

The programme included the following films:

Feature Films and Documentaries

Souad directed by Ayten Amin + Q&A

Adam directed by Maryam Touzani

The Dream directed by Mohamad Malas +Q&A

A Son directed by Mehdi M. Barsaoui

The Blessed directed by Sofia Djama +Q&A

We Are From There directed by Wissam Tanios +Q&A

Their Algeria directed by Lina Soualem +Q&A

Let's Talk directed by Marianne Khoury +Q&A

You Will Die At Twenty directed by Amjad Abu Alala

Lift Like A Girl directed by Mayye Zayed +Q&A

200 Meters directed by Ameen Nayfeh +Q&A

Short Films Programme

I Am Afraid to Forget Your Face directed by Sameh Alaa

Maradona's Legs directed by Firas Khoury

So What If The Goats Die directed by Sofia Alaoui

Al-Sit directed by Suzannah Mirghani

Online Programme

Sugar Cage directed by Zeina Alqahwaji

My English Cousin directed by Karim Sayad

The Swing directed by Cyril Aris

Little Wars directed by Maroun Bagdadi

Room For A Man directed by Anthony Chidiac

Online Programme of Talks

11 July: **Focus on Sudanese Cinema** with guests Talal Afifi, Abu Alala and Suzannah Mirghani in conversation with Rabih El Khoury

15 July: **There's No Place Like Home** with guests Zeina Alqahwaji, Anthony Chidiac and Cyril Aris in conversation with Rabih El Khoury

17 July: **Chronicle of An Exile** with guest Karim Sayyad in conversation with Rabih El Khoury

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and Performance (continued)

September

Arab Film Development Workshop

In addition to the SAFAR Film Festival, The Arab British Centre ran a workshop for six early-career filmmakers. The Arab Film Development Workshop, hosted by SAFAR co-founder, Saeed Taji Farouky is a two-day project development workshop bringing together early career Arab filmmakers or filmmakers working on projects connected to the Arab world. Created as an intensive and collaborative experience, participants receive in-depth mentorship exploring all aspects of a film project from the idea, to execution, to funding and distribution. Participants were Walid Elgadi, Leith Elzubaidi, Natali Khalili Tari, Olivia Melkonian, Zeina Saleh and Ayeesha Starkey.

Courses

Throughout the year, the Arab British Centre continued to run its courses in Arabic Language with tutor Ibrahim Othman, Music with the Taqasim Music School, Calligraphy with Joumana Medlej and Art History with Roberta Marin. Courses ran online with some music courses also running at the centre. A new short course titled: Cairo in the Roaring 20s based on the book by author Raphael Cormack ran online for four weeks in May. Over 370 students registered for our courses throughout the year.

Residents

One of the Arab British Centre's founding mission is to support like-minded organisations and individuals working in Arab culture. Over the past 40 years, the Centre has supported more than thirty resident organisations by providing subsidised workspace. Today, resident and associate resident organisations continue to have the opportunity to grow and develop their work alongside like-minded individuals.

The residents contribute to quarterly service charges to support building maintenance costs. As the UK went into lockdown, the residents' main activities were drastically affected by the pandemic. In light of the situation, the Arab British Centre increased their financial support and provided residents with further reductions on their quarterly service charges.

The following organisations and individuals are residents at the Arab British Centre: The Council for Arab British Understanding (CAABU), The Centre for Transnational Development and Collaboration (CTDC), The Friends of Edward Said Foundation (Pal Music), Shubbak Festival, Zaytoun, The Barakat Trust and Iraqi filmmaker Ashtar Al Khirsan. The Centre also hosts the following associate residents and supports them by providing a postal address and meeting room access; Arts Cabinet, BANIPAL Magazine, Friends of Birzeit University, The Saudi British Society, The British Tunisian Society and The Arab Puppet Theatre Foundation.

Financial Review

The attached financial statements summarise the charity's transactions for the year ended 31 December 2021. Total funds for the year show a deficit of expenditure over income of £42,346. Adding the gain on the investments of £181,342 gives a net surplus for the year of £138,996. Total funds at 31 December 2021 amounted to £2,663,328, comprising £28,287 unrestricted income funds, and £2,635,041 endowment funds.

