



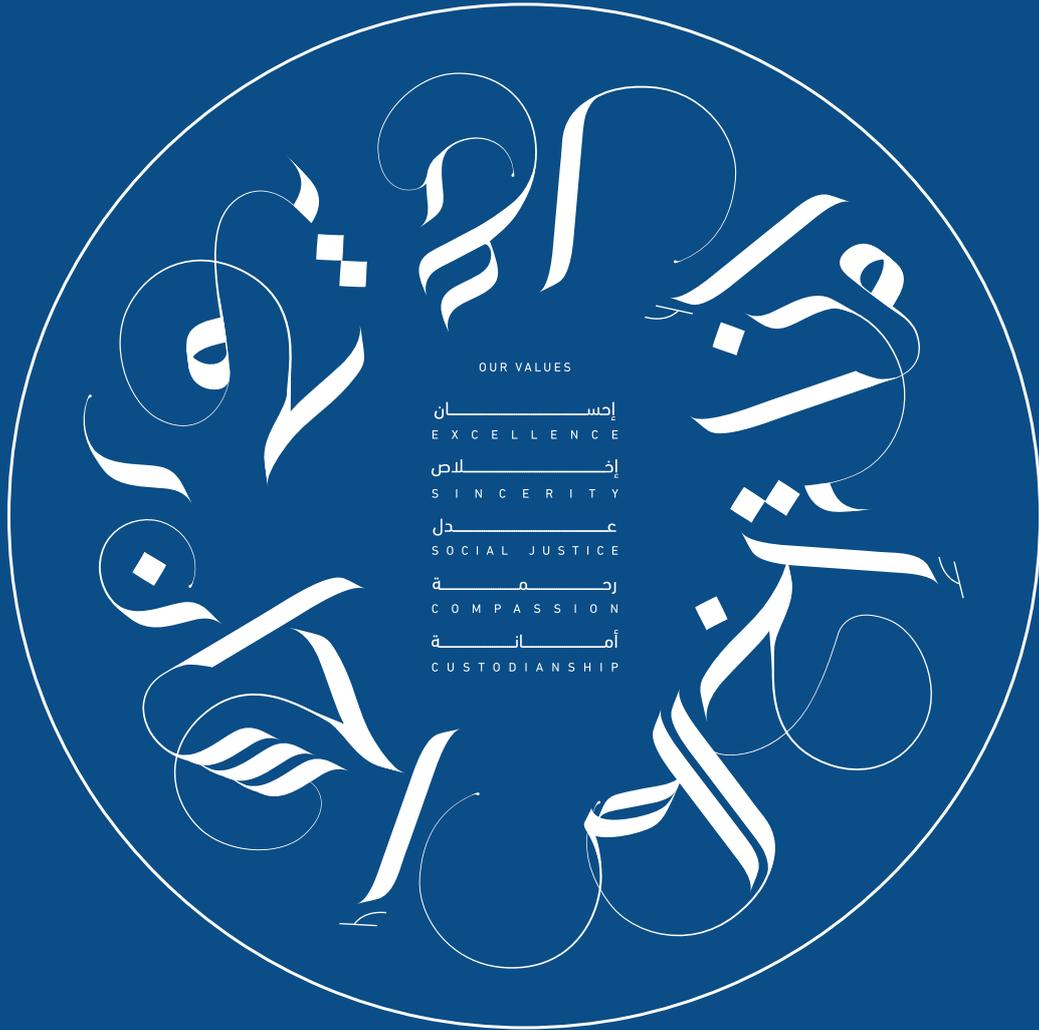
Islamic Relief Worldwide

2014

Annual Report & Financial Statements

Islamic Relief Syria

In the name of Allah, Most Merciful, Most Kind



Cover: A Syrian beneficiary of our Qurbani distribution, which in 2014 reached 3.5 million people.

Contents

4 **TRUSTEES ANNUAL AND STRATEGIC REPORT**

Objectives and activities	9
Structure, governance and management	10
Responsibilities of Directors and Trustees	12

14 **STRATEGIC REPORT**

Achievements and performance	15
• Protecting life and dignity	16
• Empowering communities	20
• Campaigning for change	24
• Strengthening the Islamic Relief Worldwide partnership	28
Support for our programmes	32
Principal risks and uncertainties	35
Strategic partners	36
Income and expenditure	37
Plans for future periods	38
Financial review	40

44 **INDEPENDENT AUDITORS REPORT**

45 **GROUP STATEMENT OF FINANCIAL ACTIVITIES**

Income and Expenditure	45
Balance Sheet	46
Cash Flow	47
Notes to the Financial Statements	48
Corporate Directory	66

Message from the Chair and Chief Executive Officer of Islamic Relief Worldwide



Mr Tahir Salie
Chair of the Board of Trustees



Dr Mohamed Ashmawey
CEO of Islamic Relief Worldwide

As salamu alaykum
Peace be upon you all

Islamic Relief Worldwide marked three decades of fighting poverty and suffering in 2014, a year in which we broadened our shoulders to meet expectations that were greater than ever before. The challenges were complex, the demands acute and urgent in a year scarred by conflict. 2014 reminded us why Islamic Relief Worldwide was founded in the first place.

As the Syria crisis raged, we reached a staggering four million vulnerable people inside the war-torn country and nearby. As well as assisting Syrian refugees in Iraq, our multi-million dollar programme also reached families fleeing violence within the country. As conflict escalated in Gaza, from the first day of the crisis we helped those affected. We also responded to fighting in the Central African Republic and South Sudan and devastating natural disasters in numerous countries. Crucially, we also protected communities from future disasters. In Bangladesh alone, in excess of 472,000 people are benefitting from disaster risk resilience projects delivered this year.

