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# Islamic Relief Worldwide

2011 Annual Report and Financial Statements

# Our Vision

Inspired by our 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.

# Our Mission

Exemplifying our Islamic values, we will mobilise resources, build partnerships, and develop local capacity, as we work to:

- Enable communities to mitigate the effect of disasters, prepare for their occurrence and respond by providing relief, protection and recovery
- Promote integrated development and environmental custodianship with a focus on sustainable livelihoods
- Support the marginalised and vulnerable to voice their needs and address root causes of poverty

We allocate these resources regardless of race, political affiliation, gender or belief, and without expecting anything in return

# Our Values

We remain guided by the timeless values and teachings provided by the revelations contained within the Qur'an and prophetic example, most specifically:

*Sincerity (Ikhlas)* In responding to poverty and suffering our efforts are driven by sincerity to God and the need to fulfil our obligations to humanity

*Excellence (Ihsan)* Our actions in tackling poverty are marked by excellence in our operations and conduct which are deserving of the people we serve

*Compassion (Rahma)* We believe the protection and well-being of every life is of paramount importance and we shall join with other humanitarian actors to act as one in responding to suffering brought on by disasters, poverty and injustice

*Social Justice (Adl)* Our work is founded on enabling people and institutions to fulfil the rights of the poor and vulnerable. We work to empower the dispossessed towards realising their God-given human potential and developing their capabilities and resources

*Custodianship (Amana)* We uphold our duty of custodianship over the earth, its resources and the trust people place in us as humanitarian and development practitioners to be transparent and accountable

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# Message from the Chair

*As salamu alaykum*  
Peace be upon you all

This year marked one of the most significant milestones for Islamic Relief since it was established more than 27 years ago. 2011 was the year we embraced a new and important strategic direction which responds to the emerging challenges that we face in the battle against poverty, suffering, and social injustice.

Our new global strategy recognises that poor and suffering people have defined rights over us - resonating much more directly with the principles of our faith - and emphasises the value that faith perspectives bring to the humanitarian agenda. It sets out a clear leadership role for Islamic Relief in addressing the underlying causes of poverty, and in helping people to prepare for crisis and disasters across the world.

We are focussing our programmes more on building the capacity of communities, enabling communities to adapt to climate change, and ensuring child protection and welfare. We are also working to address inequalities, particularly in good governance, rights, gender justice, and child welfare. This is complemented by a focus on strengthening the Islamic Relief family itself, and includes significant developments to our global governance arrangements.

As we embark on this journey, the Board of Trustees would like to thank our outgoing CEO, Saleh Saeed, for his leadership and dedication which has allowed us to achieve all that we have over the past few years and set the course for the next phase of our work. We would also like to welcome Dr Mohamed Ashmawey, our incumbent CEO, who arrives with years of experience in the corporate world that will help us in our drive towards greater efficiency and effectiveness in our work.

I welcome you to this report, which gives you information about our new global strategy and how, with the generous support of our donors, this innovative approach is already allowing us to deepen the positive impact we make on the lives of the poorest people in the world.

**Dr Essam El Haddad**  
Chair of the Board of Trustees

# Message from the CEO

*As salamu alaykum*  
Peace be upon you all

In 2011, Islamic Relief, by the grace of God, continued to alleviate suffering through its humanitarian programmes around the world

In east Africa we were able to deliver food and relief commodities to the millions who faced starvation. In north Africa and the Middle East, our response to the humanitarian fall-out from the Arab Spring extended to over four countries, with Islamic Relief being one of the first NGOs to reach those displaced by violence in Libya

In line with our new organisational strategy launched this year, we focussed our efforts on building local capacity and long-term resilience. We did this effectively in Pakistan through integrated development programmes, in Haiti through rebuilding communities and by promoting disaster preparedness and prevention in Bangladesh

Our sustainable development work in 2011 included developing sea fisheries in Indonesia, helping farmers increase their income in the West Bank and supporting the production of Arabic gum for poor communities in rural Chad. Our new global strategy also commits us to developing our own capacity to increase impact and one of the ways we did this is by opening a new office in Australia. We were also pleased to receive a positive Disasters Emergency

Committee (DEC) Accountability report this year, which demonstrates the strides we have taken in developing our accountability and transparency standards even further

Many of these achievements were driven by the efforts of my predecessor, Saleh Saeed, who dedicated over three years to Islamic Relief before handing over to me in February 2012. I would like to thank him for all his sincerity and hard work, on behalf of all those whose lives have been touched by Islamic Relief

As I look forward to taking Islamic Relief further in the service of humanity, I present to you our Annual Report and Financial Statements 2011, with a big thank you for your continued support

Wa salaam/ In peace

**Dr Mohamed Ashmawey**  
CEO of Islamic Relief Worldwide

# An innovative **new strategy**

This year saw Islamic Relief kick-start an innovative new strategic direction, which brings our vision, mission and values in line with the much-needed work we will be doing over the next five years.

Our new strategy is informed by a comprehensive review in 2010 of our organisational strategy, where we examined the values, motivation and approach that we base our work on

## Embracing a new understanding of poverty

Our understanding of poverty and development has moved on, and now resonates much more directly with the principles of our faith

In 2011, we left behind a 'needs based' outlook and embraced a 'rights based' approach which recognises that poor and suffering people have rights over us, as defined in the Qur'an and Sunnah

## Leading the way in Islamic humanitarianism

Our new strategy for 2011-2015 provides the potential for crucial leadership in three vital areas

- ◆ Understanding the threats to our world and preparing people for them
- ◆ Addressing the underlying causes of poverty through our programmes and policies
- ◆ Developing a deeper faith-based framework for humanitarianism and development that offers leadership and guidance on issues affecting the developing world

# Key strategic areas

We will be focusing on four strategic areas in our work from 2011 to 2015

## 1 Protecting life and dignity

Islamic Relief has been providing emergency relief for over 25 years and we will continue to work in this critical area through disaster response, preparedness and risk reduction

*"Whoever saves one life, it is as if he saved all humankind "* Qur'an, 5 32

## 2. Empowering communities

Islamic Relief works to tackle both the symptoms and the causes of poverty We will continue to work closely with local communities through integrated sustainable development programmes that empower people to bring positive, long-term, change to their lives

*"God does not change the condition of a people until they change what is in themselves "* Qur'an, 13 11

## 3. Campaigning for change

Islamic Relief is committed to giving marginalised people a voice so that they can articulate their rights and fulfil their needs In accordance with the Prophetic example of speaking out against injustice, we will focus our advocacy work on facilitating and campaigning for social change

*"There is a reward for one who establishes justice among people "* Hadith, Prophet Muhammad ﷺ

## 4. Strengthening the Islamic Relief family

The Islamic Relief family has grown substantially over the last 27 years and in the coming period we aim to build a stronger partnership, with a governance system and infrastructure that makes us more effective in alleviating poverty and suffering

*"Whatever good you do, God is aware of it "* Qur'an, 2 215

*Through all its work, Islamic Relief is committed to protecting child welfare, protecting the environment, strengthening local capacity and developing Islamic faith perspectives on humanitarian issues.*



# Achieving **our aims**

**01** *Protecting life and dignity*

**02** *Empowering communities*

**03** *Campaigning for change*

**04** *Strengthening the Islamic Relief family*

# 01

## Protecting Life and **Dignity**

### Aims

- ◆ Assist people in their time of need by responding to disasters and providing continued support to help them rebuild their lives
- ◆ Help communities at risk to prepare for disasters so that when they occur their devastating impact is reduced
- ◆ Prioritise disaster risk reduction at a local and national level among vulnerable populations in several countries
- ◆ Bring relief to food insecure communities around the world with seasonal food aid during Ramadan and Qurbani

This was a year of great humanitarian need, which saw Islamic Relief delivering emergency programmes across the globe - responding to the Arab Spring in the Middle East and north Africa, the tsunami in Japan, and the food crisis in east Africa.

The world's poorest communities are often the most vulnerable to the effects of climate change and natural disasters, and building capacity and long-term resilience is increasingly central to our programmes. In this, coordinating and engagement with communities and existing institutions added significant value to our activities

Our experience working with people suffering in disasters also hammered home that saving lives can be as much about tackling emotional wellbeing as about physical needs. Activities such as giving children opportunities to play, offering guidance and counselling, and helping people to build better and safer futures were important components of our integrated approach

## Emergency response to the Arab Spring

This year, the Arab Spring began in Tunisia and popular uprisings and protests quickly found ground in other countries as citizens mobilised to push for political change. As conflict and suffering swept the North Africa and Middle Eastern region, we mounted a unique and challenging humanitarian assistance programme. In this highly-charged and emotive context, remaining focused on humanitarian aid for civilians and drawing on our political neutrality was crucial.

- ◆ One of the first international organisations to respond at the outbreak of the conflict in Libya
- ◆ Convoy brought 20 tons of medical aid and baby milk into to Benghazi, plus food and hygiene items to vulnerable people in other eastern towns and cities
- ◆ Hygiene campaign saw over 10,000 cubic metres of waste removed from the city, where we also provided some respite for disabled children through our family fun days
- ◆ Food, hygiene kits and medical equipment and supplies distributed in five cities – including Misrata
- ◆ First to distribute food packages and hygiene kits at Ras Ajdir and Dehibat, border crossings to Tunisia, and in four camps
- ◆ Managed three camps on the Tunisian border, including Choucha camp – initially managed by the UNHCR – which hosted 18,000 people at its peak
- ◆ Child protection programme provided education and games for up to 300 children in Remada camp
- ◆ Helped more than 500 non-Libyans to leave the camps by chartering flights back to their home countries and provided support for Tunisia's healthcare system
- ◆ Weekly food packages delivered to 3,000 families in the south and 40,000 food packs distributed across Tunisia during the month of Ramadan
- ◆ Emergency aid supported many of the thousands that fled violence in Syria to seek to seek refuge in Lebanon

*“Thank you for helping us to look after our children and for bringing them joy- even for just a few hours a day.”*

Ahmed Umar, Remada camp, Tunisia

### A brighter future for young Palestinian refugees

More than 60% of Palestinian refugees in Lebanon's Saida City survive below the breadline. As families struggle to pay school fees, many young Palestinians are dropping out of school to try to earn money, where they are at risk of exploitation. In 2011, we provided vocational sponsorships for students in two education centres - Khalifa Bin Zayed Center for Vocational Education, and Al Rahma center for Community Service. This provides vulnerable young people the skills and opportunities they need to access decent jobs, or set up their own businesses, and in turn support their families.

## Integrated development in Pakistan

Major floods struck southern Pakistan in 2011, less than a year after swathes of the country were devastated by the worst monsoon floods in living memory. An estimated 5.4 million people were affected in Sindh and Balochistan, with more than 70% of crops wiped out and over one million homes destroyed. In 2011, we extended our multi-million pound integrated development programme to include some of the most vulnerable communities in Sindh province and Khyber Pakhtunkhwa. Designed to restore basic services and the local economy, our unique approach concentrated on shelter, clean water, hygiene and health, and creating opportunities for local people to earn a living once more.

- ◆ Work with provincial and district government saw local people empowered to rebuild their communities through village committees
- ◆ Schools repaired, roads cleared, permanent shelters built, and essential infrastructure mended. Communities gained access to clean water and

regular primary healthcare, and learned about the importance of hygiene.

- ◆ People helped to earn a living through distribution of livestock, seeds, and fertiliser as well as cash for work schemes. Special training showed people how to grow food in their own gardens, and microfinance was available to support small enterprises.

## Supporting futures in Haiti

Islamic Relief was one of the first organisations on the ground when a massive earthquake devastated lives in Haiti at the beginning of 2010, setting up the first organised camp in Port-au-Prince. While our early efforts concentrated on providing emergency assistance, by 2011 we were already working on the long-term development of communities

- ◆ 453 transitional shelters and 20 latrines built, helping more than 2,000 people to leave behind the tents they had been living in
- ◆ Three schools repaired and a fourth fully reconstructed
- ◆ Vocational training courses gave hundreds of people opportunities to develop useful skills in computing, tailoring and carpentry

## Rebuilding communities in Iraq

The Ninawa governate is the origin of the highest number of displaced families in Iraq, after Baghdad and Diyala. A disputed territory with mixed ethnic and religious composition, it has seen substantial displacements of people and conflict over the years. Around 1,700 families had returned by 2011, but faced challenges such as security and livelihood prospects plus difficulties in accessing vital public services

To encourage more people back to the area and prevent further displacement, we delivered a £650,000 programme, funded by the United Nations

Focussing on female-headed families, we rehabilitated more than 350 homes in the Telfar district, installed 150 toilets, and laid 6,500 meters of water networks connecting three neighbourhoods to the main water station. Altogether, the scheme has benefitted more than 1,720 families - including that of Fidha Khudir Ali

Fidha, 46, is a widow who is responsible for her handicapped father as well as seven children. In 2011 the family decided to return to the home that conflict forced them to leave behind six years earlier

"Since we were forced to flee our house in Telfar, we've been in a financial crisis," said Fidha. "Our house was only one damaged room. I tried all possible ways to get assistance." Through our project, the house was extended, and toilet and shower facilities installed. "I can't express my feelings," said Fidha about her improved home.

## Improving **food security and healthcare** in east Africa

In 2011, east Africa faced its worst drought in 60 years and 10 million of the region's poorest people faced starvation as the rains failed for yet another year. The poorest families were hardest hit as food prices rose substantially, and tens of thousands of Somalis sought food and safety from fighting in nearby countries.

- ◆ £22 million emergency relief response in Kenya, Somalia, and Ethiopia supported over 1 million people with food assistance, and more than 400,000 with clean drinking water.

In addition, we recognised that communities suffered more because their resilience to disasters had been eroded by limited development investment and loss of traditional ways of coping. In northern Kenya, we teamed-up with Save the Children UK, Care International, and FH Association to deliver to strengthen resilience at the community and institutional levels.

- ◆ As well as giving people sustainable access to safe drinking water, the £3 million programme improved food security through food vouchers and cash-for-work opportunities that empowered local people to earn a living.
- ◆ 300,000 local people benefitted from better access to healthcare as we strengthened the capacity of local health authorities to provide consistent basic services and respond to disease outbreaks and other emergencies.

## Support for Sri Lanka's vulnerable communities

Islamic Relief has been working in Sri Lanka since 2004, helping people to rebuild their lives following the devastating tsunami. So, when heavy rainfall and subsequent floods affected 1 million people and forced over 300,000 from their homes this year, we were able to respond quickly.

- ◆ Emergency response helped 10,000 families in the country's eastern province. Our survival packs contained items to prevent the spread of disease, such as mosquito nets, as well as items such as warm clothes and bedding, food staples, and cooking utensils.
- ◆ Project to clean and renovate water wells gave over 26,000 vulnerable people access to safe water once more, and our special guidance and counselling work helped many get to grips with practical and emotional issues in the aftermath of the disaster.

## Building resilience in Bangladesh

Nearly one million people were affected when heavy monsoon rains caused major rivers to burst their banks in Bangladesh, one of the world's most disaster-prone countries.

In 2011, we worked in Sylhet City Corporation and the districts of Netrakona and Gaibandha to strengthen the ability of institutional structures and communities to prepare for disasters, and to respond and recover when they happen.

Mobarat Ali Mondol, 73, lives with his paralyzed wife on a Gaibandha char, a riverine sand and silt landmass. Living in an area highly vulnerable to flooding, each rainy season he was afraid that the waters would sweep away his land, livestock and home, as they have before. Islamic Relief and our partners the SKS Foundation implemented a project to raise four char homesteads – including Mobarat's – above the flood-level. He now has elevated rooms and an open yard where his livestock and supplies such as kuthi, a store of rice, will be safe when the next flood comes.

*"I knew something about preparing for floods before, but now I am better informed and educated."*

Mobarat Ali Mondol, Gaibandha, Bangladesh

"Whatever the water level, my home is safe now,"

Mobarat said, already planning to grow food on the safety of his raised homestead. A member of the new Village Disaster Committee, through the project he's also learning more about preparing for flooding through special community awareness sessions.

# 02

## Empowering Communities

### Aims

- ◆ Decrease the number of people earning less than a dollar day, suffering from hunger, and unable to access safe drinking water or basic sanitation, in our key target areas
- ◆ Ensure that all children in Islamic Relief's target areas, boys and girls alike, are able to complete their primary education
- ◆ Reduce maternal and under-five mortality in our target areas
- ◆ Halt and begin to reverse the incidence of malaria, tuberculosis, HIV and other epidemic diseases in our target areas
- ◆ Empower communities to have sufficient governance skills to manage their own development successfully
- ◆ Integrate the principles of sustainable development into all our programmes and beyond, and reverse the loss of environmental resources

Everyone has the right to economic independence and self-determination, but in communities around the world marginalised and poor people face some of the greatest barriers to social justice. As part of our new strategy, addressing inequalities - especially in good governance, rights, gender justice, and child welfare - is embedded in many of our projects.

Our experience in 2011 demonstrated that we must work at all levels - from the individual, to the community, and the infrastructure around them - for empowerment to be successful. Together, we can provide the globe's most vulnerable people with real opportunities to improve their lives, and have their voices heard on the root causes of poverty and suffering.



## Increasing **self-sufficiency** in the West Bank, Palestine

Agriculture, which is central in the Palestinian economy, is declining dramatically with the construction of the Separation Wall. The confiscation of land and water sources and the uprooting of trees and olive groves is leading many rural farmers to stop investing in their land and search for other sources of income, which in turn is impacting upon the country's economy.

"One of the major problems that we face is the lack of employment opportunities," said Saleh Ahmad Radwan, who lives with his mother and nine siblings in Azzon. "Both my brother and I have finished our postsecondary education, but we cannot find jobs. We even cannot find work as labourers. We have to do with the little that we make from working our family's land."

Saleh was one of hundreds to benefit from our project to increase self-sufficiency in the West Bank, by encouraging farmers to work in their own lands.

## Developing **sustainable sea fisheries** in Indonesia

The fisheries sector was once a major pillar of the local economy in Aceh province, Indonesia. But disasters such as the tsunami of 2004 and the Sumatra earthquake devastated the fishing industry and with it, the livelihoods that depended upon it. Many thousands of people fell into destitution. By 2010, we had begun our two-year programme to help Aceh's people to rebuild their fishing industry, and to strengthen and safeguard it for the future. The £3 million integrated scheme aimed to improve the prosperity of coastal communities in the districts of Singkil and Simeulue.

- ◆ Infrastructure and expertise at existing fish hatchery facilities developed to increase productivity and capacity to provide for the region's needs
- ◆ Facilities constructed to support the industry in trading, including upgrading two ice factories and building a refrigerated container for fish
- ◆ Local people empowered to set up and run fishing cooperatives, and provided with training so they can continue to successfully manage and market them

rather than focusing on daily waged work. This holistic approach concentrated on rehabilitating agricultural land to increase its productivity, providing sources of water for irrigation in areas characterised by water scarcity, and constructing roads to make the land more accessible.

"The project enabled us to rehabilitate five dunums and plant them with olive trees, all sorts of crops and animal feed. It also helped my brothers and I find work," said Saleh. We

*Saleh Ahmad Radwan is now working on his own land with support from Islamic Relief*

increased cultivated land by 500 dunums, (125 acres), improved food security and boosted the incomes of at least 370 families. It also created temporary and long-term employment for 150 farmers, as well as skilled and unskilled labourers.

- ◆ Introduced and supported the uptake of innovative methods of fishing, giving people also opportunities to develop new industry skills
- ◆ Through developing market intelligence and creating networks, the cooperatives supported to establish valuable trade markets

This unique programme helped create valuable jobs and enterprises that gave local people sustainable

*Nasir and his brother in law take out their fishing boat, repaired by Islamic Relief*

livelihoods and routes out of poverty, and supported wider strategies to increase international trade with Aceh and promote increased domestic and foreign investment in the region.

## Unlocking economic potential in Chad

Rural communities are among the most vulnerable in Chad, a country that suffers from internal conflict and inadequate infrastructure. Chad is the second largest producer of Arabic gum in the world, with most of the 187,000 people living in the rural region of Salamat relying on this industry and its offshoots. However, 62% live on less than a dollar and gum production in the region is falling.