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Principal funding sources

The charity's principal sources of funding are:-

- (1) Charges for classes run by the charity;
- (2) Contributions from resident organisations to the running costs of the Arab British Centre;
- (3) Sponsorship and donations;
- (4) Income from endowment funds and bank balances, including bank interest, dividends and interest on investments;
- (5) 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

The trustees have reviewed the charity's needs for reserves in line with the guidance issued by the Charity Commission.

The expendable endowment fund is a restricted capital fund which is held to ensure the long-term survival of the charity, with the Centre as a physical hub for those working to promote understanding of the Arab world and its culture.

Transfers from expendable endowment fund are made to income funds at the discretion of the trustees. The trustees aim only to make transfers to income funds sufficient to cover the running costs of the Centre for the forthcoming quarter.

The charity is hoping to continue 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 adapted well to the impact of the Covid-19 pandemic. In 2021 it continued running its programme activities and courses on-line (and in hybrid fashion, when Covid restrictions eased) and gave necessary support to Centre residents.

The Board continues to monitor closely the impact of ongoing changes resulting from the pandemic and events since. A business plan for 2022 – 2023 has been drafted to outline priorities and mitigate negative impacts. For 2022 priority areas include expanding the reach of the SAFAR Film Festival and strengthening the Arab Britain programme. The trustees plan to continue to run courses and events online and in person, and to increase fundraising efforts particularly from trusts and foundations and sources of unrestricted income.

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

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)
Mr Saeed Taji Farouky
Ms Randa Adel Ashmawi
Mr Haroun Al-Mishwit
Mrs Elizabeth Moriarty
Mr Maher Maksoud
Ms Fionnuala Rogers

Company Secretary

Mrs Nadia El-Sebai

THE ARAB BRITISH CENTRE

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

Small company exemption

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

This report was approved by the board of directors and trustees on 14 September 2022 and is signed on its behalf.

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Sir Derek Plumbly KCMG
Chairman

THE ARAB BRITISH CENTRE
REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE ARAB BRITISH CENTRE

Opinion

We have audited the financial statements of The Arab British Centre ("the charitable company") for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2021 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.

Basis for opinion

We conducted our audit in accordance with International Standards for Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and the provisions available for small entities, in the circumstances set out in note 18 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE ARAB BRITISH CENTRE

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE ARAB BRITISH CENTRE (CONTINUED)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which 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 from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement "Responsibilities of the Council" set out on page 10, the trustees, who are also the directors of the charitable company for company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. We obtain an understanding of the legal and regulatory frameworks that are applicable to the entity, having determined that the most significant are those that relate to the financial reporting framework SORP (FRS 102) revised, the Companies Act 2006 and the Charities Act 2011. We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

THE ARAB BRITISH CENTRE
REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF THE ARAB BRITISH CENTRE (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

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.

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

14 September 2022

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 2021

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted income funds £	2021 Endowment funds £	Total funds £	2020 Total funds £
Income	1.4				
Donations and grants	3	68,001	-	68,001	73,127
Charitable activities	4	125,035	-	125,035	113,739
Investments	5	6	86,626	86,632	20,712
Total incoming resources		<u>193,042</u>	<u>86,626</u>	<u>279,668</u>	<u>207,578</u>
Expenditure	1.5				
Raising funds					
Investment management costs	6	-	16,074	16,074	14,926
Charitable activities	6	299,497	6,443	305,940	318,488
Total expenditure		<u>299,497</u>	<u>22,517</u>	<u>322,014</u>	<u>333,414</u>
Net income/(expenditure) before gains/(losses) on investments		(106,455)	64,109	(42,346)	(125,836)
Gains/(losses) on investments	7	-	181,342	181,342	1,996
Net income/(expenditure)		<u>(106,455)</u>	<u>245,451</u>	<u>138,996</u>	<u>(123,840)</u>
Transfers					
Gross transfers between funds	9	120,000	(120,000)	-	-
Net movement in funds for the year		13,545	125,451	138,996	(123,840)
Reconciliation of funds					
Total funds brought forward		14,742	2,509,590	2,524,332	2,648,172
Total funds carried forward		<u>28,287</u>	<u>2,635,041</u>	<u>2,663,328</u>	<u>2,524,332</u>

