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# London Middle East Institute

(A company limited by guarantee)

Charity no: 1103017  
Company no: 4758915

## Report and Financial Statements for the year ended 31 July 2015

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**Reference and Administrative Details of the Charity**

**Status**

The organisation is a charitable company limited by guarantee, incorporated on 9 May 2003 and registered as a charity on 2 April 2004. The company is governed by its Memorandum and Articles of Association, as amended by Special Resolutions dated 6 November 2003, 31 July 2008 and 6 July 2015. Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

**The Board of Trustees**

The Trustees serving during the year were as follows:-

Chair: Professor Paul Webley, Director, SOAS (resigned: 29 September 2015)  
Chair: Baroness Valerie Amos, SOAS (appointed: 30 September 2015)  
Dr John Curtis  
Sir Vincent Fean KCVO (resigned: 14 September 2015)  
Dr Hanan Morsy (appointed: 14 September 2015)  
Professor Ben Fortna, SOAS (resigned: 31 July 2015)  
Dr Nelida Fuccaro, SOAS (appointed: 31 July 2015)  
Professor Richard Black, SOAS  
Mr Alan Jenkins  
Dr Karima Laachir, SOAS  
Dr Dina Matar, SOAS  
Dr Barbara Zollner, Birkbeck College

**Chief Executive Officer**

Dr Hassan Hakimian

**Executive Officer and Company Secretary**

Louise Hosking

**Administrative Staff**

Events and Magazine Co-ordinator: Vincenzo Paci-Delton  
Coordinating Editor: Sarah Johnson and Megan Wang  
Magazine Designer: Shahla Geramipour  
Administrative Assistant: Valentina Zanardi

**Registered Office and Operation Address**

London Middle East Institute  
Thornhaugh Street  
Russell Square  
London WC1H 0XG

**Auditors**

Knox Cropper  
Chartered Accountants  
153-155 London Road  
Hemel Hempstead  
Herts HP3 9SQ

**Bankers**

NatWest Bank  
94 Moorgate  
London EC2M 6XT

**Report of the Trustees**

The Board of Trustees presents its report and the audited financial statements for the year ended 31 July 2015.

**Structure, Governance and Management**

The London Middle East Institute (LMEI) is governed by a Board of Trustees, chaired until September 2015 by Professor Paul Webley, the Director of SOAS, University of London. Baroness Valerie Amos replaced Professor Webley as LMEI Chair in October 2015. In addition to the Chair, under the Articles of Association adopted on 6th July 2015, the Board is to comprise eight other members, being four representatives from the academic staff of SOAS and four persons with an interest in the objects of the Institute but who are not employees, the holders of any office, or registered students at SOAS. The Board of Trustees meets three times a year, once in each academic term, receiving and reviewing detailed reports from the Institute's CEO on LMEI's programmes, plans and finances. The Board has responsibility for strategic decisions affecting the Institute's structure and governance and exercises oversight over LMEI's financial affairs. The Institute's CEO – supported by the staff – is responsible for both day-to-day managerial decisions as well as developing plans for the future development of the Institute, the latter being presented to the Board of Trustees for their approval.

Appointment of Trustees to the Board is for a period of three years in the first instance. With the approval of the Board, this is renewable for a further three years. No Trustee, however, shall serve for a period longer than six years. Trustees, from inside the SOAS academic community or from outside, are chosen for their potential contribution and complementarity in furthering the Institute's mission and objectives. Best candidates are identified through wide-ranging consultation and research both internally and externally and the Chair of the Board of Trustees invites them to join after the Board has discussed and approved their nomination. The Board has the final say in approving any new Trustee's appointment after which a report is made to the SOAS Board of Trustees through the Chair. All new Trustees are sent appropriate material to familiarise them with the Institute's mission, plans and work and the requirements of serving on the Board. The Institute's CEO and Chair also make sure any new Trustees are duly briefed and prepared for serving the Board.

The names of the Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the period are set out on page 3.