- ◆ Worked with local collectors, producers and communities to unlock more of Salamat's potential to boost income in Chad and create jobs to support the country's poorest people
- ◆ Local people in Am Habilé, Djouna, and Haraze Mouray supported to develop an organised and sustainable approach to managing and marketing their gum production
- ◆ Communities mobilized to work together through four production unions - created across 81 villages and more than 270 nomadic communities
- ◆ Plantings, packing centres and trading posts developed and new techniques, technologies, equipment and materials provided to enhance productivity and improve sustainability
- ◆ Access to micro-credit funded production and marketing
- ◆ More than 7,500 people are benefitting directly from the project, which has already enhanced production and marketing of the gum by 70%

## Improving lives in Niger

Agricultural land in Niger is threatened by expanding deserts, which already make up 80% of land in a country where most people depend on growing basic crops or raising livestock for their living. Flash floods followed irregular rains in 2011, leaving 200,000 people homeless in the midst of another food crisis

In the Quallam and Tillaberi regions, many rural communities suffer a critical shortage of water. Often, the task of fetching water falls to women, who will spend much of their day looking for water and so have little time to spend generating an income

- ◆ 12 boreholes constructed across a dozen villages and a solar-powered water system installed
- ◆ Local people provided with training to maintain the equipment and community committees established to oversee their management

Over 11,000 people now have sustainable access to safe drinking water within their villages. Not only does this

reduce the threat of water-borne disease, it also cuts the time they need to spend journeying to water - making more time available for income generation

*“With the water solar pump system installed by Islamic Relief, we won’t have any problem accessing clean water in the village anymore.”*

Hamidou Mamar, 69, Farka village, Niger

## Tackling food insecurity in Mali

In 2011, the World Food Programme declared that around 3 million people in Mali were at risk of food insecurity, as the rains came late again, crop production dropped by 25% and food-prices rose to a five-year high. This underscored the importance of efforts to improve the food security of vulnerable rural communities.

Our project in the Timbuktu region entered its second year in 2011, and had already set up 116 irrigated plots of land. These 0.25 hectare plots were shared amongst 108 village producers in Banikane and Rharous, who also received seeds, fuel, agricultural equipment and access to micro-credit.

Capacity-building ensured local people worked together to secure productive yields from the land, and training on production and marketing helped them earn a living from the crops. Importantly, communities were engaged in promoting environmental sustainability. A particularly innovative aspect of the project saw the reforestation of a eucalyptus grove and re-vegetation of another plot. The income generated from this land provided significant

revenue to support the local school and women’s association that maintain them.

The first harvest produced over 97,000 tons of rice. This covered the needs of 1,250 local people and the surplus provided a valuable source of income for communities.

## **Promoting economic development** around the globe

A range of micro-finance schemes operate across the world, but many drive poor people further into poverty with their interest charges. Our Islamic micro-finance provides Shari'ah compliant small loans, and, unlike conventional micro-finance, no interest is charged, so they offer a sustainable route out of poverty to some of the world's poorest people.

For more than 10 years, our micro-finance programme has been helping people to work themselves out of poverty, and contributing to rebuilding the economy in Bosnia and Herzegovina - a region still suffering in the aftermath of violent conflict and war.

Shkelzen Janova, 30, is one of the thousands of people to access the scheme. He lives at home with his parents in, where he farms the family's land. The family have worked hard to rebuild what they lost during the Kosova war, and was able to buy some agricultural machinery through a small loan.

"Job creation is very necessary in our country, and we are very thankful for Islamic Relief's support," said Shkelzen.

In 2011, interest-free Qard Hasan, good loans, changed lives in Palestine, too

25-year-old Zuhair Yousef Abu Al-Khair lives in Jabaliya in the north of the Gaza Strip. He was diagnosed with muscular dystrophy aged 11, and is confined to a wheelchair. A business administration graduate with a first class degree, when he joined our project in 2011 he picked out a vocational training course in mobile phones maintenance. These new skills, combined with his head for business, made him a perfect candidate for an Islamic Relief micro-credit grant to open his own shop. The grant helped him rent premises and purchase the equipment and stock he needed to get going.

## Empowering women worldwide

As part of our strategic focus on child welfare, we helped 350 widowed women in Ethiopia to earn an income and provide for their families. Working with women already receiving support through our one-to-one orphan sponsorship programme, we provided training in entrepreneurship, book-keeping, as well as childcare and development. Each woman was helped to prepare a business plan and provided with 5,000 Birr (£182) as a start-up capital for small business.

One of these women was 60-year old Workinesh Mohammed Mukhtar, who lives in Addis Ababa. She has five children and is the family's breadwinner. Through Islamic Relief's project she was able to get the training and funding she needed to set up a metal workshop. "All this helped me to create a better life for my family and pay for things such as a private water line, electricity, and school fees," she said.

As well as supporting their family's daily needs, many of the women on the scheme doubled their working capital within two years of starting their business.

In 2011, political unrest and violence continued in Darfur, western Sudan, where millions of people still live in the camps that were established when civil conflict erupted almost a decade ago.

Islamic Relief has been working for eight years to alleviate the suffering of people in camps Kerinding I and II. Women particularly struggled to have their voices heard within the patriarchal environment of the camps, so when in 2011 we initiated a further project on water,

"I never felt satisfied like how I feel at this moment," he said, at the opening of his phone maintenance shop.

sanitation, and hygiene we worked hard to promote the contribution that women can make as community leaders. As well as training and awareness-raising, the project strengthened the voice of women within the camps.

A widow and a member of a Hindu lower-caste, Mati Rani, 49, of Khemashat Sherpur village in Bangladesh, was one of 10,000 households to take part in our income generation project for ultra-poor women. Her handicraft business now provides a monthly income of around 8,000 taka (£59.90) with which to support her family.

# 03

## Campaigning for **Change**

### Aims

- ◆ Decrease the number of people earning less than a dollar day, suffering from hunger, and unable to access safe drinking water or basic sanitation, in our key target areas
- ◆ Ensure that all children in Islamic Relief's target areas, boys and girls alike, are able to complete their primary education
- ◆ Reduce maternal and under-five mortality in our target areas
- ◆ Halt and begin to reverse the incidence of malaria, tuberculosis, HIV and other epidemic diseases in our target areas
- ◆ Empower communities to have sufficient governance skills to manage their own development successfully

- ◆ Integrate the principles of sustainable development into all our programmes and beyond, and reverse the loss of environmental resources

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Our experience in 2011 demonstrated that we must work at all levels – from the individual, to the community, and the infrastructure around them – for empowerment to be successful. Together, we can provide the globe's most vulnerable people with real opportunities to improve their lives, and have their voices heard on the root causes of poverty and suffering.

## **Mobilising** Albanian communities to challenge blood-feuds

Thousands of lives in Albania continue to be blighted by a centuries-old tradition of blood-feuds, which is based on the custom of using murder to avenge a previous killing. Blood-feuds have existed in the Balkan country for over 3,000 years, and in Shkodra city at least 370 families are implicated in blood-feuds.

Following careful research and consultation Shkodra's community leaders, decision-makers, and people directly affected by blood-feuds, we launched a high-profile awareness campaign promoting forgiveness by encouraging people to donate blood. Thousands of people were reached by Albania's first ever television advert to tackle the issue.

We mobilised the community itself to challenge the practice, engaging hundreds of young people and their teachers through training, special questionnaires, and a competition across five high schools in Shkodra city. A Kite Day saw kindergarten children leading a procession

through the city's streets promoting the message, 'stop the blood-feud and think of the future'.

By 2011, this project had promoted a practical route out of the blood-feud spiral, encouraging people to make different decisions and build an environment for sustainable peace.

*"Whoever saves [a life] - it is as if he had saved mankind entirely."*

Qur'an 5:3

## **Responding** to humanitarian needs in the Arab Spring

Throughout 2011, the Arab Spring saw disenfranchised communities mobilising to create political change. As a wave of popular uprisings swept North Africa and Middle Eastern countries, Islamic Relief provided vital humanitarian assistance to people caught up in conflict and suffering as unemployment and inflation soared across the region - driving the poorest further into poverty. A coordinated campaign by the Islamic Relief partnership raised awareness across the globe of the on-going humanitarian needs, and from our established offices in the region continued to deliver emergency relief and development projects, including a unique programme to promote peace-building in Yemen.

were destroyed in the recent conflict. When complete, in 2012, an expected 330 patients will gain access to large greenhouses where they can cultivate vegetables as part of the healing process. "Our patients are very vulnerable, they need special care and attention," said Dr Gelany Sataev, who has been the hospital's head doctor for 21 years. He and his colleagues are welcoming the benefits the greenhouses will create for patients.

"The work in a greenhouse will help to avert the syndrome of hospitalism, where a person becomes isolated from society and loses social skills," Dr Sataev said, "Labour therapy will raise their self-reliance."

## **Contributing to the healing process** in Chechnya

This was also the year we kick-started a special mental-health project in Darban-hi village, in the Chechen Republic. Working within the village hospital, we began to restore much-needed therapeutic facilities that

## Empowering women in Afghanistan to **tackle drug-addiction**

According to the UNODC, there are almost one million drug-users in Afghanistan, with consumption of opium having reached alarming proportions amongst women, children, and young people in the province of Balkh. Using the understanding gained from our work delivering basic healthcare in the Shortepa district of Balkh, we delivered a project that tackled one of the root causes of opium-addiction - and empowered local women to be agents of positive change within their communities.

Carpet-weaving is a traditional source of income for many Shortepa women, but long hours crouched over the loom causes backache and muscle pain. Many weavers become addicted to the opium they use to control the pain. Also, since a single carpet took around 150 days to complete, mothers commonly used the drug to make their young children sleep so they could work more continuously. As a result, the children often also became addicted.

The project worked with 140 women-weavers already engaged in our Drug Rehabilitation and Basic Health Project. The women received training and new looms, which allow them to complete carpets more quickly and to move more freely while working.

"Since we came to this project, we learned many things like dangers of narcotics, about healthcare, and how to use the new looms," said 45-year old Laala Gul, "We can now reconcile all these in our daily life, and we can teach our relatives and neighbours too."



## Welcoming greater **freedom of movement** for Palestinians

In 2011, we welcomed the Palestinian unity agreement, and with it the opening of the Rafah crossing, which allows the people of Palestine greater freedom of movement - creating new opportunities for them to earn livelihoods, access education and health services. Deeply concerned about the humanitarian situation in the area, we reiterated our pledge to support the reconciliation process, as part of a wider coalition of international agencies.

## Enabling donors to **make a real difference** at Ramadan and Eid

Muslims with sufficient wealth (money or assets) celebrate the holy month of Ramadan and Eid al-Adha with charitable giving. Every year, millions of people choose to make a real difference to the lives of some of the world's poorest people through Islamic Relief.

Our local knowledge, experience and global presence allows us to operate effectively and efficiently. In 2011, we were able to mobilise our largest Ramadan and Qurbani food distributions ever, getting food to some of the poorest people in 27 countries around the world.

Mother of four Aisha Jacobs, 36, was one of the 3.4 million to benefit from Qurbani meat this year. She lives in Cape Town, South Africa, where the city's poorest families survive on an average of less than £3 a day. "We cope on the food parcels we receive, and also a child support grant," Aisha said.

## **Independence and integration for disabled children in Egypt**

Our Early Intervention and Rehabilitation Centre based in Helwan, Egypt, has now been working with disabled and challenged children in Egypt for more than a decade. In 2011 alone, it helped to improve the lives of more than 1,300 children.

The Centre delivers specialist care to help the children develop the skills - social, linguistic, motor and behavioural - they need to live independently. Supporting the children to participate actively in

## **One to One** orphan sponsorship

Our sponsorship programme continued to provide a lifeline for around 25,000 vulnerable children across the globe in 2011. The one-to-one scheme, which includes a regular allowance to support the family's basic needs and access to healthcare, enables the children to attend school.

Nine-year old Kamissa Traore is one of almost 1,500 children benefitting from sponsorship in Bamako, Mali. She received medical treatment for an umbilical hernia through the scheme. "I'm not feeling any pain since my surgery. I am now going normally to school" Kamissa said. "I am also doing my small business", she smiled, talking of her enterprise selling sweets to other students.

community life is another important feature of our work, and the children enjoy sports days, theatrical performances, and exhibitions of their artwork.

# 04

## Strengthening the Islamic Relief family

### Aims

- ◆ Engage all our partner and field offices in strategic and operational matters in order to improve coordination and efficiency
- ◆ Meet the relevant international standards of governance, delivery, accountability, donor and beneficiary care
- ◆ Ensure global recognition of the Islamic Relief identity and work with a clearly defined vision, mission and values
- ◆ Improve the performance of the Islamic Relief family in poverty alleviation and advocacy work, with a greater percentage of net funds being spent on our programmes by 2015

to create maximum impact with the funds entrusted to us. In 2011, we learned the value of a comprehensive review – assessing the changing environment in which we work, our own performance and motivations, and the relevance of our work we do – combined with meaningful engagement with both internal and external stakeholders. This gave us a solid base from which to develop our new global strategy and the new focus area of strengthening the Islamic Relief family.

We are determined to fulfil our obligations to donors and beneficiaries to maximise the impact of our work in alleviating poverty and suffering. To achieve this, we need to ensure we meet international standards of governance and continually improve our performance.

## Islamic Relief's **Waqf investments**

Islamic Relief collects Waqf and sadaqa jariyah (continuous charity) and invests the capital sum while the returns are given to charitable projects. Islamic Relief uses 80% of the returns on charitable projects. The remaining 20% is split equally between reinvesting in the capital amount and covering administrative costs. The main principles governing all investments are

- 1 That funds are protected from risk and inflation
- 2 That Islamic principles are observed
- 3 That the best income is obtained from funds for its purpose

Waqf funds are invested in properties utilised by Islamic Relief. Rent is paid for the premises by the various sections of the organisation that use the premises purchased with Waqf funds including by the UK operation (Lower Marsh, London), the property used by TIC International (Landor Street, Birmingham), SIF Invest (Paris, France) and IRW (Sampson House, Birmingham). The international office (Rea Street, Birmingham) that was purchased in 1992 included a contribution from a donor (£130,000) that was intended to be held for procuring premises for IR use. This amount is held as Waqf but does not attract a rent return. Please refer to note 25.

The balance of Waqf funds at the beginning of the year was £3.3 million. The returns were £214,035 and the year-end balance was £4.5 million. Details can be found in note 34.

## Investment policy and performance

The governing document (Memorandum and Articles of Association) empowers the charity to invest any available moneys in such investments, securities or property as it sees fit, subject to any conditions or consents that may be imposed or required by law. Islamic Relief Worldwide (IRW) will engage in short, medium or long-term investments, subject to the amount and nature of funds available. The policy applies to the centrally managed funds in the UK only and does not cover Islamic Relief offices in other parts of the world.

The main principles governing all investments are

- 1 That funds are protected from risk and inflation

## What is Waqf?

Waqf is the Islamic concept of permanent endowment where the capital is either invested and the returns spent on charitable purposes or the expenditure is incurred on Waqf projects that give benefits over a long period of time.

- 2 That Islamic principles are observed
- 3 That the best income is obtained from funds for its purpose

Islamic Relief will invest in fixed assets such as property, equipment, stocks (with the exception of stocks related to areas mentioned under its ethical investment policy) or other current assets such as cash.

## Ethical investment policy

Our investment policy is based on Islamic finance principles. Our investments will not be made in companies engaged in promoting, producing or trading in any of the following: weapons, pornography, alcoholic beverages, gambling, usury or any other areas deemed as inappropriate to the vision, mission and values of Islamic Relief, as stated by the Board of Trustees.

## Governance

The Islamic Relief family is a global partnership with an annual income of in excess of £100 million. We continually seek to improve the impact of the humanitarian help we provide, as we owe nothing less to our beneficiaries, donors, and supporters.

In 2011, we developed a new international governance model that is designed to maximise the impact we make on the ground. Our objective is to make our valuable resources work harder than ever before, while also strengthening our ability to tackle the root causes of poverty and suffering.

The new arrangements aim to ensure that members of the Islamic Relief family are represented at all levels. What's more, they will ensure that national organisations are fully involved in decision-making on a range of programmes, organisational priorities, and our expansion strategy, as well as improving how we operate on a regional basis.

*“Our Global Strategy 2011-2015 sets out our commitment to developing the efficiency and effectiveness of the growing Islamic Relief family. Central to this is our work to strengthen our governance arrangements.”*

An important part of the global partnership will be collaborative structures such as sector-based Working Groups made up of representatives from partner offices, designed to enhance management and coordination of their respective functions. Likewise, CEOs from across the partnership will meet around the newly-formed 'International Family Council', which has a non-executive mandate to exchange information, enhance cooperation and advise Islamic Relief trustees.

In 2011, some of these collaborative groups were already up and running and have begun to improve planning, implementation and impact across the organisation.

# Future activities

Looking ahead, Islamic Relief will continue to progress the four strategic focus areas set out in our new global strategy. Our strategy also identifies a set of themes which we believe are crucial in our mission to tackle poverty and alleviate suffering. These are complex and over-lapping issues that are essential to our ability to tackle poverty and suffering at the roots, and we have committed to main-streaming these across our programmes.

## Protecting children

Children are often the most vulnerable to trauma and suffering as a result of disasters and extreme poverty. Protecting them and ensuring their welfare is a priority in all our work, from disaster risk reduction to integrated development programmes.

We will ensure our programmes have a child focus and prioritise and mainstream protection, utilising where appropriate, references and an understanding of rights and protection from Islamic teachings.

## Caring for the environment

Climate change has a devastating effect on some of the world's poorest communities and we are working to address this through several climate change adaptation projects. Environmental concerns are also increasingly becoming a feature of our wider programmes and advocacy work.

We will prioritise the development of risk reduction work in communities that are vulnerable to the effects of climate change and improve learning on environmental issues amongst our staff. We aim to become a carbon neutral organisation and work globally in an environmentally responsible way.

## Providing Islamic perspectives

Islamic perspectives on humanitarian and social justice issues inspire all aspects of our work, although they have not always been well articulated or widely understood. The Islamic worldview on social issues is a perspective that is increasingly critical in our globalised world and particularly amongst Muslim communities that are affected by poverty and injustice.

We will be a policy leader on Islamic humanitarian issues. We will also prioritise the strategic and programmatic opportunities provided by our faith on development, humanitarianism, rights, sustainable livelihoods and micro-finance.

## Strengthening local capacity

The capacity of local communities to govern and manage their own affairs has a direct impact on their ability to reduce their dependence on aid. Capacity-building within civil societies is an aspect of many of our community development programmes and we also support the Humanitarian Forum which focuses on this critical area of work.

We will develop strategic goals within a capacity-building and participatory framework, empowering local communities to manage their own affairs, from disaster preparedness and recovery to social mobilisation. We will also develop resources, share organisational learning and implement civil society capacity-building within our offices and programmes.

## Developing our ability to deliver

A strategic geographic approach to emergency response and development across the world will further enhance our ability to respond rapidly and effectively to the challenges facing the world's most vulnerable people. We will develop geographic strategies that cover our regional and national work in delivering integrated development, as well as global and regional preparedness for emergency response.

# Support for our programmes in 2011

## Fundraising and Volunteers in the UK

Islamic Relief UK's key campaigns during 2011 were to raise £1 million to support our Pakistan programme and £7 million for East Africa and our Ramadan campaign

2011 was an outstanding year for the UK office and their volunteers. With the annual fundraising drive during the Ramadan campaign, in 2011 we raised £28 million in the UK (please refer to note 7)

Fundraising dinners raised £175,000 to provide emergency aid for Libya, and a single evening in Manchester raised £100,000 to assist the people of flood-hit Pakistan. One of the world's best fast bowlers, Wasim Akram, participated in a dinner tour which raised £50,000. 10,000 people enjoyed our Noor ul Islam Summer fete, in support of our orphans sponsorship programme, and volunteers raised almost £200,000 pounding the pavements in Charity Week.

