

Company No: 04506398
Charity No: 1094436

THE LEVANTINE FOUNDATION
(A company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2015

Dub & Co
Chartered Certified Accountants
7 Torriano Mews
London NW5 2RZ

THE LEVANTINE FOUNDATION

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THE LEVANTINE FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2015

Reference and administrative details

Charity registration number: 1094436
Company registration number: 04506398

Registered office and
operational address: 106 St. George's Square
London
SW1V 3QY

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees who served during the year and since the year end were as follows:

P Dodds John
N Pilkington
Dr C Bell
Dr D Taylor
Dr M Kominko

Secretary

P Dodds John

Independent examiner

J Davies
Dub & Co
Chartered Certified Accountants
7 Torriano Mews
London
NW5 2RZ

THE LEVANTINE FOUNDATION

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

The trustees present their report together with the financial statements of the charity for the year ended 31st December 2015.

The legal and administrative information set out on page 1 forms part of this report.

The trustees confirm that the annual report and the financial statements of the charity comply with the current statutory requirements, the Memorandum and Articles of Association, and the provisions of the Statement of Recommended Practice (SORP) - "Accounting and Reporting by Charities".

Structure, governance and management

Governing document

The Levantine Foundation is a charitable company limited by guarantee with no share capital, incorporated on 8th August 2002 and registered as a charity on 31st October 2002. The charity is governed by its Memorandum and Articles of Association. In the event of the charity being dissolved, members are required to contribute an amount not exceeding £1.

Management

The day to day management of the charity is carried out by the chief executive, Elizabeth Sobczynski.

Recruitment and appointment of trustees

Appointment of trustees is at the sole discretion of the existing trustees. The trustees will ensure that any additional member of the board has the necessary skills together with an interest in working in accordance with the aims of the foundation.

Risk Management

The trustees have examined the major risks (operational, financial and general) to which the company is exposed and confirm that appropriate steps are in place to mitigate these risks.

Objectives and activities

The Board confirms that they have referred to the Charity Commissioner's general guidance on public benefit when reviewing the Foundation's aims and objectives and planning future activities.

In order to fulfil its objective to preserve the heritage on paper of the Near East, the trustees in 2015 continued to consolidate and maintain links with partners in the UK and Egypt. Despite some continuing social unrest in Egypt which began in 2011, local conditions were judged sufficiently calm to resume conservation activities

1. Conservation

The return of slightly improved political and social conditions in Egypt (at least conditions local to the monastery) permitted the charity to resume activity in 2015. Using the grant from the Mercer's Company, a very successful campaign was held between 22 May - 5 June 2015.

Participants included Elizabeth Sobczynski (Project Director), Anna Thommee, Marzena Szczerkowka, and Michal Sofer.

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

Achievements included:-

- a) Conservation of Deir al Surian Coptic MS22, *Four Gospels on paper*. Dims: 25.5 x 19.5 cms
237 folios were completed out of a total of 246
- b) 560 MS were examined and their condition assessed and documented, including Arabic, Coptic, Coptic-Arabic, Ethiopic and Syriac.
- c) Digital documentation and photographs were taken of detailed damage to the text block and covers of the entire Syriac collection and selected MSS from other categories.
- d) 25 MSS from the bi-lingual Coptic-Arabic collection were stabilised
- e) Calligraphic acknowledgements were inscribed and inserted into conserved MS to donors Mr & Mrs Robert John and John Osborn.

A second campaign scheduled for November-December 2015 was cancelled due to storm flooding at the monastery which damaged its entire power infrastructure. All electricity to the library was cut off making the provision of a dedicated library generator a new imperative for TLF. This will provide a secure continuous supply of electrical power to the library's environmental control systems in extreme circumstances.

2. Training

As political conditions eased, meetings were held in Egypt with the Sawiris Foundation for Social Development which is interested in sponsoring training courses in conservation and museology for small groups. Approaches made to the American University in Cairo to discuss possible collaboration (e.g. use of premises for training) and conservation training regrettably came to nothing due to severe budget cuts.

3. Deir al Surian

The successful opening of the new library building in May 2013 to house all the collections in the care of the monastery fulfils the charity's primary purpose to preserve this cultural heritage for the long term in environmentally controlled conditions. Conservation of individual items (well over a thousand) can now proceed in the future. Facilities available make this a state of the art library, perhaps the best in the country. However, interruptions to the power supply remain an area of concern. Loss of electricity incapacitates the environmental control system putting the manuscripts at risk. The charity made a grant in 2013 of £4,673 (EP50,000) towards the cost of a generator and a further application for a grant from the Headley Trust is underway to fund the major part of the total cost which is in excess of GBP 50,000.

4. Digitisation

Little progress has been made on this aspect of the Foundation's activity in 2015. Digitising the entire collection remains a priority for TLF as it offers the best mode of preserving the actual written contents of the manuscripts for scholarly access without excessive handling. This is especially important in volatile political times when there is a real risk of their physical destruction during bouts of religious conflict.