In 2014, we increased our focus on integrated sustainable development and transformed living standards in poor communities. **Three villages in China gained better services, new infrastructure and livelihoods support** whilst elsewhere we improved access to essential services such as water, sanitation, healthcare and education. In Somalia, we handed over **a new national eye hospital and a teacher training institute** in a ceremony attended by trustee Dr Mohamed El-Alfy and Dr Mustafa El-Sayed, of the Royal Charity Organisation, Bahrain - which funded the project. **Haitians celebrated the official opening of four earthquake-resilient schools** in an event in which the president of Islamic Development Bank and Haitian government ministers participated. In addition, we stepped up the fight against childhood cancer in Africa by **pledging US \$10 million for the Islamic Relief Oncology Centre of Excellence**, part of the Nelson Mandela Children's Hospital.

Our advocacy and campaigning once more drove positive change. With a greater role than ever before in the World Economic Forum and helping to create a new Global Agenda Council, **we used our influence to push hard for decisive action on key issues** that affect our world. These issues included inequality, climate change, child protection and inclusion - and a sustainable development agenda post-2015 that aims to create a safer,

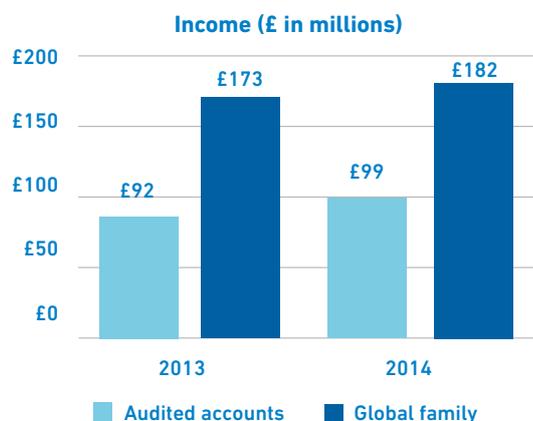
greener planet for everyone. Excitingly, we played a leading role ahead of the World Humanitarian Summit in 2016 in organising grassroots consultations together with UNOCHA, to ensure local groups' views were heard and prioritised – especially important since 70 per cent of aid is delivered by local organisations.

In the last few years, we have grown significantly, from a global family income of £120 million in 2012 to £182 million this year.

We strengthened our relationships with valued partners, and forged ambitious new collaborations to increase our impact and sustainability, as well as speaking through our actions on the ground. We welcomed the continued support of HRH Prince El Hassan Bin Talal, and strategic humanitarian partnership with the Swedish International Development Cooperation Agency (SIDA) - through which we are building our capacity to deliver. High-level engagement with the African Union generated **opportunities to fight Ebola and tackle chronic poverty**, and links with Age International enabled us to better meet the needs of vulnerable older people. We broke new ground and teamed-up with the Lutheran World Federation in the first ever official cooperation between a global Islamic and a global Christian humanitarian organisation, and celebrated a 20-year relationship with DFID in a visit by UK Secretary of State Justine Greening to our international head office.

Much growth has been driven in recent years by the need to respond to humanitarian crises in the Middle East, and that we have sustained this is testament to the quality outcomes we achieve. In 2014, the global family income increased by six per cent to £182m, and while our **global programme expenditures increased by three per cent to £160 million** - of which 75 per cent went to protecting life and dignity programmes - we continued to assist where help was most needed.

We thank the big-hearted public around the world – who once more demonstrated their generosity – and multilateral and governmental donors and partners for their support throughout the challenges of 2014. Our dedicated staff, volunteers and supporters are also to be commended. We are humbled by the trust which continues to be placed in us as we work together to save lives and empower communities across the planet. There is no better measure of our success than the positive impact we are making on those that we exist to serve.



Charitable expenditure

In 2014, global programme expenditures increased by three per cent to £160 million.



6% Sustainable livelihoods

"I feel quite satisfied thanks to this sustainable source of income which will provide a decent life in these hard times, thank God. I am very thankful to Islamic Relief." Hedi Jlili received support to rebuild his livelihood after a devastating storm in Kebili, Tunisia.

800 young Yemeni people were supported to establish successful small enterprises.

1,800 Afghan women empowered with literacy and numeracy skills and support to set up businesses.

8% Providing access to healthcare and water

◀ Children in Pakistan benefit from solar powered water pumps installed in Baluchistan.

\$10 million pledged to fund the Islamic Relief Oncology Centre of Excellence in South Africa.

New wells and disability friendly toilets now serve 12,200 people in India's Assam state.



9% Caring for orphans / children in need

◀ Orphaned children in Kosova enjoy a fun filled day of games and activities.

2,300 children are benefitting from improved living and educational standards at an orphanage in Garissa, Kenya.

Our orphan sponsorship programme supported 38,000 children in 24 countries worldwide.

"When I had a problem, only Islamic Relief answered my call and placed my children in a safe place," said the mother of an orphaned girl living in Bosnia and Herzegovina.



1% Campaigning for change

"Governments and civil societies need to realise their joint responsibility. An authentic civic society needs certain foundations: freedom of culture, expression and media, a legitimate and pluralist civilian political authority and depoliticised legal systems." At Davos, CEO Dr Mohamed Ashmawey, pushed for inclusive approaches to development.



75% Protecting life and dignity

Deep inside Syria and nearby, four million vulnerable people received aid such as food, medicine, tents, and milk for babies.

Over 378,000 Muslims, Christians, and Yazidis in conflict-torn Iraq were assisted with water tanks, hygiene kits, food parcels, clothing and heaters.

Living conditions within five camps in Myanmar improved and 70,000 displaced people benefitted from items such as kitchen sets and foodpacks.

More than 472,000 individuals in Bangladesh are now better protected from disasters.

1% Supporting education

A teacher in one of two Ethiopian schools which gained access to drinking water, teacher training, books, science labs and ICT equipment – benefitting 3,546 children. ►

Haitians celebrated the official opening of four earthquake-resilient schools.

Five schools in Iraq were modernised and improved to make them fit-for-purpose learning environments.