Our emergency response in East Africa received much-needed funding when a special dinner with our

ambassador, the renowned actress Hanan El Turk, raised nearly £65,000 and the international star Maher Zain gave a sell-out concert in Derby, raising £80,000. Islamic Relief UK raised a vast amount of coverage for the East Africa emergency, and Harriet Harman MP and actor Hugh Quarshie accompanied us to the field.

Our charity shops are the core focus for a majority of our donors especially during key campaigns such as our Ramadan campaign. What's more, volunteers from all corners of the UK joined in the efforts: from a 26-mile sponsored cycle in the Yorkshire dales, climbing Wales' highest mountain, to fun days in Blackburn and Rochdale and Eid in the Park in London.

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## International Fundraising Development Division

In 2011, we aimed to raise £8.2 million in the International Fundraising Development Division and managed to raise a total of £14 million (please refer to note 8).

The Bahrain Royal Charity pledged almost £750,000 to construct 10 boreholes, adding to fundraising in the Middle East worth almost £2.5 million, which will support our work to provide rural communities in Somalia with sustainable access to water.

Our efforts to help rebuild lives and strengthen communities in Haiti received a welcome boost, as we signed a £3 million agreement with the Islamic Development Bank (IDB) to rebuild a number of schools. In-kind donations for the crisis in Yemen topped £200,000, whilst Somali refugees in northern Kenya received almost £50,000 of food supplies and over £600,000 in children's clothing was provided to vulnerable families in Iraq.

The Spanish government also provided over £600,000 towards our Pakistan programme, and big-hearted Irish donors also contributed to our programmes - with almost £40,000 secured through our work with local partner, Islamic Foundation of Ireland.

## Islamic Relief in **Scotland**

Islamic Relief has been working in Scotland since 1994, and were able to reinforce our commitment to our dedicated army of volunteers in the country by officially registering as a charity with the Office of the Scottish Charity Regulator (OSCR) on 14 January, 2011. The registration represents the charity's long-term commitment to Scotland and improves our links with influential Scottish policy-makers. Islamic Relief files its Annual Report & Financial Statements with the Charity Commission (England & Wales) and the Office of the Scottish Charity Regulator.

Volunteers are the backbone of our work in Scotland, and we have 150 student volunteers who support our media and marketing activities, as well as help establish vital partnerships and links with other organisations. Islamic Relief Scotland is proud of its grass-roots fundraising work, which centres on engaging the community in social, sports, and other recreational events. As well as running a popular charity shop in Glasgow, which is staffed by a diverse team of volunteers, we regularly work with schools to educate children on the concepts of charity in Islam, as well as cultural diversity and citizenship.

Highlights from 2011 include fundraising dinners for Pakistan and East Africa, and 120 volunteers joining in the Great Scottish Runs in Glasgow and Edinburgh. Glasgow City Council backed this year's Ramadan campaign, and the Scottish Government awarded funding for our vital work in Pakistan, East Africa, and Iraq.

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## Islamic Relief **Australia**

On 13 May 2011 a new legal entity, Islamic Relief Australia, was officially opened in Auburn, New South Wales. We were joined at the launch event by almost 200 guests, which included community leaders, politicians, government officials, and representatives from the diplomatic as well as the business and NGO communities.

In November 2011, IR Australia became a full signatory to The Australian Council for International Development (ACFID) Code of Conduct. The new office raised over £500,000 and in-kind donations worth almost £50,000.

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## **New** field offices

Islamic Relief was pleased to welcome a new registration for our field office in Egypt, following the change in the country's government in 2011. This year we also registered offices in Libya and Tunisia, further consolidating our commitment to the North Africa and Middle East regions.

# Islamic Relief Worldwide Governance

## England & Wales Charity registration

number: 328158

Scotland Charity registration number: SC042020

Company registration number 2365572

## Address of Principal office

19 Rea Street South

Birmingham B5 6LB

Name of trustees/directors who served during the year  
and as of 31 December 2011

### Dr Essam A M El-Haddad

Chair of Trustees

### Mr Ibrahim F El-Zayat

Vice-Chair of Trustees / Treasurer

### Dr Mohammed O El-Alfy

Trustee / Chair of the Internal Audit Committee

### Dr Abdul Wahab A A Nourwali

Trustee

### Mr Tahir M Salie

Trustee

### Mr Adnan A Saif

(appointed 3rd February 2012)

### Dr Mohamed A Abu-El-Magd

(appointed 3rd February 2012)

### Mr Iftikhar A Awan

Trustee (resigned 21st October 2011)

## Company Secretary

**Mr Abdul Rehman Varachhia**

## Senior Personnel

### Dr Mohamed Ashmawey

Chief Executive Officer - appointed February 2012

### Mr Haroun Atallah

Finance & Services Director and (as of May 2012) interim  
Communications Director

### Dr Hossam Said

International Programmes Director

### Mr Shakil Butt

Human Resources and Organisational Development  
Director

### Mr Heshmat Khalifa

International Fundraising Development Division

### Mr Jehangir Malik

UK Operations Director

## Auditors

### Crowe Clark Whitehill LLP

St Bride's House

10 Salisbury Square

London

EC4Y 8EH

## Bankers

### Barclays Bank Plc

One Snow Hill

Snow Hill Queensway

Birmingham B3 2WN

### HSBC

130 New Street

Birmingham B2 4JU

### Natwest Plc

125 Colmore Row

Birmingham B3 2AS

## Solicitors

### Carters

Orangeville Office

211 Broadway,

PO Box 440, Orangeville

Ontario, Canada

### Bates Wells Braithwaite

2-6 Cannon Street

London EC4M 6YH

### Squire Sanders and Dempsey

7 Devonshire Square

London EC2M 4YH



# Constitution

Islamic Relief Worldwide (IRW) is constituted as a company limited by guarantee (number 2365572) and registered charity (number 328158). It was formed on 13 February 1984 as a charitable organisation, incorporated under the Companies Act 1985 on 28 March 1989 and registered with the Charity Commission on 24 April 1989. It is an organisation that is governed by its Memorandum and Articles of Association. In the event of winding up, members are required to contribute £1.

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## Board of Trustees

The Governance of IRW is the responsibility of the Company Directors, also known as Trustees for the purposes of charity law and which currently comprise seven in number. They are collectively referred to as the Board of Trustees. The Board of Trustees' obligation is to direct and control the organisation through the process of governance. It plans future aims and priorities, monitors current performance and measures progress. The Board of Trustees also appoint, appraise and dismiss the Executive management team and the CEO, (collectively known as the 'Board of Directors') and individually known as 'Directors' and 'CEO'. The Board of Trustees' focus is primarily on strategic planning and governance, which includes measuring strategic results achieved by management, satisfying the regulatory requirements of the charity, and fulfilling the Board of Trustees' responsibilities to all stakeholders.

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## Recruitment and appointment of Trustees

Members of the Board of Trustees devote their time voluntarily. When appointing trustees, emphasis is placed on the diversity of skills and knowledge that is required for a board to be effective. The selection process involves determining the necessary skills, knowledge and experience (given the operational climate and needs), identifying potential trustees, and promoting and explaining the activities of the board to potential trustees. Nominations for potential board members come from the various stakeholders and partners of Islamic Relief. The process may include personal approaches to potential candidates.

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## Induction and training of trustees

The induction process for new trustees includes an explanation regarding the function of the Board of

Trustees and could include appointing a mentor for the new board member. A full overview of the organisation and its activities is provided, and the contributions the new member will be able to make are explored. Trustees are given a welcome pack, which includes a copy of the Memorandum and Articles of Association, the financial statements, board minutes and the Charity Commission guidance The Essential Trustee, as well as recent publications.

IRW encourages ongoing training to fulfil the development needs of the trustees. This is achieved by encouraging trustees to identify personal training needs, and by providing training in new or emerging areas of responsibility. The Chief Executive Officer (CEO) keeps the trustees informed of changes in regulatory standards and training possibilities. Training is treated as an essential and regular board activity, ensuring it is professional, appropriate and evaluated.

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## Management restructuring

IRW has started the restructuring of its management in-line with its new strategy. The Board of Trustees is directly involved in assessing the progress of this process and implementing the approved strategy. The trustees are currently consulting with partners to ensure that future governance structures are fit for the purpose of the organisation.

The Board of Trustees receives regular reports on the performance of the organisation and the annual financial reports, along with plans and budgets. The Board of Trustees also approves any new policies and procedures. The Board of Trustees also approves any key new policies.

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## Key personnel

The CEO, along with other senior staff, is responsible for the day-to-day management of the organisation. The CEO is accountable to the Board of Trustees. The CEO chairs the Board of Directors, which is made up of the division directors and which supervises the daily activities of IRW. Division directors oversee the implementation of the policies laid down by the Board of Trustees and support the work of other staff and volunteers. All major humanitarian campaigns are co-ordinated from IRW, International Office.

# Organisational Structure

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## The Islamic Relief global family

Islamic Relief Worldwide (IRW) is based in Birmingham, UK, and acts as the global implementing and co-ordinating partner of the Islamic Relief family. Funds are raised and awareness of the work of the family is undertaken by IRW and offices in the various jurisdictions known as 'national offices'. These national offices differ in their legal relationships and status with regard to the Islamic Relief family and countries in which they work.

Listed below are Islamic Relief national offices that are predominately involved in raising funds for overseas projects and which are registered as independent legal entities within their own jurisdiction. Only those funds that are transferred to IRW are included in these accounts.

- ◆ Belgium
- ◆ Canada
- ◆ Germany
- ◆ Italy
- ◆ Malaysia
- ◆ The Netherlands
- ◆ South Africa
- ◆ Sweden
- ◆ Switzerland
- ◆ USA
- ◆ Australia

IRW has also registered offices in

- ◆ Ireland
- ◆ Mauritius

Offices that are engaged in implementing projects on behalf of the IR family, some of which are independent legal entities, are referred to as 'Affiliated Implementing Partners' and these include

- ◆ Islamic Relief Bangladesh
- ◆ Islamic Relief Egypt
- ◆ Islamic Relief India

- ◆ Islamic Relief Kenya
- ◆ Islamic Relief Pakistan

Countries in which IRW implement projects through our own offices are

- ◆ Afghanistan
- ◆ Albania
- ◆ Bosnia and Herzegovina
- ◆ Chad
- ◆ Egypt
- ◆ Ethiopia
- ◆ Haiti
- ◆ Indonesia
- ◆ Iraq
- ◆ Jordan
- ◆ Kosovo
- ◆ Lebanon
- ◆ Libya
- ◆ Malawi
- ◆ Mali
- ◆ Niger
- ◆ Occupied Palestinian Territories
- ◆ Russian Federation
- ◆ Somalia
- ◆ South Sudan
- ◆ Sudan
- ◆ Tunisia
- ◆ Yemen

Countries in which IRW work through the offices of local organisations to implement projects include

- ◆ India
- ◆ China
- ◆ Sri Lanka
- ◆ Japan

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## TIC International Ltd

TIC International is a trading subsidiary and supports the fundraising activities of IRW by managing the clothes recycling operation, the charity shops and procurement of certain food supplies.

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## Working with other organisations

Islamic Relief works with other organisations towards realising common goals. These include

- ◆ Catholic Agency for Overseas Development (CAFOD)
- ◆ Consortium of British Humanitarian Agencies (CBHA) through Save the Children UK
- ◆ Department for International Development (DFID)
- ◆ European Commission (EC)
- ◆ European Commission Humanitarian Aid Office (ECHO)
- ◆ Muslim Foundation for Culture and Development (MFCF)
- ◆ United Nations High Commissioner for Refugees (UNHCR)
- ◆ World Food Programme (WFP)
- ◆ World Health Organisation (WHO)

IRW is also a member of the Disasters Emergency Committee (DEC), a body of 14 agencies that co-ordinates emergency relief campaigns in the UK

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## Directors' and Trustees' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the group and parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law).

Under company law the directors 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 group and company, and of the profit or loss of the group for that period.

In preparing those financial statements, the directors are required to

- ◆ select suitable accounting policies and then apply them consistently
- ◆ make judgements 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 company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charity Commission Statement of Recommended Practice (SORP) 2005. They are also responsible for safeguarding the assets of the company and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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## Statement on disclosure of information to the Auditors

In accordance with Section 418, directors' reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

- ◆ So far as the director/trustee is aware, there is no relevant audit information of which the company's auditors are unaware, and
- ◆ He has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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## Grant-making policies

Islamic Relief provides grants to organisations and individuals if the request meets the charitable objectives and criteria set by IRW. After initial approval, applications are reviewed by a committee of senior personnel. Islamic Relief aims to ensure that all grant applications are treated equally and fairly. It remains at the discretion of IRW to make the final decision as to who is eligible to receive a grant.

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## **Public benefit**

Islamic Relief's strategic plans are developed to ensure that we provide maximum public benefit and achieve our objectives as set out in the Islamic Relief Strategy. These objectives fall under purposes defined by the Charities Act 2006

appropriate technology and systems in place to meet the requirements of the donor, beneficiary and regulatory bodies

With the downturn in the global economy we are taking measures to manage our cash-flow carefully, strengthen our reserves and provide a greater service to our individual donors through whom IRW receives the majority of its funding

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## **Employees**

IRW supports and develops the skills of its employees. All employees are encouraged to engage with the strategy and objectives, and to give their suggestions and views on performance and strategy. Islamic Relief is committed to the People in Aid (PIA) code of good practice

We are an equal opportunities employer and have a policy of recruitment and promotion based on aptitude and ability without discrimination in any way or form. The policies at IRW are set to focus on training and career development for the majority of employees. For this reason, employees are assessed with supervision and an annual appraisal

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## **Help from volunteers gifts in-kind**

Islamic Relief considers volunteers as the heart and soul of its operations and relies on them to be able to deliver its services. IRW undertakes the management of all its volunteers

During 2011, volunteers in the UK alone contributed substantial hours of work to IRW operations by donating their time in the shops, through administration and by being involved in fundraising activities

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## **Environment**

We are among the Top 100 charities in the UK. Islamic Relief Worldwide (IRW) does not view itself as having competitors in the corporate sense but rather fellow organisations operating in the same sector, working towards the common goal of providing humanitarian relief and alleviating suffering. This is illustrated, for example, by the joint working partnership of the leading charities through the Disasters Emergency Committee (DEC)

We are committed to ensuring that Islamic Relief meets all regulations and laws governing charities and has the

# Financial Review

## Income and funding

Our income increased from £69 million to £82 million in 2011. This income primarily derives from fundraising in the UK and funding from our Islamic Relief partner offices from across the globe, and income from institutions and trading.

Our ratio of unrestricted to restricted income was 15:85 (2010 - 20:80) which shows an increasing shift from our partner offices towards restricted funding and is consistent with the trend over the past five years.

Detailed analysis of our income and funding is shown in the Consolidated Statement of Financial Activities (SOFA) and the accompanying notes (Note 2 Voluntary Income, Note 5 and Note 36 Incoming Resources by Institution, Note 9 and Note 37 Donations disclosure by partner).

Our voluntary income continued to increase with the trend over the past year to £55 million. The five-year trend shows an increase from £29 million in 2007 to £55 million in 2011.

### Aims

- ◆ To achieve voluntary income of £50 million in 2011

Through the generosity of our donors, our voluntary income remained consistent. This enabled Islamic Relief to continue to expand its charitable activities in both disaster response and sustainable development programmes.

	2007	2008	2009	2010	2011
	£ m	£ m	£ m	£ m	£ m
Total voluntary income	29	34	41	50	55
Grants	9	11	14	15	24
Donations from overseas partners	11	17	21	22	31

## Funding from institutional donors

### Aims

- ◆ To work in partnership with other humanitarian organisations to facilitate cooperation, coordination and communication in delivering effective programmes.

We continued our commitment to the Millennium Development Goals through the Partnership Programme Agreement with the Department for International Development (DFID) in the UK, and the aims of our strategy reflect our contribution to achieving these essential global targets.

Our main increase in income in 2011 was driven by a 60% increase in our funding from institutions, in particular, from European Commission for Humanitarian Aid. Details of the funding are provided in Notes 5, 36 and 37.

	2007	2008	2009	2010	2011
	£ m	£ m	£ m	£ m	£ m
Grants	9	11	14	15	24
% of total income	22%	24%	26%	22%	29%

## The Islamic Relief global family

### Aims

- ◆ To work in partnership with the Islamic Relief global family, thereby maximising our ability to effectively reach our beneficiaries.

Islamic Relief partners fund humanitarian programmes in advance of IRW's commitment to incur the expenditure, thereby reducing the need to use unrestricted funds.

The Islamic Relief global family continued to increase funding for Islamic Relief's humanitarian programmes.

Note 9 - to the Financial Statements shows total funds received by partners.

Note 37 - to the Financial Statements shows funds received by partners by project funded

	2007	2008	2009	2010	2011
	£ m	£ m	£ m	£ m	£ m
Donations from overseas partners	11	17	21	22	31
% of total income	28%	36%	24%	32%	38%

## Expenditure

The Statement of Financial Activities shows the analysis of our charitable expenditure activities (Protecting Life and Dignity, Empowering Communities, Campaigning for Change) and governance and trading subsidiary costs (Strengthening the Islamic Relief partnership)

### Aims

- ◆ To increase our charitable expenditure within our projected income of £52 million

Utilising our reserves we were able to increase our charitable expenditure from £56 million to £67million during 2011

An overview of the expenditure by category shows how the expenditure has always been in line with the previous year. This ensures sustainable development of our charitable activities

## Charitable expenditure

The fact that our charitable expenditure remains in line with the previous year indicates our commitment to ensuring and delivering long-term sustainable development to beneficiaries, long after the emergency phase is over and the media attention has faded

	2007	2008	2009	2010	2011
	£ million	£ million	£ million	£ million	£ million
Charitable expenditure	32	34	43	56	67
% increase	-7%	7%	26%	33%	18%

## UK fundraising

### Aims

- ◆ To increase our marketing and fundraising activity in the UK to raise £20 million

We met this target by raising £20 million

The growth of income in the five-year period shown is an indication of increased donations, as a result of fundraising activities in the UK, international fundraising (South America, Middle East) and by our overseas partners, through community-based and other initiatives

Fundraising expenditure includes amounts related to specific campaigns during 2011 (£1.9 million or 30% of the fundraising expenditure), 2010 (£2.9 million or 49% of the fundraising expenditure)

Note 11 - to the Financial Statements shows fundraising expenditure by category

## Governance

Governance costs include the costs of governing the organisation and strengthening the Islamic Relief global partnership

Note 15 - to the Financial Statements shows governance expenditure by category

## Performance of the trading subsidiary

TIC International is the trading subsidiary of the charity and undertakes textile recycling, management of charity shops and food supplies to the NGO community. The Food Supplies project provided affordable high quality canned meat vegetable supplies to beneficiaries during emergency humanitarian responses where local food supply is impacted by disasters or security issues. TIC International Ltd performance in 2011 has exceeded the Director's estimated profitability. Gross profit increased to £1.8 Million (2010: £1.1 Million)

TIC International Ltd continues to improve its performance year by year as a result of efficient clothes collection processes and our dedicated staff playing a pivotal role, they are the backbone of the company and

consistently show their full loyalty and commitment to the company's mission

An amount of £823,123 (2010 £219,446) will be donated to our parent company Islamic Relief Worldwide to support its efforts in alleviating the suffering of the world's poorest people

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## Challenges

We are working towards implementing the strategy for the period 2011-2015, which provides the strategic direction for an ongoing commitment to ensure our humanitarian operations are contributing to a fairer, kinder world. The strategy document is available on our website at <http://www.islamic-relief.com/WhoWeAre>

The strategy will allow us to improve how we evaluate Islamic Relief's performance and measure the impact of our work. The purpose and rationale behind the strategy is to ensure that IRW is adequately positioned to meet any challenges and ensure that

- ◆ the needs of beneficiaries are adequately and effectively met
- ◆ communication with donors is effective
- ◆ there is greater awareness of IRW's humanitarian programmes
- ◆ continuous improvement is made to the delivery and quality of the service
- ◆ to ensure that any challenges are overcome, IRW
- ◆ set out its strategy for 2011-2015, and this is reviewed and used to monitor the achievements of deliverables
- ◆ has invested in developing strong teams that ensure effective delivery of humanitarian programmes, fundraising, awareness raising and providing support activities
- ◆ has enhanced performance monitoring through the Performance Improvement Unit and Internal Audit Unit
- ◆ has trained staff prepared for immediate mobilisation in the event of an emergency

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## Risk Management

Islamic Relief's humanitarian work of protecting life and dignity and empowering communities entails working in fragile and conflict-zone countries.

