35 YEARS
OF SERVING
HUMANITY

# Islamic Relief Worldwide

## Annual Report and Financial Statements 2019

Cover photo: Majdi Samaan/Islamic Relief Worlwide
Sitan, 50, lives in Komi-Komi village, where women were typically excluded from livelihood opportunities. She is a member of a women's association formed by an Islamic Relief project which served 1,700 families across 10 villages in Circle of Kati, Mali. We helped Sitan and other women set up an irrigated community vegetable plot and gave them training and seeds.

The mother-of-five increased her income eightfold. "I was able to contribute significantly within my family," she says, explaining that her earnings covered school fees and clothing, and meant she could save money too. "I am very happy and satisfied that I can earn something myself."

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*In the name of Allah, Most Merciful, Most Compassionate.*

# MESSAGE FROM THE CHAIR OF TRUSTEES

## Assalamu alaykum
## Peace be with you

It is with great pride that I present Islamic Relief Worldwide's Annual Report and Financial Statements 2019.

This year we marked 35 years of serving humanity. From a handful of volunteers in Birmingham, UK, inspired by their Islamic faith, to one of the world's leading aid agencies, with your support we've positively touched around 120 million lives.

Together we supported 9.5 million people through more than 420 programmes in 31 countries this year alone.

Islamic Relief's income in 2019 exceeded £131 million, continuing a period of steady growth in recent years that bucks the trend within a sector facing significant financial pressures. Our partner offices do an incredible job raising funds in the UK, USA, Canada, Germany and beyond, reaching out to generous donors by sharing the plight of those in need and reporting on the impact of our work.

2019 saw Islamic Relief confirm a major reform of its governance structure to give our global family greater representation and responsibility for the organisation's strategic direction. The new governance model strengthens our transparency and accountability, and ensures we are ready to face the challenges of the future.

In our mid-strategy review we report on significant progress against some of our core objectives, including our contribution to the Sustainable Development Goals with more investment in long-term projects; a move towards localisation with more support for civil society organisations; a greater commitment to improving programme quality; and improved safeguarding measures to protect people from harm.

I am immensely proud of what Islamic Relief has achieved over the past 35 years, but also aware of how critical our work will be in an increasingly disrupted world. Thank you to all those who have supported us along this journey, and most of all to Allah for blessing us with the means and opportunity to serve humanity.

**Lamia El Amri**

*Chair of the Board of Trustees, Islamic Relief Worldwide*

### TRUSTEES' STRATEGIC REPORT

Our trustees are pleased to present their annual report with the audited consolidated financial statements of Islamic Relief Worldwide and its subsidiaries for the year ended 31 December 2019.



# MESSAGE FROM THE CHIEF EXECUTIVE

## Assalamu alaykum
## Peace be with you

The international community continues to fail the people of Yemen and Syria miserably. History will not forget nor forgive us as we have all the financial power, technology and resources to bring these brutal conflicts to an end, but have collectively failed to do so.

And so it is with a heavy heart that we at Islamic Relief report on another year of responding to these devastating and protracted humanitarian crises, and many more that fail even to make it to the news.

When I was in the Yemeni port city of Hodeida in June, I heard the bombing and witnessed the suffering of the people – people like you and me. Grown men being carried into food distribution centres because they were too frail to stand, delirious from thirst and hunger. Women, in their hundreds, bringing malnourished children into feeding centres, not sure if they would have the strength to make it through the day.

I was humbled to see our staff working 18 hours a day, seven days a week, so that at least some of these people would be given a fighting chance to survive.

I saw our largest ever relief operation in action, feeding over two million people every month. Seven hundred distribution points, with over 300 staff and 2,800 volunteers.

I saw our teams negotiate access to areas cut off from the rest of the world. I observed what it means to be the largest humanitarian aid agency in a country crippled by war. I saw what it means to witness death and yet to save so many lives.

In January 2019 an Islamic Relief aid worker in Yemen was killed by a stray bullet while trying to deliver aid. Hamdi Abo Abdullah Al-ahmadi had stopped at a garage to change a tyre, less than a kilometre from our office. That simple everyday task claimed his life.

This is a glimpse of what it means to be an aid worker in 2019. We start an emergency response programme with no idea how many years will pass before the situation improves; before we can move from delivering lifesaving aid to rebuilding communities, or when, having recovered from one disaster, another will strike.

Another of the great challenges the world faces today is the threat to the environment. In so many of the countries we work in we are responding to the deep human impact of the climate emergency, where the poorest communities are worst affected and least able to cope. Like bringing an end to war, this is a crisis we can do something about only if we have the collective will, and a good heart that aches to see a better world.

As Islamic Relief Worldwide reports back on the marking of its 35th anniversary, I am indebted to the good-hearted people who feel the suffering of others, who donate to us, work with us, support us and care enough to make a positive difference.

**Naser Haghamed**

*Chief Executive Officer, Islamic Relief Worldwide*

As the year drew to a close, we all witnessed how China was trying to get to grips with the coronavirus outbreak in Wuhan. That outbreak has since exploded into a global pandemic that is having a profound impact on all of us, including Islamic Relief and the vulnerable populations we serve in 2020 and beyond.

The problems of the world may seem insurmountable, the big decisions out of our hands, but our hopes, prayers and actions will not cease. We will do whatever good we can, for as long as it takes, to see a better, safer world insha'Allah.

# 35 YEARS OF SERVING HUMANITY

## 120 MILLION PEOPLE SUPPORTED SINCE 1984

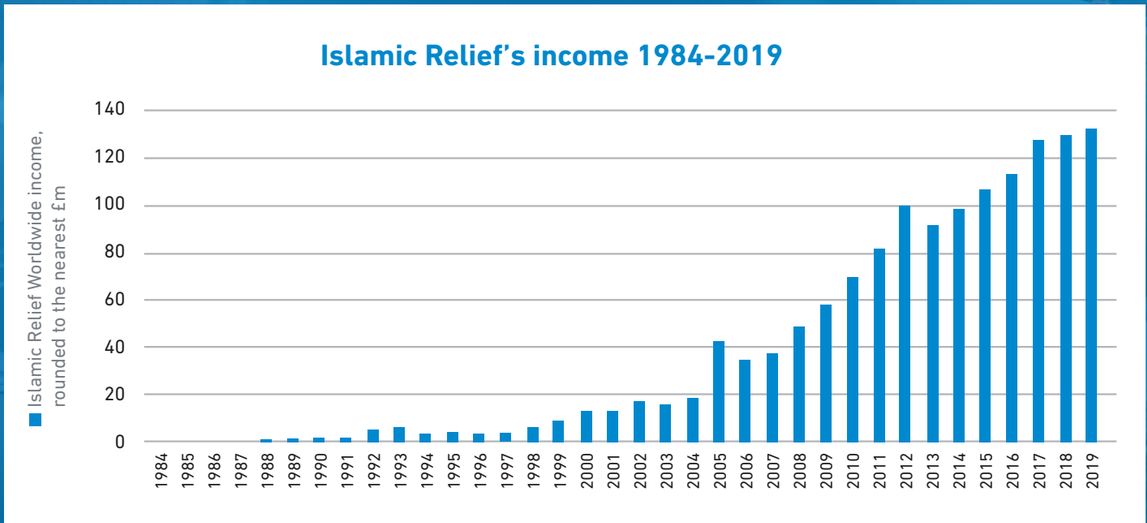
Since we were founded in 1984, Islamic Relief has grown into one of the world's largest relief and development charities. This is our journey.

## 1980s

- **1984:** Determined to help people in famine-stricken Sudan, a group of medical doctors and activists set up Islamic Relief.
- **1985:** Starting with a donation of 20p, and based in a small office in Birmingham in the UK, we raise over £100,000 for our first project.
- **1986:** We set up an orphan sponsorship scheme that now supports over 64,000 children. Our qurbani meat distribution programme is established, which now reaches over 3.1 million people in 34 countries each year.
- **1989:** Islamic Relief is registered with the UK Charity Commission and incorporated under the Companies Act.

## 1990s

- **1990:** Islamic Relief opens offices in Asia, Europe, Africa and the Middle East.
- **1993:** UK-based newspaper The Independent raises £37,000 for our Bosnia Appeal as we deliver aid throughout the war, including the siege of Sarajevo.
- **1994:** We become the first Muslim non-governmental organisation to receive UK government funding.
- **1995:** As conflict breaks out in the Chechen Republic, we are the first to deliver aid to vulnerable people in Grozny.
- **1996:** Our clothes recycling business, TIC International, is set up in Birmingham – it now manages a national chain of charity shops.
- **1999:** An enormous refugee crisis is triggered as war erupts in Kosova. Islamic Relief delivers lifesaving aid and helps rebuild lives.




## 2000s

- **2000:** We revive the Islamic tradition of sustainable charitable giving through investment as we begin implementing Waqf projects.
- **2002:** A Framework Partnership is signed with the European Commission's Humanitarian Aid department, recognising our capacity to deliver aid to a high standard.
- **2003:** With a £9 million aid programme, Islamic Relief is one of the few international aid agencies assisting people affected by the war in Iraq.
- **2004:** We are one of the first aid agencies to deliver lifesaving aid in Indonesia after the Indian Ocean tsunami. Our work in the country continues to date.
- **2005:** We join the respected Disaster Emergencies Committee (DEC) – the first and still the only Muslim charity to do so – and in the same year raise £35 million in response to the Kashmir earthquake.
- **2006:** 15 million lives are at risk in the Horn of Africa due to drought, and we run feeding centres, provide clean water and healthcare across the region.
- **2007:** We sign partnership agreements with the UK government's Department for International Development (DFID), the UN World Food Programme and the International Organization for Migration.
- **2008:** The 22-day war in Gaza devastates lives, and we provide a lifeline with our £20 million emergency appeal.

## 2010s

- **2010:** As Pakistan is hit by the worst floods in living memory, forcing 11 million people from their homes, Islamic Relief implements a major relief and reconstruction operation benefiting 428,000 people in over 580 villages.
- **2011:** We are at the forefront of providing emergency aid as East Africa experiences its worst drought in 60 years.
- **2012:** We gain humanitarian access deep inside war-torn Syria, where our work continues to date, as well as in neighbouring countries supporting refugees.
- **2014:** With the Lutheran World Federation, we forge the world's first official cooperation between a global Islamic and Christian humanitarian organisation.
- **2015:** We are among the first to distribute aid following the devastating earthquake in Nepal.
- **2016:** The ground-breaking Islamic Declaration on Climate Change, which we helped create as a call for urgent action to save the planet, is presented to the United Nations.
- **2017:** In recognition of the high standard and impact of our work, we become only the tenth organisation in the world to attain Core Humanitarian Standard certification.
- **2018:** We pioneer an Islamic Declaration on Gender Justice to help tackle inequality and injustice against women and girls from an Islamic perspective.
- **2019:** The Prime Minister of Pakistan commends our work in supporting the country's socio-economic development.

35 ISLAMIC RELIEF 1984-2019

**THANK YOU FOR BEING PART OF OUR JOURNEY**

# OUR VISION AND STRATEGY

Inspired by the Islamic faith and guided by our values, we envisage a caring world where communities are empowered, social obligations are fulfilled and people respond as one to the suffering of others.

We provide lasting routes out of poverty, empowering people to transform their lives and serving all communities without prejudice.

Our five-year strategy for 2017-2021 has four global goals that aim to ensure we respond effectively to humanitarian emergencies, contribute significantly to the UN Sustainable Development Goals and advocate for positive social change. These goals are based on four key areas of work we present in this report: humanitarian, development, advocacy and partnerships.

# OUR GLOBAL GOALS

**1** Reducing the humanitarian impact of conflicts and natural disasters

**2** Empowering communities to emerge from poverty and vulnerability

**3** Mobilising people and funds to support our work

**4** Strengthening the Islamic Relief federation



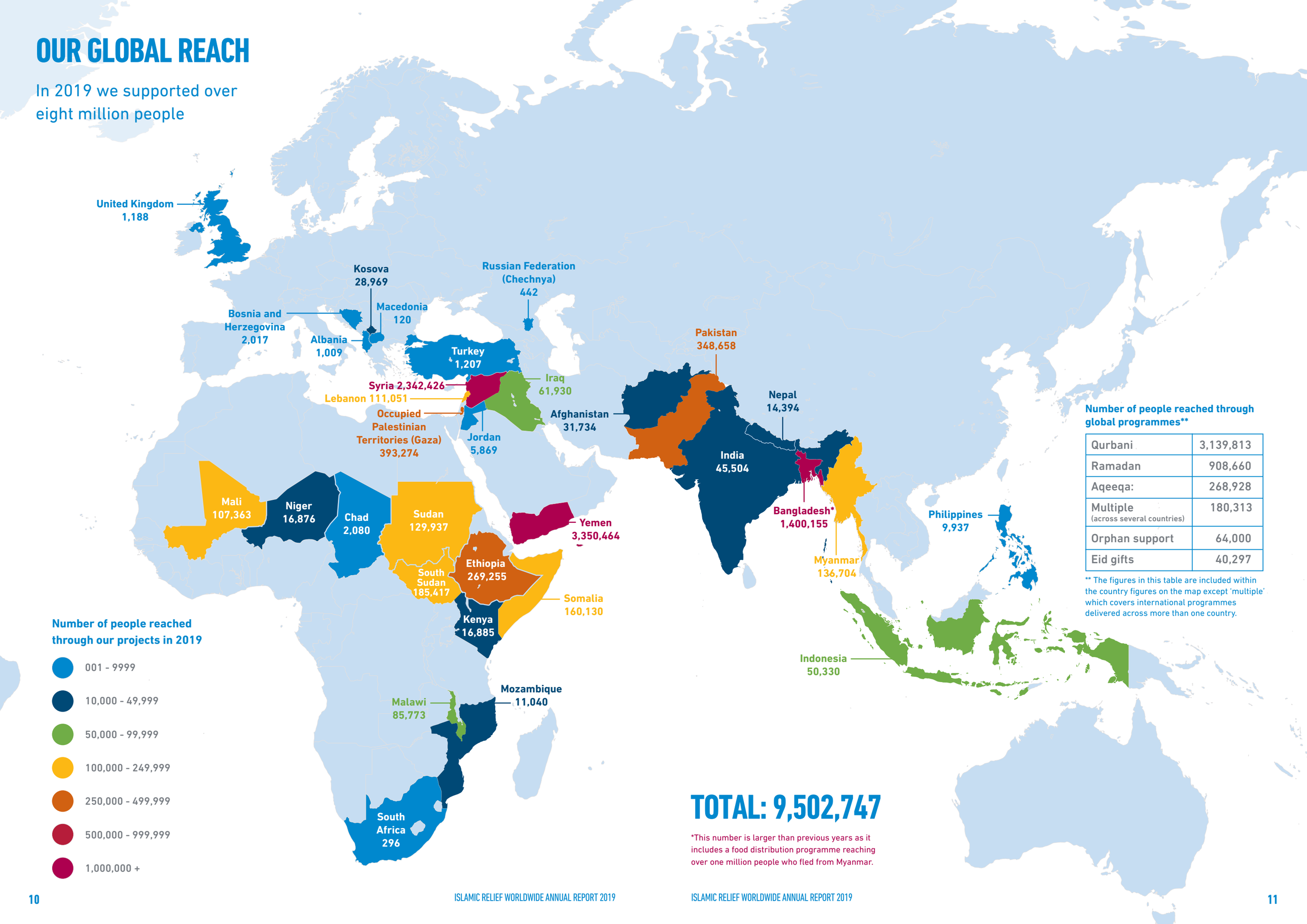
# MID-STRATEGY REVIEW

By 2019 we reached halfway through our five-year strategy, making significant progress on each of our goals for 2021.

| STRATEGIC GOAL | VISION FOR 2021 | PROGRESS HIGHLIGHTS |
|---|---|---|
| **Reducing the impact of conflict and natural disasters** | Become a leading global humanitarian aid agency and one of the first to respond to international crises. | We set up a quick access General Emergency Fund, allowing us to respond swiftly to disasters.<br><br>We ensured communities were much better prepared for disasters through our STRIDE project, and strengthened our global roster of experienced emergency response teams. |
| **Empowering communities to emerge from poverty and vulnerability** | Contribute significantly to the Sustainable Development Goals by increasing the quality and quantity of long-term integrated development programmes, especially in poor and fragile countries. | Our long-term development projects increased from 95 in 2015 to 262 projects in 2019.<br><br>We set up a Programme Quality department to improve the effectiveness and accountability of our projects – with better inclusion, monitoring and evaluation of our operations.<br><br>Islamic Relief attained the Core Humanitarian Standard certification, a coveted mark of quality assurance for our programming. |
| **Mobilising people and funds** | Support our humanitarian and development work with better funding, advocacy and engagement by building partnerships with key stakeholders and supporters. | Our income increased from £126 million in 2017 to £131 million in 2019.<br><br>We set up an External Relations and Advocacy Division to utilise our unique position and lead on faith-based advocacy on issues such as Islamic gender justice.<br><br>Islamic Relief expanded to reach new supporters in Ireland, Spain and Norway, while our field offices in Bosnia and Herzegovina, Turkey, South Africa, Pakistan and Kosova increased their capacity to raise funds locally. |
| **Strengthening the Islamic Relief federation** | Build the capacity of Islamic Relief globally by implementing a federal structure with sustainable funding for shared services and core standards to protect the brand.<br><br>Improve our representation, partnerships and influence in developed countries. | We completed the legal framework for a new global governance model for Islamic Relief.<br><br>We established the Humanitarian Academy for Development to improve and share our skills and expertise.<br><br>Our work with multiple partners across the Muslim charitable sector has promoted good governance standards widely.<br><br>Our External Relations and Programmes teams have strengthened Islamic Relief's unique faith-based contribution to development discourse on humanitarian and development issues. |

# OUR GLOBAL REACH

In 2019 we supported over eight million people




**Number of people reached through global programmes****

| | |
|---|---|
| Qurbani | 3,139,813 |
| Ramadan | 908,660 |
| Aqeeqa: | 268,928 |
| Multiple (across several countries) | 180,313 |
| Orphan support | 64,000 |
| Eid gifts | 40,297 |

** The figures in this table are included within the country figures on the map except 'multiple' which covers international programmes delivered across more than one country.

## TOTAL: 9,502,747

*This number is larger than previous years as it includes a food distribution programme reaching over one million people who fled from Myanmar.