Strategic Report and Trustees' Annual Report

Our trustees are pleased to present their annual report and the audited consolidated financial statements of Islamic Relief Worldwide and its trading subsidiary for the year ended 31 December 2014. Information required in a trustees' report can also be found in the strategic report.

Objectives and activities



Our overarching aim is the relief of poverty in any part of the world. 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.

We aim to do this through our relief, development and advocacy work with vulnerable communities around the world - regardless of race, political affiliation, gender or belief and without expecting anything in return.

Our mission is to 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 the root causes of poverty.

We aim, as set out in our strategy for 2011-2015, to:

- Understand the threats to our world, and prepare people for them
- Address the underlying causes of poverty through our programmes and policies
- Develop a deeper faith-based framework for humanitarianism and development that offers leadership and guidance on issues affecting the developing world.

Six women's groups now make a living from cultivating mushrooms thanks to our latest Waqf-funded project in West Lombok, Indonesia.

Structure, governance and management

Board of Trustees

Our Board of Trustees is made up of company directors, known as trustees. It directs and oversees the organisation. The Board of Trustees sets our priorities and objectives, focusing on strategic planning and governance. It also evaluates our performance and the progress of our work to alleviate poverty and suffering.

It appraises the Executive Management Team and can make appointments to and dismissals from these positions. The Board of Trustees also works with key stakeholders and makes sure that we satisfy the regulatory requirements on us as a charity.

Recruiting and appointing trustees

All of our trustees are volunteers. They are chosen because they have the diverse range of skills, knowledge and experience that we need to respond to key challenges. Stakeholders and partners may nominate trustees, and sometimes we will make a personal approach to potential candidates.

Welcoming and training trustees

To make sure we benefit from a professional, appropriate board, we provide trustees with comprehensive induction and on-going training in new or emerging areas of responsibility. New trustees receive a full overview of our strategic and operational functions, as well as 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', and recent publications. We may also allocate a mentor to help a new trustee to settle into the role, and trustees are encouraged to identify their training needs. Our CEO keeps trustees up to date with changes in regulatory standards and training possibilities. We continually

evaluate the Board's effectiveness. The Board of Trustees receives regular performance reports, annual financial reports, plans and budgets. It also approves relevant new policies and procedures.

Key personnel

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

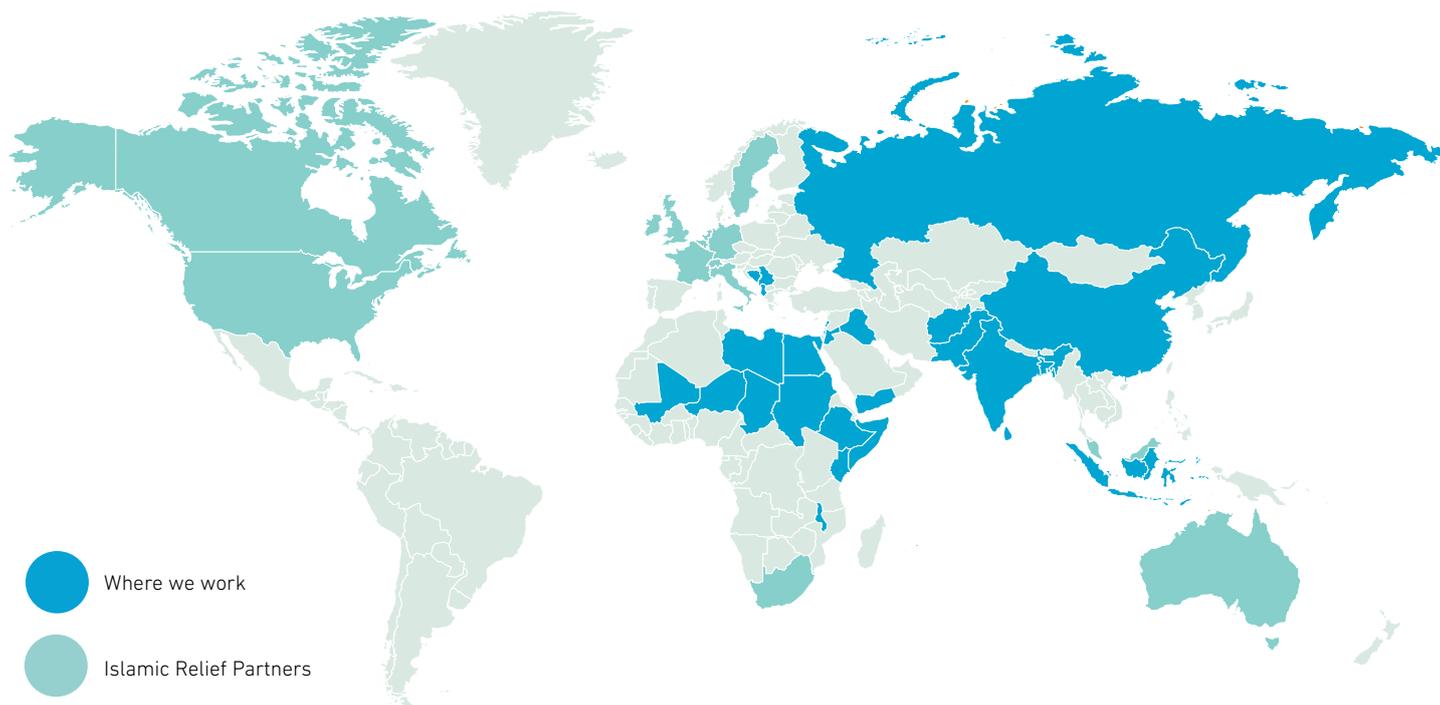
Governing document

Islamic Relief Worldwide (IRW) refers to the charity incorporated as a company limited by guarantee in England and Wales, with a governing document known as Memorandum and Articles originally dated 14 March 1989, and amended as a Memorandum of Association on 9 August 2010. IRW is also registered with the Charity Commission of England and Wales. IRW's sole objects are 'the relief of poverty in any part of the world'.