The Board of Trustees have established an Audit

Committee that is responsible for risk management and for monitoring the effectiveness of Islamic Relief's internal control environment

The Evaluation and Audit function evaluate and audit Islamic Relief's systems, procedures and humanitarian programmes. The Evaluation and Audit function reports to the Audit Committee on major risks identified. The Risk registers are maintained at country and departmental levels. Risks are assessed taking account of the likelihood of their occurring and the potential as well as the likely impact from such an eventuality. Action is taken to mitigate these risks.

Management is responsible for implementing agreed recommendations arising from evaluation and audit.

The Board continues to monitor risks in relation to reputation, the economic environment, major contracts, grant funding and impact management, misappropriation of funds among other areas. Where appropriate, actions have been taken to reduce these risks further.

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## Reserves

Reserves are held by Islamic Relief to ensure that adequate funds are available to meet obligations in emergencies, and that operations are not affected due to an absence of funds. Sufficient protection is built in to ensure there is no disruption to our global operations. Our reserves policy is reviewed annually to assess the risks and reflect changes in factors such as investments, income, financial obligations and commitments.

### Aims

- ◆ To discharge funds received as donations for our humanitarian programmes as quickly and as practically as possible

The current target range is seven months reserves of the core operational budget plus an appropriate amount for emergencies. These funds are held in current and medium-term cash forms.

The general rule is that the amount of reserves held in current accounts should be 25% of the net reserves or 25% of the operational budget - whichever is greater. 55% of net reserves are to be maintained in medium-term investments, with the possibility of converting such investments into funds within a maximum period

of three months. The remaining 20% of net reserves, as well as endowments and other long-term reserve contributions to IRW, can be maintained in fixed investments that would take longer to convert to funds. Table G illustrates this policy for 2011 and 2010. Post balance sheet, the Board of Trustees has reviewed the reserves policy and this incorporates an evaluation of risk. The Board of Trustees has proposed to amend the reserves policy, setting a limit on the use of unrestricted reserves over and above which approval would be needed from the board. Reserves are monitored and amendments are proposed to both the policy and the level of reserves held.

#### Aim

- ◆ To increase our unrestricted funds by 10%

Islamic Relief reserves increased by 19% these are made up of £23 million restricted reserves and £10 million unrestricted reserves.

*Note 33* - to the Financial Statements shows restricted funds held by Country. Restricted reserves increased by 6%, reflecting income received during the year primarily for Somalia.

Unrestricted reserves increased as we ensured more targeted funding for projects, reducing the need to use unrestricted funds. Most donors giving to Islamic Relief specify how they expect their donation to be used. Some donations are only restricted by country, which enables us to carry out projects required in that specific country. Other restrictions relate to specific seasonal campaigns such as Ramadan and Qurbani.

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### The charity's assets

The fixed assets held by the charity include the properties held for its own use at 19 Rea Street South, and Sampson House, Sampson Road North in Birmingham. These properties comprise offices and were bought in 1992 and 2005 respectively. The value included in the balance sheet comprises the original cost of the properties in 1992 and 2005, plus the cost of major improvements since their purchase. In 2002, we bought a second property in Birmingham, which comprises a large warehouse and small offices. It is used by the trading subsidiary TIC International Ltd for additional warehouse space.

In 2008, IRW acquired 16 Lower Marsh, London SE1, which comprises offices, for its own use.

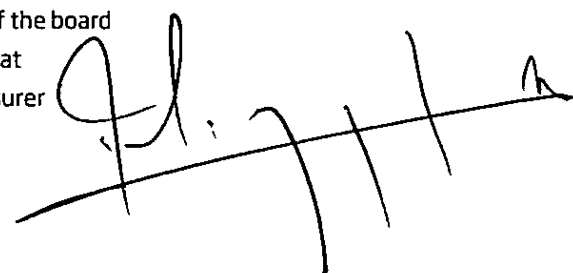
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### Auditors

A resolution to re-appoint Crowe Clark Whitehill LLP as auditors will be put to the members at the Annual General Meeting.

By the order of the board  
Ibrahim El-Zayat  
Director/Treasurer

25 July 2012





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

We have audited the financial statements of Islamic Relief Worldwide for the year ended 31 December 2011 which comprise the Group Statement of Financial Activities and Income and Expenditure Account, the Group and Charity Balance Sheets, the Group Cash Flow Statement and the related notes numbered 1 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1c) of the Charities and Trustees Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of trustees and auditors

As explained more fully in the Directors' and Trustees' Responsibilities Statement set out on page 40, 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.

We have been appointed as auditors under section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Scope of the audit of the financial statements

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

In addition, we read all the financial and non-financial information in the Trustees' Annual Report and any other surrounding information to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

## Opinion on financial statements

In our opinion the financial statements

give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2011 and of the group's incoming resources and application of resources, including the group's income and expenditure and cash flows, 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 Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

## Opinion on other matter prescribed by the Companies Act 2006

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

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records 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 or 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.

N. Hashemi

Naziar Hashemi  
Senior Statutory Auditor  
for and on behalf of Crowe Clark Whitehill LLP  
Chartered Accountants and Statutory Auditors  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH  
25 July 2012 1 August 2012

# GROUP STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT for the year ended 31<sup>st</sup> December 2011

	Unrestricted funds	Restricted funds	Endowment funds	Total	Total	Note
				2011	2010 (as restated)	
	£	£	£	£	£	
<b>Incoming resources</b>						
Incoming resources from generated funds						
Voluntary income	8,563,366	46,049,835	700,701	55,313,902	50,136,719	2
Activities for generating funds	3,021,057	12,816	-	3,033,873	4,393,715	3
Investment income	-	-	214,035	214,035	203,751	4
Incoming resources from charitable activities	-	23,747,020	-	23,747,020	14,701,032	5
<b>Total incoming resources</b>	<b>11,584,423</b>	<b>69,809,671</b>	<b>914,736</b>	<b>82,308,830</b>	<b>69,435,217</b>	
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Costs of generating voluntary income	-	6,308,910	-	6,308,910	5,773,256	11
Fundraising trading costs of goods sold and other costs	1,534,874	-	-	1,534,874	2,016,398	12
Investment management cost	-	-	286,711	286,711	162,840	13
<b>Charitable activities</b>						
Protecting Life and Dignity	2,480,739	28,817,678	-	31,298,417	29,430,313	
Empowering Communities						
- Caring for Orphans and Children in Need	600,376	7,952,647	-	8,553,023	8,198,776	
- Supporting Education	256,330	3,395,372	-	3,651,702	4,356,528	
- Providing access to Healthcare and water	880,698	11,665,826	-	12,546,524	9,238,322	
- Sustainable livelihood	677,608	8,975,669	-	9,653,277	4,234,289	
- Campaigning for Change	97,337	1,289,339	-	1,386,676	1,182,518	
<b>Total Charitable activities</b>	<b>4,993,088</b>	<b>62,096,531</b>	<b>-</b>	<b>67,089,619</b>	<b>56,640,746</b>	14
Governance cost	1,083,575	-	-	1,083,575	910,182	15
<b>Total resources expended</b>	<b>7,611,537</b>	<b>68,405,441</b>	<b>286,711</b>	<b>76,303,689</b>	<b>65,503,422</b>	
Net income for the year before transfers	3,972,886	1,404,230	628,025	6,005,141	3,931,795	
Gross transfers between funds	(532,562)	-	532,562	-	-	34
<b>Net income for the year before other recognised gains/(losses)</b>	<b>3,440,324</b>	<b>1,404,230</b>	<b>1,160,587</b>	<b>6,005,141</b>	<b>3,931,795</b>	
Net losses on investment assets	(33,169)	-	-	(33,169)	(36,346)	
Net movement on funds	3,407,155	1,404,230	1,160,587	5,971,972	3,895,449	
Reconciliation of funds						
Total funds brought forward	6,453,956	21,992,508	3,338,559	31,785,023	27,889,574	
<b>Total funds carried forward</b>	<b>9,861,111</b>	<b>23,396,738</b>	<b>4,499,146</b>	<b>37,756,995</b>	<b>31,785,023</b>	

The statement of financial activities includes all gains and losses recognised in the year

All incoming resources and resources expended derive from continuing operations

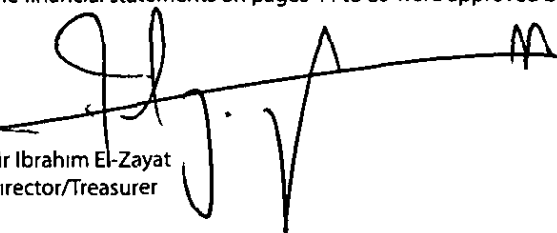
Islamic Relief Worldwide uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure Account for Islamic Relief alone as a separate entity. The net income for Islamic Relief as a charity for the year ended 31 December 2011 was £4.5 million (2010 net income £1.6 million)

# GROUP AND CHARITY BALANCE SHEETS

## as at 31<sup>st</sup> December 2011

	2011 total funds		2010 total funds		Note
	Group	Charity	Group	Charity	
	£	£	£	£	
Fixed assets					
Intangible assets	145,240	145,240	156,438	156,438	22
Tangible assets	6,178,536	5,888,246	5,915,569	5,639,789	23, 24
Investments	397,121	492,986	368,290	464,155	25
Total fixed assets	6,720,897	6,526,472	6,440,297	6,260,382	
Current assets					
Stocks and work in progress	144,542	67,478	231,651	57,759	26
Debtors	7,974,412	8,409,088	6,641,047	6,470,735	27
Cash at bank and in hand	25,627,297	24,581,677	22,824,043	22,314,269	
Total current assets	33,746,251	33,058,243	29,696,741	28,842,763	
Liabilities					
Creditors amounts falling due within one year	1,593,504	1,017,917	3,035,362	2,344,047	28
Net current assets	32,152,747	32,040,326	26,661,379	26,498,716	
Creditors amounts falling due after more than one year	1,116,649	1,116,649	1,316,653	1,316,653	28
Total assets less total liabilities	37,756,995	37,450,149	31,785,023	31,442,445	
Total funds					
Unrestricted funds					
General	7,639,359	8,165,165	3,352,217	3,810,147	
Designated fixed assets	2,221,752	1,389,100	3,101,739	2,301,231	
Total unrestricted funds	9,861,111	9,554,265	6,453,956	6,111,378	32
Restricted income funds	23,396,738	23,396,738	21,992,508	21,992,508	33
Endowment funds	4,499,146	4,499,146	3,338,559	3,338,559	34
Total funds	37,756,995	37,450,149	31,785,023	31,442,445	

The financial statements on pages 44 to 83 were approved by the board and signed on its behalf by



Mr Ibrahim El-Zayat  
Director/Treasurer

25 July 2012

The notes to the accounts on pages 47 to 83 form part of these financial statements

# GROUP CASH FLOW STATEMENT

## For the year ended 31<sup>st</sup> December 2011

	2011	2010
	£	£
<b>Reconciliation of net outflow to net cash flow from operating activities</b>		
Net income and resources (excluding cash flow from endowments)	4,811,383	3,511,298
Reconciliation to cash generated from operations		
Depreciation	469,338	315,605
Amortisation	17,673	12,514
Revaluation of investments	(28,831)	36,346
Decrease in stocks	87,109	(50,739)
Decrease/(Increase) in debtors	(1,333,365)	1,210,006
Increase in creditors	(1,441,850)	959,033
	<b>2,581,457</b>	<b>5,994,063</b>
 <b>Capital expenditure and financial investment</b>		
Purchase of intangible assets	(6,475)	(77,166)
Purchase of tangible fixed assets	(736,099)	(349,469)
Proceeds from the sale of fixed assets	3,787	14,481
	<b>(738,787)</b>	<b>(412,154)</b>
 <b>Financing</b>		
Endowment (waqf)	1,160,588	384,151
Repayment of amounts borrowed	(200,004)	(200,004)
Loan on building acquisition		
	<b>960,584</b>	<b>184,147</b>
 Net increase in cash	2,803,254	5,766,056
Cash at bank and in hand less overdrafts at 1 January	<b>22,824,043</b>	<b>17,057,987</b>
Cash at bank and in hand less overdrafts at 31 December	<b>25,627,297</b>	<b>22,824,043</b>
 <b>Consisting of</b>		
Cash at bank and in hand	25,627,297	22,824,043
	<b>25,627,297</b>	<b>22,824,043</b>

### Reconciliation in net debt

	1 Jan 2011	Cashflow	Non-cash movement	31 Dec 2011
	£	£	£	£
Cash at bank and in hand	22,824,043	2,803,254	-	25,627,297
Debt due within one year	(200,004)	200,004	(200,004)	(200,004)
Debt due in over one year	(1,316,653)	-	200,004	(1,116,649)

# NOTES TO THE FINANCIAL STATEMENTS

## 1 Principal accounting policies

### a Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Companies Act 2006 and adhering to the Revised Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005) effective since April 2005. The financial statements are prepared on the accruals concepts and going-concern basis thus presuming that the company will continue in business and the accounting policies mentioned have been consistently applied. (See note 40 for details of prior year adjustments included within the financial statements)

### b Going concern

We have set out in the Trustees' report a review of the financial performance and the charity's reserve position (page 47). We have adequate resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt the Charity's ability to continue. The financial statements have therefore been prepared on the basis that the charity is a going concern.

### c Consolidation and group financial statements

Islamic Relief Worldwide (IRW) is a charitable company limited by guarantee. Its main activities are delivering emergency aid to parts of the world affected by natural or unnatural disasters and setting up various development projects that help empower people in need.

The group financial statements consolidate those of Islamic Relief Worldwide and its trading subsidiary TIC International Limited and its property investment company SIF Invest. The results of TIC International Limited and SIF Invest have been incorporated on a line-by-line basis, in accordance with current legislation.

Islamic Relief Worldwide has taken advantage of section 399–402 of the Companies Act 2006 and paragraph 397 of the SORP and has not included its own income and expenditure account in the financial statements.

Note 10 gives the full details of the income and expenditure of the trading subsidiary. TIC International Limited is considered to be an intrinsic part of the charity's programme to relieve poverty in any part of the world. The donated items are a constant source of relief supplies.

Note 10 also gives the full details of the income and expenditure of the French subsidiary company SIF Invest, a company incorporated in France. Islamic Relief Worldwide owns 99% of the share capital of SIF Invest. The results have been consolidated within these financial statements.

The charity's overseas fundraising offices and field offices are established as separate independent legal entities in their own jurisdictions and, consequently, their results are not included within these consolidated financial statements.

### d Fund accounting

Islamic Relief Worldwide has various types of funds for which it is responsible, and which require separate disclosure.

**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. Islamic Relief Worldwide may incur costs on projects before the relevant restricted income is received. Therefore, income generated from restricted funds in this scenario is treated as unrestricted funds to cover the pre-financing costs of the project incurred.

**Designated funds** The trustees may at their discretion set aside unrestricted funds for specific purposes. Refer to Note 31. The designated fund for fixed assets is that part of unrestricted funds that represent fixed assets held. Refer to Note 31.

**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. The Waqf is the Islamic equivalent of endowments.

### e Incoming resources and investment income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy and there is certainty of receipt.

**Voluntary income** 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 United Kingdom. Where a claim for repayment of income tax has been or will be made, such income is included in the debtors' amount if still not received by the year end.

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

**Activities for generating funds** Comprise income generated by TIC International Limited, from its trading activities and its charity shops and the sale of merchandise.

**Investment income** Comprises income generated by waqf investment and rents receivable. Income generated from Waqf forms part of the endowment funds.

### f Gifts in kind

Gifts in kind for use by the charity are included in the accounts at their approximate market value at the date of receipt. Gifts in kind for distribution are included in the accounts at their approximate market value at the date of distribution.

### g Recognition of liabilities

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice for Accounting and Reporting (effective since April 2005) issued by the Charity Commission.

### h 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.

# NOTES TO THE FINANCIAL STATEMENTS

## h Resources expended continued

Costs of generating funds are costs incurred in attracting voluntary income, and those as stated below under the headings Costs of generating voluntary income, Fundraising trading

Costs of generating voluntary income The costs incurred in seeking voluntary contributions

Fundraising trading Comprises the group's trading activities, namely the costs associated with the trading activities of TIC International Limited

Charitable activities Costs associated with the provision of emergency relief and development humanitarian programmes as elaborated on in the trustees report section, Activities, Achievements and Performance These include both the direct costs and support costs relating to these activities

Governance costs The costs associated with the governance arrangements of Islamic Relief Worldwide, included within this category are costs associated with the strategic as opposed to day-to-day management of Islamic Relief Worldwide's activities This includes such items as internal and external audit, legal advice, and costs associated with constitutional and statutory requirements

Support costs Support costs to 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 18) 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

Campaigning for change Those costs associated with disseminating information and raising the profile of the charitable activities of Islamic Relief Worldwide 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

The number of staff involved in an activity is deemed to be the appropriate basis for allocating support costs as it closely reflects the resource usage of the support functions of the core activities The number of staff working on a particular activity is determined by the estimated equivalent time devoted by a full-time member of staff to perform the task Support costs that represent the support functions of management, finance and accounts, human resources, IT and offices facilities are allocated to each activity, based on the number of staff performing a particular activity in relation to the total number of staff performing all core activities

Grants are charged to the SOFA when a constructive obligation exists, notwithstanding that they may be paid in future accounting periods

## i Operating leases

Rentals applicable to operating leases (where substantially all of the benefits and risks of ownership remain with the lessor) are charged against income as incurred Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the period of the lease

## j 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

## k Fixed assets and depreciation

All expenditure of a capital nature is capitalised at cost as fixed assets with items costing below £500 being fully depreciated during the year of purchase Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable Intangible assets represent the organisation's registered trade marks

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use 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 8 years straight-line basis
Office equipment	Over 4 years straight-line basis
Motor vehicles	Over 5 years straight-line basis
Plant and machinery	Over 8 years straight-line basis

## l Intangibles

Trademarks are stated at cost less any impairment loss The useful life of the trademarks is estimated to be 10 years, based on the life of trademarks They are amortised and tested for impairment annually where indicators of impairment are identified

## m 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

## n Investments

Long-term investments are classified as fixed assets and stated at current value They consist of subsidiary undertakings, unlisted investments and property Short-term investments are classified as current assets Provision is made for any impairment in the value of fixed-asset investments

## o Provisions

Provisions are recognised when the charity has a present legal or constructive obligation as a result of a past event, where it is probable that a transfer of economic benefit will be incurred and this transfer can be reliably estimated

## p Pension costs

The charity operates a group personal pension scheme, which effectively means that all employees who join the scheme have their own pension plan The contributions made by the charity are charged as expenditure in the year

## q Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only Value added tax (VAT) is not recoverable by the company, and is therefore included in the relevant costs in the statement of financial activities

## NOTES TO THE FINANCIAL STATEMENTS

### 2 Voluntary income

	Unrestricted funds	Restricted funds	Endowment funds	Total	Total	Note
	2011	2011	2011	2011	2010	
	£	£	£	£	£	
Donations, appeals and fundraising events						
United Kingdom	7,620,068	13,264,896	174,078	21,059,042	21,698,427	7, 38
Disasters Emergency Committee*	-	1,378,778	-	1,378,778	3,091,647	7, 38
International Fundraising**	866,435	-	464,518	1,330,953	3,159,664	8
Islamic Relief partners	76,863	31,406,161	62,105	31,545,129	22,186,981	9, 37
	<b>8,563,366</b>	<b>46,049,835</b>	<b>700,701</b>	<b>55,313,902</b>	<b>50,136,719</b>	

\* The Disasters Emergency Committee (DEC) is an umbrella organisation of 14 humanitarian aid agencies

At times of overseas emergency, the DEC brings together a unique alliance of the United Kingdom's aid, corporate, public and broadcasting sectors to rally the nation's compassion, and ensure that funds raised go to DEC agencies that are best placed to deliver effective and timely relief to people most in need. For further information go to [www.dec.org.uk](http://www.dec.org.uk)