# 2019 IN NUMBERS

**151 emergency projects** provided vital aid to millions around the world

**Over 908,600 individuals** in 33 countries benefited from our Ramadan food packs

Nearly **3.14 million people** in 34 countries received qurbani meat

Water, sanitation and hygiene projects reached over **301,000 people**

**46 projects** supported families uprooted from their homes

Over **31,500 people** helped to reduce their vulnerability to disasters

**Over 2.3 million** conflict-affected people reached in Syria

262 longer-term development projects in 32 countries benefited **5.15 million people**

421 projects helped **9.5 million people** in 31 countries

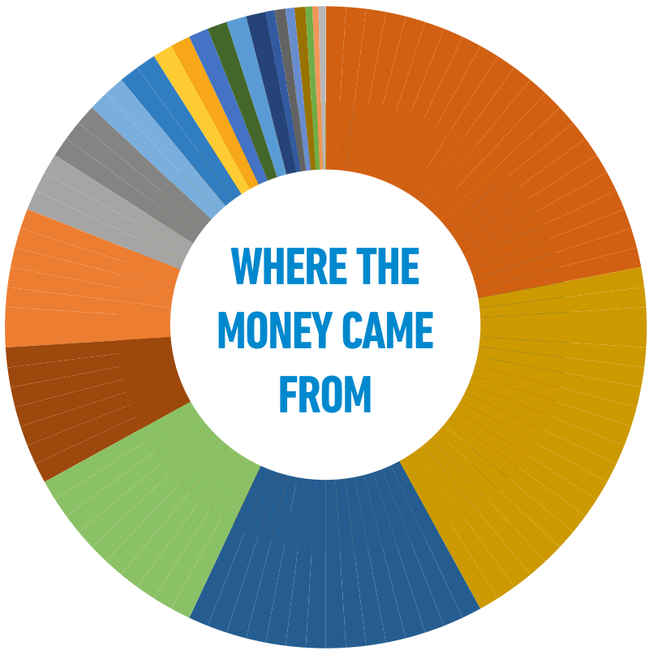
Over **57,500 individuals** accessed education

In 16 countries nearly **74,000 people** received winter survival items

Over **704,000 people** empowered to earn a reliable living

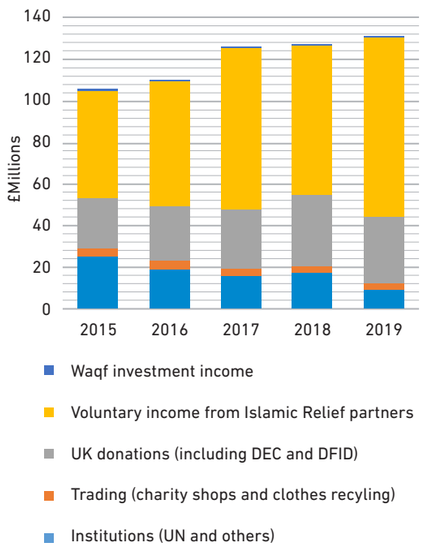
**3.4 million people** helped in war-torn Yemen, where Islamic Relief is the main implementing partner for the UN World Food Programme

# OUR INCOME IN 2019




Five-year trend:

**Our income 2015-2019**



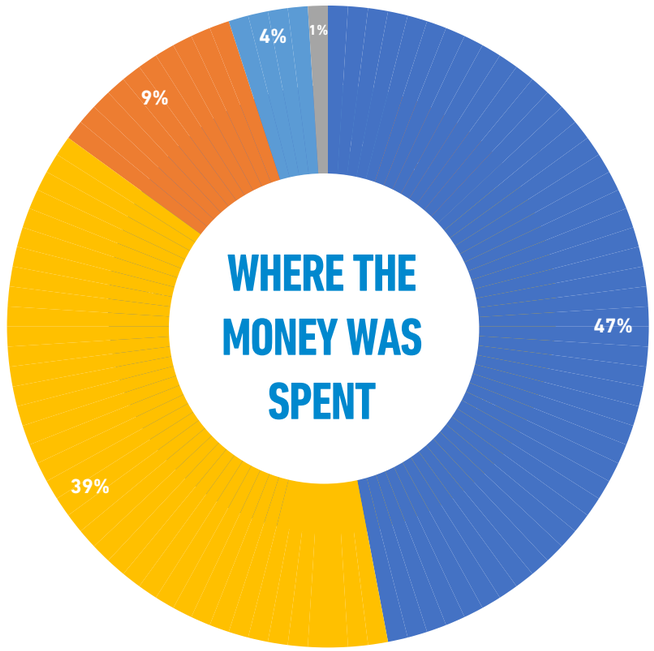

| Where the money came from | £'000 | Percentage |
|---|---|---|
| Islamic Relief USA | 28,998 | 22% |
| UK donations (including DFID) | 26,672 | 20% |
| Islamic Relief Canada | 19,583 | 15% |
| Islamic Relief Sweden | 13,212 | 10% |
| Islamic Relief Germany | 10,404 | 8% |
| Institutions (UN and others) | 9,054 | 7% |
| International fundraising | 4,100 | 3% |
| Trading (charity shops and clothes recycling) | 3,438 | 3% |
| Islamic Relief Netherlands* | 3,215 | 2% |
| Islamic Relief Switzerland | 3,154 | 2% |
| Islamic Relief South Africa | 1,695 | 1% |
| Islamic Relief Australia | 1,633 | 1% |
| Islamic Relief Belgium* | 1,394 | 1% |
| Islamic Relief Mauritius** | 1,306 | 1% |
| Disasters Emergency Committee (DEC) | 1,183 | 1% |
| Islamic Relief Malaysia | 721 | 1% |
| Waqf investment income | 479 | <1% |
| Islamic Relief Ireland | 246 | <1% |
| Islamic Relief Spain | 234 | <1% |
| Islamic Relief Italy | 150 | <1% |
| Islamic Relief Bosnia and Herzegovina | 144 | <1% |
| Islamic Relief Norway | 25 | <1% |
| Islamic Relief Singapore | 8 | <1% |
| **Total** | **131,049** | **100%** |

* Licence agreement not signed

** Islamic Relief Mauritius is incorporated as a branch of Islamic Relief Worldwide

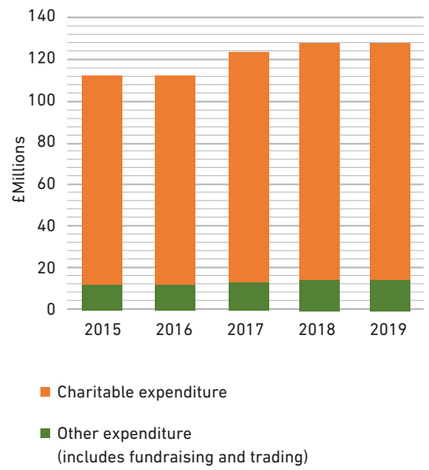


# OUR EXPENDITURE IN 2019




Five-year trend:

**Our expenditure 2015-2019**




| Where the money was spent | £m | Percentage |
|---|---|---|
| Helping people in need: Humanitarian programmes | 59.9 | 46.8% |
| Helping people in need: Development programmes | 49.2 | 38.4% |
| Fundraising (includes charity shops and clothes recycling) | 12.0 | 9.4% |
| Admin costs | 5.4 | 4.2% |
| Helping people in need: Campaigning and advocacy | 1.5 | 1.2% |
| **Total** | **128.0** | **100.0%** |

# HUMANITARIAN

## We reduced the impact of conflicts and natural disasters

**In 2019 Islamic Relief delivered over 150 emergency projects in 31 countries. From providing a lifeline in war-torn Syria and Yemen to responding to natural disasters around the world, we gave lifesaving aid to millions of people. Islamic Relief also built the resilience of communities, helping to ensure that over 30,000 individuals are better prepared and protected when disaster strikes.**

**Our emergency interventions are not just about responding to crises quickly but also minimising the impact of disasters on vulnerable communities through reducing risks and hazards, training them to respond and recover, enabling them to adapt and building their resilience long-term.**

- **Almost £60 million spent on humanitarian aid this year**
- **Responded to 20 major emergencies**
- **Over 2.3 million people reached with lifesaving aid in Syria**
- **2.2 million people given food every month in Yemen**
- **Over 3 million people in 34 countries received qurbani meat**

# A YEAR OF HUMANITARIAN RELIEF

## JANUARY

Islamic Relief provides nearly 74,000 people in 16 countries with blankets, food or fuel to keep warm in the winter months, including 25,440 people in Afghanistan and 18,350 families in Myanmar.

In Indonesia, our teams reach 4,000 survivors of a powerful tsunami that struck along the Sunda Strait in late December, providing food, water, shelter, medicine, hygiene kits and mattresses. And we show communities how to get to safety if disaster strikes again.

Floods in Malawi devastate homes and livelihoods, with crops destroyed just weeks from harvest. Islamic Relief expands its emergency operations to support over 17,500 people.

**DISASTER:** **Storm Norma hits refugee settlements in Lebanon.**

**IMPACT:** **70,000 people at risk in freezing temperatures, snow and floods.**

**RESPONSE:** **Islamic Relief repairs tents and access roads; pumps out floodwater; and provides food parcels, blankets, mattresses and fuel.**

*In Lebanon, a Syrian boy walks through a refugee camp flooded by Storm Norma.*

# FEBRUARY

*Drought in Balochistan forces a father and his daughter to abandon their home.*

*"We wanted [the oppressors] to stop calling us slaves and live peacefully together. We just wanted to be equal. They said slavery will not stop."*

Coulibaly is one of hundreds of former slaves escaping to Mambiri village in Mali's Kita Circle this month. Beaten and abused in a bid to keep them enslaved, they arrive with nothing. Islamic Relief provides food, water, bedding, mosquito nets and soap to 850 people – and equips the community to protect vulnerable women and children who could be at risk.

**DISASTER:** **Drought affects almost 2 million people in Balochistan, Pakistan.**

**IMPACT:** **Wells dry up, crops fail, people leave their homes in a desperate search for water, food and work.**

**RESPONSE:** **We reach 25,700 people in crisis, improving water facilities and helping families grow food and earn an income from livestock farming.**



# MARCH

*"I took all my children and ran outside. In no time, the water filled the whole house and it finally collapsed. With the help of Islamic Relief, we can now eat twice a day."*

Mable, 50, lost everything to Cyclone Idai, just two weeks before the harvest she needed to feed her five children. When Islamic Relief reaches her, she is living in the overcrowded Alinafe camp in Chikwawa, Malawi. Disease is rife and malnutrition on the rise, and she tells us she doesn't feel safe as women have been regularly sexually harassed.

**DISASTER:** **Cyclone Idai hits Mozambique, Zimbabwe and Malawi, affecting 2.6 million people and claiming over 1,000 lives.**

**IMPACT:** **Tens of thousands left homeless, vulnerable to disease and dependent on aid.**

**RESPONSE:** **We deliver food and survival items to 2,750 families in Malawi and fund CAFOD to deliver the same to over 2,000 people in Zimbabwe and also repair six schools in Mozambique.**

*In the aftermath of Cyclone Idai, a girl stands on the rubble that was once her home in Chickwawa, Malawi.*

# APRIL

Islamic Relief joins leading Christian charities in condemning hatred and violence after hundreds die in appalling attacks targeting churches and hotels in Sri Lanka. The previous month, scores of worshippers had been targeted in hate-fuelled attacks on two mosques in Christchurch, New Zealand. Islamic Relief staff join local communities of all faiths and none in multiple countries at solidarity events calling for peace and harmony.

**DISASTER:** **Drought in Somalia leaves over 4 million people in need of aid.**

**IMPACT:** **Hunger and malnutrition rise as the disaster unfolds over the year, claiming lives and livestock.**

**RESPONSE:** **Islamic Relief launches an emergency appeal that funds food distribution, water trucking, disease prevention and other aid for nearly 55,000 people.**

*Safia (above) lost her animals to the drought, leaving her with no food or income and living in dire conditions with her family in Ununule camp, Somaliland.*



# MAY

**DISASTER:** **Cyclone Fani deluges more than 16,600 villages in Odisha, triggering the biggest evacuation to a disaster in Indian history.**

**IMPACT:** **14 million people lose food stocks, water supplies, homes and livelihoods.**

**RESPONSE:** **Bringing people together in village relief committees, we provide hygiene kits, shelter items and insecticide-treated nets to protect 4,000 families. We repair 150 water hand pumps and employ 1,000 local people to help.**

*Boys who survived Cyclone Fani talk to Islamic Relief about the help they and their families need.*

*"Water rose above my waist, so my children came and carried me out. It caused so much damage. May Allah bless Islamic Relief."*

After 80-year-old Ba Lamine survives the flash flooding in Bamako, Mali, his family are among 370 to receive money to buy essential items such as soap, clothing and cooking utensils. Our community workshops educate local people on child protection issues and gender-based violence, which often spike in times of crisis.

It's Ramadan and we distribute food packs to over 908,000 people in 33 countries. Our donors give generously, allowing us to support fasting families around the world, as well as Christian survivors of the Easter bombings in Sri Lanka and those affected by the first ever tornado in Nepal.

# JUNE

*In Shamiku, Syria, Fatema Al-Smmaq and her family live in a partially demolished house, burning trees and plastic to keep warm and cook.*

*"I have no money for food. The children ask for food that I don't have. I rely on what the aid organisations give us."*

Um Mohammed lives with her eight children in Deir Hassan camp in Idlib, Syria. Her family's food parcel from Islamic Relief relieves hunger in Ramadan, but hostilities escalate in the northwest and many more flee in search of safety.

Islamic Relief is there to provide food, tents, blankets and cash for heating and clothing. We give wheat to local bakeries so they can bake free bread for the most vulnerable. We help run 80 mobile emergency units and hospitals. Tens of thousands of people rely on the clean drinking water, sanitation facilities and hygiene items we provide.

**DISASTER:** **The ongoing crisis in Syria leaves 11 million people in need of help.**

**IMPACT:** **Six million displaced people live in dire conditions with little access to food, water, sanitation and healthcare, facing daily threats to their lives, dignity and wellbeing.**

**RESPONSE:** **Eight years into the crisis, many aid agencies have suspended operations due to violence. Islamic Relief continues its lifesaving work in some of the areas that are hardest to reach, assisting over 2.3 million people this year. To date, we have provided £320 million worth of aid in response to the war.**



# JULY

Islamic Relief's lifesaving work continues in drought-stricken Kenya, where cash transfers help 1,500 families meet their basic needs. We also repair boreholes and use trucks to bring water to communities. By the end of the year we reach over 7,000 people, and in some places halve incidences of waterborne disease.

**DISASTER:** **Floods and landslides across South Asia affect over 12 million people.**

**IMPACT:** **Homes and crops are ruined and roads are damaged, leaving people stranded without clean water, food and hygiene supplies.**

**RESPONSE:** **9,000 people receive grants to buy food, clothes and medicine – and to help repair their homes. We provide fast-growing seeds so families can grow food at home, install latrines, and teach communities good hygiene practices to ward off disease.**

*Women in Bangladesh collect essential items including soap, sanitary towels, antiseptic and oral rehydration salts distributed by Islamic Relief.*

# AUGUST

*People in Kerala, India, collect vital items such as mosquito nets and hygiene kits from Islamic Relief.*

Our relief efforts continue in Kerala, India, following the devastating monsoon of 2018 and subsequent flooding again this year. With communities using the water, sanitation and hygiene facilities we installed in response to the 2018 floods, Islamic Relief installs water purification plants for thousands of people in relief camps and hospitals. We also empower over 4,000 people to earn a living through small enterprises such as fishing and farming poultry and coconuts.

Our flood relief efforts also extend to Sudan's White Nile state, where we distribute emergency survival items to 10,000 people, and Mali where we ensure 1,200 families have food after crops, livestock and food stores were wiped out.

**PROGRAMME: Our largest annual food distribution takes place in 34 countries.**

**IMPACT: Over three million people who can only rarely eat meat are able to enjoy qurbani meat on Eid al-Adha.**

**RESPONSE: Displaced families from Myanmar receive much-needed protein in Bangladesh, complementing the World Food Programme parcels they rely on. In Niger an innovative microfinance scheme supports poor farmers to purchase and rear animals to sell for a profit during qurbani season.**

*In Bangladesh, a family that fled Myanmar receive qurbani meat from Islamic Relief.*



# SEPTEMBER

*In Mirpur, Kashmir, an Islamic Relief aid worker comforts a girl injured during the Kashmir earthquake.*

As flooding worsens in Niger, overwhelming entire villages and ruining precious food reserves, we provide 400 families with a month's worth of food as well as soap, mosquito nets and sleeping mats. Those with especially fragile homes receive tarpaulin and rope to build makeshift shelters.

**DISASTER: A 5.8 magnitude earthquake hits Pakistan-administered Kashmir.**

**IMPACT: Dozens are killed and hundreds injured as the earthquake damages homes and roads.**

**RESPONSE: Working with the Start Network, Islamic Relief staff overcome challenging conditions to reach over 12,100 survivors with tents, plastic sheets and hygiene kits. Other interventions include working with ECHO and the Canadian Humanitarian Assistance Fund.**

# OCTOBER

*"I hope that the next winter will bring us warmth and I will not see any of my younger brothers feel cold," says Muhammad, 12, who lives in Gaza in a house with a makeshift roof.*

*"We don't have heating and rely on a wood fire to keep warm. It is not safe because I have small children and elderly parents who can inhale the bad fumes. But what can we do? How can we get warm when the rain soaks us?"*

Every year Abu Ali dreads the first winter rains in Gaza, where many families live in damaged homes. The local economy is close to collapse after years of blockade and conflict. Poverty and suffering are deepening, and humanitarian funding this year is critically short, but this year we help over 393,000 vulnerable Gazans.

**DISASTER:** **Winter rains add misery to the humanitarian crisis in Gaza.**

**IMPACT:** **Thousands of families are at risk, living in cold, leaking homes without adequate heating.**

**RESPONSE:** **Islamic Relief repairs and improves 150 homes and gives families warm blankets, winter clothing and mattresses.**



# NOVEMBER

As a series of earthquakes in the Philippines follow last month's quake, destroying over 20,000 homes, we give 140 families vital items such as nappies, sanitary towels, mosquito nets and folding beds.

In Gourma Rharous, Mali, where inter-communal conflict causes over 4,400 people to flee their homes, we provide cash vouchers so they can buy enough food for a fortnight.

In central Somalia, deadly flash floods submerge villages and destroy crops. One of the first organisations on the ground, Islamic Relief staff arrive on tractors to reach 3,000 families and distribute tents and food packs. We also provide clean water and sanitation facilities to curb insects spreading diarrhoea, malaria and other diseases.

**DISASTER:** **Cyclone Bulbul batters coastal regions of Bangladesh and India, with winds reaching 140km per hour.**

**IMPACT:** **Millions of people are uprooted from their homes. The storm destroys thousands of mud houses and floods farms, ruining crops and sparking fears of malnutrition as food prices rise.**

**RESPONSE:** **Islamic Relief Bangladesh staff and volunteers evacuate vulnerable people, provide emergency shelter and hygiene kits, support home repairs and help replace ruined crops. Altogether, we help about 10,000 people to get through the crisis.**

*In the wake of Cyclone Bulbul, a woman cooks amid the ruins of her home in Bangladesh.*

# DECEMBER

*A woman sweeps dust from the entrance to her tent in a camp for displaced people in Yemen.*

*"If there is enough food we eat, and if not we have to be patient. The most important thing is that children get their milk. For us adults it's not a problem if we have to stay hungry. We just eat anything to keep us alive."*

Shoeyah's son Adnan has been malnourished since birth. The family cannot return to their home in Yemen's Haradh region due to the intense fighting so they live in a shack in Hodeida, waiting and hoping. "I hope that my children will have good health in the future and pray to God to stop the war," she says.

December 2019 marks the first anniversary of the UN-brokered ceasefire in Yemen but violence continues. Islamic Relief staff work 18 hours a day, seven days a week, often at great personal risk. Tragically, earlier this year a stray bullet killed one of our dedicated colleagues, Hamdi Abo Abdullah Al-ahmadi, as he delivered aid.

**DISASTER:** **7.4 million people at risk of famine in Yemen as the world's worst humanitarian crisis continues.**

**IMPACT:** **An estimated 24 million people – almost 80 per cent of the population – need humanitarian assistance and protection.**

**RESPONSE:** **In partnership with the World Food Programme (WFP) we provide food to sustain around 2.2 million people every month in six governorates. We run malnutrition treatment and prevention programmes in 155 health facilities. We support eight health centres to manage acute watery diarrhoea and cholera, and fund three physiotherapy and prosthetic centres for patients with life-changing injuries.**



# RAMADAN AND QURBANI FOOD DISTRIBUTIONS

*In Bangladesh, people who fled Myanmar receive emergency food.*

## EVERY YEAR ISLAMIC RELIEF'S LARGEST DISTRIBUTION PROGRAMMES PROVIDE VULNERABLE FAMILIES WITH FOOD PARCELS IN RAMADAN AND QURBANI MEAT ON EID AL-ADHA.

In Ramadan 2019, Islamic Relief delivered food for 908,660 people in 33 countries, tailoring food parcel contents to local customs and needs. Two months later, our qurbani meat deliveries provided food for over 3.1 million people in 34 countries as they marked Eid.