TIC International Ltd

TIC International is a trading subsidiary. It supports our fundraising activities by recycling clothes, running charity shops across the UK, and procuring some food supplies.

Organisational Structure



The Islamic Relief global family

We are based in Birmingham, UK, and are the global implementing and coordinating partner of the Islamic Relief family. Together with Islamic Relief national partner offices, we raise funds and awareness of the family's work.

Here are the Islamic Relief national partner offices that focus largely on raising funds for overseas projects and are registered as independent legal entities. In these accounts, we have only included funds that are transferred to us:

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

We have also registered branches in:

- › Ireland
- › Mauritius

Affiliated Implementing Partners deliver projects on behalf of the Islamic Relief family. Some of these are independent legal entities. These include:

- › Islamic Relief Chechnya
- › Islamic Relief India
- › Islamic Relief Kenya
- › Islamic Relief Pakistan

Countries in which we deliver projects through implementing country offices are:

- › Afghanistan
- › Albania
- › Bangladesh
- › Bosnia and Herzegovina
- › Chad
- › Ethiopia
- › Haiti
- › Indonesia
- › Iraq
- › Jordan
- › Kosovo
- › Lebanon
- › Libya
- › Malawi
- › Mali
- › Niger
- › Occupied Palestinian Territories
- › The Philippines
- › Russian Federation (North Caucasus)
- › Somalia
- › South Sudan
- › Sudan
- › Tunisia
- › Turkey
- › Yemen

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

- › Central African Republic
- › China
- › Guinea
- › India
- › Myanmar
- › Sierra Leone
- › Sri Lanka
- › Syria

Responsibilities of Executive Management Team and Trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity Commission Statement of Recommended Practice (SORP)
- Make judgments and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charitable group will continue in operation.

Trustees have to keep adequate accounting records that are sufficient to:

- Show and explain the charitable company and the group's transactions

- Disclose with reasonable accuracy at any time the financial position of the charitable group
- Enable them to ensure that the financial statements comply with the Companies Act 2006.

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

Statement on disclosure of information to the Auditors

Under Section 418, in the case of each director in office at the date the Trustees' report is approved, the reports include a statement that declares:

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

Public benefit

We develop strategic plans to make certain that we provide maximum public benefit and achieve our strategic objectives, which fall under purposes defined by the Charities Act 2011.

In setting the Charity's objectives and planning activities, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Employees

We support our employees and develop their skills. We encourage all of our colleagues to engage with the strategy and objectives, and to give their suggestions and views on performance and strategy. We are committed to the People in Aid (PIA) code of good practice.

We are an equal opportunities employer and are proud to recruit and promote our staff based on their aptitude and ability, without discrimination. Most staff benefit from policies focusing on training and career development as well as regular supervision and an annual appraisal.

Help from volunteers' in-kind gifts

Our dedicated volunteers are the heart and soul of Islamic Relief Worldwide, and we rely on them to be able to deliver our services. We manage all of our volunteers. During 2014, volunteers contributed substantial hours of work by giving their time to support our shops, administration and fundraising activities.

Auditors

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

“Thanks for making dreams come true”



Mama Halima Kenyan Noor, 41, lives in Bulla Jamuhuria village in Kenya's Mander county. She is now able to provide for her children, thanks to Islamic Relief Worldwide. With her child about to graduate from our orphan sponsorship scheme, she joined a micro-enterprise project. Designed to empower widowed women to build sustainable livelihoods, the project gave Mama Halima access to shariah-compliant microfinance.

“The loans have transformed our lives,” said Mama Halima, who invested in stock for her food kiosk. “They have boosted my business, and I learned how to manage my business effectively. I now have my own bank account. I can afford to meet my family's basic needs.

“Thanks to this programme for making dreams come true for me and many other poor women who could not have accessed loans from conventional financial institutions.”



Strategic Report

A Yazidi girl in Sharya, Iraq, where Islamic Relief Worldwide provided displaced families with food and essential items such as blankets.



Achievements and performance

Our strategy

Islamic Relief Worldwide's Global Strategy 2011-15 sets out how we are putting our faith into action to achieve the greatest possible positive impact on the people we serve. We are guided by the timeless values and teachings of Islam, with challenging aims designed to drive real change. In addition, we are also fulfilling a set of core promises throughout our work:

- **Strengthening local capacity:** We empower communities to manage their own affairs, and develop the capacity of civil society itself
- **Protecting children:** We mainstream child protection and ensure that our programmes are child-focussed
- **Providing Islamic perspectives:** We are a policy leader on Islamic humanitarianism, and we develop distinctive, practical approaches to the key issues that are affecting our world
- **Protecting the environment:** We promote climate-change adaptation as well as initiatives to safeguard the environment from further harm.

This Annual Report reflects on the progress we have made toward achieving our aims as we approach the end of our current strategy.

Protecting life and dignity

Providing vital relief
and protection



Islamic Relief Worldwide was on the ground delivering vital aid throughout the escalation of conflict in Gaza.



3,500

conflicted-affected families
in Central African Republic
regained their ability to grow
food and earn a living

35

truckloads of food, drugs and
medical disposables delivered
to hospitals during the conflict
in Gaza

4.6 million

people benefitted from our
record-breaking Ramadan and
Qurbani food distributions

Islamic Relief Worldwide has delivered life-saving emergency operations for 30 years, and works with communities in disaster-prone areas to help them reduce their vulnerability. This year, we assisted those affected by grave and complex conflicts and natural disasters. We also continued to deliver much-needed disaster risk reduction programmes in parts of Asia and Africa.