\*\* International fundraising includes Middle East, South America and other countries Islamic Relief does not have a permanent presence in

### 3. Activities for generating funds

	Unrestricted funds	Restricted funds	Total	Total
	2011	2011	2011	2010
	£	£	£	£
Trading Subsidiaries				
TIC				
Income from charitable shops	620,117	-	620,117	562,440
Qurbani Income	-	12,816	12,816	2,129,284
Merchandising Income	-	-	-	2,653
Clothes Recycling Income	2,365,752	-	2,365,752	1,679,465
	<b>2,985,869</b>	<b>12,816</b>	<b>2,998,685</b>	<b>4,373,842</b>
SIF	35,188	-	35,188	19,873
Total	<b>3,021,057</b>	<b>12,816</b>	<b>3,033,873</b>	<b>4,393,715</b>

### 4. Investment income

	Total	Total
	2011	2010
	£	£
Return on waqf	214,035	203,751
Total	<b>214,035</b>	<b>203,751</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 5 Incoming resources from charitable activities by institution

	Total	Total	Note
	2011	2010 (as restated)	
	£	£	
Action Aid	217,396	-	
Catholic Agency for Overseas Development	209,990	93,316	
Christian Aid	48,107	-	
Concern Worldwide	234,179	-	
Consortium of British Humanitarian Agencies	55,330	100,000	
Del Agua (GIK)	9,058	-	
Department for International Development	-	818,252	
Disaster Emergency Committee	535,509	-	
European Commission	1,756,365	802,687	
European Commission for Humanitarian Operations	3,988,894	1,906,482	
HSBC (GIK)	6,000	-	
International Development and Relief Foundation	-	27,112	
International Health Partners (GIK)	-	2,956,333	
Mothercare (GIK)	-	1,000,000	
Oxfam	1,153,389	-	
Royal Commonwealth Society for the Blind	49,299	-	
Save The Children	141,356	54,103	
Scottish Government International Development	75,796	75,000	
Spanish Aid Agency	854,934	-	
Swedish International Development Agency*	739,240	1,454,383	
United Nations Development Programme	787,237	894,590	
United Nations High Commissioner for Refugees	90,960	-	
Worldvision UK	219,625	-	
Refer to Note 35 for details of charitable programmes (continued)	11,172,664	10,182,258	35

\* Swedish International Development Agency Funding raised through Islamic Relief Sweden

GIK = Gift in kind For details refer to notes 35 & 36



## NOTES TO THE FINANCIAL STATEMENTS

### 5 Incoming resources from charitable activities by institution (continued)

	Total	Total	Note
	2011	2010 (as restated)	
	£	£	
International Fundraising			
Al Eslah Yemen	-	8,201	
Alfanar Co	31,895	-	
Alkawari Ghanim Saad	386,450	-	
Arab Medical Union	-	285,023	
Bahrain Royal Charity Organisation	204,548	180,695	
Haj Abdallah Berni	109,889	162,678	
International Islamic Charitable Organisation Kuwait	257,999	213,643	
Islamic Community Milli Gorus	-	1,106,409	
Islamic Cultural Centre Panama*	867,569	-	
Islamic Development Bank	6,465,930	1,695,474	
Islamic Foundation Ireland	30,050	8,868	
Jordanian Hashemite Charity Organisation	362,995	-	
Kuwait Zakat House	231,607	-	
Qatar Charity	834,349	410,960	
Qatar Foundation (GIK)	339,675	-	
Reach Out to Asia – Qatar	637,089	434,493	
Royal College of Surgeons in Ireland	-	5,464	
Sakhaa	1,249,964	-	
Sheikh Abdullah Al Nouri Charity – Kuwait	128,446	-	
The Islamic Association for Orphans & Poor	435,901	-	
World Conference of Religion for Peace International	-	6,866	
Refer to Note 36 for details of charitable programmes	12,574,356	4,518,774	36
Sub-total from page 56	11,172,664	10,182,258	
Total	23,747,020	14,701,032	

\* This includes Gifts in Kind amounting to £791k

## NOTES TO THE FINANCIAL STATEMENTS

### 6. Incoming resources from charitable activities by strategic objective

	Total	Total	Note
Strategic Objective	2011	2010 (as restated)	
	£	£	
Protecting Life and Dignity	52,108,051	41,222,454	
Empowering Communities			
- Caring for Orphans and Children in Need	10,390,986	8,408,540	
- Supporting Education	2,220,954	2,162,367	
- Providing access to Healthcare and water	12,886,979	11,889,042	
- Sustainable livelihood	4,701,860	5,715,651	
Campaigning for Change	-	820	
Total	82,308,830	69,435,217	2, 3, 4, 5

### 7. Total income generated in the United Kingdom

The income raised in the United Kingdom relates to the income raised by IRW through its head-quarters and through its various offices and branches in the United Kingdom.	Total	Total	Note
	2011	2010 (as restated)	
	£	£	
Voluntary income from the United Kingdom	21,059,042	21,698,427	2
Disasters Emergency Committee	1,378,778	3,091,647	2
Activities for generating funds	620,117	562,440	3
Trading subsidiary – TIC International Limited	2,378,568	3,811,402	
Incoming resources from Charitable Activities	2,419,524	4,305,864	5,35
	27,856,029	33,469,780	

Incoming resources from Charitable activities include gift in kind valued at £3,956,333 in 2010 and £15,058 in 2011

## NOTES TO THE FINANCIAL STATEMENTS

### 8 Total income generated by International Fundraising

\*The income raised in the Middle East and other geographical regions relates to the income raised by Islamic Relief Worldwide through its headquarters.

	Total	Total	Notes
	2011	2010 (as restated)	
	£	£	
Voluntary income from the International Fundraising	1,330,953	3,159,664	2
Incoming resources from charitable activities	12,574,356	4,518,774	5, 36
	<b>13,905,309</b>	<b>7,678,438</b>	

Income generated by International Fundraising includes gift in kind valued at £1,193,163 in 2011

### 9 Donations disclosure by partner

The voluntary income shown below, which is included in Note 2, is shown below by partners\*. This is further analysed and shown by the actual humanitarian projects funded by the partners in Note 37.

Partner	Unrestricted funds	Restricted funds	Endowment funds	Total	Total	Note
	2011	2011	2011	2011	2010	
	£	£	£	£	£	
Islamic Relief Australia	-	364,108	-	364,108	-	37
Islamic Relief Belgium	-	578,893	51,729	630,622	399,215	37
Islamic Relief Canada	-	2,649,173	-	2,649,173	1,592,270	37
Islamic Relief Deutschland	-	3,677,754	-	3,677,754	2,789,251	37
Islamic Relief Italy	4,954	473,848	-	478,802	227,439	37
Islamic Relief Malaysia	-	433,737	-	433,737	22,569	37
Islamic Relief Mauritius	-	689,350	10,376	699,726	430,810	37
Islamic Relief Nederland	-	1,897,876	-	1,897,876	1,137,832	37
Islamic Relief South Africa	-	392,802	-	392,802	575,195	37
Islamic Relief Sweden	-	1,888,715	-	1,888,715	726,406	37
Islamic Relief Association Switzerland	-	2,259,994	-	2,259,994	2,308,035	37
Islamic Relief USA	71,909	13,509,065	-	13,580,974	10,296,098	37
Secours Islamique France	-	2,455,891	-	2,455,891	1,681,861	37
Total partner income	<b>76,863</b>	<b>31,271,206</b>	<b>62,105</b>	<b>31,410,174</b>	<b>22,186,981</b>	
Islamic Relief Bosnia	-	134,955	-	134,955	-	37
Total	<b>76,863</b>	<b>31,406,161</b>	<b>62,105</b>	<b>31,545,129</b>	<b>22,186,981</b>	

\* All partners are separate legal entities reporting locally in their respective countries. These amounts represent amounts transmitted to Islamic Relief to be applied to Islamic Relief Worldwide projects. Islamic Relief Mauritius is incorporated as a branch of Islamic Relief Worldwide, with local directors appointed to oversee operations.

## NOTES TO THE FINANCIAL STATEMENTS

### 10. Results from trading subsidiaries

	TIC International Limited	SIF Invest	2011	2010
	£	£	£	£
Subsidiary trading income	2,234,908	35,188	2,270,096	1,840,376
Income from charitable shops managed by TIC International Limited	620,117	-	620,117	526,404
Income from Qurbani	925,957	-	925,957	2,129,284
	<b>3,780,982</b>	<b>35,188</b>	<b>3,816,170</b>	<b>4,496,064</b>
Operating and administrative costs	2,990,306	71,647	3,061,953	4,221,969
Net profit for the year	<b>790,676</b>	<b>(36,459)</b>	<b>754,217</b>	<b>274,095</b>
Amounts gift aided to Islamic Relief	823,123	-	823,123	219,446
Retained in subsidiary	<b>(32,447)</b>	<b>(36,459)</b>	<b>(68,906)</b>	<b>54,649</b>
The assets and liabilities of the subsidiaries were				
Fixed assets	290,290	335,121	625,411	644,070
Current assets	1,370,829	196,517	1,567,346	1,317,026
Current liabilities	(1,335,288)	(119,638)	(1,454,926)	(1,154,359)
Total net assets	<b>325,831</b>	<b>412,000</b>	<b>737,831</b>	<b>806,737</b>
Aggregate share capital and reserves	325,831	412,000	737,831	806,737

## NOTES TO THE FINANCIAL STATEMENTS

### Resources expended

#### Costs of generating funds

	Activities under-taken directly	Support costs	Total	Total	Note
	2011	2011	2011	2010	
				(as restated)	
	£	£	£	£	

#### 11 Costs of generating voluntary income

Fundraising and publicity costs	3,252,003	1,031,901	4,283,904	2,768,278	
Campaigns and events costs	1,325,019	619,141	1,944,160	2,923,024	17
e-fundraising	3,453	77,393	80,846	81,955	
	4,580,475	1,728,435	6,308,910	5,773,257	

\* Fundraising partner support represents Islamic Relief Worldwide providing service delivery support to partners

#### 12. Fundraising trading cost of goods sold and other costs

	Activities under-taken directly	Support costs	Total	Total
	2011	2011	2011	2010
	£	£	£	£
Trading subsidiary costs	520,540	1,014,334	1,534,874	2,016,398

#### 13 Investment management cost waqf

	Activities under-taken directly	Support costs	Total	Total
	2011	2011	2011	2010
	£	£	£	£
Investment management cost	202,739	83,972	286,711	162,840

#### 14 Charitable activities

The grants included in charitable activities are disclosed in Note 19

	Activities undertaken directly	Support costs	Total	Total
	2011	2011	2011	2010
				(as restated)
	£	£	£	£
Protecting Life and Dignity	31,014,645	283,772	31,298,417	29,430,313
Empowering Communities				
- Caring for Orphans and Children in Need	8,475,631	77,393	8,553,024	8,198,776
- Supporting Education	3,484,018	167,684	3,651,702	4,356,528
- Providing access to Healthcare and Water	12,211,155	335,369	12,546,524	9,238,322
- Sustainable Livelihoods	9,485,593	167,684	9,653,277	4,234,289
Campaigning for Change	819,130	567,546	1,386,676	1,182,518
	65,490,172	1,599,448	67,089,620	56,640,746

## NOTES TO THE FINANCIAL STATEMENTS

### 15. Governance costs

	Activities under- taken directly	Support costs	Total	Total	Note
	2011	2011	2011	2010	
	£	£	£	£	
External audit and statutory accounts	38,400	10,319	48,719	48,374	
Legal and consultancy	120,594	25,798	146,392	89,851	
Trustees' expenses (refer to Note 16)	18,944	-	18,944	21,748	16
Evaluation & Audit	127,494	51,595	179,089	136,598	
Strategy, Policy and Process	148,648	103,190	251,838	210,631	
Strengthening the Islamic Relief family	-	77,393	77,393	73,299	
General governance costs	335,402	25,798	361,200	329,681	
	<b>789,482</b>	<b>294,093</b>	<b>1,083,575</b>	<b>910,182</b>	

The organisation has embarked on a major international restructuring initiative. This has included substantial costs in registering the organisation's intellectual rights on an international basis as well as legal fees and management consultant fees. These costs were at a reduced level in 2010.

### 16. Trustees' remuneration

	2011	2010 (as restated)
Trustees are not remunerated	£NIL	£NIL
Neither the trustees, nor any persons connected with them, have received any remuneration, either in the current year or the prior year		
The Number of Trustees claiming expenses	6	8
Trustees' expenses	£	£
Meeting	8,760	8,926
Travel	10,053	10,010
Telecommunications	131	2,812
Total	<b>18,944</b>	<b>21,748</b>

### 17. Campaigns during the year

	2011	2010
Activities	£	£
Protecting Life and Dignity		
East Africa	7,034	-
Feed the Needy	1,175,829	1,407,185
Haiti	-	232,875
Libya	28,985	-
Pakistan	223,395	780,150
Palestine	-	90,850
Qurbani	203,447	224,713
Yemen	3,146	-
Empowering Communities		
- Access to healthcare and water	59,587	85,280
- Caring for Orphans and children	242,737	92,034
- Sustainable Livelihoods	-	9,937
	<b>1,944,160</b>	<b>2,923,024</b>

\* Campaigns during the year represent the key areas of fundraising activity

# NOTES TO THE FINANCIAL STATEMENTS

## 18 Support-cost allocation

	Management and administration	Finance	Human resources & Organisational Development	Information Communications Technology	Facilities	Procurement & Logistics	Total	Total	Note
	2011	2011	2011	2011	2011	2011	2011	2010 (as restated)	
	£	£	£	£	£	£	£	£	
<b>Costs of generating funds</b>									
Costs of generating voluntary income	437,709	289,036	180,196	362,280	392,633	66,581	1,728,435	1,710,321	11
Fundraising trading – subsidiary costs	1,014,334	-	-	-	-	-	1,014,334	918,873	12
Investment management costs	20,354	13,440	8,379	16,846	21,857	3,096	83,972	73,300	13
	<b>1,472,397</b>	<b>302,476</b>	<b>188,575</b>	<b>379,126</b>	<b>414,490</b>	<b>69,677</b>	<b>2,826,741</b>	<b>2,702,494</b>	
<b>Cost of charitable activities</b>									
Campaigning for change	137,566	90,840	56,632	113,860	147,722	20,926	567,546	513,096	
Protecting Life and Dignity	68,783	45,420	28,316	56,930	73,861	10,463	283,773	195,467	
Empowering Communities									
- Access to healthcare and water	81,289	53,678	33,465	67,281	87,290	12,365	335,368	268,765	
- Caring for Orphans and children	18,759	12,387	7,723	15,526	20,145	2,853	77,393	73,299	
- Supporting Education	40,644	26,839	16,732	33,640	43,645	6,184	167,684	134,382	
- Sustainable livelihoods	40,644	26,839	16,732	33,640	43,645	6,184	167,684	134,382	
	<b>387,685</b>	<b>256,003</b>	<b>159,600</b>	<b>320,877</b>	<b>416,308</b>	<b>58,975</b>	<b>1,599,448</b>	<b>1,319,391</b>	14
<b>Governance cost</b>									
	52,525	34,684	21,623	43,474	133,797	7,990	294,093	131,939	15
<b>Total support costs</b>	<b>1,912,607</b>	<b>593,163</b>	<b>369,798</b>	<b>743,477</b>	<b>964,595</b>	<b>136,642</b>	<b>4,720,282</b>	<b>4,153,824</b>	

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.

# NOTES TO THE FINANCIAL STATEMENTS

## 19. Grants

The grants shown below are shown as part of the charitable expenditure in Note 14

	Grants to individuals	Grants to institutions	Total	Total
	2011	2011	2011	2010
	£	£	£	£
Protecting Life and Dignity	2,100	5,000	7,100	96,450
Empowering Communities				
Supporting Education	-	-	-	153,324
Providing Access to Healthcare and Water	-	63,000	63,000	12,965
Campaigning for Change	-	-	-	188,130
Total grants paid	2,100	68,000	70,100	450,869
		Refer to Note 39 for further details		Refer to Note 39 for further details

## 20. Net incoming resources

	Total	Total
	2011	2010
	£	£
This is stated after charging/(crediting)		
Auditors' remuneration	32,000	38,600
Depreciation	469,338	315,605
Amortisation	17,673	12,514
Profit/(Loss) on disposal of tangible assets	(3,800)	-
Operating leases' rental other than plant and machinery	142,450	232,440
Exchange (gain)/loss	360,295	(395,310)

Auditors' remuneration relates solely to audit services

	2011	2010
	£	£
Fees payable to company's auditors for the audit of the company's annual accounts	28,000	33,600
Fees payable to company's auditors for the audit of the company's subsidiaries pursuant to legislation	4,000	5,000
Total audit fees	32,000	38,600



## NOTES TO THE FINANCIAL STATEMENTS

### 21 Staff costs and emoluments

	Group	Charity	Group	Charity
	2011	2011	2010 (as restated)	2010 (as restated)
	£	£	£	£
Gross salaries	7,222,745	6,166,921	6,838,847	5,873,934
Employers' National Insurance	602,716	530,607	555,745	487,229
	7,825,461	6,697,528	7,394,592	6,361,163

Average number of employees	Group	Charity	Group	Charity
	2011	2011	2010 (as restated)	2010 (as restated)
	Number	Number	Number	Number
Engaged in charitable activities	84	84	73	73
Engaged in publicity activities and awareness-raising	18	18	46	46
Engaged in fundraising activities	77	77	55	55
Engaged in management and governance activities	13	13	17	17
Engaged in support activities	73	73	63	63
Engaged in trading subsidiaries	83	-	79	-
	348	265	333	254

Employee numbers do not include trustees/directors since they are not paid employees

There were no employees with emoluments in excess of £60,000 per annum (2010 Nil)

#### Employee expenses

Employees are only reimbursed expenses when incurred wholly and exclusively associated with travel in fulfilling the objectives of the organisation. Our objectives are based on the core aims. Our core aims are: 1. Protecting Life and Dignity, 2. Empowering Communities, 3. Campaigning for Change, 4. Strengthening the Islamic Relief Partnership.

## NOTES TO THE FINANCIAL STATEMENTS

### 22 Intangible assets Group and Charity

	Group trade-marks 2011
	£
<b>Cost</b>	
At 1 January 2011	181,551
Additions	6,475
At 31 December 2011	188,026
<b>Accumulated amortisation</b>	
At 1 January 2011	(25,113)
Charge for the year	(17,673)
At 31 December 2011	(42,786)
<b>Net book value</b>	
At 31 December 2011	145,240
At 31 December 2010	156,438

Trademarks are depreciated over their economic life of 10 years

### 23 Group Tangible assets

	Freehold land and buildings	Plant and machinery	Fixtures, fittings and office equipment	Motor vehicles	Total
Group	£	£	£	£	£
<b>Cost/Valuation</b>					
At 1 January 2011	6,039,475	352,363	1,993,055	157,307	8,542,200
Additions	18,706	32,020	614,213	71,160	736,099
Disposals	-	-	-	(19,000)	(19,000)
At 31 December 2011	6,058,181	384,383	2,607,268	209,467	9,259,299
<b>Accumulated depreciation</b>					
At 1 January 2011	744,219	178,228	1,589,399	114,779	2,626,625
Charge for the year	123,935	30,702	288,403	26,298	469,338
Disposals	-	-	-	(15,200)	(15,200)
At 31 December 2011	868,154	208,930	1,877,802	125,877	3,080,763
<b>Net book value</b>					
At 31 December 2011	5,190,027	175,453	729,466	83,590	6,178,536
At 31 December 2010	5,295,256	174,135	403,648	42,530	5,915,569

Freehold property is valued at historical cost and depreciated

## NOTES TO THE FINANCIAL STATEMENTS

### 24. Charity Tangible assets

	Freehold land and buildings	Fixtures, fittings and office equipment	Motor vehicles	Total
Charity	£	£	£	£
Cost				
At 1 January 2011	5,993,389	1,921,979	71,795	7,987,163
Additions	4,466	605,186	43,479	653,131
At 31 December 2011	5,997,855	2,527,165	115,274	8,640,294
Accumulated depreciation				
At 1 January 2011	(736,209)	(1,547,923)	(63,242)	(2,347,374)
Charge for the year	(119,914)	(278,159)	(6,601)	(404,674)
At 31 December 2011	(856,123)	(1,826,082)	(69,843)	(2,752,048)
Net book value				
At 31 December 2011	5,141,732	701,083	45,431	5,888,246
At 31 December 2010	5,257,180	374,056	8,553	5,639,789

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

## NOTES TO THE FINANCIAL STATEMENTS

### 25. Investments

	Total Group	Total charity
	£	£
As at 1 January 2011	368,290	464,155
Additions	62,000	62,000
Decrease in value	(33,169)	(33,169)
As at 31 December 2011	397,121	492,986

The investment in the charity relates to Islamic Relief Worldwide's investment in its subsidiary TIC International Limited. TIC International Limited provides clothing recycling services. TIC International Limited is incorporated in the United Kingdom.