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 2021**

	Notes	Income funds £	2021 Endowment funds £	Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	10	-	852,025	852,025	858,468
Investments	11	30,000	1,654,475	1,684,475	1,439,433
		<u>30,000</u>	<u>2,506,500</u>	<u>2,536,500</u>	<u>2,297,901</u>
Current assets					
Debtors	12	4,496	-	4,496	6,176
Cash at bank and in hand		39,459	128,541	168,000	254,451
		<u>43,955</u>	<u>128,541</u>	<u>172,496</u>	<u>260,627</u>
Creditors: amounts falling due within one year	13	45,668	-	45,668	34,196
Net current assets		<u>(1,713)</u>	<u>128,541</u>	<u>126,828</u>	<u>226,431</u>
Net assets		<u>28,287</u>	<u>2,635,041</u>	<u>2,663,328</u>	<u>2,524,332</u>
Funds of the charity					
Endowment funds	15, 16			2,635,041	2,509,590
Unrestricted income funds	15, 16			28,287	14,742
Total charity funds				<u>2,663,328</u>	<u>2,524,332</u>

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

The financial statements were approved by the board of directors and trustees on 14 September 2022.

.....
Sir Derek Plumbly KCMG
Chairman

.....
Mr Maher Maksoud
Trustee

Company Registration Number: 01215037

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 in accordance with 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) (second edition - October 2019) - (Charity SORP (FRS 102) Revised), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The company meets the definition of a public benefit entity under FRS102.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of listed investments.

1.2 Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

1.3 Fund accounting

The company has two separate funds:-

(1) An expendable endowment. Transfers 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.

1.4 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.

1.5 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 fund's management charges.

Governance costs represents auditors' remuneration.

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

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

1.6 **Tangible fixed assets**

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.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.7 **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.

1.8 **Debtors**

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

1.9 **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.

2 **Legal status**

The charity is a private company limited by guarantee and has no share capital. The company is registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

THE ARAB BRITISH CENTRE

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

3 Donations and grants received

	2021			2020
	Income funds	Endowment funds	Total funds	Total funds
	£	£	£	£
Donations received	960	-	960	960
Grants received	67,041	-	67,041	72,167
	<u>68,001</u>	<u>-</u>	<u>68,001</u>	<u>73,127</u>

4 Income from charitable activities

	2021			2020
	Income funds	Endowment funds	Total funds	Total funds
	£	£	£	£
Contributions from users	59,639	-	59,639	57,956
Income from Arabic calligraphy classes	6,910	-	6,910	3,690
Income from Arabic classes	24,338	-	24,338	27,330
Income from music classes	22,692	-	22,692	22,640
Income from Islamic Art and Architecture classes	7,020	-	7,020	-
Income from events and functions	4,426	-	4,426	2,113
Library memberships	10	-	10	10
	<u>125,035</u>	<u>-</u>	<u>125,035</u>	<u>113,739</u>

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.

5 Investment income

	2021			2020
	Income funds	Endowment funds	Total funds	Total funds
	£	£	£	£
Bank interest received	6	-	6	325
Dividends received from listed investments:-				
- UK investments	-	86,626	86,626	16,889
- overseas investments	-	-	-	3,157
Interest received from UK listed investments	-	-	-	341
	<u>6</u>	<u>86,626</u>	<u>86,632</u>	<u>20,712</u>

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

6 Expenditure on charitable activities

	2021		2020
	Income funds £	Endowment funds £	Total funds £
Costs of raising funds			
Investment management costs	-	16,074	14,926
Charitable activities			
Cost of operation of the Centre:-			
Depreciation	-	6,443	6,509
Repairs and maintenance	17,623	-	14,426
Staff costs:-			
- gross wages and salaries	130,450	-	133,742
- employers' NICs	8,938	-	10,177
- pension contributions	6,889	-	8,040
Office and other costs	57,431	-	77,861
Events, festivals and functions	72,646	-	62,513
	293,977	6,443	313,268
Governance costs			
Auditors' remuneration	5,520	-	5,220
	299,497	6,443	318,488

No trustees received any remuneration. No trustees were reimbursed for expenses during the year.