The Monastic Council declined an offer of total funding from St.John's University (Hill Museum, Minnesota USA) preferring a more locally controlled scheme. The Council wishes to control storage

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

and access to the images of manuscripts in locations they can control. They are not yet ready to accept full global public access. Furthermore, an internet capability and platform at the Monastery has yet to be achieved. Discussion continues on these sensitive points of difference.

Father Bigoul at Deir al Surian is developing a proposal to deliver training for monks in digitisation with equipment provided by TLF at the monastery. This has yet to be fully developed and approved by the TLF board as it requires significant fundraising. It is proposed that training would be given by expert staff from the library in Alexandria

5. Cataloguing of the Coptic, Arabic and Ethiopic collections - Yale University partnership.

In parallel with the Foundation's conservation activity, the cataloguing of the Arabic, Coptic and Copto-Arabic collection continued in a 10 day campaign under the leadership of Professor Stephen Davies (Yale University USA) assisted by Professor Mark Swanson and Dr. Youhannah. The Foundation facilitated an introduction to the Monastic Council.

This work is funded independently by Yale University and is of enormous value to all parties to the conservation work. Not only will this, as yet unstudied, collection benefit from the library's controlled environment; the catalogue, when complete, is a much awaited resource for scholars in this particular field. Future digitisation would also allow scholarly access to this previously invisible collection.

6. Licence

The current licence to operate in Egypt continues until 24 November 2016.

The Licence lasts for a 5 year period and is subject to renewal by the Foreign Ministry.

7. Local Representative in Egypt

It is a condition of the licence to operate in Egypt that the charity nominates a local representative who is the link with statutory authorities. Dr Khalil Nougaim acts as TLF Executive Director in Egypt. The registered address of the charity in Egypt is: Apartment 74, 11 Hassan Sabry Street, Zamalek, Cairo. The charity is now benefiting from employing Mr Nougaim's bi-lingual administrative assistant. This has greatly improved administrative support in Cairo especially for training courses.

8. Statutory Authorities in Egypt

As required under the licence, the charity fulfilled its duty to submit Technical and Financial Reports to the Ministry of Social Solidarity (MOSS) for the year 2014.

Raising awareness and funds

The trustees acknowledge with gratitude the financial support given in the past by individuals, trusts and companies in Egypt, Great Britain and the USA. In particular, we are indebted to the Eranda Foundation, The Headley Trust, Mr John Osborn, Mr & Mrs Robert John, an anonymous American foundation and also the support of our President Sir Derek Plumbly and our patrons Lady Plumbly, Lord Norwich and Lord Portman.

By December 2015, a grant application to the Headley Trust to fund a dedicated library generator was close to conclusion. The Trust previously made a generous grant towards the construction of the new library at Deir al Surian which is now in full operation with environmentally controlled storage and a well equipped conservation studio. If the application is successful, it will finally provide a sustainable long term future for the preservation of the collection.

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

Fundraising efforts during the reporting period 2015 were supported by the employment of a professional fundraiser, Sarah Mansell, who made a number of applications to grant making bodies which have supported our conservation activities in the past, as well as approaching new trusts. Unrestricted funds to cover core administrative and governance costs of around £3,400 per annum are particularly difficult to source. The trustees are particularly grateful for the unrestricted gift of an anonymous American trust in meeting these and other costs in the past, as these costs continue to grow even if activity is paused for security reasons. For this reason, the trustees agreed to allocate up to 15% of all donations to this purpose.

The Foundation website (www.thelevantinefoundation.org) continued on line during the period. The Board continues to review its value as an information resource and as a means of increasing our fundraising potential. Website development is an on-going process each year.

In this delicate operating and fundraising environment, the trustees continue to review the charity's priorities and the most effective way to deploy its increasingly scarce resources. The combination of volatility in Egypt and a difficult financial prospect for grant making bodies in the UK continues to make activity problematic.

Financial review

At the end of the year the trustees saw a reasonable financial result based on careful financial management. Administrative costs were kept to a minimum.

Total resources decreased by £17,679 to a total of £17,587 at the year end, these funds being held in both UK and Egyptian accounts at Barclays.

Reserves policy

The trustees have established and will maintain a level of reserves in both the UK and Egypt to meet foreseeable outgoings. The bulk of funds in both countries are placed on deposit in interest bearing accounts.

Statement of trustees responsibilities

The trustees (who are also directors of The Levantine Foundation for the purposes of company law) are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including income and expenditure, of the charitable company for that period.

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 prevention and detection of fraud and other irregularities.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the Board of trustees on 5th September 2016 and signed on its behalf by

P Dodds John
Director and trustee

THE LEVANTINE FOUNDATION

Independent examiner's report to the trustees of The Levantine Foundation

I report on the accounts of the charitable company for the year ended 31st December 2015, which are set out on pages 8 to 13.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company 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 been satisfied that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- 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
- 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 the seeking of 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 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 Charities have 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.