The Investment in Properties refers to two properties.

The Investment in SIF Invest relates to Islamic Relief Worldwide's investment in SIF Invest, incorporated in France. Islamic Relief Worldwide owns 99% of the share capital of SIF Invest. SIF Invest is treated as a subsidiary in the group accounts. The decrease in value relates to the movement of profit and loss and exchange difference. The property is situated in France and has been revalued on an open market value by Catella Valuation FCC, France, on 31 December 2011 at €400,000, (£335,121). The historic cost of the property in 2000 was £252,000.

The second investment property is located in Bradford, UK and valued at £62,000. This property was gifted to Islamic Relief.

### 26 Stocks and work in progress

	Group	Charity	Group	Charity
	2011	2011	2010 (as restated)	2010 (as restated)
	£	£	£	£
Donated Clothing	76,794	-	173,892	-
Humanitarian Supplies	67,748	67,478	57,759	57,759
	144,542	67,478	231,651	57,759

Stocks held by the charity relate to emergency supplies to facilitate immediate response to disasters.

### 27 Debtors

	Group	Charity	Group	Charity
	2011	2011	2010	2010
	£	£	£	£
Trade debtors	307,844	2,683	263,058	-
Amounts owed to group undertakings	-	879,338	-	284,942
Other debtors	7,503,248	7,397,685	6,198,126	6,039,854
Prepayments	163,320	129,382	179,863	145,939
	7,974,412	8,409,088	6,641,047	6,470,735
Amounts falling due more than one year are included in				
Other debtors	1,571,343	1,571,343	588,413	588,413

Amounts due from associated and subsidiary undertakings included £823,123 gift aid payment from TIC International Limited (2010: £219,446).

Other debtors represent amounts owed by partners for costs incurred on their behalf for operational matters.

## NOTES TO THE FINANCIAL STATEMENTS

### 28 Creditors

	Group	Charity	Group	Charity
	2011	2011	2010	2010 (as restated)
	£	£	£	£
Creditors amounts falling due within one year				
Trade creditors	475,485	64,916	946,710	254,660
Other creditors	594,694	548,981	1,402,810	1,332,128
Bank loan < 1 year	200,004	200,004	200,004	200,004
Amounts owed to group undertakings	-	-	-	178,106
Accrued expenses	86,401	57,195	263,993	239,023
PAYE and National Insurance	235,790	145,691	220,433	138,714
Unpaid pension contributions	1,130	1,130	1,412	1,412
	1,593,504	1,017,917	3,035,362	2,344,047
Creditors amounts falling due after more than one year				
Bank loan > 1 year	1,116,649	1,116,649	1,316,653	1,316,653

Other creditors represents amounts due to Islamic Relief implementing partners for projects committed to and implemented during 2011

The bank loan is for a term of 10 years, although the loan agreement allows Islamic Relief Worldwide to repay lump sum repayments. In accordance with the terms of the agreement, a fee of 1.75% above the base rate is payable if the loan amount exceeds the aggregate credit balances as agreed. The bank loan is secured on the Waterloo premises.

### 29 Commitments

	Group	Charity	Group	Charity
	2011	2011	2010	2010
	£	£	£	£
Operating leases other than plant and machinery				
Expiring				
Less than one year	24,250	24,250	54,740	44,240
Between 2-5 years	13,200	13,200	31,836	31,836
More than 5 years	105,000	105,000	72,800	72,800
Total	142,450	142,450	159,376	148,876

As at 31 December 2011, the group had no capital commitments (2010: £nil)

### 30. Pension costs

The charity operates a group personal pension scheme, which effectively means that all employees who join the scheme have their own pension plan, it is not a company pension scheme.

## NOTES TO THE FINANCIAL STATEMENTS

### 31 Analysis of assets and liabilities representing funds

At 31 December 2011	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
	£	£	£	£	£
Group					
Tangible and Intangible fixed assets	-	2,221,752	-	4,499,147	6,720,899
Assets	9,754,819	-	23,991,430	-	33,746,249
Liabilities	(2,115,459)	-	(594,694)	-	(2,710,153)
	7,639,360	2,221,752	23,396,736	4,499,147	37,756,995

### 32 Unrestricted funds

	General reserve	Designated: Fixed Assets	Total
	£	£	£
Balance as at 1 January 2011	3,352,217	3,101,739	6,453,956
Net incoming resources	3,939,717	-	3,939,717
Transfer to restricted funds*	(532,562)	-	(532,562)
Transfer between funds**	879,987	(879,987)	-
Balance as at 31 December 2011	7,639,359	2,221,752	9,861,111

\*Refer to note 34

\*\*Designated Fixed Assets reclassified to General reserve

# NOTES TO THE FINANCIAL STATEMENTS

## 33 Restricted income funds

	Balance as at January 2011	Total incoming resources	Total resources ex- pended	Balance as at 31 December 2011
	£	£	£	£
<i>Appeal funds</i>				
Afghanistan	43,356	269,546	307,351	5,551
A	Africa	-	151,959	125,193
Albania	34,601	4,034	31,674	6,961
Bangladesh	(403,038)	4,124,097	3,334,872	386,187
Bosnia-Herzegovina	-	1,905	560	1,345
Chad	80,874	1,309,388	728,521	661,741
Chechnya	141,121	219,845	61,822	299,144
China	195,490	2,454	120,936	77,008
Congo	27,489	-	-	27,489
B	East Africa	85,113	4,997,123	2,232,865
Egypt	11,438	583,639	435,002	160,075
Ethiopia	322,723	794,083	746,330	370,476
Haiti	1,218,933	1,020,456	1,203,783	1,035,606
India	40,254	7,422	8,790	38,886
Indonesia	190,831	141,831	329,421	3,241
Iraq	619,505	95,678	67,287	647,896
Japan	-	82,551	82,551	-
Kenya	199,419	2,920,875	2,482,672	637,622
Kosova	254,256	397,314	636,187	15,383
Lebanon	261,994	177,639	245,271	194,362
Libya	-	2,096,393	1,859,640	236,753
Malawi	33,568	105,449	78,577	60,440
Mali	122,937	470,526	486,385	107,078
Myanmar	94,231	486	210	94,507
Niger	329,618	727,713	873,099	184,232
Pakistan	8,074,776	5,186,665	9,514,049	3,747,392
Palestine	6,699,281	5,928,047	9,167,644	3,459,684
Somalia	-	8,501,577	5,381,156	3,120,421
Sri Lanka	1,503	94,157	94,152	1,508
Sudan	204,624	1,628,884	1,588,874	244,634
Tunisia	-	945,132	912,192	32,940
Yemen	(37,993)	139,539	101,546	-
Campaigning for change	52,898	-	-	52,898
Caring for orphans and children in need	1,595,091	10,390,986	9,248,750	2,737,327
Other countries	344,927	373,843	311,781	406,989
C	Qurbani	471,677	5,851,248	5,762,429
D	Ramadan	431,251	2,692,582	2,406,197
United Kingdom projects	7,577	93,837	66,542	34,872
E	Access to healthcare and water	242,183	496,682	587,044
<i>Gifts in kind and lo- cally received funds</i>				
Iraq	-	576,530	576,530	-
Libya	-	113,225	113,225	-
Pakistan	-	15,058	15,058	-
Palestine	-	5,689,091	5,689,091	-
Somalia	-	62,103	62,103	-
Tunisia	-	113,225	113,225	-
Yemen	-	214,854	214,854	-
Total	21,992,508	69,809,671	68,405,441	23,396,738

# NOTES TO THE FINANCIAL STATEMENTS

## 33 Restricted income funds - continued

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 Worldwide have been used to implement specific humanitarian projects in particular areas of the world stated above. Projects implemented include emergency response development programmes to help vulnerable people restart their lives and to provide long-term sustainable benefits for a community, including orphan sponsorship, health water supply and sanitation projects, agricultural projects, income generation, and educational projects.

Zakat funds (annual religious payments by able Muslims to help the poor) have been used to cover shortfalls in emergency, health, sustainable livelihood and water and sanitation implemented in various countries including Bangladesh, Kenya, Sudan and Yemen.

Negative funds balances are only carried forward when there is a reasonable expectation that funds will be received from donors for costs already incurred, as detailed over

A AFRICA Funds are raised under an Africa appeal to be applied to projects within African countries.

B East Africa Funds are raised under an East Africa appeal to be applied to projects within East African Countries.

C QURBANI The Qurbani projects involve the distribution of meat as a result of the Eid Al Adha celebration (the celebration of sacrifice).

D RAMADAN The Ramadan projects relate to a programme of feeding the needy during the Muslim month of Ramadan.

E Access to healthcare and water The funds raised under Access to health and water have been utilised to under Access health and water projects within the countries listed on this page.

### Funders' key

DEC Disasters Emergency Committee

DFID United Kingdom Department for International Development

EC European Commission Humanitarian Aid Office

ECHO European Commission Humanitarian Aid Office

IDRF International Development and Relief Foundation

UNDP United Nations Development Programme

## 34 Endowment funds

	Balance as at 1 January 2011	Total incom- ing resources	Return on Investments	Total available resources	Total resour- ces expended	Transfer	Balance as at 31 December 2011
Endowment funds	£	£		£	£	£	£
Waqf Admin	200,000	200,000	-	400,000	215,237	103,088	81,675
Waqf education	257,811	13,149	18,398	289,358	3,155	14,718	271,485
Waqf emergency	161,651	11,068	11,394	184,113	2,246	9,115	172,752
Waqf general	712,527	56,824	48,412	817,763	10,524	38,730	768,509
Waqf health	149,644	16,934	10,898	177,476	2,783	8,718	165,975
Waqf income generation	132,084	27,612	10,329	170,025	3,794	8,263	157,968
Waqf orphans	723,291	59,087	52,326	834,704	11,141	41,861	781,702
Waqf in property	132,178	-	-	132,178	-	-	132,178
Waqf Qurbani	99,994	10,774	7,059	117,827	1,783	5,647	110,397
Waqf support	251,162	22,345	18,024	291,531	4,037	14,419	273,075
Waqf water	518,217	52,020	37,195	607,433	8,922	29,756	568,754
Sadaqa Jariya	-	230,888	-	230,887	23,089	(806,877)	1,014,676
Total	3,338,559	700,701	214,035	4,253,295	286,711	(532,562)	4,499,146

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 7% 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 2011 income from these waqf investments amounting to £214,035 will finance future long-term sustainable humanitarian development projects. Sadaqa Jariya has been reclassified from unrestricted to waqf and £806k transferred from unrestricted income to endowments.



## NOTES TO THE FINANCIAL STATEMENTS

### 35. Individual grants disclosure by institution

The grants shown below are included in Note 5 and are individually disclosed below

Donor	Project	Total	Total
		2011	2010
		£	£
Action Aid	Disaster Resilient Future Mobilising for effective Risk Reduction	217,396	-
Catholic Agency for Overseas Development	Niger Health and Nutrition Improvement	-	33,316
	Pakistan Shelter Reconstruction project	149,990	-
	Palestine Emergency Relief Psychosocial Support to Gaza Children	60,000	60,000
Christian Aid	Bangladesh Building Climate resilient & safer communities in Sidr/Aila	35,687	-
	Bangladesh Disaster Resilient Future, Mobilising for Effective Risk Reduction	12,420	-
Concern Worldwide	Bangladesh Emergency Aid in Favour of Affected Communities	234,179	-
Consortium of British Humanitarian Agencies	Pakistan Floods Emergency	-	100,000
	Humanitarian Emergency Surge Capacity	55,330	54,103
Del Auga	Water purifying units (GIK)	9,058	-
Department for International Development	Partnership Programme Agreement	-	818,252
Disaster Emergency Committee	Ethiopia Disaster Response Programme	25,692	-
	Kenya Disaster Response Programme	151,607	-
	Pakistan Integrated Rehabilitation for Flood Affected in Jaffarabad	358,210	-
European Commission	Bangladesh Building Disaster Resilience and Safer Communities	165,316	35,244
	Bangladesh Cyclone Alia Response and Early Recovery Programme	395,671	270,661
	Bangladesh Cyclone Sidr Shelter Programme	-	75,571
	Bangladesh Education and Livelihood Support	1,234,349	584,200
	Bangladesh Enhancing Community capacity in Disaster preparedness	144,997	-
	Bangladesh Food Assistance for Unregistered Rohingya Refugees	-	34,163
	Bangladesh Humanitarian Assistance for Unregistered Rohingya Refugees	-	516,935
	Bangladesh Humanitarian Assistance for Water Logging	4,917	-
	Bangladesh Hum Assistance for Hoar Flash Flood Affected Families	118,841	-
	Bangladesh Post-Floods Early Recovery Programme	-	507,544
	Chad Rehabilitation Assistance Project in Djourf and Salamat	143,200	-
	Chad Technical Support to Local Organisation on Canton Salamat	197,462	-
	Chad Cap building of local partners & Structuring of Arabic Gum sector	177,702	-
	Ethiopia Food Aid	-	59,929
	Kenya Enhanced Essential Services in N E Province	1,003,200	-
	Kenya Integrated Nutrition Project in North East Kenya	7,184	84,730
	Kenya Integrated Emergency response to Malnutrition in North Kenya	983,187	-
International Development and Relief Foundation	Mali Regional Programme for Blindness Prevention	773	142,562
	Pakistan Emergency Assistance for Flood Affected Families	-	75,924
	Pakistan Building Disaster Resilient Communities	298,622	-
	Somalia Emergency Assistance to Internally Displaced People	519,277	-
	Somalia Emergency Support to Internally Displaced People in Lower Shabelle	54,436	-
	Sudan Water and Sanitation Improvement Project in West Darfur	38,752	321,705
	Sudan WASH Services Improvement	100,648	-
	Sudan Water Sanitation & Hygiene improvement Project	153,846	-
	Chad Rehabilitation Assistance	2,879	-
	Sudan Internally Displaced People's Basic Needs Project	-	27,112
Oxfam	Bangladesh Emergency Food Security and livelihood Support	1,153,389	-

## NOTES TO THE FINANCIAL STATEMENTS

### 35 Individual grants disclosure by institution (continued)

The grants shown below are included in Note 5 and are individually disclosed below

Donor	Project	Total	Total
		2011	2010
		£	£
Royal Commonwealth Society for the Blind		49,299	-
Save the Children	Srilanka Emergency response	50,000	-
	Somalia Emergency Drought Response	91,356	-
HSBC	Pakistan Children toys (GIK)	6,000	-
Scottish Government International Development Fund	Pakistan Emergency Assistance for Flood Affected Families	-	75,000
	Iraq Women Access to Life	75,796	-
Spanish aid Agency	Pakistan Flood Emergency Response	854,934	-
Swedish International Development Agency	Chad Water and Sanitation Improvement Project	-	363,660
	Pakistan Emergency Assistance for Flood Affected Families	-	426,711
	Palestine Emergency Cash for Work for Unemployed Workers and Graduates and Food Assistance	739,240	664,012
United Nations Development Programme	Sudan Basic Health Services to Conflict-Affected Darfur	120,783	196,110
	Sudan Blue Nile Food Security	35,784	-
	Sudan Education Project in Blue Nile State	86,729	70,783
	Sudan Improvement of Water and Sanitation Services for Students, Internally Displaced People and Host Communities	65,950	-
	Sudan Reconstructing Education Facilities in the Blue Nile	56,491	-
	Sudan Provision of Quality Basic Education in West Darfur	164,938	-
	Sudan Water and Sanitation Projects	-	-
	North Kordofan	96,150	-
	West Darfur	88,632	241,198
	Blue Nile Consortium	71,781	386,500
UNHCR	Tunisia/Libya Internally Displaced Persons	90,960	-
Mother care (Note 40)	Pakistan children clothes and blankets (GIK)	-	1,000,000
International Health Partners (Note 40)	Medicine for Pakistan (GIK)	-	2,956,333
World Vision UK	Sudan Blue Nile Food Security and Livelihood project	219,624	-
	Total	11,172,664	10,182,258

GIK Gift in kind

## NOTES TO THE FINANCIAL STATEMENTS

### 36 Individual grants disclosure by Middle East and International Fundraising

Donor	Project	Total	Total
		2011	2010
		£	£
Al Eslah Yemen	Pakistan Floods Emergency	-	8,201
Alfanar Co	Somalia Emergency Food and Water Aid	31,895	-
Arab Medical Union	Palestine Qurban	-	285,023
Alkawari Ghanim Saad	Waqf Support	200,000	-
	Libya Emergency intervention	186,450	-
Bahrain Royal Charity Organisation	Palestine Provision of Artificial Limbs for Disabled People in Gaza	204,548	180,695
Haj Abdallah Berri	Mali Milk Project	-	6,044
	Niger Emergency Food Response	-	27,135
	Niger Water & Sanitation	45,909	87,932
	Palestine Haemodialysis machines	-	770
	Palestine Kidney machines	-	40,796
	Somalia Emergency response to communities	63,980	-
International Islamic Charitable Organisation Kuwait	Bangladesh Micro Finance Support for Ultra Poor	62,278	-
	China Micro Credit	-	76,352
	Egypt Land for Early Intervention & Rehabilitation Centre for children with special needs	-	9,446
	Libya Ramadan	61,766	-
	Niger Health and Nutrition	12,147	-
	Palestine Haemodialysis machines	12,764	21,642
	Palestine Hearing aids for Hearing Impaired Children	-	18,666
	Palestine Home adaption for physically disabled	19,374	29,087
	Palestine Micro Credit	-	21,406
	Palestine Providing Dar Al Salaam Hospital with Anaesthesia Machine	-	6,159
	Palestine Rehabilitation of Agricultural wells	-	30,886
	Palestine Supporting small and micro enterprises	70,984	-
	Palestine Rehabilitation of damaged kindergarten	18,684	-
Islamic Community Mills Gorus	Protecting Life and Dignity	-	1,106,409
Islamic Cultural Centre Ireland	Pakistan Flood Relief	-	8,868
Islamic Cultural Centre Panama	Protecting Life and Dignity, Albania, Bosnia, Somalia	76,184	-
	Iraq Clothings (GIK)	576,530	-
	Yemen Clothings (GIK)	214,854	-
Islamic Development Bank (Refer to note 40)	Pakistan Flood Relief	-	191,190
	Kosovo Micro Credit	348,298	304,384
	Haiti School Construction Programme	323,550	-
	Kenya Emergency Drought Response	31,138	-
	Somalia Emergency Drought Response	187,078	-
	Palestine Constructions and Rehabilitations of hospitals	1,491,815	242,001
	Palestine Milk for Preschoolers project	-	386,508
	Palestine Farming & livestock	1,583,043	201,668
	Palestine Vocational training Centres	809,394	-
	Palestine Constructions & Rehabilitations of Schools	1,419,873	369,723
	Palestine Rehabilitations of damaged roads	137,164	-
	Palestine Rehabilitation of agricultural lands	134,576	-
Islamic Foundation Ireland	Pakistan Flood Response	559	-
	Protecting Life and Dignity, India, Niger, Pakistan, Palestine, Kenya & Sudan	21,844	-
	Somalia Emergency	7,647	-

## NOTES TO THE FINANCIAL STATEMENTS

### 36 Individual grants disclosure by Middle East and International Fundraising (continued)

		Total	Total
		2011	2010
Donor	Project	£	£
Jordanian Heshemite Charity Organisation	Somalia Emergency Drought Response	197,346	-
	Somalia Qurbani	165,650	-
Kuwait Zakat House	Palestine Poor families Empowerment Project	231,607	-
Qatar Charity	Chechnya Micro Credit Programme	-	175,476
	Protecting Life and Dignity	247,734	195,258
	Hadi Projects	180,086	-
	Libya Emergency	209,958	13,989
	General Fund	12,074	-
	Libya Medicines and medical equipment	7,705	-
	Chechnya Orphanage Roof Repair Gvardesyskoe Village	-	26,237
	Chechnya Microloans for Poor Chechen	176,792	-
Qatar Foundation	Libya School bags (GIK)	113,225	-
	Palestine School bags (GIK)	113,225	-
	Tunisia School bags (GIK)	113,225	-
Reach Out to Asia - Qatar	Palestine Establishing a Child friendly Psychological Centre	132,667	-
	Palestine Improving Educational Access and Quality in Gaza	504,422	434,493
Royal College of Surgeons in Ireland	Protecting Life and Dignity	-	5,464
Sakhaa	Palestine Winter Clothes for Needy Children	17,533	-
	Somalia Emergency Drought Response	613,700	-
	Somalia Emergency Fund	115,787	-
	Somalia Emergency Life saving Water Supply	502,943	-
Sheikh Abdullah Al Nouri - Charity Kuwait	Mali Prevention of Blindness	49,408	-
	Mali Integrated Community action Project	11,884	-
	Niger Emergency Flood Response for Household	33,870	-
	Niger Feed the Needy	33,284	-
The Islamic Relief Association for Orphans & Poor	Somalia Emergency Food Assistance for Drought	428,452	-
	Somalia Emergency Fund	7,453	-
World Conference of Religion for Peace International	Haiti School Repair Programme	-	6,866
	<b>Total</b>	<b>12,574,356</b>	<b>4,518,774</b>

GIK Gift in kind

## NOTES TO THE FINANCIAL STATEMENTS

### 37 Fundraising partner project funding

This note further analyses and shows the summary of funds from partners shown in Note 9. It shows the breakdown of humanitarian projects/sectors funded by the partners. For a summary, refer to Note 9 on Donations disclosure by partner.