"The centre helps the children learn new things," said the father of Bertin*, describing the Child Friendly Spaces we supported in the Central African Republic. His son was among nearly 7,000 children given respite from the traumas of war with informal education and psychosocial activities in the centres this year. "Bertin comes home with many new questions, it opens up his curiosity." *Name changed for protection purposes

On the ground in Syria and beyond

Prolonged and brutal war in Syria has created the worst humanitarian crisis of the 21st century. Islamic Relief has been responding since 2011, and this year alone **helped more than four million conflict-affected people** - mostly deep inside Syria but also reaching refugees and host communities in neighbouring **Iraq, Jordan and Lebanon**. Our multi-million pound operations provided life-saving assistance as well as access to shelter, healthcare, and education. Vulnerable individuals benefitted from psychosocial support, and **70,000 Palestinian refugees** trapped in Syria's besieged Yarmouk camp received food and hygiene supplies.

Responding to complex conflicts

This year, protracted conflict and new outbreaks of fighting in Iraq drove hundreds of thousands of people from their homes. We were on the frontline once more, providing a lifeline to **over 378,000 internally displaced Muslims, Christians, and Yazidis** around the country. Our major emergency operations cost around US \$3.8 million and targeted areas where aid was most scarce. Projects included distributing water tanks, hygiene kits, food parcels, clothing and heaters.

We assisted more than **10,000 individuals affected by conflict in South Sudan**; providing essential items such as blankets, hygiene kits, plastic sheeting, soap, mosquito nets and kitchen sets. Meanwhile, **over 56,000 people in conflict-torn Central African Republic**

benefitted from our efforts to reduce community tensions and meet the basic needs of affected Muslim and Christian families. As well as livelihoods support, we delivered foodpacks, firewood, and other essential items such as mosquito nets, soap, tarpaulin, blankets and fabric for clothing.

As conflict escalated in Gaza, we delivered vital aid from the beginning of the crisis. Affected people benefitted from over 2,000 foodparcels, more than 6,000 hot meals, and 15,578 daily ready-to-eat foodpacks. We also provided kitchen sets, hygiene kits, children's clothing, 30 water tanks serving eight emergency shelters, and chlorine to disinfect water in municipal wells. In addition, we reached over **70,000 people in Myanmar**, where conflict and inter-communal violence has left many unable to return to their homes. We improved living conditions within five camps - constructing latrines, washing areas and shelters and by distributing hygiene kits, kitchen sets and thousands of food parcels - and started a programme to train and support vulnerable people to build lasting livelihoods.

Saving lives worldwide:

- When flash flooding inundated communities in Afghanistan, we distributed food parcels, hygiene kits and other essential items benefitting **10,220 people** in three provinces, and gave 150 families food supplies to last two months.
- As conflict in Yemen continued, our operations included providing food aid to over **25,700 internally displaced people** and giving food, blankets and mattresses to newly-arrived Eritrean refugees.
- Widespread floods in Pakistan and India triggered an emergency response spanning both countries. **In Pakistan, nearly 39,000 people** benefitted from aid such as tents, kitchen sets, and water filtration plants and food parcels. **In India, over 35,000 people** were reached by our programme, which also provided psychosocial support to flood-affected individuals and child friendly spaces for affected children.
- Islamic Relief Worldwide supported evacuations when typhoon Hagupit barrelled across the Philippines and provided vital aid - including tarpaulin, blankets and hygiene kits - reaching about **5,000 individuals** across four provinces.
- Around **3,000 people were assisted** by water trucking and food distributions as drought struck Puntland, Somalia.
- More than a dozen lorries delivered essential aid items to the worst affected province in Malaysia, as the country experienced its most severe flooding in 30 years.



"I am struggling, but knowing there are people who care and who are willing and able to help, makes me see things differently." Alić Nerminka's home in Maglaj, Bosnia and Herzegovina, was badly damaged by devastating floods. She was one of over **33,100 people** that we helped with food, water, clothing, blankets and hygiene items. We also supported 200 farmers to restart their livelihoods and began rebuilding and repairing damaged homes.



Um Jassem and eleven relatives have been living in a camp inside Syria since fleeing their homes in Idlib. We provided them with essential items, including food and blankets.

- Over a quarter of under-fives in Mangaizé refugee camp, Niger, were moderately or acutely malnourished. By building the capacity of local health workers and communities on nutrition and other health issues, we reduced the rate of deaths due to malnutrition to 0.12 per cent.
- In Mandera, Kenya, we assisted people displaced by communal violence. We distributed 1,500 foodpacks and other essential items, whilst **1,000 individuals** received basic health and nutrition services.
- Water and hygiene services delivered by Islamic Relief Ethiopia **helped 3,500 drought-affected people** in the Afder region.

Improving disaster-resilience and response

This year, we joined with the Bangladesh Water Development Board to develop better early warning systems, and over **472,500 people** benefitted from our disaster risk reduction and climate change adaptation programme in Bangladesh. In Gaibandha and Sylhet City Corporation we formed disaster management committees, raised homesteads above the flood level, and installed wells, latrines and drainage culverts. Roads were repaired and drainage systems cleaned, and we also provided search and rescue kits and 54 garbage vans. In Niger's Quallam district, we protected the environment and equipped farming families to reduce their vulnerability to drought and desertification.

We also **continued to build our capacity to respond to disasters in Pakistan**, training 100 community volunteers in emergency response, strengthening contingency planning, increasing our stocks of emergency aid and improving distribution logistics. Meanwhile, our East Africa Regional Office formed a disaster response team and began a rigorous planning and training process designed to enhance emergency operations in the region.

A group of construction workers in blue uniforms and yellow hard hats are focused on their work. They are gathered around a large grid of steel reinforcement bars (rebar) that they are meticulously tying together with wire. The workers are looking down at their hands, which are busy securing the rebar. The background shows more workers in similar attire, suggesting a busy construction site. The overall scene conveys a sense of teamwork and skilled labor.

Empowering communities

Changing lives with sustainable development

In Sylhet City Corporation, which is prone to earthquakes, we worked with the Bangladesh University of Engineering and Technology to train 100 architects, masons and bar-binders in quake-resilient construction.