J Davies FCCA
Dub & Co
Chartered Certified Accountants
7 Torriano Mews
London NW5 2RZ
5th September 2016

THE LEVANTINE FOUNDATION
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2015

	Note	Unrestricted funds £	Restricted funds £	Total funds 2015 £	Total funds 2014 £
Income					
Donations and grants	2	-	(3,790)	(3,790)	-
Investment income	3	352	-	352	1,430
Total (deficit)/ income		<u>352</u>	<u>(3,790)</u>	<u>(3,438)</u>	<u>1,430</u>
Expenditure					
<i>Costs of raising funds:</i>					
Operating and support costs	4	-	3,467	3,467	5,842
<i>Expenditure on charitable activities:</i>					
Preservation and conservation of artefacts					
Field campaigns	5	-	10,774	10,774	-
Total expenditure		<u>-</u>	<u>14,241</u>	<u>14,241</u>	<u>5,842</u>
Net expenditure and net movement in funds for the year		352	(18,031)	(17,679)	(4,412)
Reconciliation of funds:					
Total funds brought forward		(2,425)	37,691	35,266	39,678
Total funds carried forward	8	<u>(2,073)</u>	<u>19,660</u>	<u>17,587</u>	<u>35,266</u>

The notes on pages 10 to 13 form part of these accounts.

All operations are continuing.

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BALANCE SHEET 31ST DECEMBER 2015

	Note	2015		2014	
		£	£	£	£
Current assets					
Cash at bank and in hand		26,394		42,135	
Liabilities					
Creditors falling due within one year	7	<u>(8,807)</u>		<u>(6,869)</u>	
Net current assets		17,587		35,266	
Total assets less current liabilities		<u>17,587</u>		<u>35,266</u>	
The funds of the charity:					
Unrestricted (deficit)	8	(2,073)		(2,425)	
Restricted funds	8	19,660		37,691	
Total charity funds		<u>17,587</u>		<u>35,266</u>	

For the year ended 31st December 2015 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements on page 8 to 13 were approved by the Board of directors and trustees on 5th September 2016 and signed on its behalf by:

P Dodds John
Director and trustee

Company registration no: 04506398

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

1 Accounting policies

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

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities, applicable UK Accounting Standards, the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective January 2015).

(b) Funds accounting

Funds held by the charity are:

Unrestricted funds: these are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds: are subjected to restrictions on their expenditure imposed by the donor or where funds have been raised for a specific purpose.

(c) Income

All incoming resources receivable during the year are accounted for in the Statement of Financial Activities. The following specific policies are applied to particular categories of income:

Voluntary income: includes donations, grants and gifts that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

(d) Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred.

Costs of raising funds: are those costs incurred in attracting voluntary income, and those incurred in raising funds.

Charitable activities: include expenditure associated with the preservation and conservation of artefacts and include both the direct costs and support costs relating to these activities.

Support costs: include central functions and have been allocated to activity cost categories to reflect the use of resources. Costs relating to a particular activity are allocated directly; they also include governance costs associated with the constitutional and statutory requirements of the charity.

(e) Foreign currency translation

Amounts denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All exchange differences are shown on the Statement of Financial Activities.

THE LEVANTINE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015

2 Income from donations and grants

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Donation refund Sawiris Foundation (see below)	-	(3,790)	(3,790)	-

This donation was received carrying a restriction by the donor that it be applied to Social Development for the Training Programme 2012. The donor did not wish it to be reallocated to another charitable purpose. It was therefore refunded to the donor.

3 Investment income

The charity's investment income arises from bank interest receivable.

4 Costs of raising funds

	General Support £	Governance costs £	Total £
Operating and support costs			
<i>Administration</i>			
Office expenses and hospitality	149	-	149
<i>Fundraising and marketing</i>			
Events	1,560	-	1,560
<i>Governance</i>			
Independent examination fee	-	1,200	1,200
Legal and professional fees (Egyptian accounts)	-	383	383
<i>Financial</i>			
Foreign exchange loss (note 1e)	175	-	175
	<u>1,884</u>	<u>1,583</u>	<u>3,467</u>

THE LEVANTINE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2015

5 Analysis of expenditure on charitable activities

The charity undertakes direct charitable activities only and does not make grant payments.

	Preservation and conservation of artefacts	Total
	£	£
Field campaigns		
Conservation materials and research costs	180	
Travel, accommodation and subsistence	3,587	
Fees payable	7,007	
	<hr/>	
		<hr/> 10,774 <hr/>

6 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

7 Creditors: amounts falling due within one year

	2015	2014
	£	£
Other creditors and accruals	8,807	6,869
	<hr/>	<hr/>

THE LEVANTINE FOUNDATION

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

8 Movement in funds

	Opening balance £	Movement in resources Income £	Expenditure £	Closing balance £
Unrestricted funds				
General funds	(2,425)	352	-	(2,073)
Restricted funds				
Donations/grants	37,691	(3,790)	14,241	19,660
Total funds	35,266	(3,438)	14,241	17,587

9 Analysis of net assets / (liabilities) between funds

	Unrestricted funds £	Restricted funds £	Total £
Current assets	6,734	19,660	26,394
Current liabilities	(8,807)	-	(8,807)
	(2,073)	19,660	17,587

10 Trustees' remuneration

The trustees received no remuneration during the year.

11 Related party transactions

The following trustee incurred expenses on its behalf during the year.

	2015 £	2014 £
P Dodds John (Office expenses)	-	13

At the balance sheet date there were no amounts outstanding.