Wherever possible, we integrate our seasonal food distributions with other humanitarian and development programmes, allowing us to reach the families of sponsored orphans for example, or the hungry families supported by our livelihood projects. Working closely with local communities, we ensure the food reaches those most in need without discriminating in any way.

***Bangladesh:*** *Displaced families from Myanmar are given UN World Food Programme food parcels in Bangladesh containing staples such as rice, lentils and oil which Islamic Relief complements with qurbani meat, providing additional protein.*

***Philippines:*** *This year we piloted using eco-bags for meat packing, an initiative we are hoping to implement across our field offices to reduce the use of non-degradable plastic.*

***Syria:*** *In addition to our annual food distributions on the Syria-Turkey border in Hatay and Gaziantep provinces, this year our Ramadan and qurbani parcels reached Syrian refugees in Istanbul.*

***Sri Lanka:*** *Following the Easter Sunday attacks on Christian communities, security concerns saw gatherings banned. Working with local government, we provided Ramadan food vouchers and went door-to-door delivering food parcels to survivors.*

# WEST AFRICA'S CONFLICT AND CLIMATE EMERGENCY IS A WORSENING HUMANITARIAN CRISIS THE WORLD HEARS LITTLE ABOUT

*When floods destroyed Gabkoro's house and farmland in Nara, Mali, this year, Islamic Relief's cash vouchers meant families like his could replace vital items such as blankets, cookware and hygiene items.*

West Africa faces what is arguably the worst humanitarian crisis that most people have never heard of. Since 2012, escalating violence and insecurity in the region have been forcing people from their homes in a desperate search for safety. In Mali and Niger alone, around seven million people need humanitarian assistance, many of them women and children living in hard-to-reach areas.

The climate emergency is also devastating lives and livelihoods, especially in the arid Sahel region. Vital infrastructure has deteriorated, and uprooted families are left without access to even basic social services. Many depend on agriculture or fishing but desertification, erratic rains, drought and flooding have pushed them to the brink of survival.

*In Mali one in four people do not know where their next meal is coming from. In Niger an estimated nine million people live in extreme poverty.*

The global humanitarian response to the West Africa crisis is grossly underfunded, but Islamic Relief is doing all it can to help. We began working in Mali in 1997, helping people affected by civil war. Eight years later we launched operations in neighbouring Niger, responding to the food crisis.

In 2019 Islamic Relief supported over 211,000 people in Mali and Niger through 49 programmes including:

**Lifesaving humanitarian relief**

Islamic Relief's emergency interventions are a lifeline for those affected by conflict and natural disasters that are increasing in frequency and intensity due to climate change. Our projects include food assistance, shelter and raising community awareness of protection issues.

**Life-changing sustainable development**

We work closely with communities not just in times of disaster but also long term to improve their lives and futures. In Mali we help families living in poverty adapt to the changing climate so they have regular access to food and can earn a reliable living. We also help reduce the worst effects of disasters and improve access to water, sanitation and hygiene.

**Empowering women and children**

In Mali and Niger we are building the capacity of vulnerable communities so they can claim their rights. We use a faith-based approach to increase awareness of the harm caused by gender-based violence and child protection issues. We also give the families of orphaned children a regular allowance to meet their basic needs and ensure vulnerable children are not disadvantaged.

*Idrissa's earnings have shot up since he got involved with our project in Niger's Tinga Valley*

## IDRISSA'S STORY

"We came together because we needed support," says Idrissa, a fisherman for 20 years and now part of a cooperative group in Niger's Tillaberi region.

"Before when we were fishing on the river, sometimes we used to catch nothing. I used to earn CFA 2,000 [about £2.73] a month, not even enough to purchase a bag of millet."

In 2017 Islamic Relief began a project to reduce food insecurity and bolster livelihoods in the Tinga Valley. Focused on agriculture and fishing, by the end of 2019 we had created 10 community fishponds, each stocked with 400 fish.

"With the fishponds, we are now able to control production," says Idrissa. "I am now earning CFA 100,000 [about £136], which is enough to buy food for my family." His cooperative is deliberately linked to groups of local fishmongers – women who buy their fish to sell at the market.

Among other activities this year, the project established plots of land to be irrigated using water-saving technology so local farmers can produce cash crops all year round. We trained farmers to use drought-tolerant seeds and early warning systems to reduce their vulnerability to fluctuating market prices. And we set up community shops so people can buy good quality seeds and tools. Due to complete in 2020, the project is giving 1,000 families brighter futures.

## BINTOU'S STORY

"Our girls no longer undergo female genital mutilation/cutting (FGM/C). We stopped that," says Bintou, a grandmother living in Mali's capital city. "And all our neighbours were approached and made aware so that they may stop [too]."

As a widow with seven children, Bintou struggled to make ends meet until she started receiving a regular stipend through Islamic Relief's orphan sponsorship scheme, which also introduced her to our Channels of Hope project. She began attending monthly meetings in which faith leaders talked about harmful practices such as FGM/C and early forced marriage.

*"All those who attended the [faith] meetings gained a much deeper understanding of FGM/C."*

Inspired, the 46-year-old joined one of our community action teams, persuading others in Bamako to stop the practices. "I would go about telling the people I know. And since many have understood, it was fairly easy to spread the message.

"In my house there are seven girls who are not yet ready for marriage. They need to learn more about life, grow up and become mature before they get married. Once they are ready, I will allow them to get married but not before. [And] none of my granddaughters have undergone FGM/C and none of them will insha'Allah."

*In Bintou's neighbourhood almost all girls were subjected to FGM/C, but with our intervention that went down to just one in 20.*

The project has trained religious leaders, schoolteachers and youth workers as well as local women and children, empowering them to push for positive change in their communities.

In addition the project, which also covered villages in rural Ouélessebougou, persuaded seven FGM/C practitioners to give up the practice. School attendance rose, particularly among girls, and rates of violence against women fell, as did the number of early and forced marriages.

# DEVELOPMENT

## We empowered communities to emerge from poverty and vulnerability

**This year we continued to tackle issues at the heart of poverty and suffering, from addressing community development needs to challenging harmful social practices such as gender-based violence. We provided access to healthcare, education, water and sanitation and provided livelihood opportunities by working with communities in 32 countries, benefiting over five million people.**

**Our development programmes are not just about providing access to essential services, but understanding the multiple challenges communities face and empowering them to lift themselves out of poverty.**

- **262 development projects supported the UN Sustainable Development Goals, providing 301,000 people with healthcare, clean water, sanitation and hygiene**
- **Over £38 million spent on development programmes this year**
- **704,000 people provided with livelihood opportunities**
- **Nearly 57,600 children and adults given access to education**

## EDUCATING AND INSPIRING THE CHILDREN OF GAZA

*"I feel like a young scientist and this motivates me."*

"The first time I put my eye to a telescope, I didn't want to close my eyes," says Lamar. The 11-year-old lives in Gaza, where years of blockades and conflict have left more than half the population dependent on humanitarian aid. Schools in Gaza are typically overcrowded and ill equipped, but Islamic Relief's educational clubs are unlocking the potential of vulnerable children.

"There is no telescope at our school but we went on a trip to the university laboratory and were able to do scientific experiments," explains the schoolgirl, who attends our science club. It uses practical and entertaining teaching methods to help children find solutions to community issues.

"When I went to school the next day my teacher asked me to explain it to my classmates. I got full marks [in science]. I want to be a scientist... to discover a drug for cancer. This will make me happy because I will be able to treat many people all over the world."

In 2019, Islamic Relief improved the learning environment at over 100 kindergartens and trained hundreds of teachers and principals. We ensured over 330 schools had clean water and offered counselling services for over 20,000 children. We also screened over 24,500 children for hearing and speech difficulties, giving hearing aids and specialist support to those who needed them.

## PROMOTING CLIMATE RESILIENT FARMING IN PAKISTAN

"I grow organic vegetables and sell them in the local market," says father-of-two Abdul from Pakistan-administered Kashmir, where climate change is ruining many livelihoods. Islamic Relief helped Abdul set up a farm as part of a project that supported 8,000 families to earn a reliable income. "I have been trained in farming techniques, selecting better quality seeds and managing the farm. This has significantly increased my income."

Our climate resilient farming programme in Pakistan, one of the most vulnerable countries on earth to the effects of climate change, encourages households to plant fruit orchards and olive trees, while providing livestock for some of the poorest families. In 2019 we helped to boost the local economy by building vegetable and cattle markets and setting up forums to grow small businesses. We also empowered local communities to engage with government to influence positive change.

## IMPROVING THE HEALTH OF WOMEN AND CHILDREN IN SOMALIA

"It is great that we are getting free local medical care," says Nurta as she waits with her son, Zakariya, for treatment at the Belcad Health Centre in Somalia. "I am a mother of five orphaned children. I could not afford to pay their medical bills. They are all fine now after getting treatment from the Islamic Relief medical team."

This year 24,500 patients received free treatment at Islamic Relief-supported health centres or mobile clinics that operate in remote areas in Somalia. The maternal and child health programme also recruited community health workers to promote good health, nutrition, first aid and hygiene practices including pre and post-natal care.

Islamic Relief health projects provided vital health services serving nearly 998,000 people across the globe in 2019.

## GROWING FOOD DESPITE THE DROUGHT IN KENYA

This year our food security projects helped over 3.2 million people around the world. One such scheme, which was completed this year, served 465 families and two schools in Kenya's drought-stricken Kilifi County. We installed two boreholes, providing water for schools, homes, and 100 acres of land. Bringing local people together in farmers' groups, we trained them in effective farming techniques. As a result, food production rose by 40 per cent, and women and girls, freed from the time-consuming task of fetching water, now have more time to earn a living or go to school.

## GIVING THE MOST VULNERABLE CHILDREN A CHANCE TO SUCCEED

Children living in a camp for displaced people in Myanmar's Rakhine state love learning in their new school, built by Islamic Relief this year. The school, which also serves as an evacuation centre during cyclone season, is giving the community hope that their children may have a better future.

Also this year 400 children living with disabilities in Chechnya in the Russian Federation received free braille or sign language literacy classes – as well as maths lessons, sports and confidence boosting counselling. In addition we continued to support 370 children at a boarding school in Nangarhar, Afghanistan. As a result 50 orphaned children received accommodation, three meals a day, access to healthcare, clothing, stationery, sports equipment and other items.

In total our education projects in 2019 helped nearly 57,600 children and adults to look forward to brighter futures.

## EMPOWERING WOMEN THROUGH ENTERPRISE IN TUNISIA

Members of the Oasis women's group are specialists in 'smara' weaving and now earn a living making and selling handicrafts thanks to an Islamic Relief project in Tataouine, Tunisia. About 50 per cent of women in the area are unemployed, with no jobs available. We changed that for 85 women by empowering six women's groups in sectors such as handicrafts, food production and dairy farming. We gave them technical training and showed them how to work together and manage their business. The women formed groups, with work venues, tools, raw materials and marketing all supported by Islamic Relief. Now structured as legal cooperatives, the groups give their members a decent income and already the women have plans to expand their businesses.

In 2019, we helped over 704,000 women and men in 29 countries build reliable sources of income.

## BUILDING PEACE BETWEEN FAITH GROUPS IN CENTRAL AFRICAN REPUBLIC

"As religious leaders, we came together to say 'no' to the hijacking of religion," says Oumar Kobine Layama, President of the Islamic Council of the Central African Republic. It's a country ravaged by years of conflict, often exacerbated by splits along religious lines.

Oumar is part of an interfaith peacebuilding partnership in which Islamic Relief, Catholic Relief Services, World Vision and Aegis Trust work together to pave the way for peace. Funded by USAID, Islamic Relief is rebuilding livelihoods lost to violence. By the end of 2019 we had helped around 4,000 people set up small enterprises. Communities found common ground – an essential foundation for peace – through the business associations and community savings groups we formed.

Islamic Relief works with communities around the world to prevent conflict and build lasting peace. This year our work through a social cohesion and resilience programme funded by the Swedish government's international development arm, Sida, included leading community consultations to support the national peace process in the Philippines and enabling vital dialogue through peace councils in Kenya. The social cohesion and resilience programme also brought fragile communities in Pakistan together to facilitate dialogue and coordination on transitioning to peace.

## IMPROVING ACCESS TO WATER FOR DISASTER-AFFECTED FAMILIES

"Now we can get clean water close by," says Naida, who had to walk and queue for hours every day after an earthquake and liquefaction destroyed most of the wells in her village.

Islamic Relief installed 20 SkyHydrants in Indonesia's Lombok, Palu and Sigi districts this year providing 1,000 families with more drinking water. Each produces 5,000 litres of drinking water every day, and we also drilled 25 boreholes. The intervention has made a big difference to Naida, who earns a living selling local breakfast delicacy nasi kuning, a turmeric-flavoured rice.

"Thank you for supporting our essential needs and improving not only my livelihood but also women's participation in the community," she says, explaining that she is a member of one of the committees looking after the new water facilities.



## ISLAMIC MICROFINANCE AT THE HEART OF SUSTAINABLE DEVELOPMENT

Islamic Relief's microfinance programmes have been providing livelihood opportunities for vulnerable people since 1994. Offering interest-free Shariah compliant loans and support for starting small businesses, we have helped 100,000 entrepreneurs to date and circulated some £60 million worth of investment to people in need.

For Islamic Relief, microfinance programmes are sustainable development at its best, with a revolving loan fund that supports more and more people to become self-reliant.

*This year we had £6 million worth of active loans supporting 17,000 entrepreneurs.*

In 2019 we launched the 'Poverty to profit' crowd-funding platform linking donors from the USA to people starting or expanding small businesses in Pakistan. Once the loan is repaid, the funds are then offered to another entrepreneur, helping to lift them out of poverty.

In Chechnya our microfinance institution, Fund Barakat, has been recognised by the Russian Central Bank as the most socially-orientated provider for the third year running. Of the 2,000 microfinance institutions in the Russian Federation, Fund Barakat is the only one that is Shariah compliant.

In 2019 Islamic Relief shared its expertise on Islamic social finance at an Overseas Development Institute (ODI) event on exploring the role of Islamic finance in climate change resilience and adaptation. We also hosted a high-level panel with representatives from the World Bank and the global leading actuary firm Milliman at the 13th International Takaful Summit on Islamic climate change insurance.

## WOMEN ARE EARNING A LIVING BY COMBINING QURBANI WITH A SUSTAINABLE LIVESTOCK PROGRAMME

In Niger, we piloted a new initiative linking microfinance to the livestock market. Hundreds of women received goats and sheep on a sharecropping basis so they could fatten the animals, which are then sold at Eid time in the market with the profit shared fairly.

"We received training in raising animals and fattening them," says Fati, one of the hundreds of women in Niamey taking part in the scheme. The women take care of the animals before giving them back to Islamic Relief in time to be sold for Eid al-Adha, when the price and demand for animals is particularly high. Receiving a share of the profit, the women can afford livestock of their own and with Islamic Relief's support are now producing fodder for the dry season.

"With the profit I made, I was able to afford to buy my own animal, a sheep," adds the 47-year-old. Excitingly, she's now on the path to a new career having landed a job keeping animals healthy thanks to the paraveterinary training she received through the initiative.

This new approach is being hailed as a sustainable way of expanding the positive impact of the tradition of qurbani by empowering women to earn a living throughout the year. "I now do not have to borrow food or get loans from my neighbours or take credit at the shops," says Fati, proud of her newfound self-reliance.

# CAMPAIGNS

## We mobilised people and funds to support our work and campaign for social justice

**This year we raised over £131 million to fund our programmes. Our Ramadan campaign in the UK alone raised over £12 million and engaged almost 1,000 volunteers. We campaigned to protect those affected by gender injustice, climate change and the refugee crisis. We also supported the most vulnerable children, including orphans and those at risk of child labour and human trafficking.**

***We work with religious leaders and use our faith literacy to help tackle harmful practices such as gender-based violence, advocate for peace, respond to the challenges of climate change, and protect children from abuse and exploitation.***

- **£12.2 million raised in the UK during Ramadan, with another £2 million secured from the UK government's Aid Match scheme**
- **Our 16 Days of Activism against gender-based violence campaigning raised awareness through events in 28 countries**
- **15 projects tackled gender-based violence this year**
- **64,000 children are now supported through our orphan sponsorship scheme**

# PIONEERING AN ISLAMIC GENDER JUSTICE DECLARATION

*To mark 16 Days of Activism against gender-based violence we held events in 28 countries, with men and boys joining the campaign as well as women and girls. In Mali, a girls' football tournament engaged local authorities in promoting the rights of girls.*

Islamic Relief has pioneered an Islamic Gender Justice Declaration with humanitarian agencies, faith leaders, civil society organisations and others. In 2019 we finalised and shared the Declaration at the United Nations Economic Commission for Africa (UNECA) in Addis Ababa ahead of its public launch in 2020, bringing together many agencies united in championing the message.

A landmark initiative, it affirms the God-given rights of all human beings and is a call to action against gender injustice from an Islamic perspective. Contributing to SDG 5 on achieving gender equality and SDG 17 on working in global partnership, the Declaration aims to tackle injustices in Muslim communities while uniting people of all faiths and none behind universal principles such as equality and human dignity.

*"I feel like someone liberated my soul"*

**Adila, child bride and refugee from Iraq**

"I was only 12, playing in the village with my friends, when I was married. I didn't understand what my in-laws meant when they called me barren. They bullied me and stopped me from seeing anyone, even a doctor. All I knew was that I felt shame, guilt and I was unwanted.

"After a few years, I asked to see my parents. My husband dropped me at their house and never came back. I was left alone, a burden on my parents, pitied as a 'woman without a womb.'

"One night, in June 2014, our lives changed forever. ISIS fighters came and murdered our relatives and neighbours, and raped women in front of us. We ran for our lives and sought refuge in Yahyawa, Kirkuk.

"We had no food, shelter or support and slept under the open sky until humanitarian agencies set up a camp and gave us hope. Islamic Relief came and said they could help. They spoke in our own language and listened with understanding. They told me about a safe centre for women and encouraged me to visit.

"At the centre they run recreational activities for women and teach new skills, but most of all they are there to listen. I shared my story with one of the case workers who counselled me, told me my rights and helped me get legal support for a divorce.

"After 37 years of suffering in silence, I am free. I feel like someone has liberated my soul.

"I started attending Islamic Relief's gardening activities and that's where I found myself. Now I grow vegetables in a little space beside our camp and when I see my garden I feel happy and relaxed. I even contribute to my family's income by selling vegetables. It's a small garden, but these plants are my life. They are my children.

"I know this camp has many stories, some worse than mine. We are women who have suffered in silence for too long but Islamic Relief is our voice. Every human being has a right to be safe and free from exploitation. Islamic Relief is helping us claim that right."

*12 year old Farida, a Syrian refugee in Jordan, is one of the many refugees we supported in 2019 through direct support and by advocating on their behalf.*

## AMPLIFYING THE VOICE OF REFUGEES AND DISPLACED PEOPLE

For the past 35 years Islamic Relief has been supporting refugees, internally displaced people, asylum seekers and returnees – and making sure decision makers hear their voices. In April 2019 we joined the call for states, communities and displaced people to be included on a high-level panel on protection and assistance for internally displaced people. In December, we took part in the first Global Refugee Forum. Held in Geneva, it was an opportunity to translate the principle of international responsibility-sharing of the refugee crisis into more concrete action.

## TACKLING SEXUAL AND GENDER-BASED VIOLENCE

Sexual and gender-based violence is widespread in Iraq, and women and girls who have been forced from their homes are at greater risk. Islamic Relief, with funding from Global Affairs Canada (GAC) and UNFPA, runs 14 women's centres in Baghdad, Anbar and Kirkuk. We support survivors with counselling and healthcare. We also engage with faith leaders and encourage men and boys to prevent violence against women and girls.