Partner	Project	Total	Total
		2011	2010
		£	£
Islamic Relief Australia	Protecting Life and Dignity	84,225	-
	Zakat fund	26,790	-
	Somalia Food Items (GIK)	62,103	-
	East Africa Emergency Fund East Africa	190,990	-
	<b>Total</b>	<b>364,108</b>	<b>-</b>
Islamic Relief Belgium	Caring for Orphans and Children	125,085	92,611
	Protecting Life and Dignity	254,954	240,478
	Waqf	33,839	7,610
	Bangladesh Early Childhood Development	4,280	905
	Bangladesh Eyesight Rehabilitation Project	31,007	4,715
	Chad Agricultural Inputs	10,635	10,955
	Chad Providing Access to Healthcare and Water	-	9,555
	Mali Women and Child Friendly Action	4,125	-
	Mali Providing Access to Healthcare and Water	5,710	5,556
	Niger Nutrition Education for Food Security Improvement	-	5,730
	Niger Providing Access to Healthcare and Water	5,710	-
	Pakistan Basti Ganja Village Integrated Rehabilitation Project	38,972	-
	Palestine Milk for Preschoolers	7,480	-
	Palestine Provision of Hearing Aids for Hearing Impaired Children	4,340	4,166
	Palestine Rehabilitation of Agricultural Wells	9,135	9,077
	Palestine School Bags	7,992	7,857
	Sudan Provision of Adequate Safe Water, Sanitation and Hygiene	87,358	-
	<b>Total</b>	<b>630,622</b>	<b>399,215</b>
Islamic Relief Canada	Caring for Orphans and Children	162,889	93,885
	Protecting Life and Dignity	77,619	65,088
	Afghanistan Maternity Health Service Project	-	53,134
	Bangladesh Sustainable Vocational Training and Education Centre	-	51,609
	Egypt Medical Support for the Injured of the Revolution	22,386	-
	Haiti Safe Drinking Water for Yasin Community - Cite Soleil	10,053	-
	Haiti School Repair Programme	-	30,360
	India Water Supply Project	-	51,759
	Japan Japan Relief	12,566	-
	Lebanon Supporting Displaced Syrians in Lebanon	31,415	-
	Libya Baby food milk for Libya	7,195	-
	Libya Emergency fund Libya	19,467	-
	Libya Humanitarian Intervention in Western Libya	190,665	-
	Libya Libya Project	62,830	-
	Libya Majmi Medical Intervention	162,275	-
	Libya Medical Aid for Libyans in Tataouine and Western Libya	301,086	-
	Libya Medical Aid for Libyans in Western Libya	36,954	-
	Libya Medical and Health Assistance for Misrata	63,348	-
	Libya Medical Needs in Misrata	36,734	-
	Libya Medicines and Medical Equipment in Western Libya	38,142	-
	Pakistan Non Food Item Support in Flood Affected Area of Sindh	65,972	-
	Pakistan Rehabilitation of Flood Affected Communities	-	1,246,435
	Palestine Milk for preschoolers - Gaza	62,830	-
	Somalia Emergency Drought Response, Food Aid & Water Assistance	311,162	-

# NOTES TO THE FINANCIAL STATEMENTS

## 37 Fundraising partner project funding

			Total	Total
			2011	2010
Partner	Project		£	£
Islamic Relief Canada	Somalia	Somalia Rehabilitation	753,960	-
	Sudan	Food Aid Distribution to Returnees & IDPs in Lobonok Payam	34,323	-
	Turkey	Providing Access to health care and water	125,660	-
	Turkey	Turkey Relief	10,053	-
	Yemen	Special Skills Project for Orphans	18,676	-
	Yemen	Health Check ups Project for Orphans	30,913	-
Total			2,649,173	1,592,270
Islamic Relief Deutschland	Caring for Orphans and Children		985,282	762,922
	General		-	17,647
	Protecting Life and Dignity		1,579,857	1,537,529
	Afghanistan	Integrated Management of Childhood Illness	32,410	75,625
	Afghanistan	Womens Livelihood Improvement Project Phase 2	41,403	-
	Bangladesh	Community Based Safe Water Supply and Hygeine Promotion	25,352	-
	East Africa	Emergency fund East Africa	7,917	-
	Egypt	Early Intervention and Rehabilitation Centre	39,856	-
	Ethiopia	Ethiopia Emergency Drought Response	22,041	-
	Ethiopia	Integrated Local Area Development	11,144	22,877
	Haiti	Provision of Sanitation Facilities	25,037	50,088
	Japan	Funds for Japan	8,380	-
	Lebanon	Hygiene and Sanitation Activities in Naher al Bared	16,282	36,447
	Libya	Emergency Intervention	8,901	-
	Mali	Health, Women and Child Friendly Action in Koulikoro	21,795	-
	Pakistan	Integrated Rehabilitation for flood affected areas	43,400	-
	Palestine	Cash for Work for Unemployed Graduates and Workers	204,259	158,386
	Palestine	Kindergarten Environment Enhancement Programme	-	25,575
	Palestine	Provision of Urgent Medical Drugs	43,830	-
	Palestine	Rehabilitation of Agricultural Wells in Gaza Strip	103,502	-
	Palestine	Rehabilitation of Partially Damaged Houses Programme	-	102,155
	Palestine	Supplying Drinking Water for Schools in the Gaza Strip	110,482	-
	Somalia	Emergency Drought Response	53,842	-
	Somalia	Integrated Land Development	128,220	-
	Sudan	Integrated Health and Water and Sanitation	164,562	-
	Sudan	Provision of Potable Water, Sanitation and Hygiene Promotion	-	-
Total			3,677,754	2,789,251
Islamic Relief Italy	Caring for Orphans and Children		184,587	177,543
	General		4,954	-
	Protecting Life and Dignity		150,239	46,506
	Malawi Providing clean water and promoting Sanitation		62,022	-
	Zakat		10200	-
	Libya	Emergency Response	13,555	-
	Palestine	Dqaia	12,322	-
	Palestine	Emergency	5,015	-
	Palestine	Medical Treatment for Reem	-	3,390
	Somalia	Emergency Response	33,349	-
	Syria	Emergency Response	2,559	-
Total			478,802	227,439

# NOTES TO THE FINANCIAL STATEMENTS

## 37. Fundraising partner project funding (continued)

			Total	Total
			2011	2010
Partner		Project	£	£
Islamic Relief Malaysia		Protecting Life and Dignity	28,368	22,569
	Palestine	Installation of Water Treatment Units for Selected Clinics	216,475	-
	Somalia	Mudug Emergency Water, Sanitation and Hygiene Project	188,894	-
		<b>Total</b>	<b>433,737</b>	<b>22,569</b>
Islamic Relief Mauritius		Education	580	326
		General Income	21,370	4,964
		Health	-	245
		Caring for Orphans and Children	93,952	66,878
		Project Support Cost	-	7,872
		Protecting Life and Dignity	60,736	61,003
		Sadaqa Jarayya	14,866	1,734
		Waqf	23,845	16,298
		Providing Access to Healthcare and Water	6,655	2,894
		Zakat income	262,722	221,574
	East Africa	Emergency	4,962	-
	India	Vocational Training Centre Project	-	9,998
	Mali	Logistic Support to Child and Maternal Health Care	7,777	-
	Mali	Support for Child Development	-	37,024
	Mali	Women and Child Friendly Action	31,628	-
	Pakistan	Emergency	7,874	-
	Somalia	Emergency	31,622	-
		Islamic Relief Humanitarian Core Aims Programmes*	131,137	-
		<b>Total</b>	<b>699,726</b>	<b>430,810</b>
Islamic Relief Nederland		Caring for Orphans and Children	599,285	335,513
		Protecting Life and Dignity	927,693	572,603
	Afghanistan	Supporting poor pupils continuing a normal education	3,548	-
	Albania	Integration of Disabled People in Shkroda	-	4,155
	Bangladesh	Health Education for Development	114,122	-
	Bangladesh	Upgradation of Basic Health Centre	7,370	20,889
	Bangladesh	Vocational Training and Employment Support Services	31,485	41,815
	Ethiopia	Rural water Supply, Sanitation and Hygiene	10,754	-
	Haiti	Water and Sanitation Programme	-	32,067
	Lebanon	Equipping and Connecting a well in Beddawi Camp	6,521	-
	Lebanon	Equipping and Rehabilitating a School in Osaymout village	2,758	-
	Mali	Microcredit for Vulnerable Widows	-	6,505
	Mali	Support to Boranda Children Development	-	6,285
	Mali	Women and Child Friendly Action	20,105	-
	Niger	Providing Access to Healthcare and Water	-	12,249
	Pakistan	Islamic Micro-finance and Enterprise Development Programme	-	12,864
	Pakistan	Jamwala integrated Village rehabilitation	45,939	-
	Pakistan	Neelum Valley Livelihood Rehabilitation project	14,407	-
	Pakistan	Prevention of Blindness, Noshki – Balochistan	-	8,935
	Pakistan	Thatta Shelter Project	14,804	-
	Pakistan	Construction of Ophthalmology Unit	2,304	-
	Palestine	Construction of Water Networks	-	29,080
	Palestine	Psycho-social Counselling Centre	-	22,529

# NOTES TO THE FINANCIAL STATEMENTS

## 37 Fundraising partner project funding (continued)

			Total	Total
			2011	2010
		Project	£	£
	Palestine	Child and Family Psycho-Social counselling Centre	28,874	-
	Russia	Rehabilitation of mentally disabled through engagement	38,703	-
	Sri Lanka	Water wells Cleaning project	2,726	-
	Sudan	Khartoum Widows & orphan Families Income Generating Proj	26,478	32,343
		<b>Total</b>	<b>1,897,876</b>	<b>1,137,832</b>
Islamic Relief South Africa		General	-	449,308
		Caring for Orphans and Children	104,520	119,166
		Protecting Life and Dignity	17,909	6,721
	Lebanon	Children Empowerment- Building capacity of street Children	67,155	-
	Pakistan	Neelam Valley Livelihood rehabilitation Project	195,648	-
	Tunisia	Emergency intervention - Chartered flight	7,570	-
		<b>Total</b>	<b>392,802</b>	<b>575,195</b>
Islamic Relief Sweden		Caring for Orphans and Children	127,232	140,508
		Protecting Life and Dignity	77,553	31,655
	Bangladesh	Integrated Community Action Project ICAP Phase 2	33,997	-
	Bangladesh	Integrated community Action Project - Forum Syd	30,569	-
		Zakat Income	-	22,895
	Chad	Water and Sanitation, Borehole Well	-	6,540
	Chad	Providing Access to Healthcare and Water	176,450	-
	Chad	Sustainable Access to Water, Hygiene in Haouich,amdarn	609,479	-
	Ethiopia	Child welfare Emergency Project - Radiohjalpen	94,808	-
	Haiti	Haiti school repair Programme- IR Sweden -IRW	11,684	-
	Iraq	Child Rights Prevention	-	31,988
	Libya	Sida Libya Emergency intervention	272,626	-
	Mali	Shea Nut Butter Vapourisation Project	-	21,985
	Pakistan	Cash for Work for Unemployed Graduates	-	332,328
	Pakistan	Floods Emergency	44,414	41,489
	Palestine	Construction of University water Well in Gaza City	9,581	-
	Palestine	Emergency Cash for work Employment for recent graduates	12,782	-
	Palestine	Milk for Pre-Schoolers	70,819	53,579
	Palestine	Support School Health Project	-	43,439
	Somalia	Emergency fund	138,880	-
	Somalia	Psychosocial and Livelihood Recovery- Radiohelp	89,357	-
	Tunisia	Emergency Response Humanitarian Support to IDP	88,484	-
		<b>Total</b>	<b>1,888,715</b>	<b>726,406</b>
Islamic Relief Association Switzerland		Caring for Orphans and Children	487,591	546,533
		General income	-	275,195
		Project Support Cost	-	9,808
		Protecting Life and Dignity	655,963	585,392
		Providing Access to Healthcare and Water	-	32,202
		Sustainable Livelihood	-	41,211
		Waqf	-	5,959
		Zakat Income	-	3,303
	Afghanistan	Construction of Water Network	100,480	-
	Albania	Alleviating the Suffering of People Affected by Explosion of Ammunition and Projectiles in Gerdec	-	26,460
	Albania	Construction of Three Health Centres	-	45,272
	Albania	Integration of Disabled People	-	29,084



# NOTES TO THE FINANCIAL STATEMENTS

## 37. Fundraising partner project funding (continued)

			Total	Total
			2011	2010
			£	£
	Albania	Shelter Support for the poorest Orphans Families in Albania	53,208	-
	Bangladesh	Safe Water Supply and Sanitation Project	-	47,416
	Bosnia	Orphans Educational Centre	29,349	14,412
	Chechnya	Reconstruction of the Water Pipeline and Water Tower	-	29,543
	Ethiopia	Income Generation for Widows	-	27,939
	Haiti	School Repair Programme	-	43,603
	Kosova	Dental Care for Orphans and Poor Families	31,057	29,564
	Kosova	Health and Nutrition	3,640	-
	Lebanon	Digging a Well	-	8,072
	Libya	Emergency fund Libya	60,666	-
	Mali	North Mali Vulnerable Support Group Project	12,648	-
	Malawi	Providing Access to Healthcare and Water	35,697	34,414
	Niger	Food Security and improvement in Tera district	194,924	-
	Pakistan	Floods Emergency	-	169,083
	Pakistan	Integrated rehabilitation Program for Flood affected areas	183,482	-
	Palestine	Providing Access to Healthcare and Water	-	81,472
	Palestine	Supporting Fishing Sector	-	40,099
	Palestine	Vocational Training and Income Generation for Physically Disabled People	-	181,999
	Palestine	Women's Empowerment Programme	66,161	-
	Somalia	Emergency Drought Response	345,128	-
		<b>Total</b>	<b>2,259,994</b>	<b>2,308,035</b>
Islamic Relief USA		Caring for Orphans and Children	2,743,703	2,841,921
		Intellectual Property	425,767	-
		Protecting Life and Dignity	1,957,618	1,990,219
	Afghanistan	Home Based Education to Deprived Afghan Women	38,988	46,965
	Afghanistan	Provision of Quality Education for Orphans	72,757	-
	Afghanistan	Sustainable Livelihood Through Vocational Training for Orphans	43,320	51,234
	Chechnya	Playground Construction for Children Rehab Centre	1,380	-
	China	Islamic Micro-finance	-	27,360
	Egypt	Family Sponsorship Project	105,780	-
	Egypt	Food Distribution Programme	63,442	-
	Egypt	Helwan Early Intervention Centre	322,149	87,693
	Ethiopia	Emergency Livestock Intervention	-	107,084
	Ethiopia	Integrated Response to Communities, Health and Watsan	366,401	-
	Haiti	Education and Shelter Programme	255,606	575,469
	Jordan	Assistance to Syrian Refugee Families	270,849	-
	Kenya	Integrated Drought Response	172,677	-
	Kenya	Integrated Response to Communities, Health and Watsan	243,539	-
	Lebanon	Emergency Assistance for Syrian Refugees in Lebanon	82,370	-
	Mali	Contribution to the Eradication of Malaria	-	61,940
	Mali	North Mali Food Sovereignty and Livelihood Programme	93,825	124,200
	Mali	Providing Access to Healthcare and Water	117,815	153,180
	Niger	Emergency Intervention in Favour of Flood Victims	8,145	57,935
	Pakistan	Community Livelihood Improvement Programme	19,575	151,350

## NOTES TO THE FINANCIAL STATEMENTS

### 37 Fundraising partner project funding (continued)

	Pakistan	Emergency Support Mardan	-	17,433
	Pakistan	Floods Emergency	-	63,551
	Pakistan	Kashmir Emergency Relief and Rehabilitation Health Project	-	-
	Pakistan	Nowshera Integrated Village Rehabilitation Project	537,127	-
	Pakistan	Punjab Integrated Village Rehabilitation	692,881	-
	Pakistan	Sindh Flood Response	125,523	905,443
	Pakistan	Sindh Flood Relief Operations	50,256	-
	Palestine	Al Askar Camp School	15,340	81,063
	Palestine	Establishing Kidney Dialysis Unit	-	172,981
	Palestine	Family Sponsorship Programme	761,824	1,487,200
	Palestine	Family Sponsorship Project in West Bank	444,750	-
	Palestine	Increasing Capacity of Emergency and Intensive Care Unit	-	651,236
	Palestine	Kidney Dialysis Unit at Yatta Hospital Phase II	35,791	-
	Palestine	Land Development	88,950	181,218
	Palestine	Poor Student Return to School	44,445	-
	Palestine	Pre-School Development	62,272	82,372
	Palestine	Providing Adequate Education in the West Bank	320,577	-
	Palestine	School Feeding for Students in the Poorest and Marginal Areas	532,325	237,261
	Somalia	Emergency Water, Sanitation and Health, Livelihood and Food Aid	886,242	-
	Somalia	Integrated Response to Communities	929,271	-
	Tunisia	Emergency Intervention - Ramada	176,240	-
	Tunisia	Emergency Intervention - Tataouine	235,822	-
	Tunisia	Emergency Intervention - Libya	122,156	-
	Tunisia	Repatriation of Egyptian Workers	51,841	-
	Yemen	Al-Selo Health and Water Project	-	31,126
	Yemen	Emergency Response	61,635	-
	Yemen	Providing Access to Healthcare and Water	-	108,664
		<b>Total</b>	<b>13,580,974</b>	<b>10,296,098</b>
Secours Islamique France		Caring for Orphans and Children	1,722,331	1,244,164
		Protecting Life and Dignity	728,653	437,697
	Indonesia	Community Managed Integrated Economic Development Programme	4,907	-
		<b>Total</b>	<b>2,455,891</b>	<b>1,681,861</b>
Islamic Relief Bosnia			134,955	-
		<b>Total</b>	<b>134,955</b>	<b>-</b>
		<b>Total</b>	<b>31,545,129</b>	<b>22,186,981</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 38 United Kingdom donations

We would like to sincerely express our gratitude to our donors in the United Kingdom – individuals, corporations, institutions and others who have generously donated, which has enabled us to deliver the emergency and development assistance to beneficiaries across the globe. While emergencies may receive more media attention the assistance and support of our donors means we continue to deliver humanitarian programmes in countries that are out of the media spotlight. Our sincere thanks to all our donors who facilitate us to reach beneficiaries in need. Thank you.