The LMEI was developed from the specialist regional expertise of SOAS and continues to draw on its academic members of whom there are more than 90. The charity reports directly to the Governing Body of SOAS but is administratively and organisationally independent of SOAS.

The LMEI's core professional employees work closely with a large number of volunteers who staff its Advisory Council and the Editorial Board of the 'Middle East in London' magazine. The Advisory Council meets at least twice each year and advises on programmes and fund-raising initiatives. The Editorial Board continues to oversee all aspects of the production of the magazine. Over 80 individuals drawn from academia, government, the professions, business, the media and communities with Middle Eastern links are directly involved in the operations of the LMEI.

**Objectives and Activities**

The LMEI exists to advance education and research in all or any aspects of the Arab Middle East and North Africa, Israel, Iran and Turkey, and to secure the publication of any such research, for the benefit of the public. To achieve this object the LMEI organises conferences and seminars, provides specialist training and related professional services and produces a variety of publications.

The aim of the LMEI, through education and research, is to promote knowledge of all aspects of the Middle East including its complexities, problems, achievements and assets, both among the general public and with those who have specialist interest in the region.

In this task it builds on two essential assets. First, it is based in London, a city which has unrivalled contemporary and historical connections and communications with the Middle East – political, social, cultural, commercial, scientific and educational. Secondly, the LMEI is based at SOAS, the only tertiary educational institution in the world whose explicit purpose is to provide training and scholarship on the whole Middle East from prehistory until today.

**Report of the Trustees - continued****Achievements and Performance**

The London Middle East's 2014/15 financial year has coincided with a period of continued turmoil in the Middle East during which the Institute's mission to encourage research and disseminate knowledge on all aspects of the region – from its endangered cultural heritage to its shifting political groupings and economic development challenges – has appeared increasingly relevant.

The Institute's enlarged premises at 21 Russell Square have enabled it to increase these endeavours: while LMEI is still able to draw on facilities elsewhere in SOAS to hold large events, such as conferences, its MBI AL Jaber Seminar Room has enabled it to host smaller, focused events such as summer courses, briefings and workshops. Thanks to its expanded office space LMEI is now able to accommodate a number of visiting scholars from throughout the world, thus extending the Institute's network and reach. Dr Zhiqian Zou, an Assistant Professor of the Middle East Studies Institute at Shanghai International Studies University has been studying global economic governance while Dr Hungtae Yoo from Korea is researching historical relations between Iran and South Korea along the Silk Road. In 2014 Amel Chetibi joined LMEI to continue her work on the economies of the MENA region.

Once again, academic conferences were a cornerstone of LMEI's academic outreach. In November 2014 the Institute hosted an 'Idea of Iran' conference, the eleventh in this historical series, which addressed 'Post-Mongol Politics and the Reinvention of Iranian Identities' in thirteenth and fourteenth-century Iran. An April 2015 conference entitled 'The Kurds in the Middle East: New Developments and Prospects' addressed more contemporary issues, analysing the new state of violence in the Middle East and the Kurdish issue. LMEI also hosted two other conferences in collaboration with external partners: 'Anti-Jewish and Anti-Muslim Racisms' and the 'Question of Palestine/Israel' in February 2015 in collaboration with the University of East London, the Runnymede Trust and LSE's Centre of the Study of Human Rights and 'Rediscovering Hadhramaut – Paradigms of Research in March 2015 with the Hadhramaut Research Centre. In addition, Dr Hassan Hakimian, the Institute's Director, played a key role in convening the third conference of the International Iranian Economic Association which was held in Boston College, Boston, USA.

