

Frequently Asked Questions

1. What is Child of Lebanon (CoL) and what is its mission?

CoL is a benevolent effort, which started in 1996, whose mission is to assist selected child caring Non Governmental Organizations (NGOs) across Lebanon in their effort for the relief of poverty, distress and suffering and the protection of the good health and the advancement of education of children in need. Those NGOs, with whom CoL has developed the needed level of trust and transparency, would preferably be small to medium sized institutions and have no political or ideological affiliation or pronounced religious bias.

CoL is registered by the Charity Commission for England & Wales as a Charitable Trust under # 1090039 (www.charitycommission.gov.uk) which allows donations to be tax deductible for UK tax based individuals and institutions. CAFAmerica, a US charity screening agency, has also allowed donations to CoL to be tax deductible in the US (www.cafonline.org/cafamerica).

The individuals involved in the running of CoL will be referred here below as trustees.

2. Why would I consider making a donation to charities through CoL?

- a. Through CoL, donations are allocated to a number of institutions across Lebanon.
- b. Some donors may be hesitant to, or refrain from making a donation because of concerns as to the proper use of their donation. CoL addresses those concerns by maintaining a close and regular follow up with the assisted institutions.
- c. Other donors may contribute on an irregular or sporadic basis. CoL provides the means and the catalyst by which such assistance can be made on a regular and sustained basis.
- d. Often, individual donations are made to larger, well known institutions that may have the means of reaching donors outside Lebanon. CoL assists, in addition to some of those institutions, also small to medium less known ones, which have limited or no ability to tap on donations from abroad.
- e. Your donation, when aggregated with other donations to CoL, can meet the funding needs of specific projects which otherwise would not be realized.
- f. The pooling of such projects allows CoL to secure quantity discounts for quality products and services.
- g. Raised contributions are donated in full, without any deductions to the recipient institutions.
- h. In the case of UK and US tax based donors, the law allows for donations they make to CoL to be tax deductible. Moreover, in the case of the UK, the law also allows CoL to receive direct from the Inland Revenue a tax grant (please refer to item 13).
- i. In some cases, donations by individuals to UK registered charities (such as CoL), are matched by up to 1 to 1 by the firms they work for.
- j. CoL is committed to keep the donors informed on a timely, detailed and transparent fashion on the progress of the effort.

3. How do you keep the donors informed?

- a. From December to June, the donors are informed once a month by e-mail, or else by fax or orally, on the aggregate donation amount raised.
- b. A two page progress report is issued in December, March and July. The July report summarizes what was achieved the preceding financial year (July to June).
- c. The annual report is distributed in November. It presents in detail what was achieved the previous financial year and gives a description of each of the assisted institutions as well as other relevant information. Also included are CoL's financial statements prepared by Deloitte & Touche.
- d. Face to face meetings with the donor are held whenever possible.

4. What about CoL's expenses?

The running expenses of CoL are fully covered by the trustees. The raised donations are distributed in full, without any deduction, to the assisted institutions.

5. How do you decide on the choice of a recipient institution?

The prospective institution should be dedicated to the well-being of the child and have no political or ideological affiliation or a pronounced religious bias. CoL will initially meet a number of times with the managers, visit the premises, and seek to develop the needed level of trust and transparency. Those visits are conducted by a trustee based in Lebanon, often accompanied by other trustees when in Lebanon. CoL also submits to the institution a series of queries, and a request to

receive their yearly financial statements as well as those of the last 5 years. Third party opinions on the prospective institution are also sought and taken into consideration.

6. How is the allocation of the donations decided for each institution?

CoL has established, and maintains through on-going contacts, a relationship of confidence with the institutions it assists and it intends on growing its support over time. CoL could however refrain from allocating donations to an NGO in favor of others if it determines that the funds would be better employed for the benefit of the children. The potential allocation of donations to further new institutions would need to take into account the stated objective mentioned in item 1. The allocation decisions are taken unanimously by the trustees and should best address the needs of the recipient institutions taken as a whole.

7. How are the allocated donations made?

The regular dialogue with the institutions allows CoL to have a global view of their financial needs and their future projects. To date, the majority of the donation amount financed specific projects, the balance being allocated in cash. Distributions are made during the year as needs arise and donations are raised.

8. How many institutions do you envisage assisting eventually?

A comprehensive geographical coverage would entail including about 18 institutions. This number is also a function of CoL's ability to maintain a regular and efficient dialogue with the institutions and of the raised donation amount.

9. CoL has raised a relatively large amount of donations. I would rather give to other associations.

Through CoL, donations are allocated in their entirety to the institutions. The higher the aggregate donation amount, the more these institutions will benefit from your support. Each donation is effective, ensures continuity and enables CoL to meet larger essential projects and needs of the institutions. It is our hope to gradually build a reliable and growing source of donations in the years to come.

10. Have you assigned titles to the trustees?

No titles are assigned. Coordination amongst the trustees is continuous and meetings are held twice a year, usually in London and Beirut.

11. What are CoL's current and future points of contact?

CoL is present in the UK, the US (New York & San Francisco), Greece, France, Dubai and Lebanon. CoL's plans are to establish other points of contact in the Gulf, the US and Canada.

12. As a UK tax based donor, do I get a tax relief by making a donation to CoL?

Yes if you are taxed above the 22% basic rate. The donor can reclaim 23p for every Pound he donates. Moreover, CoL can also claim, direct from the Inland Revenue, a grant of 28p for every Pound donated. *A STG 1,000 donation hence translates for the donor to a cash disbursement of STG 770, and a cash receipt to CoL of STG 1,280.* (Please refer to the annual report for more details)

13. Can a firm in the UK apply the donation it makes to CoL against its taxable income?

Yes in full if it is a UK tax based firm.

14. Do you intend registering CoL as a Charity for tax purposes in other jurisdictions?

It is CoL's objective to be eventually registered as a Charity in the US. Currently US tax based donors need to make their donation to CAFAmerica and suggest CoL as the ultimate grant recipient. All grant suggestions must beforehand be approved by CAFAmerica's Board of Directors. CoL has already received donations through CAFAmerica without any exception. We have determined that French law also allows such a treatment for a French Registered Charity. We will keep you informed on the progress.