## BRINGING A FAITH PERSPECTIVE TO CLIMATE CHANGE

Inspired by Islamic teachings on justice and stewardship, this year we helped more communities to increase their resilience to the effects of climate change and campaigned for global action to tackle the climate emergency. By 2021, we aim to have established a distinctive faith-based expertise in climate change adaptation.

Islamic Relief joined the UN Climate Change conference COP25 in Madrid, Spain. The German government invited us to discuss Islamic approaches to climate stewardship, energy and the environment. Together with Islamic Relief Spain, we held an interfaith dialogue attended by more than a hundred people. And after signing the 'Faith communities demand climate justice' declaration, as part of a small delegation we presented it to the deputy director general of the United Nations Framework Convention on Climate Change (UNFCCC).

*Abdel Salam with two of his children.*

*"We had no choice: stay and die or leave everything."*

**Abdel Salam, Syrian refugee and father of eight**

It took 10 years of hard work for Abdel Salam to build a home for his family in southern Syria. And just a moment to lose it.

"I was a farmer in Syria. Alhamdulillah, we had an ordinary life. Even after the crisis began, and with limited supplies of electricity and clean drinking water in our village, my family and I insisted we wouldn't leave our home," says the father-of-eight.

But Abdel Salam was forced to flee in March 2013 when intense bombing began in his village, Kharbet Al Ghazaleh. "It does not matter if you are a child or adult, a man or a woman. All of us were scared. We had no choice: stay and die or leave all you have behind.

"I was worried about my children. What if something happens to me? They will have no-one to depend on. My 14-year-old, Hassan, is injured; his legs were broken and he can't do anything by himself. Their mother would have eight children to take care of."

Abdel Salam's family spent several months in Syrian cities before fleeing to Jordan, where they struggled to access vital services. "My health worsened, which prevented me from working. This big family depends on the cash assistance that we receive. We don't visit doctors even if we need to. We don't have money to pay."

Islamic Relief arranged for two of Abdel Salam's children to have their tonsils removed after they developed tonsillitis. The family's life has started to improve but their future, like those of many of the millions of Syrian refugees registered in Jordan, Turkey, Lebanon, Iraq, and Egypt, remains uncertain. Islamic Relief is supporting both refugees and vulnerable host communities.

*"I am so lucky I could come back to school," says Lazina, who is now in eighth grade.*

## PREVENTING CHILD LABOUR AND HUMAN TRAFFICKING

In Bangladesh an estimated 1.3 million children are doing hazardous work that risks their health and development and exposes them to abuse, exploitation, violence and even human trafficking. Lazina, aged 14, is one of those children. She was forced to leave school to work in an umbrella factory.

"After fifth grade I dropped out of school due to my family's financial crisis. My mother's clothing business was worse than ever. We could not afford three meals a day. A neighbour suggested that my mother send me to work nearby," says Lazina.

In 2019, Islamic Relief helped 275 children in Dhaka escape child labour. "Islamic Relief came to help us. They told us they would support the children to quit and send them back to their schools," says Lazina's mother.

Lazina's mother was invited to form a self-help group with other mothers, all of whom received BDT 14,000 (around £130) to set up a small enterprise of their own. "With this grant I started my clothing business again and it is doing well," she says. "Now I can afford my house rent, food and education for my daughter. My main aim is to educate her properly. I am so grateful to Islamic Relief. They support us and are by our side in our worst days."

The Islamic Relief child welfare programme is creating alternative livelihood options and giving children access to life-changing education. We are also working to change attitudes to child labour in Bangladesh so that children are not engaged in work that puts them at risk.

*"We find out what is right and what is wrong."*
**Prama, former child labourer in Nepal**

Prama, 15, has worked with her father and sisters in a brick factory since she was small, while her mother toils in the fields in exchange for grain.

"I pray to God that my children never suffer as I have suffered," says Prama's mother, explaining that her husband regularly beats her. She does not argue with him for fear he may turn on their children. "I am lucky to have children who understand and support each other with every hurdle that comes our way."

"My mother is my hero," says Prama. "She is a strong woman."

Prama is being helped by an Islamic Relief project to protect children in Nepal who are at risk of child trafficking and the worst forms of child labour. Both have been rising since the devastating earthquake of 2015, with poor families resorting to selling a child into slavery.

The project was launched in Rautahat district this year, and includes a community monitoring and alert system to identify and engage children who are most at risk. It prioritises those intercepted by anti-trafficking booths near the border or rescued from child labour. Preventative measures include providing education and protection services, as well as helping poor families to earn a reliable income.

So far Islamic Relief has reached over 1,400 people through interventions including community awareness sessions.

"Coming to the protection and awareness centre and participating in sessions gives me hope to see better days," says Prama. "We find out what is right and wrong. We are very thankful for this support for children like us who are victims of violence and hardship."

## SUPPORTING ORPHANS AND THEIR FAMILIES

Islamic Relief's orphan sponsorship programme ensures all the basic needs of a vulnerable child are met through a monthly donation. In 2019, we secured sponsorship for 9,000 additional children, bringing the total number of sponsored orphans up to 64,000.

At a global meeting of Islamic Relief partners and field offices in November 2019, we discussed future plans for the sponsorship model to ensure the wider community benefits as well as the child and their family. We also piloted a new method of capturing secure data through mobile tablets and a new application that monitors a child's health, education and housing, improving the efficiency of our monitoring systems.

*Ten-year-old Haelal from Indonesia lives with his mother who had to quit her job to take care of him after he was injured. Left without any source of income, Islamic Relief's orphan sponsorship was a lifeline for them, covering the cost of education, food and other essentials.*

# FUNDRAISING AND ACTIVITIES IN THE UK

*Celebrity chef Asma Khan cooked delicious meals with Syrian refugee women in Jordan to highlight the plight of refugees across the Middle East and the importance of no-one going hungry, especially as they break their fast in Ramadan.*

## WE RAISED OVER £12 MILLION IN RAMADAN

This year Islamic Relief UK's Ramadan campaign raised £12.2 million. £2 million of the funds raised were doubled through the UK government's Aid Match scheme, allowing us to support a project to counter the impact of severe drought in Ethiopia.

Launched in the Houses of Parliament with Minister for International Development Baroness Sugg, former Leader of the Opposition Jeremy Corbyn MP, and celebrity chef Asma Khan, our Ramadan campaign was seen by millions on billboards and public transport across the country.

Our annual #Cakes4Syria fundraising campaign sold a staggering 28,275 cakes delivered by a huge network of volunteers across the country, including the YouTuber SuperSaf. On the last 10 nights of Ramadan we partnered with online fundraising platform My Ten Nights and raised over £1 million.

To top it all, we won the prestigious Third Sector Marketing Campaign of the Year Award for our 2018 Ramadan campaign and were given a Special Commendation for our 'Saving lives isn't easy' video.

## THOUSANDS TOOK PART IN OUR COMMUNITY EVENTS

In 2019 we organised the largest national fundraising tour in our history with South African singer-songwriter Zain Bhikha, attracting over 10,000 people in 20 cities. Our annual student-led fundraising event, Charity Week, also broke all records by raising a staggering £1,356,505 with almost 1,000 volunteers and 257 institutions taking part.

Islamic Relief organised over 40 fundraising challenges in 2019, from the Marrakesh Half Marathon and the Machu Picchu Jungle Trek to the Great Scottish Run and the Snowdon Challenge, which raised £350,000. The Peru Challenge was particularly successful: organised and coordinated between four Islamic Relief partner offices with 75 participants and raising over £200,000 for water projects around the world.

This year we entered into a corporate partnership with the Muslim dating site Muzmatch, who helped us raise funds to tackle early and forced marriage in Niger. We also began a new partnership with Green Lane Mosque in Birmingham that led to their fundraising arm, Taskforce GLM, raising over £2 million for our international programmes.



## WE SUPPORTED VULNERABLE PEOPLE IN THE UK

Our work with vulnerable communities in the UK included delivering 30,000 qurbani meat packages to families living in food poverty in England, Scotland and Wales. In the winter, a team of volunteers distributed warm clothes, hot drinks and sleeping bags to homeless people in Manchester and Glasgow.

We also contributed almost £800,000 to support local projects this year, including help for children seeking asylum in the UK; reducing isolation among refugees and asylum seekers; support for survivors of domestic violence; employment help for black, Asian and minority ethnic communities; efforts to develop female leadership in mosque management; access to coaching for Muslim parents; and food for homeless people through a foodbank and edible garden project.

Our support for Crisis UK gave homeless or vulnerably-housed people access to services such as coaching, skills training and mental health support to help build their aspirations and resilience. Meanwhile our support for The Scout Association allowed them to set up 36 new scout groups across the UK to attract Muslim youth who are under-represented in scouting and therefore miss out on the life-skills, leadership, social interaction and adventure it provides.

This year we also partnered with Deaf World to support their youth leadership programme for those with hearing impairments, helping them increase their self-esteem, tackle social isolation and build communication skills.

*To mark the 8th anniversary of the Syria conflict, we took street artist Mohammed 'Aerosol' Ali to deliver an art therapy workshop to Syrian refugee children in the Bekaa Valley in Lebanon. Upon his return, he produced a mural on the wall of Greenwich Mosque in London that attracted media coverage to highlight the plight of children affected by conflict.*

*Islamic Relief staff and volunteers join the Global Climate March in September 2019, calling for action to be taken to address climate change.*

*In October 2019, Islamic Relief UK launched Virtue Reality, the first video game created by a Muslim charity. Developed with Ultimatum Games, it is a fun way to inform young people about how aid works. The game was launched at Sheffield's National Videogame Museum and has been downloaded more than 6,000 times through the App-Store and Google PlayStore.*

# PARTNERSHIPS

This year we built new partnerships, strengthened existing ones and supported the Islamic Relief family to achieve our shared goals. We also improved the quality of our programmes, aiming for the highest standards in the sector.

*In striving for excellence in our programmes we build relationships not just at the global level but also with local organisations, offering our expertise in developing faith-sensitive interventions.*

- **Awarded the Core Humanitarian Standard (CHS) certification for third year running**
- **Innovation award for our orphan support project in Bangladesh**
- **International Waqf Fund established as an independent organisation**

*Prime Minister Imran Khan with our CEO Naser Haghamed and Pakistan Country Director, Umair Hasan. Commending Islamic Relief for supporting the socio-economic development of Pakistan, the Prime Minister shared his vision of inclusive and sustainable development for all segments of society and encouraged Islamic Relief to partner with the government's flagship Ehsaas programme aimed at poverty alleviation and social protection.*

## PAKISTAN PRIME MINISTER COMMENDS OUR PROGRAMMES

Our CEO, Naser Haghamed, met with Pakistan's Prime Minister during a visit to the country that aimed to deepen the positive impact we're having through healthcare, disaster risk reduction and response, water and sanitation, education and climate adaptation programmes.

Also meeting Pakistan's President, Dr Arif Alvi, our CEO was urged to help the government provide free health services. Lieutenant General Muhammad Afzal, Chairman of the National Disaster Management Authority, discussed with us our plans to help build a safer and more disaster-resilient Pakistan.

At a special reception attended by ambassadors, UN and government officials and leading sector experts, the Managing Director of Pakistan Bait-ul-Mal praised Islamic Relief's work in empowering women and supporting children. The visit also included an appearance on Pakistan Television Network (PTV)

## INTERFAITH INITIATIVES SUPPORT PEACE AND EQUALITY

This year we began a new project to tackle inter-communal conflict between faith communities in partnership with the Network of Religious and Traditional Peacemakers, International Network of Engaged Buddhists (INEB) and the World Faiths Development Dialogue. Operating across the Asia region, the consortium's activities included training and funding local interfaith activists to deliver small projects.

Meanwhile we also continued working with communities in Asia and east Africa through our peacebuilding partnership with Sida. A key focus this year was recognising the role of women and youth in resolving conflict and organising them into peace councils. We also engaged women faith leaders in regular radio broadcasts and ensured women have a powerful voice in peace forums.

At the European Development Days 2019, we held a high-level debate engaging European Commission officials together with Baha'i International, Brot für die Welt, Act Alliance EU, EU Cord, Pax Christi and World Vision. Addressing the challenge of inequalities in low-income countries, the interfaith event was a key step forward in efforts to ensure recognition for the value that faith-based organisations bring to development.

*At Bond's International Development Awards in London, UK, our Head of Governance, Khaleel Desai, collects the Bond Innovation Award, recognising the impact of our integrated programme in Bangladesh. Subsequently replicated by Bangladeshi local government, it combined education and protection for orphaned children with empowering their families to become self-sufficient within four years.*

*Left to right: Islamic Relief Worldwide CEO Naser Haghamed, Gloria Nthenya and Obaid Rahman from Islamic Relief Kenya, and Martin Cottingham of Islamic Relief Worldwide met with representatives of USAID, the Kenyan embassy and senior staff from both Congress and the Senate on Capitol Hill.*

## IMPACT OF OUR USAID-FUNDED WORK HIGHLIGHTED ON CAPITOL HILL

In a visit to Congress, Islamic Relief highlighted the importance of US support for humanitarian efforts to overcome interfaith conflict and lift people out of poverty. In the past four years US federal funding has supported eight Islamic Relief projects in Ethiopia, Kenya and the Central African Republic (CAR).

During the visit we spoke about our Christian-Muslim peacebuilding work in CAR and an irrigation project in Kenya that has allowed hundreds of drought-stricken farmers to grow food using solar-powered and water-efficient technology.

*"Our compliance and due diligence are very high," said our CEO, addressing Senate and Congress members at Capitol Hill. At the briefing, Naser Haghamed explained that Islamic Relief has access to hard-to-reach areas in countries such as Iraq, Afghanistan, Somalia, Kenya and Yemen because we have earned the trust of local communities over many years. Our programmes are based on a strong understanding of local challenges and needs as well as of cultural and religious sensitivities.*

## LOCAL ORGANISATIONS SUPPORTED AND DEVELOPED

Islamic Relief has a strategic aim to strengthen the capacity of local organisations, who, with local knowledge and awareness of community needs, are often the first to respond to humanitarian emergencies and remain on the ground after the crisis. In 2019 we concluded the first phase of an extensive 33-month localisation project in Cambodia, Myanmar, Nepal and the Philippines. BATAS Foundation from Nepal was one of seven local partners supported through the scheme. The local organisation had limited exposure to humanitarian response when it became an implementing partner for our response to the earthquake of 2015. It is now an equal and well-equipped partner, thanks to the STRIDE (Strengthening Response Capacity and Institutional Development for Excellence) project.

"Before we wanted to support people but didn't have policies, systems and technical knowledge in place," says its director, Ananda Raj Bata. The grants and advice provided by Islamic Relief helped his organisation to grow and develop a strategy. "Now we are able to respond to small-scale emergencies." The participatory flexible approach to partnership between Islamic Relief and local partners involved in STRIDE has been hailed as good practice, with the HPG (Humanitarian Policy Group) of the Overseas Development Institute (ODI) calling for the approach and our learning from the project to be shared across the humanitarian sector.

This year we also worked with Leeds University, RedR, Tearfund Belgium and Tearfund UK to build the capacity of local faith actors in South Sudan by supporting them to implement responses to disasters. The trailblazing project gives the humanitarian system an evidence-based model for engaging with local faith actors that can be successfully applied elsewhere. About 13,000 people benefited from the livelihoods and water, sanitation and hygiene interventions.



## STRONGER COLLABORATION WITH UN AND GENEVA-BASED AGENCIES

*In December, we played a leading role in interfaith engagement at the first Global Refugee Forum. Islamic Relief's Naser Haghamed, CEO (third left), and Kate Wiggans, UN Geneva Representative (second left), met with Fillipo Grandi, UN High Commissioner for Refugees (centre) and colleagues from World Vision International, Lutheran World Federation and the International Council of Voluntary Agencies (ICVA).*

In 2019 we increased our collaboration with Geneva-based stakeholders by recruiting a full time UN Representative. In August UNHCR's Head of Partnerships and Coordination, Arafat Jamal, visited our offices in Birmingham to begin discussions on re-igniting our role as a core global strategic partner. In November we organised a panel for Geneva Peace Week where our experts spoke on the importance of including peacebuilding in humanitarian and development work, alongside Mercy Corps, Sida, Norwegian Refugee Council and International Rescue Committee.

*Above: In June 2019, UN Assistant Secretary General for Humanitarian Affairs, Ursula Mueller, saw firsthand how Islamic Relief is helping vulnerable families in Malawi recover from disasters such as Cyclone Idai. She commended the standard of our disaster-resilient homes and our efforts to involve local communities at each stage.*

*Islamic Relief's CEO Naser Haghamed attending an Eid reception in Downing Street in June 2019.*

## COMMITMENT TO REMOVE BARRIERS IN AID DELIVERY

Islamic Relief is one of four permanent representatives of the Core Group within the UK government's Tri-Sector Working Group. The group brings together representatives of the UK government, banks and aid agencies to work collaboratively. It was established to address the impact of counter-terrorism legislation, sanctions and other regulatory or licensing regimes on the operations of international non-governmental organisations in high-risk areas such as conflict zones, and the challenges of financing humanitarian projects in those areas. The group gained momentum this year as a set of principles was agreed committing to working together to ensure safe, timely and lawful delivery of humanitarian aid where it is needed.

## EQUAL ACCESS TO AID FOR PEOPLE WITH DISABILITIES

In November 2019 Islamic Relief attended the launch of the first humanitarian guidelines developed with people with disabilities to tackle the barriers they face in accessing aid and protection. People with disabilities are more likely to lose their lives in disasters, displaced children with disabilities are at greater risk of abuse and neglect, and women with disabilities are more likely to experience sexual violence.

Islamic Relief helped broaden access to the guidelines developed by the Inter-Agency Standing Committee (IASC) by translating them into Arabic. Published jointly with International Disability Alliance, Humanity & Inclusion and CBM, we included a collection of case studies to provide practical examples to accompany the guidance.

## GLOBAL SAFEGUARDING SUMMIT TRAINS KEY STAFF

We held our first global safeguarding summit this year to train staff in our robust safeguarding mechanisms, which are in place to protect the people we serve as well as our staff and partners. Our safeguarding leads from over 20 field locations came together in Istanbul over four days to share best practice and improve awareness and safeguarding systems within their communities, while ensuring interventions remain responsive to the local context. Islamic Relief continues to develop and enhance its safeguarding measures with a new mandatory safeguarding e-module for all staff to complete.

## BETTER COMMUNICATION AND ENGAGEMENT WITH DONORS

Communicating with our donors and other stakeholders is an important part of reporting and transparency for Islamic Relief. In 2019 we delivered regional training to improve the writing, photography and videography skills of staff in Asia, Africa, the Middle East and Eastern Europe. The training introduced a new and more thorough process for gaining consent before collecting personal data and ethical guidelines for collecting case studies. Our trainers emphasised the importance of clearer and more accessible communication.

## PROTECTING OUR REPUTATION

This year we also built the capacity of partner offices to lead on issues such as crisis communications and reputation management, to make us more agile and unified when dealing with negative media coverage and Islamophobic attacks. Externally, Islamic Relief continued to grow its public profile and build its reputation on the global stage as well as increase its engagement online, which saw a 20 per cent rise in our Twitter followers.

## INTERNATIONAL WAQF FUND ESTABLISHED

Waqf is an Islamic form of permanent endowment and since 2000 has been a way of investing in some of our long-term programmes. In 2019, Islamic Relief Waqf changed its name to International Waqf Fund, establishing itself as an independent entity with its own trustees and strategic plans. The funds it raises will continue to be invested in Islamic Relief programmes, with the scale of its endowment projects expected to increase in the next four years.

In 2019 Waqf raised £413,387 and, utilising £482,705 of returns from investments, we implemented 11 sustainable programmes in eight countries.