To extend its outreach and with the Middle East so much in the news, it was decided to hold two key events in the October 2014 Freshers' Week: a panel discussion entitled 'Beyond Religion: ISIS and the Crisis in the Middle East' and a lecture on the historical and religious significance of the caliphate within the Muslim world: 'Caliphate: an Idea in History from Abu Bakr Siddiq to Abu Bakr al-Baghdadi'. Both events attracted considerable attention, airing important concepts and introducing LMEI to a wider public. The Institute continued to hold its well-established programme of high-profile occasional lectures: Michael Barry gave the prestigious Kamran Djam annual lectures on the Iranian poet Nizami; David Roxburgh was the Yarshater lecturer on art in Timurid Herat; Oya Pancaroglu spoke about medieval Iranian ceramic decoration at the annual Khalili lecture; the Palestinian author Sahar Khalifeh summarised her experience 'Caught between Western Oppression and Islamic Fundamentalist Suppression' in the Centre for Palestine Studies annual lecture at LMEI and the former British Minister for Development, Sir Alan Duncan, spoke about conflict in Yemen in the British-Yemeni Society's annual lecture.

LMEI's two centres – the Centre for Iranian Studies and the Centre for Palestine Studies – continue to generate academic activity since the Institute is able to provide expertise and organisational support to academics working in these fields at SOAS and other universities. The Centre for Iranian Studies' Iran Heritage Foundation Fellowship in Iranian Studies continued with Dr Stefania Petralla working from July 2014 to December 2014 on traditional Iranian architecture, more specifically on how traditional practices and structures define Persian buildings, while Dr Pamela Karimi used her time at LMEI from January 2015 to June 2015 to develop her forthcoming monograph 'Designing Distance: the Creative Enterprise and Alternative Spaces of Imagination in Iran'. The Centre's first six-month IHF Fellowship in Iran's Environmental Sustainability began in October 2014 with Dr Hamid Poursan its first fellow. LMEI was also able to continue its active sponsorship of cultural events: for example, collaborating with Professor Ahmad Karimi-Hakkak, a Leverhulme Fellow at SOAS, to host a series of lectures on Persian poetry and a concert of Iranian music with the musician Jamshid Rezaie. Another notable event was its funding and organisation of an exhibition of 'Maps of Persia 1477–1925: A graphical journey through the history of Iran' in collaboration with SOAS's Brunel Gallery. The Centre for Palestine Studies is now firmly established with a series of annual lectures, an MA programme in Palestine Studies and a contract in place with IB Tauris for a series of publications on Palestine. The Centre is establishing its reputation beyond SOAS as evidenced by the number of academics who approach LMEI to host their lectures when they visit London.

The LMEI's bimonthly magazine continues to reach a wide readership in SOAS and beyond. The 2014/15 editions focussed on Youth (October/November 2014), Contemporary Art (December 2014/January 2015), the Environment (February/March 2015), North Africa (April/May 2015) and Iraq (June/July 2015). A further volume in the Idea of Iran series, *The Age of the Seljuks*, was published and an additional volume in the Routledge Political Economy for the Middle East and North Africa, *State-Business Alliances and Economic Development: Turkey, Mexico and North Africa*.

A third summer school was organised in June and July 2015 and, with student numbers increasing steadily as each year passes, this initiative is proving invaluable in providing financial support to the Institute. News of the school is also spreading with students drawn from an even wider range of countries, from the US to the Middle East. Other sources of income are derived from conference sponsorship and registration fees, individual and institutional affiliations, fees for briefings, sales and advertising revenue associated with *The Middle East in London* magazine and royalties on its book sales.

**Public Benefit**

In the planning of activities for the reporting year, the Board of Trustees considered the Charity Commission general guidance on public benefit. Since its establishment in 2003, LMEI has made a unique contribution to intellectual scholarship within its specialist subject areas of the Middle East. LMEI has also made a significant contribution to public benefit through:

- its services to society
- its promotion of education;
- the advancement of citizenship and community development;
- the advancement of the arts, culture and heritage;
- the advancement of economic development, human rights, conflict resolution and reconciliation and the promotion of religious and racial harmony, equality and diversity.

## Report of the Trustees - continued

## Reserves Policy

The Institute holds reserves to generate sustainable income in order to achieve its aims and conduct its activities. The long-term reserves help the Institute to reduce the impact of risks from external factors as well as shield it from annual fluctuations in income and expenditure. Reserves also enable it to make advance commitments to expenditure before all necessary funding has been secured or confirmed. They are also important for enabling the Institute to invest into new projects and initiatives which might pose new risks (for instance when new obligations are incurred although intended funding sources might fail to meet the required targets).