No employee was paid more than £60,000 in the year. The average number of employees during the year was 4 (2020: 4).

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.

7 Gains/(losses) on investments

	2021		2020
	Income funds £	Endowment funds £	Total funds £
Gains/(losses) on sale of investments	-	13,919	259,363
Gains/(losses) on revaluation of investments	-	167,423	(257,367)
	-	181,342	1,996

8 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 2021.

THE ARAB BRITISH CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

9 Transfers between funds

	Unrestricted income funds £	2021 Endowment funds £	Total funds £
Net transfers from investment funds to cover costs of operation of The Centre	120,000	(120,000)	-

10 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2021	1,288,633	11,867	1,300,500
Additions	-	-	-
Disposals	-	-	-
At 31 December 2021	<u>1,288,633</u>	<u>11,867</u>	<u>1,300,500</u>
Depreciation			
At 1 January 2021	430,165	11,867	442,032
On disposals	-	-	-
Charge for the year	6,443	-	6,443
At 31 December 2021	<u>436,608</u>	<u>11,867</u>	<u>448,475</u>
Net book values			
At 31 December 2021	<u>852,025</u>	<u>-</u>	<u>852,025</u>
At 31 December 2020	<u>858,468</u>	<u>-</u>	<u>858,468</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 2021 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 2021****11 Fixed asset investments**

Investec Wealth & Investment	£
At 1 January 2021 at valuation	1,439,433
Additions at cost	183,353
Disposals at cost	(105,734)
Net gain/(loss) on revaluation	167,423
At 31 December 2021 (cost = £1,402,349)	<u>1,684,475</u>

Total investments

	Total £
Total value of investments at 31 December 2021	1,813,016
Less: cash at brokers (included under current assets)	128,541
Fixed asset investments at 31 December 2021	<u>1,684,475</u>

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

UK assets comprise 100% of the value of the fixed asset investments as at 31 December 2021.

12 Debtors

	2021 £	2020 £
Contributions receivable	1,830	3,660
Prepayments	2,666	2,516
	<u>4,496</u>	<u>6,176</u>

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Taxation and social security	6,881	2,969
Accruals	6,576	6,110
Deferred income (see note 14)	18,171	11,187
Other creditors	14,040	13,930
	<u>45,668</u>	<u>34,196</u>

THE ARAB BRITISH CENTRE**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021****14 Deferred income**

Deferred income comprises contributions from users received in advance.

	2021 £	2020 £
Balance at 1 January 2021	11,187	9,725
Amount released to income earned from charitable activities	(11,187)	(9,725)
Amount deferred in year	18,171	11,187
Balance at 31 December 2021	<u>18,171</u>	<u>11,187</u>

15 Analysis of net assets between funds

	Income funds £	Expendable endowment funds £	Total funds £
Tangible fixed assets	852,025	-	852,025
Investments	30,000	1,654,475	1,684,475
Current assets	43,955	128,541	172,496
Current liabilities	(45,668)	-	(45,668)
Net assets at 31 December 2021	<u>880,312</u>	<u>1,783,016</u>	<u>2,663,328</u>

16 Movement in funds

	Income funds £	Expendable endowment funds £	Total funds £
Balance at 1 January 2021	14,742	2,509,590	2,524,332
Incoming resources	193,042	86,626	279,668
Resources expended	(299,497)	(22,517)	(322,014)
Gains/(losses) on investments	-	181,342	181,342
Transfers	120,000	(120,000)	-
Balance at 31 December 2021	<u>28,287</u>	<u>2,635,041</u>	<u>2,663,328</u>

17 Related party disclosures

There were no related party transactions for the year ended 31 December 2021.

18 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.