*Islamic Relief Worldwide's External Relations and Advocacy team delivers communications training to Asia region staff in Kathmandu, Nepal, one in a series of sessions delivered in the Middle East, Asia, east and west Africa in 2019 and early 2020.*

*Principal presenter of Al Jazeera, Eman Ayad launched our largest winter appeal, 'One winter, worlds apart,' which aimed to help over half a million people.*

## A STRONGER GLOBAL PRESENCE FOR ISLAMIC RELIEF

Islamic Relief continued to reach new communities and increased its presence in Ireland and Spain. Our South Africa office saw a substantial growth in income as it marked 15 years of tackling poverty, inequality, HIV, AIDS, childhood cancer, educational disparity and unemployment in the country. This year we also strengthened the capacity of our Kosova and Bosnia-Herzegovina field offices to achieve long-term self-reliance through fundraising.

Through our Birmingham office we increased our volunteer base and held an international volunteer camp with over 80 attendees from different countries. We also represented Islamic Relief at the 24th International World Scout Jamboree, building our network of young supporters of Islamic Relief.

*Islamic Relief volunteers at a leadership retreat as part of the Volunteer Leadership Programme.*

## LEARNING AND DEVELOPMENT BUILDS STAFF CAPACITY

Islamic Relief's training and learning division, the Humanitarian Academy for Development (HAD), delivered courses to over 250 employees this year with another 850 accessing e-learning modules covering subjects including safety and security in the field, mental health first aid, proposal writing and local framework analysis.

HAD continued to strengthen local NGOs working on the ground by training 225 aid workers responding to the Syria crisis. Funded by Islamic Development Bank the training covered communications, conflict resolution, leadership and governance, monitoring and evaluation, advocacy, human resources, fundraising and supply chain management.

HAD also supports Islamic Relief's policies and programmes through research and partnerships with academic institutions, Islamic organisations and international NGOs.

In 2019 HAD recruited 21 graduates to an internship programme and deployed a further 10 interns to field offices in the Middle East as part of the EU-funded Youth Resolve programme.

*A Syrian aid worker receives project management (PMD PRO) training delivered by HAD as part of an Islamic Development Bank-funded project to build the capacity of Syrian NGOs.*

## STRATEGIC RELATIONSHIPS

- Age International
- As Salam
- Belgium partner in development
- CAFOD (Catholic Agency for Overseas Development)
- CONCORD
- Department for International Development (DFID)
- Disasters Emergency Committee (DEC)
- European Commission
- European Union ECHO - European Civil Protection and Humanitarian Aid Operations
- Finn Church Aid
- Forum Syd
- Global Affairs Canada
- International Islamic Charity Organization
- International Organization for Migration (IOM)
- Iraqi Red Crescent Society
- Islamic Development Bank
- Joint Learning Initiative (JLI)
- Jordan Hashemite Charity Organization (JHCO)
- Lutheran World Federation
- NGO Voice
- OPEC Fund for International Development (OFID)
- Organisation of Islamic Cooperation
- Philips
- Qatar Charity
- Qatar Red Crescent
- Radiohjälpen
- Reach Out To Asia (ROTA)
- SDC (Swiss Agency for Cooperation and Development)
- Sheikh Abdullah Al Nouri Charity Society
- Sida (Swedish International Development Agency Cooperation)
- Start Network
- Tearfund
- UN Office for the Coordination of Humanitarian Affairs (OCHA)
- UN Refugee Agency (UNHCR)
- UN World Food Programme (WFP)
- UNFPA (United Nations Population Fund)
- United Nations Development Programme (UNDP)
- United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)
- US Agency for International Development (USAID)
- World Vision
- Zakat House

# STRUCTURE, GOVERNANCE AND MANAGEMENT

## BOARD OF TRUSTEES

The Board of Trustees directs and oversees the organisation in accordance with its statutory obligations. The Trustees of Islamic ReliefWorldwide consider, both individually and collectively, that they have at all times acted in a manner that they consider will be most likely to promote the success the charity in meeting its aims and objectives as set out in its governing documents and in ensuring its long-term security.

Focusing on strategic planning and governance, the Board sets our priorities and objectives. It evaluates our performance and the progress of our work to alleviate poverty and suffering, and approves relevant new policies and procedures. The Board appraises the executive management team and is involved in making appointments to and dismissals from this team. The Board of Trustees works with key stakeholders and makes sure that we satisfy our regulatory requirements as a charity.

Representatives of a number of Islamic Relief partners are included on our Board, thereby enabling us to secure a high level of skills as well as valuable diversity of experience and expertise from our global network.

Islamic Relief Worldwide is almost at the end of a four-year governance reform plan. This will see many of our partners being represented on our new International General Assembly as well as be eligible for election to the Board of Trustees. It will also see Islamic Relief partners commit to membership criteria which further cement the ethos, values and standards of Islamic Relief as a global family of members.

## RECRUITING AND APPOINTING TRUSTEES

Each member of our Board of Trustees is a volunteer, chosen because they have the range of skills, knowledge and experience that we need to respond to key challenges. Trustees may be nominated by partners and stakeholders. From 2020 onwards, we are on course following our governance reforms to transition to a Board that will more than double in size and will be elected by our global family through the new International General Assembly.

## WELCOMING AND TRAINING TRUSTEES

A comprehensive induction process and ongoing training in new or emerging areas of responsibility ensure we benefit from a professional and appropriate Board. New trustees receive a full overview of our strategic and operational functions, as well as a welcome pack, which includes a copy of the Memorandum and Articles of Association, the financial statements, Board minutes, the Charity Commission guidance 'The Essential Trustee' and recent publications. We will also assign a mentor to help them settle into the role. We actively encourage trustees to identify any training they may need, and our CEO keeps trustees up-to-date with training opportunities and changes in regulatory standards. We continually evaluate the Board's effectiveness. The Board of Trustees receives regular performance reports, annual financial reports, plans and budgets.

## KEY PERSONNEL

The CEO is accountable to the Board of Trustees and, along with other senior staff, is responsible for our day-to-day management. The CEO chairs the executive management team, which is made up of division directors. Division directors make sure that the policies and strategies agreed by the Board of Trustees are implemented, and they also support the work of other staff and volunteers.

A full list of trustees and key personnel is given in the corporate directory on page 92.

## REMUNERATION POLICY

We strive to attract and retain talented individuals based on their passion, commitment, values, knowledge, skills and experience. Whilst the financial dimension is not the foremost basis for engagement, we are keen to pay our team appropriate salaries. As such, our remuneration principle is to be market relevant, not market driven – so we position ourselves in the median quartile of benchmarking exercises. Our remuneration model is designed to be cost-effective and sustainable, and in line with our determination to be "lean", to maximise the amount we spend on our programme work. We also recognise that attracting and retaining the best talent requires sufficient flexibility to allow for a case-by-case consideration for particularly exceptional talents, hard-to-fill roles and top performers. By using the steps within a set grade range, we can apply this flexibility while maintaining the integrity of the wider grading system.

## GOVERNING DOCUMENT

Islamic Relief Worldwide refers to the charity incorporated as a company limited by guarantee in England and Wales. Islamic Relief Worldwide's governing document, known as Memorandum and Articles, was originally dated 14 March 1989 and amended on 9 August 2010 and the Objects amended on 16 March 2020 to reflect the education, advocacy and broader work of Islamic Relief Worldwide rather than the original 'alleviation of poverty.' Islamic Relief Worldwide is also registered with the Charity Commission of England and Wales and with the Office of the Scottish Charity Regulator.

## TIC INTERNATIONAL LTD

TIC International is a trading subsidiary of Islamic Relief Worldwide. It supports our fundraising activities by recycling clothes and running charity shops across the UK.

## INTERNATIONAL WAQF FUND

This is a subsidiary of Islamic Relief Worldwide and also a registered charity that undertakes waqf (Islamic endowment) activities. (see page 50 for more information)

## ISLAMIC RELIEF MAURITIUS

Islamic Relief Mauritius is incorporated as a branch of Islamic Relief Worldwide with local directors appointed to oversee operations. The entity's transactions and balances are included within the accounts of Islamic Relief Worldwide.



# THE ISLAMIC RELIEF GLOBAL FAMILY

Based in Birmingham, UK, Islamic Relief Worldwide is the international office of the Islamic Relief federation. We oversee global standards, coordinate and monitor project implementation, identify new areas for fund development, oversee the response to emergencies and disasters by members of the Islamic Relief federation and support them as needed with marketing and media materials. We also coordinate engagement relations with multi-lateral institutions, represent the federation in international forums and develop and coordinate the global strategy.

Registered as independent legal entities, Islamic Relief Worldwide's national partner offices raise funds for international humanitarian projects, implement local programmes and deliver vital advocacy and other activities. In these accounts we have included funds transferred to us from the following partner offices:

- Australia
- Canada
- Germany
- Ireland
- Italy
- Malaysia
- Norway
- South Africa
- Spain
- Sweden
- Switzerland
- USA

Affiliated implementing partners, some of which are independent legal entities, deliver projects on behalf of the Islamic Relief family. These include:

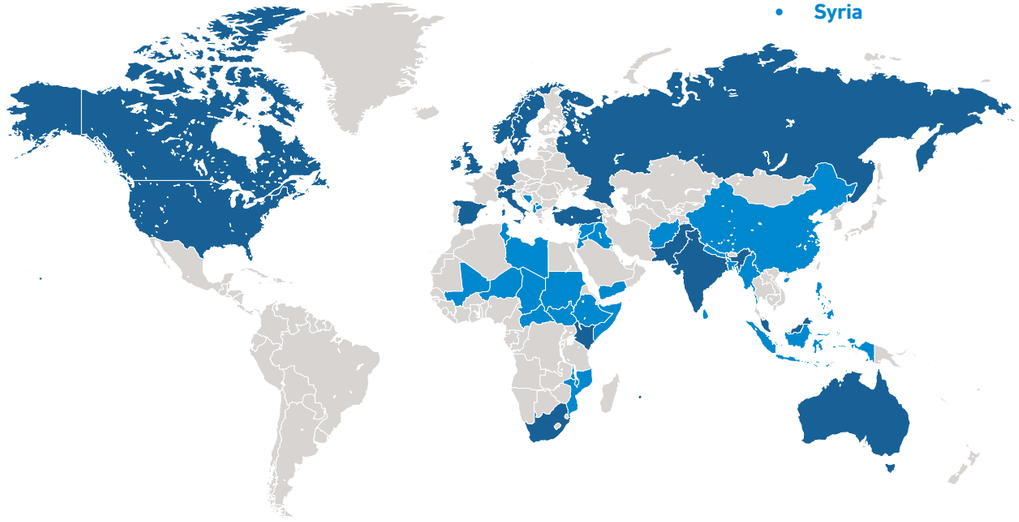
- Islamic Relief India
- Islamic Relief Kenya
- Islamic Relief Pakistan
- Islamic Relief Russian Federation
- Islamic Relief Turkey

Countries in which we have country offices implementing humanitarian projects, raising funds and engaging in advocacy are:

- **Afghanistan**
- **Albania**
- **Bangladesh**
- **Bosnia and Herzegovina**
- **Chad**
- **Ethiopia**
- **Indonesia**
- **Iraq**
- **Jordan**
- **Kosova**
- **Lebanon**
- **Malawi**
- **Mali**
- **Nepal**
- **Niger**
- **Occupied Palestinian Territories**
- **The Philippines**
- **Somalia**
- **South Sudan**
- **Sudan**
- **Tunisia**
- **Yemen**

Countries in which we work through and with other partners to deliver projects include:

- **Central African Republic**
- **China**
- **Mozambique**
- **Myanmar**
- **North Macedonia**
- **Sri Lanka**
- **Syria**



# EXECUTIVE MANAGEMENT TEAM AND TRUSTEES' RESPONSIBILITIES

The trustees, who are also the company directors of Islamic Relief Worldwide, are responsible for preparing the trustees' report. This includes the group strategic report and the financial statements, preparing these in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires our trustees to prepare financial statements for each financial year. They must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including income and expenditure, of the charitable group for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity Commission Statement of Recommended Practice (SORP);
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable group will continue in operation.

Trustees must keep adequate accounting records that are sufficient to:

- show and explain the charitable company and the group's transactions;
- disclose with reasonable accuracy at any time the financial position of the charitable group;
- enable them to ensure that the financial statements comply with the Companies Act 2006.

The trustees are also responsible for safeguarding the assets of the charitable company and the group and, therefore, have to take reasonable steps to prevent and detect fraud and other irregularities.

## STATEMENT ON DISCLOSURE OF INFORMATION TO THE AUDITORS

Under Section 418 of the Companies Act 2006 the trustees' report must contain statements to the effect that, in the case of each of the persons who are trustees at the time, the report is approved:

- So far as they are aware, there is no relevant audit information of which our auditors are unaware.
- They have taken all the steps that they should have taken to make themselves aware of any relevant audit information, and to establish that our auditors are aware of that information.

## PUBLIC BENEFIT

We develop strategic plans to make certain that we deliver maximum public benefit and achieve our strategic objectives, which fall under purposes defined by the Charities Act 2011. The trustees have carefully considered the Charity Commission's general guidance on public benefit in setting our objectives and planning our activities.

## EMPLOYEES

We support our employees and actively develop their skills. We encourage all our colleagues to engage with the organisation's strategy and objectives, and to give their suggestions and views on performance and strategy.

Islamic Relief Worldwide is an equal opportunities employer and we are proud to recruit and promote staff based on aptitude and ability, without discrimination.

Our staff benefit from training and career development policies and provision, as well as regular supervision and an annual appraisal.



## VOLUNTEERS

Our volunteers provide crucial support for our work and we continue to be assisted by a committed and passionate network of volunteers, who we actively manage. During 2019, our network of dedicated volunteers contributed significant hours supporting our shops, administration, fundraising and campaigning activities.

## AUDITORS

A resolution to reappoint Grant Thornton LLP as auditors will be put to the members at the Annual General Meeting.

## FUNDRAISING STRUCTURE

Islamic Relief Worldwide raises funds through various channels including online platforms and through its International Fundraising and Partner Development departments, which help new partner offices establish and grow, as well as strengthen links with institutional donors around the world. It also has a structure in place that governs fundraising in the UK through one of its fundraising divisions, Islamic Relief UK. The overall objectives are agreed with the Board and disseminated to Islamic Relief UK. The Board and Islamic Relief UK then plan accordingly, setting Key Performance Indicators for their teams and delivering in accordance with the Fundraising Regulator's Code of Fundraising, to which the charity adheres. The performance of the fundraising teams is monitored on a regular basis by management and reports are issued to the Board periodically.

## FUNDRAISING APPROACHES

The Charity adheres to all relevant statutory regulations including the Data Protection Act 2018 and the Charities Act 2011. We are registered with the Fundraising Regulator and strive for best practice in fundraising by adhering to the Code of Fundraising Practice, and are committed to their Fundraising Promise. The organisation is also a member of the Institute of Fundraising.

Our fundraising utilises a number of different approaches, which include the following:

- Major-donor giving
- Corporate giving
- Community fundraising
- Charity shops
- Sponsored challenges
- Live TV appeals
- Events
- Volunteer activities
- Direct mail
- Digital fundraising

In 2019, the majority of our activities were carried out by our own staff and volunteers. Islamic Relief Worldwide also used third party organisations to fundraise on its behalf, subject to contractual agreements and requirements to meet the same standards observed by Islamic Relief Worldwide in their fundraising practices.

## CHARITY WEEK

Through our Charity Week campaign we worked with volunteers and students from 147 higher and further education student societies to raise awareness and funds. The fundraising and Charity Week teams ensured that comprehensive training was given to every student society and volunteer through workshops that were delivered locally by the regional teams and filtered down to every participant. The regional fundraising teams provided support for the range of events and activities taking place across the country and closely monitored these activities to ensure best practice.

## CODE OF FUNDRAISING PRACTICE

During the course of the year the charity performed ongoing reviews of its compliance with the Fundraising Regulator's Code of Fundraising Practice and implemented further processes and safeguards to improve fundraising standards.

## PROTECTION OF VULNERABLE PEOPLE

Islamic Relief Worldwide abides by the Fundraising Regulator's Code of Fundraising Practice and ensures its staff and volunteers are fully briefed about the protection of vulnerable people. Before any external facing fundraising activity is undertaken, staff and volunteers are briefed about best practice and made aware of the need to identify, respect, support and protect vulnerable people.

## COMPLAINTS HANDLING

There may be times when we do not meet the high standards we set ourselves; for such instances we have a complaints policy in place. The policy is published on our website and a complaint can also be lodged through the website. Complaints are captured centrally, dealt with in accordance with the process laid down in the policy and reported to the Fundraising Regulator through the annual return.

We received 49 fundraising-related complaints in 2019, all of which were investigated and addressed in accordance with the complaints policy.

## GENERAL DATA PROTECTION REGULATION (GDPR)

In 2019 GDPR has been embedded into all of our fundraising practices and all staff training has been completed. GDPR compliance is a key consideration at the planning stages of all fundraising and marketing activities.



# PRINCIPAL RISKS AND UNCERTAINTIES

Islamic Relief Worldwide is committed to providing humanitarian aid and relief to those who need it the most. This commitment necessitates the charity operating in countries affected by war, conflict, humanitarian and environmental disasters and general uncertainty. Operating in such environments gives rise to significant risks and uncertainties, which we have managed through our considerable experience in this field, supported by a robust framework of systems, processes and oversight.

The Islamic Relief Worldwide Board of Trustees is advised by an Audit Committee made up of trustees and independent members who bring a broad range of expertise in this area. The Audit Committee meets at least four times a year, and its terms of reference include scrutiny and oversight of the way the Islamic Relief Worldwide executive are managing risk.

An independent Internal Audit function reports to the Audit Committee. This function maintains the risk register and carries out a risk-based audit programme, which follows an audit plan approved by the Audit Committee.
The executive management team regularly undertakes strategic and operational reviews to identify organisational risks and come up with plans to mitigate them. The team is then responsible for implementing those action plans, with the Audit Committee monitoring progress.

In order to underpin the process of risk management, Islamic Relief Worldwide has invested in specialist software that covers every field office as well as its operations in the UK. The principal risks and uncertainties facing Islamic Relief Worldwide, and the mitigating actions taken to meet them, are:

## SAFEGUARDING

This year we welcomed further developments in Islamic Relief Worldwide's Safeguarding strategy. We successfully convened our first Global Safeguarding summit, bringing together our safeguarding focal points from all our country offices. It was a significant milestone in mainstreaming and enhancing the role of safeguarding in Islamic Relief Worldwide's culture and programming.

The Chair of Trustees is the trustee lead on safeguarding. The Chair works closely with the Head of Governance to lead on safeguarding at the executive management level. Islamic Relief Worldwide's safeguarding team, which includes technical specialists, is now established and working across our global operations. We are pleased with the progress we are making, but continue to work on a strategy that is benchmarked against best practice across the sector.

We report on all safeguarding incidents in a transparent way, including incidents related to beneficiaries and any cases of sexual harassment. This will be the third year in which we publish figures regarding safeguarding cases reported to us for the period of the Annual Report. In doing so, we have adopted a broad definition of 'safeguarding': all complaints of harm related to sexual exploitation, abuse or harassment by Islamic Relief Worldwide employees, contractors, volunteers or others.

In 2019, a total of 38 cases were reported and logged as safeguarding cases by Islamic Relief Worldwide, 25 of which were from employees reporting safeguarding concerns related to other Islamic Relief Worldwide staff members. Of those concluded, formal HR action was taken against five individuals by Islamic Relief Worldwide in 2019, including dismissal in one instance.

Eight cases of harm were reported by beneficiaries relating to third parties (including family members) unconnected to Islamic Relief Worldwide; and four against Islamic Relief Worldwide. Of the four cases where beneficiaries reported Islamic Relief Worldwide staff, two Islamic Relief Worldwide staff members were dismissed for failing to adhere to safeguarding standards and protocols. We ensured the appropriate authorities and/or support systems were involved or made available in each of these cases. We also provided support and health intervention to survivors and their families, where we were permitted to do so.