£2 million

programme reduced poverty
and tackled malnutrition in
Yemen

4

Haitian schools reconstructed
following the 2010 earthquake
officially opened

\$10 million

pledged to fund the Islamic
Relief Oncology Centre of
Excellence in South Africa

Islamic Relief Worldwide improves living standards and empowers people to escape poverty in some of the poorest communities on the planet. This year, we once more helped families to build lasting livelihoods and boosted access to essential life-changing services such as education, healthcare, water and sanitation.



"Our village has changed dramatically because of your support. Thanks for improving our environment and living conditions." Zhu Chongrong, 66, lives with his wife and grandson in Lingshan village, China, where Islamic Relief Worldwide completed an integrated development project this year.

Transformed communities

Our integrated development programmes continued to improve living standards in poor communities around the world. In China, we transformed three rural villages to **benefit more than 3,600 poor people**. We improved roads and installed toilets and new water resources. Bio-gas pools reduce family energy costs and the need to cut down trees for fuel. Health clinics, a village school and a cultural centre were built, and communities learned about disaster prevention and new farming techniques. Focusing on livelihoods in Nanbao village, we irrigated nearly 67 hectares of farming land and constructed 185 livestock shelters, and gave sheep and farming equipment to local families. Thousands of trees were planted as part of reforestation efforts and solar energy water heaters were installed.

Better access to healthcare

In 2014, we continued to improve access to healthcare worldwide. Thousands of Afghan men, women and children accessed our specialist services and counselling to beat drug addiction. In Ethiopia's Afar region, we **helped protect 81 villages in nine areas from malaria** and also improved health and nutrition services for over **62,200 women and children in rural Kenya**. We completed construction of a national eye hospital and a teacher training institute – which already has 750 students – in Somalia. We also fought back against childhood cancer in Africa by signing an agreement to provide US \$10 million to fund the Islamic

Relief Oncology Centre of Excellence. Part of the Nelson Mandela Children's Hospital that is being built in South Africa, this will become the flagship centre of clinical excellence transforming care for children across the continent.

Enhanced educational opportunities

Islamic Relief Worldwide enabled children in poor communities to access life-changing education. In Tunisia, we teamed-up with the UNHCR to enroll refugee children in local schools – supporting them with stationery and extra tuition – and installed child-friendly facilities at a Kenyan orphanage. In Ethiopia, we enhanced access to quality education for **over 205,000 individuals** as we trained teachers and equipped five primary schools and two public libraries. Our technical and financial assistance enabled eleven orphanages and boarding schools in Indonesia to grow crops and use their new income to improve their educational offer. In addition, **175 Yemeni children** with special educational needs received learning tools and equipment such as wheelchairs.

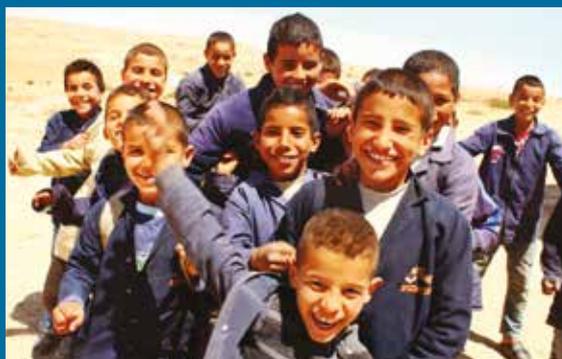
Improved water, sanitation and shelter

About **18,000 people in nine Sahel communities** now get clean water from robust water systems installed by Islamic Relief Chad and powered by low-cost solar

energy. In South Sudan, new sustainable water sources, latrines and hygiene awareness have helped to build peace and boosted community health for **over 47,100 people in three villages**. New wells and disability-friendly toilets now serve **12,200 people in India's Assam state**, whilst two communities in Yemen gained improved access to safe water – as well as information on managing the precious natural resource. We completed a series of projects in Sudan, which included installing new *hafirs* (underground reservoirs) and wells in North Kordofan, West Darfur and Central Darfur – where hygiene kits, improved health clinics, supplies of essential drugs and specialist training for health staff have also enhanced public health. Meanwhile, **270 Filipino families** that lost their homes to a powerful typhoon were given new, disaster-resilient homes through our shelter construction programme in Santa Fe and Bantayan.

Routes out of poverty

Training provided by our vocational centres in Kosovo and Albania once more helped people into work this year. In Yemen, we gave **800 young people** the skills and start-up support to set up successful small enterprises as part of an integrated programme that also improved nutrition and livelihoods. In three Pakistani villages, more than **3,600 poor families enhanced their incomes** and the lives of local children. Promoting child rights and gender justice, the project provided safe drinking water, vocational training, hygiene interventions, free health camps, and medicine. Those that accessed our Shariah-compliant microfinance scheme – which promotes financial inclusion and supports small businesses through which people can earn a living – included **over 2,200 people in Bangladesh** and over 80 orphan households in Yemen. An innovative anti-poverty scheme in Mali trained more than 200 community organisations to successfully lobby for women to have increased access to farming land and representation in communal councils.



Students at Ghorghar primary school in Tataouine, Tunisia, were better able to focus on their studies when we provided nutritious snacks every school day for more than three months.



Khaleda is amongst more than 9,100 people benefitting from our integrated development project in flood-prone Haor, Bangladesh. Our livelihoods support enabled her to begin earning a living from keeping livestock. The scheme also improves access to water and sanitation and helps protect eight communities from disasters.



Campaigning for change

Tackling the root
causes of suffering

Islamic Relief took to the streets of New York City
as part of the People's Climate Change March.



7

recommendations to lift the people of Afghanistan out of the cycle of poverty and conflict

185

Bangladeshi children empowered to escape harmful labour

530

hearing-impaired individuals taught sign language and reading and writing skills in Chechnya

In accordance with the prophetic example of speaking out against injustice, we continued to tackle the root causes of poverty and suffering in 2014. Our advocacy and campaigning, together with projects on the ground, focused on securing positive change and social justice for vulnerable people across the globe.