This note highlights some of the projects that have been made possible through your support and donations.

			Total 2011	Total 2010
			£	£
Disasters Emergency Committee	Donations received via the DEC			
	Chad	Water Supply Improvement project in Eastern Chad	-	98,887
	Haiti	Haiti Emergency Response	314,947	1,695,583
	Indonesia	Sumatra Emergency and Early Shelter Response	116,024	242,645
	Kenya/Ethiopia	East Africa Appeal	492,373	-
	Niger	Niger Crisis Appeal	-	-
	Pakistan	Pakistan Floods Emergency	260,434	927,545
	Palestine	Gaza Emergency Appeal	-	126,987
	Somalia	East Africa Crisis	195,000	-
		<b>Total</b>	<b>1,378,778</b>	<b>3,091,647</b>
United Kingdom donors				
		Feed the Needy Programmes	2,391,719	663,892
		Orphans and Child Welfare Programmes	710,716	1,901,152
		Qurbani	1,160,320	1,093,504
		Waqf	174,079	134,033
	Afghanistan	Afghan Youth Skill Enhancement	-	-
	Afghanistan	Water Wells in Shortepa and Kaldar	-	47,035
	Afghanistan	Construction of Water Network	108,586	-
	Afghanistan	Home-Based Education to Deprived Afghan Women	11,510	-
	Afghanistan	Integrated Management of Childhood Illness	110,201	-
	Afghanistan	Maternity Health Service Project	37,254	-
	Afghanistan	Sustainable Livelihood Through Vocational Training for Orphans	-	-
	Afghanistan	Provision of Quality Education for Orphans	87,444	-
	Afghanistan	Womens Livelihood Improvement Project	16,452	66,561
	Afghanistan	Winterisation Programme in Kabul	-	-
	Afghanistan	Eyesight Rehabilitation Project	-	60,421
	Albania	Alleviating the suffering of People affected by Flooding	-	42,021
	Albania	Construction of 3 health centres in Rural Shkodra	66,380	-
	Bangladesh	Building Disaster Resilience and safer Community	-	429,339
	Bangladesh	Cyclone Aila Emergency Response	-	207,297
	Bangladesh	Cyclone Sidr Shelter and Water Sanitation Programmes	126,251	-
	Bangladesh	Education for Slum Girl Children	52,685	122,590
	Bangladesh	Emergency Aid in Favour of Affected communities in Bangladesh	33,242	-
	Bangladesh	Emergency Food Security and Livelihood Support	17,275	-
	Bangladesh	Enhancing Community Capacity in Disaster Preparedness	-	-
	Bangladesh	Early Childhood Development in Dhaka	-	1,003
	Bangladesh	Eye Sight Rehabilitation Project	-	18,373
	Bangladesh	Health Education Livelihood Project	-	587,418
	Bangladesh	Humanitarian Assistance Husain Zaman	-	5,676
	Bangladesh	Humanitarian Assistance Unregistered Rohingya refugees	-	12,636
	Bangladesh	Humanitarian Assistance for Flash Flood Affected Families	-	228,550
	Bangladesh	Inspire Small Initiatives can lead to big changes	-	-
	Bangladesh	Micro Finance Support for Ultra Poor	7,277	-
	Bangladesh	Restoration and Rehabilitation of Livelihood for Cyclone Sidr Victims	-	13,093

# NOTES TO THE FINANCIAL STATEMENTS

## 38 United Kingdom donations (continued)

		Total 2011	Total 2010
		£	£
Bangladesh	Safe Water Supply and Sanitation Project	79,077	1,446
Bangladesh	Safe Water supply and Hygiene Promotion	20,322	-
Bangladesh	South West Flood Emergency Initial Response	3,226	-
Bangladesh	Vocational Training and Employment Support Services	-	2,645
Bosnia-Herzegovina	Core Operational Support	59,356	-
Bosnia-Herzegovina	Well Drilling & Provision of Water to Gradska Village	-	142,451
Chad	Technical Support to local organisation on Canton Salamat	50,517	-
Chad	Chad Food and Nutrition Crisis	-	14,401
Chad	Water and sanitation Improvement Project	1,872	88,594
Chad	Rehabilitation Assistance Project	-	364,788
Chad	Internally Displaced Person emergency Assistance	-	286
Chechnya	Library Rehabilitation in Vinogranje Village	-	71,232
Chechnya	Rehabilitation of mentally disabled through engagement	202,573	-
Chechnya	Support to Households affected by flood in Grozny	-	38,471
China	Fuyun Integrated Development	30,960	-
China	Tongjiang Education, Health & Water Supply	9,054	-
China	Yongjing Rainwater Harvesting Project	11,349	-
Egypt	Early Intervention & Rehabilitation Centre	9,647	-
Egypt	Food Distribution Programme	12,038	-
Egypt	Land Acquisition In Egypt	-	136,059
Egypt	Waqf early intervention and Rehabilitation Centre	-	23,818
Ethiopia	Disaster response Programme - Phase 1	83,949	-
Ethiopia	Emergency food Distribution	15,360	-
Ethiopia	EC Food Security	-	73,622
Ethiopia	Integrated Development Project (Pastoral Communities)	19,244	32,290
Ethiopia	Supplementary Feeding for Malnourished Families	-	2,853
Ethiopia	Water and Sanitation Improvement Project	15,563	223,244
Haiti	Emergency Response	-	10,007
Haiti	Haiti - Water, Shelter and Health Programme	-	39,804
Haiti	Shelter Provision 1000 families Haiti Earthquake	-	312,000
India	Micro Enterprise for Small traders- Mini Project	-	1,500
India	Improving Educational Access to Education for Underprivileged Girls	-	17,342
India	Water Supply project	25,158	-
Indonesia	Community Water Programmes	-	41,350
Indonesia	Livelihood Centres Project, Indonesia	-	178,261
Indonesia	Early recovery Shelter, DEC IPV Appeal Phase 2	517,739	-
Indonesia	Livelihood Support - Aceh	-	8,033
Indonesia	Mentawi Emergency response Operation	36,052	-
Indonesia	Padang Earthquake Response	-	29,270
Iraq	Assistance for refugees, IDPs and Returnees in Central Iraq	20,367	-
Iraq	(LF) Child Rights Convention	11,242	-
Iraq	Schools extensions in tarmiya North Baghdad Norwegian	2,722	-
Japan	Japan Emergency Response	54,440	-
Jordan	Assistance to Syrian Refugees Families	41,604	-
Jordan	Project Support	-	22,817
Kenya	Contributing to Achieving PPA Millennium Development Goals	-	99,469
Kenya	Disaster response Programme	67,593	-
Kenya	Emergency Drought Response	7,066	-
Kenya	Emergency Life Response in Northern Kenya	48,707	-

# NOTES TO THE FINANCIAL STATEMENTS

## 38 United Kingdom donations (continued)

		Total 2011	Total 2010
		£	£
Kenya	Enhanced essential Services in NE Provinces	219,639	-
Kenya	Integrated Watsan and Nutrition Programmes	34,162	81,030
Kenya	Improvement of the Nutritional and health Status of Community	20,907	115,000
Kenya	Integrated responses to Communities - EA - Kenya	32,740	-
Kenya	PPA Sustainable Livelihoods Coping for Agro- Pat	14,507	-
Kenya	Water and sanitation Facility Development in Kenya	12,311	198,003
Kosova	Dental Care for Orphans and Poor Families	36,048	27,747
Kosova	Micro Credit Project	85,552	-
Lebanon	Children Empowerment-Building capacity of street children	37,485	-
Lebanon	Emergency Assistance for Syrian Refugees in Lebanon	1,197	-
Lebanon	Water Wells in Beddawi Camp, Lebanon	-	13,565
Libya	Emergency Intervention	228,305	-
Malawi	Water and Sanitation Programme	108,562	24,358
Mali	Green Desert Project in North Mali	103,550	57,304
Mali	Contribution to the eradication of Malaria	54,632	-
Mali	Integrated community action project	9,450	-
Mali	Regional Programme for Preventing Blindness	62,677	273,126
Mali	Logistic Support to child and maternity child health care	2,816	-
Mali	North Mali Food Sovereignty & livelihood Program	28,495	-
Mali	Shea Nut Butter Vaporisation Project	18,541	-
Mali	Support to Rharous Djambourou Children Development	24,298	-
Mali	Support to Widows - Microcredit Initiative	14,568	-
Mali	Water Supply and Hygiene Promotion Project	2,320	-
Mali	Water and Sanitation Programme	11,368	-
Mali	Women & Child Friendly Action in Koulikoro	8,700	-
Niger	Community Mobilisation to fight HIV & Aids	34,559	-
Niger	Food and Nutrition Crisis	-	18,012
Niger	Emergency Food response	89,493	-
Niger	Emergency Intervention in favour of flood victims	27,454	-
Niger	Emergency Nutrition Support to Niger Crisis	10,797	-
Niger	Extension & Equipment of Tillabéri Health District	-	10,250
Niger	Health & nutrition Improvement	-	24,503
Niger	Interfaith Dialogue on Maternal and Child Health	2,408	-
Niger	Quallum Cataract Surgery	47,655	21,686
Niger	Prevention for blindness	-	131,858
Niger	Water and Sanitation in Tillabéri	166,227	42,215
Niger	Food Security and Livelihood Rehabilitation	-	28,760
Niger	Qatar Red Crescent Society - Niger Water Project in Tillabéri	-	1,015
Pakistan	Ajab Bagh Rehabilitation	23,291	505,327
Pakistan	Balochistan WATSAN Project	-	32,971
Pakistan	Mardan Emergency Programme	-	-
Pakistan	Integrated Rehabilitation and Development Programme	151,958	-
Pakistan	Supporting Education through Health Assistance and treatment	206,705	-
Pakistan	Lunda Integrated Rehabilitation	19,577	375,614
Pakistan	Neelam Valley	163,456	311,935
Pakistan	Pakistan Flood Emergency	1,241,328	1,166,318
Pakistan	Small Scale Enterprise Development Programme	498,243	14,492
Pakistan	Nowshera Integrated Village rehabilitation Project	49,670	-
Pakistan	Swat Early Recovery Project	30,267	72,180
Pakistan	Cancer Treatment	-	7,400
Pakistan	Punjab Integrated rehabilitation Programme	1,272,866	-
Pakistan	Charsadda Integrated Village rehabilitation Programme	2,357,904	-
Pakistan	Sindh Flood Relief Operation	339,741	39,869

# NOTES TO THE FINANCIAL STATEMENTS

## 38 United Kingdom donations (continued)

		Total 2011	Total 2010
		£	£
Pakistan	Islamic Microfinance and Enterprise Development Programme	-	177,579
Pakistan	Jaan Lunda Integrated Rehabilitation Project	-	210,459
Pakistan	Kharan Water Improvement Project	-	13,253
Pakistan	Community Livelihood Improvement Project	12,604	-
Palestine	Family Sponsorship Project	-	49,328
Palestine	Improving the information technology Infrastructure	-	21,955
Palestine	Rehabilitation of Partially Damaged Houses	1,475	-
Palestine	Rehabilitation & maintenance of Schools in Gaza Strip	-	205,947
Palestine	Tana Emergency Response	-	26,798
Palestine	Winter Project - West Bank Palestine	-	17,171
Palestine	Psychological Counselling Centre, Northern Gaza	-	40,321
Somalia	Emergency Assistance to internally displaced people	382,629	565,617
Sri Lanka	Livelihood Assistance for Widows in Ampara	-	2,086
Sri Lanka	Water Wells	5,104	2,740
Sri Lanka	Flood Emergency Response	46,704	-
Sudan	Provision of Health & Wash Services West Darfur	177,991	-
Sudan	Contributing to Achieving PPA Millennium Development Goal	-	37,551
Sudan	Education Project in Blue Nile State	-	10,889
Sudan	IDP Basic needs Project West Darfur	-	12,612
Sudan	Improvement of PHS for Internally Displaced Person	-	5,222
Sudan	Improvement of water & Sanitation	-	36,401
Sudan	NFI Assistant to Internally Displaced people in Central Equatoria	-	2,519
Sudan	Providing Education Support to Internally Displaced Students in Darfur	-	5,780
Sudan	Provision of improved Health Services to People affected by Conflict	-	10,009
Sudan	One Safe Community	67,473	-
Sudan	Khartoum Widow & Orphans Income Project	7,483	-
Sudan	Responding to Displacement in Terekeka	-	1,483
Sudan	Food Aid Distribution to Returnees Lobonok Payam	10,025	-
Sudan	UNDP Consortium in the Blue Nile	-	729,103
Sudan	Water in North Kordofan	-	17,043
Sudan	Water & Public Health Improvement Project	62,067	28,214
Sudan	Water and Sanitation In Blue Nile	189,659	5,747
Sudan	Water and Sanitation Improvement North Kordofan	36,390	19,702
Sudan	Water and Sanitation Improvement project West Darfur	-	116,775
Sudan	Water and Sanitation Support Project for trekeka County	-	18,948
Sudan	Watsan in South Kordofan	152,832	1,302
Yemen	Al-Selo Water and Health Programme	56,770	9,122
Yemen	Strengthen Capacity Yemen Civil Society	217,106	55,310
	Advocacy Programmes	-	113,066
United Kingdom	United Kingdom Community Programmes	130,828	526,762
United Kingdom	Sponsorships	-	221,777
	Held as reserves	5,027,285	7,174,651
	Total	21,059,042	21,698,427
	Total donations from the United Kingdom including Disaster Emergency Committee	22,437,820	24,790,074

## NOTES TO THE FINANCIAL STATEMENTS

### 39 Grants to institutions disclosure

The grants to institutions shown below are included in Note 19 and individually disclosed below

Institution	Project	Total	Total
		2011	2010
		£	£
Al Hijrah School	Event Sponsorship	-	10,313
Al Ansar Islamic Education Centre	Building Expansion project	-	5,000
Al Noor Muslim Primary School	Event Sponsorship	-	6,000
Al Maghrib United Kingdom Ltd	Educational Project	-	19,550
AYM Higher	London Iftar Event	-	3,750
Balkan Muslim Society	Event Sponsorship	-	7,000
Bangladesh Caterers Association UK Ltd	Event Sponsorship	-	10,000
Bristol Muslim Cultural Society	Event Sponsorship	-	2,157
British Bangladesh Chamber of Commerce	Sponsorship of the British Bangladesh Chamber of Commerce gala dinner and awards 2010	-	4,000
Business in the Community	Grant	20,000	-
Cambridge University Islamic Society	Event Sponsorship	-	212
Cammro	Medical Research	-	5,000
Campion Juniors AFC	Event Sponsorship	-	1,000
Cardiff University Islamic Society	Khidmah 2010 Sponsorship Package	-	150
Channel 5 TV - CHS Annual Awards 2010	Sponsorship of CHS Annual Awards	-	5,000
Clichy Football Club	Event Sponsorship	-	2,000
Community Fair	Sponsorship of Community Fair	-	9,500
Deaf World	Community Project	-	5,000
Doctors Worldwide	Pakistan Flood Response	-	25,000
Eid in the Park	Event Sponsorship	-	10,000
European Institute of Human Sciences	Programs for Underprivileged Students	-	6,000
Faith Encounter Programme	Event Sponsorship	-	2,500
FOSIS	Event Sponsorship	-	11,000
	FOSIS Annual Conference Sponsorship	-	2,900
Global Peace & Unity Events	Nasheed Concert Sponsorship	-	20,000
Inter Madrassah Organisation	Sponsorship for Community Fair	-	500
International Health Partners	Medical Supplies to Pakistan	10,000	-
	Supply of Medical Supplies to Internally Displaced Persons Swat, Pakistan	20,000	-
	Transportation costs for In Kind from IHP £2.5 million value of Pharmaceuticals £2.5 million to Islamic Relief Pakistan	-	70,000
Islamic Forum of Europe	Event Sponsorship	-	1,000
Islamic Foundation	Education Project	-	5,000
Islamic Society of Britain	Supporting W4W	-	500
Jubilee Debt Campaign	Jubilee Debt Campaign Annual Affiliation Sponsorship	-	5,000
Khidmah Organisation	Event Sponsorship	-	5,000
KITABA / Islamic Texts for the Blind	Education Project Funding	-	260
Knowledge School	Education Project	-	7,500

# NOTES TO THE FINANCIAL STATEMENTS

## 39 Grants to institutions disclosure (continued)

		Total 2011	Total 2010
		£	£
L&E Foundation	Education Project Funding	-	2,640
MOSAIC	Mosaic Talent Programme	-	12,000
Muslim Association of Britain	Education Project	-	3,000
Muslim Community & Education Centre	Event Sponsorship	-	3,500
Muslim Council of Britain	Books for School's Resource Packs (Beneficiaries 60 Primary Schools)	-	7,000
	Sponsorship of Books for Schools Resources Packs	-	10,000
	Sponsorship of Noor Ul Islam Summer Fete	-	10,000
Muslim Medics and Dentists	Sponsorship of MM&D's Annual Dinner 2010	-	280
Muslim Mediation Service	Providing Support to Muslim's in Dispute	-	5,000
Muslim Scout Fellowship	Education Project	-	4,000
	Event Sponsorship	-	6,000
Muslim Student Trust	Muslim Student Trust Youth Programme	-	6,000
Muslim Welfare House	Community Projects Funding	-	4,000
Muslim Youth Foundation	Refurbishment Project	-	4,000
Muslim Youth Helpline	Muslim Youth Helpline Annual Charity Dinner Sponsorship	5,000	500
Nida Trust	Aspire Project	13,000	4,950
	Education Project	-	2,000
Noor Ul Islam Charity Dinner	Charity Dinner Sponsorship	-	5,000
Noor Ul Islam Trust	Sponsorship of Summer Fete	-	7,000
Osmani Trust	Education Project Funding	-	15,000
Oldham Muslim Centre	Community Run Sponsorship	-	3,000
Pioneer Provision CIC	Education Project Funding	-	3,000
Signature Trading Ltd	Youth Awards 2010	-	2,221
Sobis	FOSIS Annual Conference	-	400
Swansea University Islamic Society	Event Sponsorship	-	250
Television Trust for the Environment	Education Project Funding	-	15,000
UK Islamic Mission	Education Project Funding	-	5,000
Utrujj Foundation	Education Project Funding	-	6,000
	Event Sponsorship	-	6,000
Vesey UK Limited	Sponsorship of CHS Annual Awards 2010	-	30
Yemeni Community Association - Birmingham	Event Sponsorship	-	6,000
Grants to institutions total		68,000	426,563
Grants to individuals total		2,100	24,306
Total		70,100	450,869



## NOTES TO THE FINANCIAL STATEMENTS

### 40 Prior Year Adjustment

A prior year adjustment has been made in respect of in kind gifts and grants received from the Islamic Development Bank for projects in the region of Palestine

The Trustees consider it more appropriate to recognise the value of the in kind gifts based on its accurate added value to the charity. These represent clothes received from Mothercare in UK and medical equipment from International Health Partners for the Pakistan Flood appeal.

This adjustment for the in kind gift has impacted the incoming resources for 2010 by £3,956,333 and the corresponding resources expended by the same amount. As a result there is no impact on the reserves brought forward.

The Trustees also consider it more appropriate to recognise the value of the grants that were sent to Islamic Relief Palestine directly from the Islamic Development Bank. The risks and rewards of this grant income remain with Islamic Relief Worldwide.

The adjustment for the grants received from the Islamic Development Bank for projects in Palestine has impacted the incoming resources for 2010 by £1,199,900 and the corresponding resources expended by the same amount. As a result there is no impact on the reserves brought forward.



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