In the period 2005-11, the Institute's reserves were run down due to persistent annual deficits. Addressing the financial situation was therefore a priority for the Trustees and the CEO – appointed in 2010 – was entrusted with the task of restoring the financial health of the Institute as a matter of priority and to take the necessary steps to improve it. The financial and business strategies were therefore put in place first to stop the deficit and then to start making a surplus to build up the reserves. The former aim was achieved in 2011 and since then the Institute has made an operating surplus enabling it to build and improve its reserves.

The Board of Trustees reviews the Institute's general financial performance and its impact on its reserves regularly in its quarterly meetings. Each year during its annual financial planning and audit round too it reviews the situation according to the Institute's projected income and expenditure.

In considering the appropriate level of reserves the Trustees take into account key areas of financial risk. The aim is to equate reserves to approximately 12 months operational costs of around £150,000. Operational costs are lower than total costs because some expenditure categories (endowed staff costs) are under-written by SOAS.

	2015 £	2014 £
Unrestricted Funds	154,607	129,749
Restricted Funds	18,468	32,430
Total end-of year Funds	<u>173,075</u>	<u>162,179</u>
Operational Expenditure	156,375	127,961
Total Unrestricted Resources Expended	290,441	273,433
Unrestricted Funds as a % of Operational Expenditure	99%	101%
Unrestricted Funds as % of Total Unrestricted Expenditure	53%	47%

## Risk Review

The Board of Trustees reviews the significant external risks facing the charity on an ongoing basis. Internal risks are minimised through procedures of authorisation for all transactions and projects.

## Plans for Future Periods

The 2015/16 academic year is already proving to be as active as 2014/15. The Centre for Palestine Studies held its first conference in October 2015 on the 'Gaza Strip: History, Future and New Directions for Research', which proved a valuable forum for postgraduate and post-doc students. The Institute is hosting a seminal conference on the Levant for the British Academy: 'The Past in the Present of the Middle East' in April 2016 and two conferences in May in collaboration with SOAS colleagues: 'Communication and Conflict: Syria and Iraq' and 'Ottoman Studies: The Present State of the Field'. Plans are well underway for the prestigious Centre for Palestine Studies annual lecture in March 2016 with Professor Rashid Khalidi speaking on a hundred years in Palestine since the Balfour Declaration in 1917 while Professor Leila Anvar will give the annual Kamran Djam lecture on 'Poetry the Language of Desire' in February.

LMEI is looking forward to SOAS's centenary year in 2016/17 and is planning a range of events that will highlight the Institute's contribution to Middle East studies at SOAS and its contributions to SOAS itself. One major initiative is a ground-breaking conference on the environment has already attracted international support. This will look to the region in SOAS's next century and will address crucial long-term issues that are too often eclipsed by short-term political and economic considerations. The conference programme will include a high-level dinner which will provide an opportunity for the Institute to thank its many supporters and reach out to a wider network of people linked to the Middle East region. Two days of cultural events are also planned for the centenary year. They will focus on the Arab world and Iran and will provide opportunities for London's Middle Eastern communities to come to SOAS and learn more how the School can engage with them. There will be a special issue of the *Middle East in London*. SOAS and the Institute also plan a regional alumni event.

In the year ahead LMEI will continue to develop its programme of high-profile events, indeed it has very recently undertaken to host and organise another series of Yarshater lectures, this time on Persian literature. The new series will complement the biannual Yashater series on Persian art history, constituting another means whereby students at SOAS and the general public can access world-class academic expertise beyond the School.

## Financial Review

The LMEI reported a surplus of £11k in 2015 (2014: £23k). Net assets and total funds increased from £162k to £173k as a result of the surplus recorded. Income overall rose by £8k from £333k in 2014 to £341k in 2015. There was a corresponding increase in expenditure of £20k from £310k in 2014 to £330k in 2015. SOAS and LMEI signed a new agreement in 2014/15 to formalise rent payable and the value of services gifted by SOAS to the LMEI following the Institute's move to 21 Russell Square from the Brunei Gallery.