Islamic Relief Worldwide brought together children like Nazma*, a domestic worker, together with policy-makers to push for changes to child labour regulations in Bangladesh. *Name changed for protection purposes

Pushing to end conflict

Islamic Relief Worldwide joined with other NGOs in campaigning for the international community to end the suffering arising from yet another year of war in Syria. We called on the British government to join the global resettlement programme for the most vulnerable refugees. **We pushed for unrestricted humanitarian access** to communities caught up in the conflict, including to besieged camps such as Yarmouk; and welcomed a later UN mandate to deliver aid across Syria's borders and conflict lines. In addition, we published the *Afghanistan in Limbo report*, highlighting the humanitarian situation in the country as it grapples with the legacy of decades of conflict – and the need for sustained funding.

Changing futures

2014 also saw the extension of key projects empowering marginalised people to achieve their right to an education – including a home-based learning scheme which has so far **enabled 1,800 Afghan women to gain literacy and numeracy skills** and support to set up small businesses.

Ahead of the 2014 conflict in the Gaza Strip, we worked with the CIVITAS Institute to **promote active civil and democratic communities**. The project empowered neighbourhood committees to contribute to municipal decision-making about development and anti-poverty initiatives. We also provided **psychosocial support to Gazan children** that had witnessed armed conflict.

Our over-subscribed Child and Family Centre this year delivered over 700 group and individual counselling sessions, with Islamic Relief Worldwide social workers also offering support in home visits.

Promoting environmental protection

This year, we worked hard to secure **meaningful action on climate change**; one of the biggest challenges facing the world today. Complementing our projects that help vulnerable communities to adapt to a changing climate, hard-hitting campaigning and advocacy activities underlined the potential of faith perspectives to help secure social justice by safeguarding the planet. We presented our learning at the global 'Religions for the Earth' conference. We hit the streets of New York City in the historic 'People's Climate Change March', **demanding bold commitments to tackling climate change**. At the UN General Assembly, our side event on Eco Islam explored the intersection of Islam and environmental issues and launched online training that we helped develop for practitioners. Islamic Relief Worldwide also contributed to the creation of a coalition of Muslim civil society groups, which shares best practice and delivers joint advocacy on climate action. We threw our weight behind the Beyond 2015 campaign, which calls for environmental protection and climate adaptation to be included as part of a sustainable development agenda. In addition, we adopted our first Climate Change Policy and kick-started ambitious plans to reduce our own carbon footprint.

Keeping children safe

In 2014, we introduced new child protection measures and initiatives to create a safer environment for children. Our updated Child Protection Policy and toolkit on Islamic perspectives now help to ensure that our programmes are child safe. We strengthened our involvement with the Child Protection Working Group - a global level forum that coordinates child protection in emergencies - by becoming a full member after being associates for several years. Staff in five countries gained confidence in engaging with communities on child protection through tailored training. Faith leaders were engaged in a series of workshops delivered in partnership with World Vision, and imams and social workers were amongst those brought together to **improve child protection** in Bangladeshi *madrasahs* (religious schools).

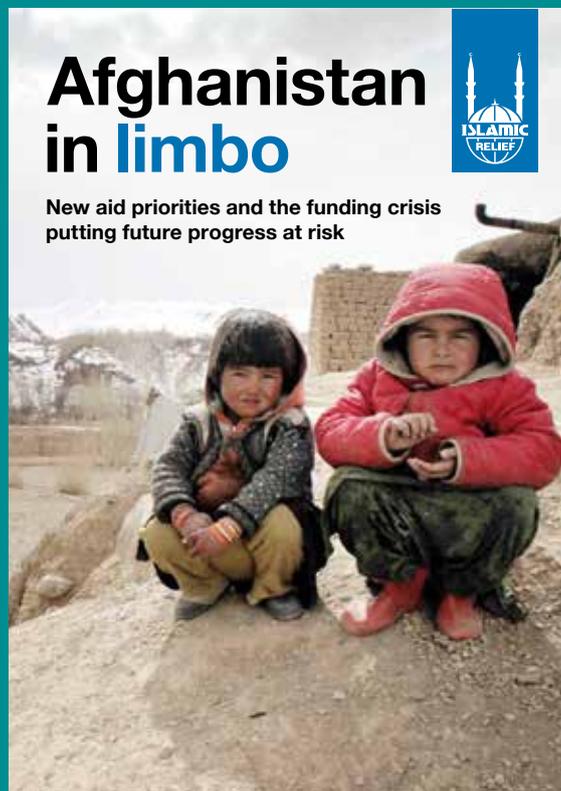
A series of initiatives by Islamic Relief Worldwide and partners saw significant steps forward in **eradicating child labour**. We empowered working children in Bangladesh to engage directly with government officials to improve protection for working children, calling for an expansion of the hazardous job list and action to reduce the need for child labour. Our project in Dhaka continued to help 185 children to escape harmful work, providing them with access to education and training as well as support to secure an alternative income. Islamic Relief Worldwide Jordan also supported refugee families from Syria, to get working children back into school.



"Abed* achieved a great improvement after participating in the centre's activities. He no longer wakes up in terror," said his step-mother, speaking about our psychosocial support services for Gazan children. *Name changed for protection purposes

Responding to forced migration

We launched a policy briefing, *The Rights of Forced Migrants in Islam*, at a UNHCR meeting this year, and explored the issue at university workshops in Brussels and the UK. We also contributed to a paper on faith perspectives regarding asylum, which was presented at the European Parliament.



A photograph of Mr Tahir Salie, an Islamic Relief Worldwide trustee, shaking hands with Dr Nkosazana C Dlamini-Zuma, Chair of the African Union. Mr Salie is wearing a grey suit, a red striped tie, and a black cap. Dr Dlamini-Zuma is wearing a blue and yellow patterned dress. They are standing in front of a chandelier and a wooden curtain.