## STAFF SAFETY

Our staff work in many unstable parts of the world, in countries that are caught up in conflict and/or are experiencing natural disasters. Such environments present risks to the safety of our staff. The safety and wellbeing of our employees being of paramount importance, we have a number of mitigating measures in place. These include policies and procedures on health and safety and security. Security training is mandatory for all staff being deployed and we continually monitor the security situation in each country in which we work, ensuring adequate measures are in place to keep our staff as safe as possible.

## BANK DE-RISKING

The banking system is a key component of the charity being able to deliver on its humanitarian and development commitments. If Islamic Relief Worldwide is not able to transfer money securely, legally, reliably and through trusted financial institutions, it simply cannot fulfil its purpose. The obstacles and delays we face when moving funds to provide timely assistance to those in need have a direct impact on people's lives. We will continue to work alongside civil society groups across the world to set out our concerns regarding the banking and finance sector, as well as inviting government to ensure funds for humanitarian work reach beneficiaries unhindered. Islamic Relief Worldwide is represented on a UK government convened multi-sector committee looking into the impact of bank de-risking on the delivery of aid.

Islamic Relief Worldwide feels uniquely placed to inform these discussions because of its experiences as a Muslim international NGO, and is encouraged by the recognition at governmental level of the need to act. The charity is grateful for the extremely strong relationships we have with our current financial service providers.

## CYBERCRIME

Cyber threats continue to pose a significant risk to our reputation and the right to personal privacy of our staff, supporters and the communities we serve. Online cyber security training and a revised information security policy were part of our ongoing efforts to promote cyber security awareness amongst our staff around the world. As an organisation entrusted to process donations, we achieved validation of our compliance with the Payment Card Industry Data Security Standard (PCI-DSS). We continue to coordinate with peer organisations and as part of our commitment to protecting our information resources. We have, as a strategic aim, to build further security capacity and assurance capabilities in 2019 and beyond.

## UK'S DEPARTURE FROM THE EUROPEAN UNION

The negotiations to finalise the terms of the UK's impending departure from the European Union (EU) had not concluded in 2019, leading to much uncertainty. This was hugely problematic for an organisation with a global workforce working in multiple currencies and as a recipient of EU aid funding. Like all UK organisations, we continue to monitor and follow the trade negotiations between the UK government and the EU. The continuing possibility of a no-deal Brexit has required additional resources to be devoted to planning for such an event. This remains a key risk.

## COMPETITIVE JOB MARKET

In a highly competitive job market, and given all the demands on the charity's resources, it is becoming increasingly difficult to attract and retain experienced staff for senior management and technical positions. We continue to explore and implement strategies that better anticipate and manage attrition, while improving attraction and retention. While we are not market-rate driven, we offer 'market relevant' salaries and also provide non-monetary employee rewards such as flexible working hours, increased annual leave entitlement and enhanced terms for maternity and paternity leave. In order to improve retention rates within the organisation we enhanced our pension scheme by introducing a service related element. Various wellbeing initiatives have been rolled out such as providing support to staff with mental health concerns, and a healthcare scheme that includes access to a 24/7 Employee Assistance Programme. Recognising that personal development is key to retaining talent, the charity runs externally accredited Management Development, Aspiring Managers and Leadership Development programmes to enhance capacity and capability, and offer meaningful careers within the organisation.

## COVID-19 PANDEMIC

At the point of submission of this Annual Report, Islamic Relief Worldwide is responding with due regard to the gravity of the impact of the coronavirus pandemic. The measures imposed by governments around the world are entirely without precedent, as large sections of the world are in lockdown. Although some countries are beginning to lift restrictions there are fears of a second wave, which is adding to the uncertainty for all organisations.

In every country of operation Islamic Relief Worldwide has adhered to government advice and directives. Global operations have been affected during the lockdown, while some of our programmes have adapted to support vulnerable communities through the crisis. Mitigation plans have been put in place by the organisation such as a move to home-working, a precautionary reduction of spending until the full economic impact of the pandemic becomes clearer, and securing financial support offered by the UK government.

Income had been expected to decline due to the general uncertainty gripping donors, and resources have been re-directed from face-to-face fundraising to online campaigns. In part due to these measures, but mostly due to the generosity of our donors, revenue has in fact held up well in the UK during the crucial Ramadan period, which is Islamic Relief Worldwide's most significant annual fundraising opportunity. This experience appears to have been mirrored by our global partner offices too, supported further by a specific coronavirus fundraising appeal launched in early 2020.



# FINANCIAL REVIEW

The year was marked by economic slowdown and geopolitical tensions across the globe. With continued uncertainty around Brexit, the UK economy fared badly and economic output continued to decline. However, the kindness of our donors recognising the ongoing humanitarian crises around the world meant that our income exceeded £130m for the first time. Our charitable expenditure did not match this increase in income so the surplus is carried over to be spent on programmes in future years.

## INCOME AND FUNDRAISING

In total the charity's income increased by 2.3 per cent to £131m (2018: £128m). Although income from institutions fell, as did in-kind donations, this was more than compensated for by the surge in voluntary donations driven by a significant increase in funds from Islamic Relief partners to unprecedented levels.

Voluntary donations, which are made up of regular giving, campaigns, appeal income and income from Islamic Relief partners, jumped to £118.1m (2018: £106.7m). The major constituent of voluntary donations is income from Islamic Relief partners which went up 18.8 per cent to £86.1m (2018: £72.5m).

Almost every Islamic Relief partner registered an increase in funding.

Donations from individuals in the UK were up by 7.2 per cent to £26.7m (2018: £24.9m). The Disasters Emergency Committee (DEC) launched only one campaign in the year, the Cyclone Idai Appeal in March, and funding through the organisation halved to £1.2m (2018: £2.4m). Although income from international fundraising fell back to £4.1m, the figure of £6.9m achieved in 2018 was exceptional and between 2019 figure is decidedly better than the £2.3m received in 2017.

Each of the three constituent parts of institutional income decreased as compared to the previous year. Such income from the Middle East was down to £3.1m (2018: £6.5m), whilst institutional income from the rest of the world fell back to £3.9m (2018: £5.8m). In-kind donations, which had doubled to £5.1m in 2018, returned at £2.1m to levels consistent with those achieved in 2017.

### Total resources

After total resources expended of £128.0m (£128.6m in 2018), reserves stood at:

| Reserve | Amount |
|---|---|
| Restricted | £23.7m (2018: £22.5m) |
| General | £9.4m (2018: £8.0m) |
| Endowment | £7.4m (2018: £7.0m) |
| **Total** | **£40.5m (2018: £37.5m)** |

## CHARITABLE EXPENDITURE

Although some of the catastrophes afflicting our world dropped out of the headlines, Islamic Relief Worldwide continued its work bringing humanitarian relief, disaster risk reduction, healthcare, education, water and sanitation and livelihoods to wherever it was needed. The charity championed the rights of those suffering the most, empowering them to speak out and campaigning for positive change.

Total charitable expenditure dipped slightly in the year to £113.2m, from the record figure of £114.4m achieved in 2018. The marginally lower expenditure, coupled with an increased amount of income, has generated a surplus that has been carried over to be spent on charitable activities in following years.

The greatest proportion of charitable expenditure continued to be accounted for by our work to reduce the impact of conflicts and natural disasters. The expenditure in this area fell back to £60.3m (2018: £65.5m), but the figure still represented more than half of all charitable spend (2019: 53.2 per cent, 2018: 57.3 per cent).

Expenditure on caring for orphans and vulnerable children remained constant at £26.4m (2018: £26.2m) and accounted for approaching a quarter of all programme expenditure. Spending on campaigning for change also held steady, staying at £1.9m. Providing access to healthcare, water and sanitation programmes saw a marginal decrease in funding to £11.7m (2018: £12.1m).

There were significant increases in expenditure on sustainable livelihoods and support for education programmes, both of which had seen marked decreases in funding in the previous year. Spending on sustainable livelihoods grew by 65.4 per cent to £8.6m (2018: £5.2m) and support for education increased by 23.1 per cent to £4.4m (2018: £3.5m).

The Middle East remained a geographical focus for the charity's work as the conflicts in Syria and Yemen continued relentlessly and accounted for 38 per cent of charitable expenditure. Although the proportion spent remained relatively constant, the actual amount, at £42.8m, was slightly down on the previous year's figure.

Expenditure in the Asia region remained steady at £26.8m and accounted for almost a quarter of charitable spend, particularly due to the ongoing humanitarian situation in Myanmar and the knock-on effects in neighbouring Bangladesh.

There was a slight re-balancing of expenditure in Africa between east and west. In east Africa, spending fell by £1.8m to £18.6m whilst in west Africa, a region sorely neglected by the donor community, expenditure increased by £1.3m to £16m.

Expenditure in Europe, mainly in the Balkan countries, increased to £9.1m, up £1.4m from the 2018 figure. The funding in the region was largely for livelihood programmes. All of the expenditure detailed above has, as always, been in line with donors' wishes.

## TIC INTERNATIONAL LIMITED

Having returned to profitability in 2018, trading at TIC International Ltd (TIC) – the wholly owned trading subsidiary of Islamic Relief Worldwide – continued to improve in 2019. Although turnover increased by only 1.3 per cent to £3.4m, profits almost doubled to £217,692.

Due to efficiencies achieved in the cost of sales, the gross profit margin improved to 48.3 per cent (2018: 45.4 per cent). With administrative costs remaining static an improved net profit margin of 6.3 per cent was achieved, up from the 2018 figure of 3.3 per cent.

The company has two divisions; a clothes recycling business and a network of charity shops. The turnover from clothes recycling dipped to £1.9m (2018: £2.3m). A new activity, the sale of cakes, was started in 2019. This new venture, together with income from the shops, contributed £1.5m to turnover.

It is hoped that promotional campaigns in conjunction with the fundraising activities of the charity will improve the quality and quantity of donated goods, which continue to be matters of concern at both the recycling and retail operations.

Plans to increase the efficiency of the recycling business have been put into action. The retail operation is under scrutiny with a view to improving sales through the implementation of a variety of strategies.

In 2019, £144,181 of prior year profits were donated to Islamic Relief Worldwide.

It is due to the kindness of donors, the loyalty of customers and the dedication of staff that the company is back on its feet. The company is thankful to them all.



## INTERNATIONAL WAQF FUND

This is a subsidiary of Islamic Relief Worldwide and also a registered charity, which undertakes Waqf (Islamic endowment) activities. The activities of the Waqf department, which previously sat within Islamic Relief Worldwide, have been transferred to this entity. This is the first year of operation of the organisation and accordingly the financial results portray the International Waqf Fund in its start-up phase.

## RESERVES

Reserves consist of endowments, restricted reserves and general reserves.

Our current endowments are invested in property. Returns are used for humanitarian development projects, or otherwise transferred to unrestricted reserves (see note 24).

Restricted reserves represent donations and grants for specific projects that are unspent at the balance sheet date, and which will be spent on the specified programmes in the coming financial years.

General reserves (also known as unrestricted reserves) are not restricted to specific projects but ensure that the delivery of our vital programmes is not disrupted by unforeseen circumstances, such as a fall in income or rise in expenditure.

The total group reserves, as at 31 December 2019, increased by 7.9 per cent to stand at £40.5m (2018: £37.5m). Of this, restricted funds account for £23.7m (2018: £22.5m), general funds for £9.4m (2018: £8.0m) and endowment funds for £7.4m (2018: £7.0m). With restricted income surpassing expenditure, restricted reserves increased by £1.2m. The level of general funds increased by 18 per cent due to a marked reduction in unrestricted expenditure. The increase in endowment funds was represented by the return on investment.

The movement in reserves, compared over the last three years, is summarised below:

| Reserve | 31 Dec 2017 £'000 | 31 Dec 2018 £'000 | 31 Dec 2019 £'000 | 2018/2019 change % |
|---|---|---|---|---|
| Unrestricted | 8,792 | 8,005 | 9,394 | 17.4% |
| Restricted | 22,758 | 22,502 | 23,690 | 5.3% |
| Endowments | 6,585 | 7,001 | 7,398 | 5.7% |
| **Total** | **38,135** | **37,508** | **40,482** | **7.9%** |

## RESERVES POLICY

Islamic Relief Worldwide has a policy that sets the level of general reserves such that it meets our operating expenses in the event of a sudden drop in income or the incurring of unexpected expenditure. This policy is regularly reviewed, assessing risks and reflecting on changes in factors such as investment, income and also our financial obligations and commitments. Such a review was undertaken in 2019, and the current target level of reserves of five months of the core operational budget was deemed to be sufficient at the time. These funds are to be held in current and medium-term cash forms.

At the year end general reserves stood at £9.4m, representing seven months' operational budget and comfortably above the target level as determined in 2019.

## POST BALANCE SHEET EVENTS

The implications and consequences of the current Covid-19 pandemic cannot be easily quantified at this early stage, but could have the potential to be extremely far-reaching both financially and operationally. This is the case even where restrictions are lifted according to the government's best estimates. It is difficult to accurately predict how Islamic Relief Worldwide's income will be affected in 2020, but it is anticipated that the coronavirus pandemic will hamper our ability to fundraise in the usual way. Our general reserves policy was developed to mitigate the impact of such scenarios. Additionally, in order to preserve the reserves, a number of other measures have been put in place, which remain under constant review. Resources are currently being redirected to alternative methods of fundraising that do not require face-to-face interaction, such as online platforms. Plans are being implemented to reduce costs and to secure financial support offered to charities by the UK government. Islamic Relief is also reviewing its business model with the wider Islamic Relief partners in order to further stabilise its funding and unrestricted income. It is anticipated that these efforts should, at least in part, mitigate the expected drop in income.

## GOING CONCERN

In view of the financial performance and the reserves position as at the balance sheet date, the Board of Trustees has a reasonable expectation that Islamic Relief Worldwide will have the resources to continue in operational existence for the foreseeable future.

The Trustees believe there are no material uncertainties that call into doubt our ability to continue as a going concern. The annual financial statements have therefore been prepared on the basis that the charity is a going concern.

This Trustees' Annual and Strategic Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 27 June 2020, including approving in their capacity as Directors, the Trustees' Strategic Report and Director's Report contained therein, and is signed as authorised on its behalf by:

**Mrs Lamia El Amri**

Chair of Trustees

27 June 2020



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF ISLAMIC RELIEF WORLDWIDE

## OPINION

We have audited the financial statements of Islamic Relief Worldwide (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2019, which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable in 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 group's and parent charitable company's affairs as at 31 December 2019 and of the group's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## BASIS FOR OPINION

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. We conducted our audit in accordance with International Standards on Auditing UK (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report.

We are independent of the group and parent 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 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.

## THE IMPACT OF MACRO-ECONOMIC UNCERTAINTIES ON OUR AUDIT

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19. All audits assess and challenge the reasonableness of estimates made by the directors and the related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group's future prospects and performance.

Covid-19 is amongst the most significant economic events currently faced by the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties when assessing the group's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a group associated with this particular event.

## CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

In our evaluation of the directors' conclusions, we considered the risks associated with the group's business, including effects arising from macro-economic uncertainties such as Covid-19, and analysed how those risks might affect the group's financial resources or ability to continue operations over the period of at least 12 months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group will continue in operation.

## OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, set out on pages 4 to 93 other than the financial statements and our auditor's report thereon.

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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

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.

## OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Strategic Report and the Directors' Report, prepared for the purposes of company law, included in the Annual Report and Financial Statements for the financial year for which the financial statements are prepared, is consistent with the financial statements.
- the Strategic Report and the Directors' Report included in the Annual Report and Financial Statements have been prepared in accordance with applicable legal requirements.

## MATTER ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report included in the Annual Report and 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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

## RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the Trustees' Responsibilities Statement set out on page 56 to 58, 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, and for such internal control as the trustees determine is 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 group and the parent charitable 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S 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 an auditor's report 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.

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 auditor's report.

## USE OF OUR REPORT

This report is made solely to the charitable company's members and trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under 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 and trustees those matters we are required to state to them in an auditor's 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 its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

**William Devitt**

Senior Statutory Auditor for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants, Birmingham

20 August 2020

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# FINANCIAL STATEMENTS 2019

## Group statement of financial activities and income and expenditure account for the year ended 31 December 2019

| | Unrestricted Funds (£m) | Restricted Funds (£m) | Endowments Funds (£m) | **Total 2019 (£m)** | Total 2018 (£m) | Notes |
|---|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | | |
| Donations and legacies | 11.9 | 105.4 | 0.7 | **118.0** | 106.7 | 2 |
| Other trading activites | 3.4 | - | - | **3.4** | 3.4 | 3 |
| Investments | - | - | 0.5 | **0.5** | 0.5 | 4 |
| Charitable activities | - | 9.1 | - | **9.1** | 17.4 | 5a,b |
| **Total** | 15.3 | 114.5 | 1.2 | **131.0** | 128.0 | |
| **Expenditure on:** | | | | | | |
| Raising funds | | | | | | |
| Costs of generating voluntary income | - | 11.2 | - | **11.2** | 10.5 | 10a |
| Fundraising trading: cost of goods sold and other cost | 3.2 | - | - | **3.2** | 3.4 | 10a |
| Investment management cost | - | - | 0.4 | **0.4** | 0.3 | 10a |
| Charitable activities | 11.1 | 102.1 | - | **113.2** | 114.4 | 10a |
| **Total** | 14.3 | 113.3 | 0.4 | **128.0** | 128.6 | |
| **Net income (expenditure)** | 1.0 | 1.2 | 0.8 | **3.0** | (0.6) | |
| Transfers between funds | 0.4 | - | (0.4) | - | - | 26 |
| **Net movement on funds** | 1.4 | 1.2 | 0.4 | **3.0** | (0.6) | |
| **Reconciliation of funds** | | | | | | |
| Total funds brought forward | 8.0 | 22.5 | 7.0 | **37.5** | 38.1 | |
| **Total funds carried forward** | 9.4 | 23.7 | 7.4 | **40.5** | 37.5 | |



## Group and charity balance sheets as at 31 December 2019

| | **2019 total funds Group (£m)** | **2019 total funds Charity (£m)** | 2018 total funds Group (£m) | 2018 total funds Charity (£m) | Notes |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | **0.0** | **0.0** | 0.0 | 0.0 | 13 |
| Tangible assets | **6.2** | **6.0** | 5.9 | 5.6 | 14,15 |
| Investments | **0.2** | **1.0** | 0.8 | 1.8 | 16 |
| **Total fixed assets** | **6.4** | **7.0** | 6.7 | 7.4 | |
| **Current assets** | | | | | |
| Stocks and work in progress | **0.2** | **-** | 0.1 | - | 17 |
| Debtors due within one year | **13.7** | **13.2** | 11.1 | 10.5 | 18 |
| Cash at bank and in hand | **37.0** | **36.5** | 30.4 | 29.8 | |
| **Total current assets** | **50.9** | **49.7** | 41.6 | 40.3 | |
| **Liabilities** | | | | | |
| Creditors: amounts falling due within one year | **13.3** | **13.2** | 10.8 | 10.4 | 19 |
| **Net current assets** | **37.6** | **36.5** | 30.8 | 29.9 | |
| **Total assets less current liabilities** | **44.0** | **43.5** | 37.5 | 37.3 | |
| Creditors: amounts falling due after more than one year | **3.5** | **3.5** | - | - | |
| **Total assets less total liabilities** | **40.5** | **40.0** | 37.5 | 37.3 | |
| **Total funds** | | | | | |
| Unrestricted funds general | **9.4** | **8.9** | 8.0 | 7.8 | |
| Restricted income funds | **23.7** | **23.7** | 22.5 | 22.5 | 25 |
| Endowment funds | **7.4** | **7.4** | 7.0 | 7.0 | 26 |
| **Total funds** | **40.5** | **40.0** | 37.5 | 37.3 | |

Islamic Relief Worldwide (company number 2365572) uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure Account for Islamic Relief Worldwide alone as a separate entity. Islamic Relief Worldwide as a charity's net surplus was £3.0m (2018 net deficit £0.6m) for the year ended 31 December 2019.