**Report of the Trustees - continued**

**Statement of Trustees' Responsibilities**

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Trustees should follow best practice and:

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

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Board of Trustees is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with Company law, as the Board of Trustees we certify that:

- as far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Trustees and signed on its behalf.



**Professor Richard Black**  
Trustee

24 February 2016

Charity no: 1103017  
Company no: 4758915

**Report of the Independent Auditors to the Members of the London Middle East Institute**

We have audited the financial statements of the London Middle East Institute for the year ended 31 July 2015 on pages 9 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of Trustees and Auditors**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the Audit of the Financial Statements**

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

**Opinion on Financial Statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on Other Matters Prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are Required to Report by Exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees.

Stephen Anderson (Senior Statutory Auditor)  
For and on behalf of Knox Cropper  
Chartered Accountants and Statutory Auditors  
153-155 London Road  
Hemel Hempstead  
Hertfordshire HP3 9SQ

24 February 2016



**Statement of Financial Activities (including Income and Expenditure Account)**  
for the year ended 31 July 2015

		Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	Note	£	£	£	£
<b>Incoming Resources</b>					
<u>Incoming Resources from Generated Funds</u>					
Donations, sponsorship and similar income	2	236,595	25,461	262,056	266,313
Interest receivable		33	-	33	32
<u>Incoming Resources from Charitable Activities</u>					
Training programmes and professional services	3	45,546	-	45,546	34,832
Conferences, events and publications		17,462	-	17,462	21,774
Affiliations		13,800	-	13,800	8,025
<u>Other Incoming Resources</u>					
Advertising		1,863	-	1,863	2,250
<b>Total Incoming Resources</b>		<b>315,299</b>	<b>25,461</b>	<b>340,760</b>	<b>333,226</b>
<b>Resources Expended</b>					
<u>Costs of Charitable Activities</u>					
Training programmes and professional services		64,305	3,008	67,313	48,793
Conferences, events and publications		191,023	15,136	206,159	198,195
Research		24	19,022	19,046	18,782
Affiliations		6,099	1,504	7,603	14,008
Governance Costs		28,990	753	29,743	30,659
<b>Total Resources Expended</b>	4	<b>290,441</b>	<b>39,423</b>	<b>329,864</b>	<b>310,437</b>
<b>Net incoming / (outgoing) resources</b>	5	<b>24,858</b>	<b>(13,962)</b>	<b>10,896</b>	<b>22,789</b>
<b>Total Funds Brought Forward</b>		<b>129,749</b>	<b>32,430</b>	<b>162,179</b>	<b>139,390</b>
<b>Total Funds Carried Forward at 31 July</b>		<b>154,607</b>	<b>18,468</b>	<b>173,075</b>	<b>162,179</b>

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

## Balance Sheet as at 31 July 2015

		Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	Note	£	£	£	£
<b>Current Assets</b>					
Debtors	8	26,702	-	26,702	17,451
Short term deposits	9	10,860	-	10,860	10,847
Cash at bank and in hand		167,258	18,468	185,726	168,076
		<u>204,820</u>	<u>18,468</u>	<u>223,288</u>	<u>196,374</u>
<b>Creditors: Amounts Falling Due within One Year</b>	10	50,213	-	50,213	34,195
<b>Net Current Assets</b>		<u>154,607</u>	<u>18,468</u>	<u>173,075</u>	<u>162,179</u>
Unrestricted Funds		154,607	-	154,607	129,749
Restricted Funds		-	18,468	18,468	32,430
<b>Total Funds</b>		<u>154,607</u>	<u>18,468</u>	<u>173,075</u>	<u>162,179</u>

These accounts have been prepared in accordance with the provisions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Trustees and signed on its behalf by:



Professor Richard Black  
Trustee

24 February 2016

Charity no: 1103017  
Company no: 4758915

## Notes to the Financial Statements for the Year Ended 31 July 2015

## 1. Accounting Policies

- (a) The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities, the Companies Act 2006 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in 2005.
- (b) Incoming resources are recorded on a receivable basis, when the conditions of entitlement, certainty and measurement have been met. Income is only deferred when entitlement is dependent on the provision of future services.
- (c) Staff and services provided free of a charge by a third party are recognised as a donation under incoming resources, with a corresponding notional cost. The value of this donation is calculated on the basis of the cost suffered by the third party.
- (d) Resources expended are recognised in the period in which they are incurred.
- (e) Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity:

## Salary costs of the Chief Executive Officer and Executive Officer:

Training programmes and consultancy services	15%
Conferences, events and publications	70%
Governance	15%

## Other costs :

Training programmes and consultancy services	20%
Conferences, events and publications	65%
Affiliations	10%
Governance	5%

- (f) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.
- (g) Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

## Notes to the Financial Statements for the Year Ended 31 July 2015

2. Donations and Gifts	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	£	£	£	£
Donations	87,494	25,461	112,955	104,990
Donated staff and services:				
Staff costs	135,821	-	135,821	97,361
Information technology and admin support	13,280	-	13,280	10,388
Rent and room hire	-	-	-	53,574
	<u>236,595</u>	<u>25,461</u>	<u>262,056</u>	<u>266,313</u>

The LMEI benefited from several donations during the year, including generous donations from the Iran Heritage Foundation (IHF) and SOAS. These donations have funded the IHF Visiting Fellowships in Iranian Studies and the Kamran Djam Lecture. For details regarding the restricted fund donations, please see note 13. A new agreement between SOAS and LMEI was signed following LMEI's move to 21 Russell Square. Rent of £43,060 was charged to LMEI in 2014/15. In previous years accommodation had been provided free of charge by SOAS and the fair value of this donation included above.

Staff and services were provided by SOAS. The donation has been valued on the basis of the cost suffered in providing such assistance and subject to the 2014/15 agreement between SOAS and LMEI.

## 3. Training Programmes and Professional Services

	2015	2014
	£	£
Training programmes	45,546	31,203
Consultancy	-	3,629
	<u>45,546</u>	<u>34,832</u>

## 4. Total Resources Expended

	Training progs. & prof servs.	Confs., events & publications	Research	Affiliations	Governance	2015 Total	2014 Total
	£	£	£	£	£	£	£
Staff costs (note 6)	20,373	95,075	-	-	20,373	135,821	97,361
Other staff costs (note 7)	26,752	19,605	-	-	-	46,357	73,773
Room hire, catering & security	490	10,334	-	130	324	11,278	10,685
Publications and website	939	307	-	11	5	1,262	99
Speakers' subsistence	3,790	9,390	18,000	-	-	31,180	16,550
Recoverable expenses	325	6,353	24	174	105	6,981	2,211
Travel and accommodation	1,043	11,856	1,022	777	284	14,982	17,378
Publicity	7	22	-	3	2	34	-
Audit and accountancy fees	-	-	-	-	5,382	5,382	12,448
Printing, postage and telephone	799	12,817	-	399	200	14,215	14,740
Rent	8,612	27,989	-	4,306	2,153	43,060	45,806
Office expenses	2,862	9,302	-	1,431	716	14,311	11,024
Sundry	1,321	3,109	-	372	199	5,001	8,362
Total resources expended	<u>67,313</u>	<u>206,159</u>	<u>19,046</u>	<u>7,603</u>	<u>29,743</u>	<u>329,864</u>	<u>310,437</u>

An analysis of support cost allocations can be found in note 1. of these financial statements.

## Notes to the Financial Statements for the Year Ended 31 July 2015

## 5. Net Incoming Resources for the Year

This is stated after charging:

	2015 £	2014 £
Auditors' remuneration	5,356	5,200

## 6. Staff Costs

	2015 £	2014 £
Staff provided at no cost by SOAS	135,821	97,361
	<u>135,821</u>	<u>97,361</u>

The value of these donations have been calculated on the basis of the cost to SOAS in providing such assistance. This includes employer's national insurance costs and pension contributions in respect of the staff where applicable.

No trustees were reimbursed for travel and subsistence in 2015 (2014: £Nil).

The average weekly number of seconded employees during the year, calculated on the basis of full time equivalents for the financial year, was as follows:

	2015	2014
Chief Executive Officer	0.5	0.5
Executive Officer	1.0	1.0
	<u>1.5</u>	<u>1.5</u>

No employees received emoluments in the year of greater than £60,000.

## 7. Other Staff Costs

	2015 £	2014 £
Staff costs recharged by SOAS	21,189	60,884
Other staff	25,168	12,889
	<u>46,357</u>	<u>73,773</u>

SOAS pays salaries on behalf of the LMEI for staff engaged on courses and other activity and these recharged costs are included above. Non-LMEI staff are also used on a temporary basis to provide the specialist skills and knowledge that support the LMEI's charitable objectives. In accordance with the Statement of Recommended Practice, such expenditure and associated staff numbers are not included in the staff cost disclosure, as per note 6.

## 8. Debtors

	2015 £	2014 £
Trade debtors	8,491	17,451
Other debtors	18,211	-
	<u>26,702</u>	<u>17,451</u>

There were no amounts receivable from SOAS at the year end (2014: Nil).

## Notes to the Financial Statements for the Year Ended 31 July 2015

## 9. Short Term Deposits

	2015 £	2014 £
Royal London Cash Management	10,860	10,847

Surplus funds are deposited in an interest bearing current account at Royal London Cash Management via SOAS.

## 10. Creditors: Amounts Falling Due within One Year

	2015 £	2014 £
Trade creditors	3,953	9,604
Accruals and deferred income	23,764	5,200
Other creditors	22,496	19,391
	<u>50,213</u>	<u>34,195</u>

Included within trade creditors at the year end was £3,953 payable to SOAS (2014: £Nil).

There was £12,623 payable to SOAS in accruals at the year end (2014: £Nil).

## 11. Related Party Transactions

SOAS is the guarantor of the LMEI and has a majority interest on the board of Trustees. During the year SOAS made donations of £30,000 [2014: £58,804] to the LMEI. In addition to this SOAS made a donation of staff & services of £149,101 [2014: £161,323]. Transactions between the two organisations are disclosed in notes 2,6,7,8,9,10 and 13.

## 12. Investments

The London Middle East Institute owns 100% of the issued share capital of LMEI Trading Limited, a company registered in England and Wales. The company is dormant.

## 13. Movement in Funds

	At 1 August 2014 £	Incoming resources £	Outgoing resources £	At 31 July 2015 £
<b>Restricted Funds</b>				
IHF Fellowships	32,430	15,461	(29,423)	18,468
Kamran Djam Lectures	-	10,000	(10,000)	-
<b>Total restricted funds</b>	<u>32,430</u>	<u>25,461</u>	<u>(39,423)</u>	<u>18,468</u>
<b>Unrestricted Funds</b>				
General funds	129,749	315,299	(290,441)	154,607
<b>Total unrestricted funds</b>	<u>129,749</u>	<u>315,299</u>	<u>(290,441)</u>	<u>154,607</u>
<b>Total funds</b>	<u>162,179</u>	<u>340,760</u>	<u>(329,864)</u>	<u>173,075</u>

Purposes of Restricted Funds

**Iran Heritage Foundation (IHF) Fellowships:** The aim of this fund is to provide opportunities for hosting a number of high-calibre experts on Iranian Studies drawn from around the globe. Fellowships will be pre-defined around tangible schemes such as research projects, contributing to academic seminars and teaching. The balance on the fund is being spent as fellowships are awarded.

**Kamran Djam Lectures:** The aim of this fund is to provide the Kamran Djam Annual Lecture. The 2015 Lecture 'Nizāmī: Mirror of the Unseen World' was held in February 2015. SOAS provided the £10,000 in funding for the lecture out of income from a generous endowment from the Fereydoun Djam Charitable Trust.