The financial statements on pages 68 to 70 were approved by the board and signed on its behalf by

Tahir Salie
Trustee
4 August 2020
The notes to the accounts on pages 71 to 91 form part of these financial statements.

# Group cash flow statement for the year ended 31 December 2019

| | 2019 (£m) | 2018 (£m) |
|---|---|---|
| **Reconciliation of net income/(expenditure) to net cash flow from operating activities** | | |
| Net income/(expenditure) for the reporting period as per the statement of financial activities (excluding cash flow from endowments) | **2.6** | (1.0) |
| **Adjustments for:** | | |
| Depreciation | **0.4** | 0.3 |
| Amortisation | **0.0** | 0.0 |
| (Gains)/losses on investments | **(0.4)** | 0.0 |
| Decrease/(Increase) in stocks | **(0.1)** | 0.0 |
| Decrease/(Increase) in debtors | **(2.6)** | (0.6) |
| (Decrease)/Increase in creditors | **6.0** | 3.1 |
| Loss/Gains on foreign exchange | **0.5** | 0.5 |
| **Net cash provided by (used in) operating activities** | **6.4** | 2.3 |
| **Cash flows from investing activities** | | |
| Purchase of property, plant and equipment | **(0.7)** | (0.2) |
| Proceeds from the sale of property, plant and equipment | **1.0** | 0.0 |
| **Net cash provided by (used in) investing activities** | **0.3** | (0.2) |
| **Cash flows from financing activities** | | |
| Endowment (waqf) | **0.4** | 0.4 |
| **Net cash provided by (used in) financing activities** | **0.4** | 0.4 |
| **Net increase/(decrease) in cash and cash equivalents** | **7.1** | **2.5** |
| Cash and cash equivalents at the beginning of the reporting period | **30.4** | 28.4 |
| Change in cash and cash equivalents due to exchange rate movements | **(0.5)** | (0.5) |
| **Cash and cash equivalents at the end of the reporting period** | **37.0** | 30.4 |
| **Consisting of:** | | |
| Cash at bank and in hand | **37.0** | 30.4 |



# NOTES TO THE FINANCIAL STATEMENTS

**Company status**

Islamic Relief Worldwide is a charitable company limited by guarantee, without share capital and governed by its Memorandum and Articles originally dated 14 March 1989 and amended as a Memorandum of Association on 9 August 2010 and the Objects amended on 16 March 2020. The company was registered as a charity with the Charity Commission on 6 April 1989. The Principal Address and Registered Office is 19 Rea Street South, Birmingham, B5 6LB. Islamic Relief Worldwide is considered to be a public benefit entity.

**1. Principal accounting policies**

**a. Basis of preparation**
The accounts (financial statements) have been prepared in accordance with the Charities SORP FRS 102 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended 2014).

**b. Going concern**
The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Financial Review.

**c. Consolidation and group financial statements**
The group financial statements consolidate those of Islamic Relief Worldwide, its trading subsidiary TIC International Limited, registered in England and Wales (company registration number: 2796175, 100 per cent shareholding) and the charity International Waqf Fund, a limited company by guarantee (company registration number: 8612172, registered charity number: 1162805). The results of TIC International Limited and International Waqf Fund have been incorporated on a line-by-line basis, in accordance with current legislation.

Islamic Relief Worldwide also controls Islamic Relief UK (company registration number: 5483053). It is registered in England and Wales and during the year the company remained dormant.

Islamic Relief Worldwide has taken advantage of section 408 of the Companies Act 2006 and has not included its own income and expenditure account in the financial statements.

Note 7 gives the full details of the income and expenditure of the trading subsidiaries.

**d. Fund accounting**
**Unrestricted funds:** All donations are considered unrestricted unless specifically stated by the donor. Unrestricted funds comprise the accumulated surplus or deficit on the statement of financial activities which are available for use at the discretion of the trustees of Islamic Relief Worldwide in furtherance of the objectives of the charity.

**Restricted funds:** These are assigned by the donor, or the terms of the appeal, specified by a particular country or project. The donation and income deriving from them will be used in accordance with the specific purposes.

**Endowment (Waqf) funds:** These are funds that have been given to Islamic Relief Worldwide subject to the restriction that they are to be held as capital or spent on a long-term charitable asset. Waqf is employed to generate a return while the original investment remains intact. Waqf returns are used to cater for long-term projects. Waqf is the Islamic equivalent of endowments.

**e. Incoming resources and investment income**
Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably.

**Donations:** This comprises all incoming resources from donations and income from fundraising partners on the basis of that which is remitted to Islamic Relief Worldwide in the UK.

**Charitable income:** Where related to performance and specific deliverables these are accounted for as the charity earns the right to consideration by its performance.

**Other trading activities:** This comprises income generated by TIC International Limited from its trading activities, its charity shops and the sale of merchandise.

**Investment income:** This comprises income generated by Waqf investment and rents receivable Income generated from Waqf forms part of the endowment funds.

**f. Resources expended**
All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to that category.

**Costs of generating funds:** These are costs incurred in attracting voluntary income and those as stated below under the headings 'Costs of generating voluntary income' and 'Fundraising trading'.

**Costs of generating voluntary income:** The costs incurred in seeking voluntary contributions.

**Fundraising trading**: This comprises the group's trading activities, namely the costs associated with the trading activities of TIC International Limited.

**Charitable activities:** These are costs associated with the provision of humanitarian relief and development programmes as elaborated on in the trustees' report section, 'Our global reach.' These include both the direct costs and support costs relating to these activities.

**Governance costs:** These are costs associated with the governance arrangements of Islamic Relief Worldwide. Included within this category are strategic costs as opposed to the day-to-day management of Islamic Relief Worldwide's activities.

**Support costs:** Support costs for a single activity are allocated directly to that activity. Where support costs relate to several activities, support costs have been allocated to each of the activities (stated in Note 10) on the basis of the number of direct staff supported during the period in the relevant activity. Governance support costs are allocated on the basis of support activities provided on clearly interpreted governance matters.

**Investment management cost**: This incorporates costs related to the administration of Waqf and costs relating to the promotion of the concept of Waqf from unrestricted funds; therefore, this element is not charged to capital.

**g. Operating leases**
Rentals paid under operating leases are charged to income as incurred.

**h. Foreign currencies**
Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the balance sheet date, and the gains or losses are included in the income and expenditure account. Foreign exchange gains and losses incurred in respect of humanitarian projects overseas are included in the charitable activities expenditure.

The company's functional and presentational currency is GBP.

**i. Fixed assets and depreciation**
Except for items costing below £500, which are expensed on acquisition, all expenditure of a capital nature is capitalised.

Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight-line basis.

The expected useful lives of the assets to the business are reassessed periodically in the light of experience.

- Freehold buildings over 50 years straight-line basis
- Fixtures and fittings over four years straight-line basis
- Office equipment over four years straight- line basis
- Motor vehicles over five years straight-line basis
- Plant and machinery over eight years straight-line basis

**j. Intangibles**
Intangible assets represent the organisation's registered trademarks. They are stated at cost, less any impairment loss. The useful life of the trademark is estimated to be 10 years. They are amortised and tested for impairment annually where indicators of impairment are identified.

**k. Stocks**
Stocks and work in progress are stated at the lower of cost and net realisable value. Net realisable value is based upon estimated selling prices less further costs expected to be incurred for completion and disposal.

**l. Investments**
Investments consist of unlisted investments, subsidiary undertakings and property. Investments are measured at cost less impairment.

**m. Financial instruments**
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value.

**n. Debtors**
Debtors are measured at the settlement amount after any trade discount offered.

**o. Creditors and provisions**
Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**p. Taxation**
As a registered charity, the company is exempt from taxation of its income and gains to the extent they fall within the charity exemptions in the Corporation Taxes Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992.

The company is unable to recover Value Added Taxation charged on its purchases which is included in the related expense or asset in the accounts.

**q. Volunteers**
Islamic Relief Worldwide appreciates the hard work and dedication of its volunteers across the world. Almost 1,000 volunteers engaged in a number of activities including campaigning and domestic programmes.

**r. Judgements in applying accounting policies and key sources of estimation uncertainty**
Preparation of the financial statements requires management to make significant judgements and estimates.

**Significant judgements:** There are no significant judgements having a material effect on the financial statements.

**Significant estimates:** There are no significant estimates having a material effect on the financial statements.



# NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## 2. Donations and legacies

| | Unrestricted funds £'000 | Restricted funds £'000 | Endowment funds £'000 | **Total 2019 £'000** | Total 2018 £'000 | Notes |
|---|---|---|---|---|---|---|
| **Donations, appeals and fundraising events** | | | | | | |
| United Kingdom* | 11,221 | 15,329 | 122 | **26,672** | 24,944 | |
| Islamic Relief partners | 61 | 86,061 | - | **86,122** | 72,473 | 6 |
| International fundraising** | 655 | 2,869 | 576 | **4,100** | 6,869 | |
| Disasters Emergency Committee*** | - | 1,183 | - | **1,183** | 2,371 | |
| **Total** | 11,937 | 105,442 | 698 | **118,077** | 106,657 | |

* Figure includes:

£1,130,138 of Aid Match funding from the Department for International Development (DFID) towards an integrated development project in Sudan. The project aims to reduce hunger and vulnerability through the redevelopment of rural villages in Blue Nile and Greater Kordofan, providing water and sanitation, healthcare, education and livelihoods.

Gift Aid tax recovered on donations made by UK taxpayers which, although accounted for within unrestricted funds, is utilised for both unrestricted and restricted purposes.

** International fundraising includes countries in the Middle East and Emerging Markets in which Islamic Relief does not have a permanent presence.

***The Disasters Emergency Committee (DEC) is an umbrella organisation of 14 humanitarian aid agencies, including Islamic Relief, that work together in times of crisis. For further information, visit: www.dec.org.uk

# 3. Other trading activities

| Trading subsidiaries | Total 2019 £'000 | Total 2018 £'000 |
|---|---|---|
| **TIC** | | |
| Income from charitable shops | **1,219** | 1,142 |
| Clothes recycling income | **2,219** | 2,252 |
| **Subtotal** | **3,438** | 3,394 |
| SIF | **-** | 37 |
| **Total** | **3,438** | 3,431 |

# 4. Investments

| | Total 2019 £'000 | Total 2018 £'000 |
|---|---|---|
| Return on Waqf | **479** | 457 |
| **Total** | **479** | 457 |



# 5a. Charitable income by institution – non Middle East and Emerging Markets

| | Protecting life and dignity 2019 £'000 | Empowering communities 2019 £'000 | Total 2019 £'000 | Total 2018 £'000 |
|---|---|---|---|---|
| **Institutions** | | | | |
| United Nations Development Programme | 266 | 503 | **769** | 734 |
| Secours Islamique France | - | 752 | **752** | 1,841 |
| United Nations OCHA | 97 | 644 | **741** | 819 |
| Save the Children | 488 | 10 | **498** | 487 |
| Stichting Zoa | - | 421 | **421** | 278 |
| United Nations Children Fund (UNICEF) | - | 287 | **287** | 162 |
| CARE Deutschland (CARE Germany) | 132 | - | **132** | - |
| Trocaire | - | 107 | **107** | 109 |
| Scottish Government International Development Fund | 97 | - | **97** | - |
| Finn Church Aid | 12 | 43 | **55** | - |
| Columbia University | - | 33 | **33** | - |
| European Commission | 15 | - | **15** | 359 |
| Catholic Relief Services (CRS) | - | - | **-** | 21 |
| Tearfund | - | - | **-** | 336 |
| European Commission for Humanitarian Operations | - | - | **-** | 280 |
| Swiss Federal Dept of Foreign Affairs | - | - | **-** | 257 |
| Charity Commission | - | - | **-** | 85 |
| Catholic Agency for Overseas Development | - | - | **-** | 45 |
| HelpAge International | - | - | **-** | 6 |
| UNAIDS | - | - | **-** | 6 |
| World Vision Germany | - | - | **-** | 3 |
| **Subtotal** | 1,107 | 2,800 | **3,907** | 5,828 |
| **In-kind donations** | | | | |
| Globus Relief | 2,044 | - | **2,044** | 2,233 |
| **Total** | 3,151 | 2,800 | **5,951** | 8,061 |

# 5b. Charitable income by institution – Middle East and Emerging Markets

| | Protecting life and dignity 2019 £'000 | Empowering communities 2019 £'000 | **Total 2019 £'000** | Total 2018 £'000 |
|---|---|---|---|---|
| **Name** | | | | |
| Islamic Development Bank | 143 | 496 | **639** | 1,370 |
| Kuwait Zakat House | 191 | 395 | **586** | 740 |
| Qatar Charity | 491 | 74 | **565** | 1,082 |
| Qatar Red Crescent | 475 | - | **475** | - |
| Sheikh Abdullah Al Nouri Charity – Kuwait | 157 | 219 | **376** | 793 |
| International Islamic Charitable Organisation Kuwait | 82 | 103 | **185** | 164 |
| Reach Out to Asia – Qatar | - | 139 | **139** | - |
| Organization of Islamic Cooperation Humanitarian Funds | 20 | 50 | **70** | 1,363 |
| Islamic Cultural Centre Panama | - | 15 | **15** | - |
| Salam Organisation for Humanitarian and Charitable Activities | - | - | **0** | 758 |
| Jordanian Hashemite Charity Organisation | - | - | **0** | 172 |
| Sheikh Thani Bin Abdullah Foundation for Humanitarian Service | - | - | **0** | 35 |
| Jassim and Hamed Bin Jassim Charitable Foundation | - | - | **0** | 5 |
| Islamic Foundation Ireland | - | - | **0** | 2 |
| **Subtotal** | 1,559 | 1,491 | **3,050** | 6,484 |
| **In-kind donations** | | | | |
| Islamic Cultural Centre Panama | 53 | - | **53** | - |
| Islamic Development Bank | - | - | **-** | 2,844 |
| **Total in-kind donations** | 53 | - | **53** | 2,844 |
| **Subtotal (including In-kind donations)** | 1,612 | 1,491 | **3,103** | 9,328 |
| **Total all institutions** | 4,763 | 4,291 | **9,054** | 17,389 |



# 6. Donations disclosure by partner

| | Protecting life and dignity 2019 £'000 | Empowering communities 2019 £'000 | **Total 2019 £'000** | Total 2018 £'000 |
|---|---|---|---|---|
| **Name** | | | | |
| Islamic Relief USA | 13,921 | 15,077 | **28,998** | 21,226 |
| Islamic Relief Canada | 7,242 | 12,341 | **19,583** | 12,900 |
| Islamic Relief Sweden | 12,257 | 955 | **13,212** | 13,250 |
| Islamic Relief Germany | 4,978 | 5,426 | **10,404** | 10,033 |
| Islamic Relief Netherlands* | 1,446 | 1,769 | **3,215** | 2,549 |
| Islamic Relief Switzerland | 946 | 2,208 | **3,154** | 3,589 |
| Islamic Relief South Africa | 346 | 1,349 | **1,695** | 1,425 |
| Islamic Relief Australia | 757 | 876 | **1,633** | 1,573 |
| Islamic Relief Belgium* | 489 | 905 | **1,394** | 1,434 |
| Islamic Relief Mauritius** | 441 | 865 | **1,306** | 1,335 |
| Islamic Relief Malaysia | 472 | 249 | **721** | 2,218 |
| Islamic Relief Ireland | 138 | 108 | **246** | 100 |
| Islamic Relief Spain | 40 | 194 | **234** | 225 |
| Islamic Relief Italy | 29 | 121 | **150** | 333 |
| Islamic Relief Bosnia and Herzegovina | 122 | 22 | **144** | 113 |
| Islamic Relief Norway | 24 | 1 | **25** | 170 |
| Islamic Relief Singapore | 8 | - | **8** | - |
| **Total** | 43,656 | 42,466 | **86,122** | 72,473 |

All partners are separate legal entities reporting locally in their respective countries. These amounts represent those transmitted to Islamic Relief Worldwide to be applied to Islamic Relief Worldwide projects.

* Licence agreement not signed

** Islamic Relief Mauritius is incorporated as a branch of Islamic Relief Worldwide with local directors appointed to oversee operations, and its transactions and balances are included within the accounts of Islamic Relief Worldwide.

# 7. Results from trading subsidiaries

| | Total 2019 £'000 | Total 2018 £'000 |
|---|---|---|
| Subsidiary trading income | **2,219** | 2,289 |
| Income from charitable shops managed by TIC International Limited | **1,219** | 1,142 |
| **Total** | **3,438** | 3,431 |
| | | |
| Operating and administrative costs | **3,220** | 3,366 |
| Net profit/(loss) for the year | **218** | 65 |
| | | |
| Amounts gift aided to Islamic Relief Worldwide | **-** | 76 |
| Retained in subsidiary | **218** | (11) |
| | | |
| **The assets and liabilities of the subsidiaries were:** | | |
| Fixed assets | **269** | 308 |
| Current assets | **1,162** | 1,317 |
| Current liabilities | **(127)** | (444) |
| **Total net assets** | **1,304** | 1,181 |
| | | |
| **Aggregate share capital and reserves** | **1,304** | 1,181 |

In 2019 a Gift Aid payment of £144,181 (2018: £36,049) was received from TIC International Ltd representing the taxable profits generated by the Company in 2018.

SIF Invest was a subsidiary of Islamic Relief Worldwide but was sold in 2018 and is no longer part of the Group. In 2018 SIF Invest generated losses of £11,000 and had total net assets of £171,000. In 2019 on the results of TIC International Limited have been consolidated.



# 8. Governance

| | Activities undertaken directly 2019 £'000 | Activities undertaken directly 2018 £'000 |
|---|---|---|
| External audit and statutory accounts | **92** | 73 |
| Legal and consultancy | **308** | 252 |
| Trustee expenses and board meeting costs | **55** | 41 |
| Internal audit | **315** | 257 |
| **Total** | **770** | 623 |

# 9. Trustees' remuneration

| | 2019 £'000 | 2018 £'000 |
|---|---|---|
| Trustee expenses and board meeting costs | | |
| Meetings | **12** | 19 |
| Travel | **42** | 21 |
| Telecommunications | **1** | 1 |
| **Total** | **55** | 41 |
| | | |
| The number of Trustees claiming expenses | **6** | 7 |

Apart from expenses, trustees are not remunerated. Neither the trustees, nor any persons connected with them, have received any remuneration, either in the current year or the prior year.

# 10a. Total resources expended

| | Total support costs 2019 £'000 | Activities undertaken directly 2019 £'000 | **Total 2019 £'000** | Total 2018 £'000 |
|---|---|---|---|---|
| **Costs of generating funds** | | | | |
| Fundraising and publicity costs | 2,168 | 7,676 | **9,844** | 9,200 |
| **Campaigns and events costs:** | | | | |
| Protecting life and dignity | 181 | 1,104 | **1,285** | 1,213 |
| Empowering communities | 13 | 79 | **92** | 87 |
| Campaigning for change | 2 | 9 | **11** | 9 |
| Islamic Relief Mauritius | - | 9 | **9** | 3 |
| **Total costs of generating voluntary income** | 2,364 | 8,877 | **11,241** | 10,512 |
| Fundraising trading – subsidiary costs | 387 | 2,833 | **3,220** | 3,363 |
| Investment management costs | 71 | 325 | **396** | 262 |
| **Total** | 2,822 | 12,035 | **14,857** | 14,137 |
| | | | | |
| **Cost of charitable activities** | | | | |
| Campaigning for change | 467 | 1,467 | **1,934** | 1,946 |
| Protecting life and dignity | 387 | 59,860 | **60,247** | 65,490 |
| Empowering communities | | | | |
| - Access to healthcare and water | 808 | 10,894 | **11,702** | 12,145 |
| - Caring for orphans and children | 160 | 26,217 | **26,377** | 26,172 |
| - Supporting education | 404 | 3,960 | **4,364** | 3,486 |
| - Sustainable livelihoods | 407 | 8,186 | **8,593** | 5,186 |
| **Total** | 2,633 | 110,584 | **113,217** | 114,425 |
| | | | | |
| **Total resources expended** | 5,455 | 122,619 | **128,074** | 128,562 |

# 10b. Support costs

| | Costs of generating voluntary income £'000 | Fundraising trading subsidiary costs £'000 | Investment management costs £'000 | Cost of charitable activities £'000 | **Total costs 2019 £'000** | Total costs 2018 £'000 |
|---|---|---|---|---|---|---|
| **Costs of generating funds** | | | | | | |
| Subsidiary | - | 387 | - | - | **387** | 481 |
| Management and administration | 903 | - | 27 | 1,009 | **1,939** | 1778 |
| Finance | 249 | - | 8 | 279 | **536** | 353 |
| Human resources | 265 | - | 8 | 296 | **569** | 546 |
| Information technology | 407 | - | 12 | 454 | **873** | 793 |
| Facilities | 540 | - | 16 | 595 | **1,151** | 940 |
| **Total** | 2,364 | 387 | 71 | 2,633 | **5,455** | 4,891 |

Support costs have been allocated to each of the above activities on the basis of the number of direct staff supported during the period in the relevant activity. Governance support costs are allocated on the basis of support activities provided on clearly interpreted governance matters.

# 11. Net incoming resources

| | **2019 £'000** | 2018 £'000 |
|---|---|---|
| **This is stated after charging/(crediting):** | | |
| Auditors' remuneration including non-audit services | **92** | 73 |
| Depreciation | **360** | 343 |
| Operating leases rental other than plant and machinery | **269** | 269 |
| Exchange (gain)/loss | **1,338** | 1,605 |

| | **2019 £'000** | 2019 £'000 |
|---|---|---|
| Fees payable to company's auditors for the audit of the company's annual accounts | **68** | 66 |
| Fees payable to company's auditors for the audit of the company's subsidiaries pursuant to legislation | **12** | 7 |
| Tax compliance/advisory | **12** | 3 |
| **Total fees** | **92** | 76 |

# 12. Staff costs and emoluments

| | Group 2019 £'000 | Group 2018 £'000 |
|---|---|---|
| Gross salaries | **13,610** | 12,641 |
| Employer's National Insurance | **1,035** | 962 |
| Employer's pension | **599** | 211 |
| **Total** | **15,244** | 13,814 |

| | Group 2019 Number | Group 2018 Number |
|---|---|---|
| **Average number of employees** | | |
| Engaged in raising funds | **235** | 227 |
| Engaged in charitable activities | **131** | 135 |
| Engaged in support activities | **103** | 95 |
| **Total** | **469** | 457 |

Employee numbers do not include trustees as they are not paid employees, and also do not include staff employed by Islamic Relief independent implementing partners.

| | 2019 | 2018 |
|---|---|---|
| The number of employees with emoluments between £60,000 to £70,000 per annum | **0** | 0 |
| The number of employees with emoluments between £70,000 to £80,000 per annum | **4** | 4 |
| The number of employees with emoluments between £80,000 to £90,000 per annum | **3** | 3 |
| The number of employees with emoluments between £90,000 to £100,000 per annum | **0** | 1* |
| The number of employees with emoluments between £100,000 to £110,000 per annum | **1*** | 0 |

Total redundancies for the year ended 31 December 2019: £8,178 (2018: £59,204)

Key management remuneration
Executive management team remuneration during the year totalled £797,716 (2018: £710,371).
Aggregate pension contribution included in total remuneration figure £42,016 (2018: £10,805).

* The individual remunerated in the £100-110k band in this report for 2019, and previously in the £90-100k band in our Annual Report and Accounts for 2018, was a specialist financial consultant engaged on an interim basis who has now left the organisation.



# 13. Intangible assets: Group and Charity

| Group trademarks | 2019 £'000 |
|---|---|
| **Cost** | |
| At 1 January 2019 | **188** |
| **At 31 December 2019** | **188** |
| **Accumulated amortisation** | |
| At 1 January 2019 | **(165)** |
| Charge for the year | **(10)** |
| **At 31 December 2019** | **(175)** |
| **Net book value** | |
| **At 31 December 2019** | **13** |
| At 31 December 2018 | **23** |

Trademarks are depreciated over their economic life of 10 years.

# 14. Group tangible assets

| Group | Freehold land & buildings £'000 | Plant and machinery £'000 | Fixtures, fittings and office equipment £'000 | Motor vehicles £'000 | Total £'000 |
|---|---|---|---|---|---|
| **Cost/valuation** | | | | | |
| At 1 January 2019 | 7,381 | 610 | 3,729 | 249 | **11,969** |
| Additions | 316 | 2 | 396 | 19 | **733** |
| Disposals | - | - | (17) | (29) | **(46)** |
| **At 31 December 2019** | 7,697 | 612 | 4,108 | 239 | **12,656** |
| **Accumulated depreciation** | | | | | |
| At 1 January 2019 | 1,895 | 513 | 3,479 | 224 | **6,111** |
| Charge for the year | 161 | 37 | 150 | 12 | **360** |
| Disposals | - | - | (16) | (29) | **(45)** |
| **At 31 December 2019** | 2,056 | 550 | 3,613 | 207 | **6,426** |
| **Net book value** | | | | | |
| **At 31 December 2019** | 5,641 | 62 | 495 | 32 | **6,230** |
| At 31 December 2018 | 5,486 | 97 | 250 | 25 | 5,858 |

Freehold property is valued at historical cost and depreciated. Freehold properties include properties held by Islamic Relief Worldwide for its own use and that of its trading subsidiary.

# 15. Charity tangible assets

| Charity | Freehold land and buildings £'000 | Fixtures, fittings and office equipment £'000 | Motor vehicles £'000 | **Total £'000** |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 January 2019 | 7,161 | 3,571 | 153 | **10,885** |
| Additions | 316 | 388 | - | **704** |
| Disposals | - | (17) | (29) | **(46)** |
| **At 31 December 2019** | 7,477 | 3,942 | 124 | **11,543** |
| **Accumulated depreciation** | | | | |
| At 1 January 2019 | 1,790 | 3,401 | 143 | **5,334** |
| Charge for the year | 146 | 144 | 5 | **295** |
| Disposals | - | (16) | (29) | **(45)** |
| **At 31 December 2019** | 1,936 | 3,529 | 119 | **5,584** |
| **Net book value** | | | | |
| **At 31 December 2019** | 5,541 | 413 | 5 | **5,959** |
| At 31 December 2018 | 5,371 | 170 | 10 | 5,550 |

All assets are used for charitable purposes and there are no inalienable or heritage assets.

# 16. Investments

| | **Total Group £'000** | **Total Charity £'000** |
|---|---|---|
| As at 1 January 2019 | 803 | 1,770 |
| Increase/(decrease) in value | (634) | (725) |
| **As at 31 December 2019** | **169** | **1,045** |

In September 2019 Islamic Relief Worldwide sold the 99 per cent of share capital it held in SIF Invest, a company incorporated in France for €1,132,757, equivalent of £1,002,059.

The above note includes the following remaining significant investments:

An investment in Islamic Relief Worldwide's subsidiary TIC International Limited (£860,309), which provides clothes recycling services. TIC International Limited is incorporated in the United Kingdom.

An investment property located in Bradford, UK which was kindly gifted to Islamic Relief. The property's value is included in the valuation at the time of the donation (£62,000). The trustees are satisfied that the current value of the Bradford property represents market value.

An investment property located in Arbroath, UK which was kindly gifted to Islamic Relief. The property's value is included in the valuation at the time of the donation (£55,000). The trustees are satisfied that the current value of the Arbroath property represents market value.



# 17. Stocks and work in progress

| | **Group 2019 £'000** | Group 2018 £'000 |
|---|---|---|
| **Donated clothing** | **186** | 128 |

# 18. Debtors

| | **Group 2019 £'000** | **Charity 2019 £'000** | Group 2018 £'000 | Charity 2018 £'000 |
|---|---|---|---|---|
| Trade debtors | **439** | **-** | 494 | - |
| Amounts owed from group undertakings | **-** | **89** | - | 119 |
| Prepayments and accrued income | **794** | **794** | 790 | 790 |
| Other debtors | **12,449** | **12,273** | 9,768 | 9,634 |
| **Total** | **13,682** | **13,156** | 11,052 | 10,543 |

Other debtors include a £0.75 million Gift Aid claim and amounts owed by partners for costs incurred on their behalf for operational matters.

# 19. Creditors

| | Group 2019 £'000 | Charity 2019 £'000 | Group 2018 £'000 | Charity 2018 £'000 |
|---|---|---|---|---|
| **Creditors: amounts falling due within one year** | | | | |
| Trade creditors | **1,496** | **1,352** | 1,435 | 1,293 |
| Accruals and deferred income* | **2,500** | **2,541** | 1,432 | 1,175 |
| Tax and social security | **254** | **230** | 253 | 238 |
| Other creditors** | **8,998** | **8,982** | 7,631 | 7,631 |
| Unpaid pension contributions | **78** | **78** | 43 | 43 |
| **Total** | **13,326** | **13,183** | 10,794 | 10,380 |
| | | | | |
| **Creditors: amounts falling due after more than one year** | | | | |
| **Bank loan > 1 year ***** | **3,500** | **3,500** | - | - |

*Deferred income comprises income received in advance that the donor has specified must be used in future accounting periods.

**Other creditors represents amounts due to Islamic Relief independent implementing partners for projects committed to and implemented during 2019.

*** This is a Shariah compliant 'murabaha' facility with Al-Rayan Bank. As security for its obligations to the Bank under the terms of the facility, Islamic Relief Worldwide has provided a charge over its offices at 16 Lower Marsh St, London.

| | Balance as at 1 January 2019 £'000 | Deferred £'000 | Released £'000 | Balance as at 31 December 2019 £'000 |
|---|---|---|---|---|
| **Deferred income** | | | | |
| Islamic Relief partners | 813 | 1,440 | (813) | **1,440** |
| International fundraising | 269 | 149 | (269) | **149** |
| **Total** | 1,082 | 1,589 | (1,082) | **1,589** |



# 20. Financial instruments

| | 2019 £'000 | 2018 £'000 |
|---|---|---|
| **Financial assets measured at amortised cost** | | |
| Debtors | **12,888** | 10,294 |
| Cash | **37,028** | 30,448 |
| **Total** | **49,916** | 40,742 |
| | | |
| **Financial liabilities measured at amortised cost** | | |
| Creditors | **14,039** | 9,145 |
| Accruals | **912** | 350 |
| **Total** | **14,951** | 9,495 |

# 21. Commitments

| | Group 2019 £'000 | Charity 2019 £'000 | Group 2018 £'000 | Charity 2018 £'000 |
|---|---|---|---|---|
| **Operating leases other than plant and machinery** | | | | |
| Less than one year | **269** | **269** | 269 | 269 |
| Between 2–5 years | **958** | **958** | 1,020 | 1,020 |
| More than 5 years | **1,425** | **1,425** | 1,631 | 1,631 |
| **Total** | **2,652** | **2,652** | 2,920 | 2,920 |

As at 31 December 2019, the group had no capital commitments (2018: £nil).

# 22. Pension costs

The charity operates a group personal pension scheme. As of 2014 it became a statutory requirement for all employees to be made a part of the pension scheme and the charity makes a contribution to this. Employees can opt out of the scheme if they choose.

# 23. Analysis of assets and liabilities representing funds

| At 31 December 2019 | Unrestricted Funds £'000 | Restricted Funds £'000 | Endowment Funds £'000 | **Total £'000** |
|---|---|---|---|---|
| **Group** | | | | |
| Tangible and Intangible fixed assets | - | - | 6,412 | **6,412** |
| Current Assets | 25,636 | 24,274 | 986 | **50,896** |
| Liabilities | (16,242) | (584) | - | **(16,826)** |
| **Total** | 9,394 | 23,690 | 7,398 | **40,482** |

| At 31 December 2018 | Unrestricted Funds £'000 | Restricted Funds £'000 | Endowment Funds £'000 | **Total £'000** |
|---|---|---|---|---|
| **Group** | | | | |
| Tangible and intangible fixed assets | - | - | 6,684 | **6,684** |
| Current Assets | 10,011 | 31,290 | 317 | **41,618** |
| Liabilities | (2,006) | (8,788) | - | **(10,794)** |
| **Total** | 8,005 | 22,502 | 7,001 | **37,508** |

# 24. Unrestricted funds

| | **General reserve 2019 £'000** | General reserve 2018 £'000 |
|---|---|---|
| Balance as at 1 January 2019 | **8,005** | 8,793 |
| Net incoming resources | **1,006** | (1,153) |
| Movement from endowment funds* | **383** | 365 |
| **Balance as at 31 December 2019** | **9,394** | 8,005 |

*This is a movement of the returns generated to unrestricted funds for humanitarian projects.



# 25. Restricted income funds

| | Opening balance £'000 | Income £'000 | Expenditure £'000 | **Total 2019 £'000** | Total 2018 £'000 |
|---|---|---|---|---|---|
| **Appeal funds** | | | | | |
| Protecting life and dignity | 8,475 | 58,775 | 59,040 | **8,210** | 8,475 |
| Caring for orphans and children in need | 1,784 | 25,949 | 27,554 | **179** | 1,784 |
| Supporting education | 2,422 | 4,197 | 3,893 | **2,726** | 2,422 |
| Providing access to healthcare and water | 8,970 | 11,485 | 11,122 | **9,333** | 8,970 |
| Sustainable livelihoods | 851 | 14,090 | 11,700 | **3,241** | 851 |
| **Total** | 22,502 | 114,496 | 113,309 | **23,689** | 22,502 |

Restricted funds are funds subject to specific trusts, which have been declared by the donors at the time of donation or created through legal process. All restricted funds of Islamic Relief Worldwide have been used to implement specific humanitarian projects in particular areas of the relief stated above.

Zakat funds (annual religious payments by able Muslims to help the poor) have been used to cover shortfalls in zakat-eligible emergency, health, sustainable livelihood and water and sanitation projects implemented in various countries. Further shortfalls were covered using unrestricted funds.

# 26. Endowment funds

| | Balance as at 1 January 2019 £'000 | Total incoming resources £'000 | Return on investments £'000 | Total available resources £'000 | Total resources expended £'000 | Transfer £'000 | **Balance as at 31 December 2019 £'000** | Balance as at 31 December 2018 £'000 |
|---|---|---|---|---|---|---|---|---|
| **Endowment funds** | | | | | | | | |
| Protecting life and dignity | 360 | - | 23 | 383 | 2 | 18 | **363** | 360 |
| Empowering communities | 6,641 | 698 | 456 | 7,795 | 394 | 365 | **7,036** | 6,641 |
| **Total** | 7,001 | 698 | 479 | 8,178 | 396 | 383 | **7,399** | 7,001 |

Waqf funds are permanent endowment funds that are held within the charity to generate further funds. These are currently invested in the properties of Islamic Relief Worldwide.

Waqf investments give a seven per cent (notional and internally allocated) annual return on capital, from which projects are implemented for the purpose of Waqf shares. A proportion of the return is also added back to the capital to ensure growth for reinvestment in future years.

In 2019, income from these Waqf investments amounting to £479,236 will finance future long-term sustainable humanitarian development projects. Of this, £383,389 has been transferred to unrestricted funds to finance future humanitarian development projects.

# 27. Related parties

Some of the Trustees of Islamic Relief Worldwide were also Trustees of the following Islamic Relief Partners in the period; Islamic Relief Australia, Islamic Relief Germany, Islamic Relief Malaysia, Islamic Relief South Africa and Islamic Relief Sweden. The income from these related parties in 2019 is given in note 6. The amounts due from these related parties as at 31 December 2019 were as follows - Islamic Relief Australia £306,505, Islamic Relief Germany £573,530, Islamic Relief Malaysia £174,085, Islamic Relief South Africa £313,850 and Islamic Relief Sweden £820,765.

In 2019 a Gift Aid payment of £144,181 (2018: £36,049) was received from TIC International Ltd representing the taxable profits generated by the Company in 2018.

# 28. Analysis of changes in debt

| | **2019 £'000** | 2018 £'000 |
|---|---|---|
| At start of year | **30,448** | 28,437 |
| Loans falling due after more than one year | **3,500** | - |
| Foreign exchange movements | **(455)** | (510) |
| Endowment (Waqf) | **398** | 416 |
| Cash/cash equivalents | **3,137** | 2,105 |
| **At end of year** | **37,028** | 30,448 |



# 29. Statement of financial activities and income and expenditure account comparatives for prior year

| | Unrestricted funds £m | Restricted funds £m | Endowment funds £m | **Total 2018 £m** | Notes |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Donations and legacies | 11.9 | 94.4 | 0.4 | **106.7** | 2 |
| Other trading activities | 3.4 | - | - | **3.4** | 3 |
| Investments | - | - | 0.5 | **0.5** | 4 |
| Charitable activities | 0.1 | 17.3 | - | **17.4** | 5 |
| **Total** | 15.4 | 111.7 | 0.9 | **128.0** | |
| **Expenditure on:** | | | | | |
| Raising funds | | | | | |
| Costs of generating voluntary income | - | 10.5 | - | **10.5** | 10a |
| Fundraising trading: cost of goods sold and other costs | 3.4 | - | - | **3.4** | 10a |
| Investment management cost | 0.2 | - | 0.1 | **0.3** | 10a |
| Charitable activities | 13 | 101 | - | **114** | 10a |
| **Total** | 16.6 | 111.9 | 0.1 | **128.6** | |
| Net income (expenditure) | (1.2) | (0.3) | 0.8 | **(0.6)** | |
| Transfers between funds | 0.4 | - | (0.4) | **-** | 26 |
| Net movement on funds | (0.8) | (0.3) | 0.4 | **(0.6)** | |
| **Reconciliation of funds:** | | | | | |
| Total funds brought forward | 8.8 | 22.8 | 6.6 | **38.1** | |
| Total funds carried forward | 8.0 | 22.5 | 7.0 | **37.5** | |

# CORPORATE DIRECTORY

**England and Wales charity registration number**
328158

**Scotland charity registration number**
SC042020

**Company registration number**
02365572

**Address of principal office**
19 Rea Street South, Birmingham B5 6LB

**Board of Trustees**

**Mrs Lamia El Amri** Chairperson of Board of Trustees

**Mr Adnan Abdul Rahman Saif** (resigned 27 April 2019)

**Dr Almoutaz Tayara**

**Mr Heshmat Khalifa Ahmed Khalifa** (resigned 16 July 2020)

**Mr Moegamat Tahir Salie**

**Dr Mohamed Amr Attawia**

**Company Secretary**
**Mr Khaleel Desai** (appointed 27 April 2019)

**Executive management team**

**Mr Naser Haghamed,** Chief Executive Officer

**Dr Hossam Said,** Managing Director of Humanitarian Academy for Development

**Mr Khaleel Desai,** Head of Governance

**Mr Martin Cottingham,** Director of External Relations and Advocacy

**Mr Nasir Rafiq,** Interim Director of Finance and Corporate Services (resigned 29 November 2019)

**Mr Sultan Hussain,** Deputy Director of Finance and Treasury (appointed 24 July 2019)

**Mr Tayeb Abdoun,** Director of the Network and Resources Development Division

**Mr Tufail Hussain,** Islamic Relief UK Director (appointed 10 July 2019)

**Mr Waseem Ahmad,** Director of International Programmes Division

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**“Whoever saves a life,
saves the whole of mankind”**

(Qur’an, 5:32)

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