Strengthening the Islamic Relief partnership

Increasing capacity and improving standards

Islamic Relief Worldwide trustee
Mr Tahir Salie with Her Excellency,
Dr Nkosazana C Dlamini-Zuma,
Chair of the African Union.



62 million

people helped in the last ten years

2,100

projects delivered in two decades

13.9 million

people and more enabled to access
healthcare, education, and livelihoods

As the Islamic Relief Worldwide family celebrated 30 years of serving humanity, we worked hard to further improve our capacity and impact as an organisation. We forged key relationships that are strengthening our programmes worldwide, and boosted transparency, accountability and visibility. Our contributions to the global development agenda focussed on inclusion and equality for all.



Our CEO participates in a World Economic Forum panel discussion.

Regional leadership and knowledge

Our East Africa Regional office brings us **closer to the communities we serve** in Ethiopia, Kenya, Somalia, and South Sudan, with programmes in each of these countries now fully aligned to our global strategy. This year, we continued to develop the hub as a centre for leadership and regional knowledge, recruiting staff to key posts and delivering regional training. In addition, we are engaging with new donors and an improvement in the quality of project proposals has secured a higher funding success rate.

A strategy-sharing meeting with HRH Prince El Hassan Bin Talal further **strengthened our programmes and impact** in Jordan and the wider region. We also signed a Memorandum of Understanding this year, to work with the Jordan Hashemite Charitable Organisation (JHCO) on key issues facing the world. In addition, we explored partnership opportunities through a series of high-level meetings with key African Union figures, including chairperson Her Excellency, Dr Nkosazana C Dlamini-Zuma. Top of the agenda were efforts to fight Ebola and tackle chronic poverty.

Increased capacity to deliver

This year, we welcomed the newest office to the Islamic Relief Worldwide partnership. Our Norway office is now fundraising for our vital programmes worldwide. We forged the world's first **official cooperation between a global Islamic and a global Christian humanitarian**

organisation. The agreement with the Lutheran World Federation (LWF) is based on shared core values and a commitment to vulnerable people, and in 2014 gave birth to a joint-project to ease tensions between Syrian refugees and host communities in Jordan. This year, we further developed the Waqf programme, which offers an innovative sustainable funding model that has supported 88 projects in 26 countries so far.

We opened the ground-breaking Islamic Relief Academy in 2014, which is developing talent to increase capacity throughout the Islamic Relief Worldwide family and strengthen the humanitarian sector as a whole.

Efficiency, transparency and visibility also improved still further this year as we rolled out new, world-class technology. Over two dozen field offices now have agile software for collaboration. A business system facilitates better monitoring and donor compliance in our East Africa and West Africa field offices, supported by enhanced internet connections and ICT infrastructure. In addition, the new Islamic Relief Worldwide website launched this year: engaging more people than ever before and driving online **donations worth in excess of US \$1.2 million** during Ramadan alone.



“Islamic Relief has grown into a truly global development agency... Countless families across the world now have access to healthcare, education and a chance for a better life thanks to you.”
 Justine Greening, Secretary of State for International Development spoke at our 30-year anniversary celebration, an event that also marked 20 years since we became the first ever Muslim NGO to receive funding from the British government.



The Grassroots Consultation Conference collected the views of local people to inform the World Humanitarian Summit in 2016. It was jointly hosted by Islamic Relief South Africa and The United Nations' Office for the Coordination of Humanitarian Affairs (OCHA)'s Regional Office for Southern Africa.

A stronger civil society

Islamic Relief Worldwide committed to do more to promote social justice for women, as a new gender policy statement and commitments were approved this year. At a global International Islamic Charity Organisation (IICO) conference we called for the humanitarian sector to **encourage and empower women** working in the sector, in order to make programmes more effective. At the 58th session of the Commission on the Status of Women (CSW58), the world's largest gathering dedicated to empowering women and establishing gender equality, we took part in side events that explored faith approaches to gender-based violence and maternal health, as well as education for women and girls.

From our platform at the World Economic Forum, we repeatedly pushed for social and economic inclusion for all, for action to tackle climate change, and for the pace of development to be increased. At the high-profile annual meeting in Davos, Islamic Relief Worldwide demanded equity and decisive action to end poverty – underlining that civil society must be empowered to flourish and work with the state to build inclusive societies. As co-owner of the influential International Civil Society Centre, we worked throughout 2014 to **strengthen civil society organisations in achieving even greater impact**. We continued to facilitate life-changing financial inclusion for the world's poorest people through our Islamic microfinance scheme. Often delivered through a village-banking format which

empowers local civil society groups to lend to their members, our programme also runs regulated social financial institutions in places such as Bosnia, Chechnya and Kosovo. Over 13,500 poor entrepreneurs in 11 countries are served by the world's only multi-national Islamic microfinance programme, which this year underwent a Shariah-compliance review carried by an external advisory firm. It is expected to be fully certified according to the standards of the Accounting and Auditing Organization for Islamic Financial Institutions during 2015.

We also stepped up pressure on the UN to put equality at the heart of the future development agenda. Our extensive advocacy and work with coalitions focussed on securing sustainable development goals that create a fairer, safer, and cleaner world for all. Representation at the UN General Assembly and a meeting with member states made up part of our sustained engagement programme throughout the year.

“It is vital to connect social exclusion to the bigger picture. Likewise, poverty is a multidimensional problem. We need to tackle the cause as well as treating the symptoms – so solutions must be multidimensional.”
 Our CEO, Dr Mohamed Ashmawey, took part in a high-level panel on inequality at Vatican City, as part of a World Economic Forum event held in collaboration with the Holy See and the Pontificia University of Santa Croce.



Support for our programmes

Raising vital funds for our humanitarian work

HRH Prince Elhassan Bin Talal of Jordan attends an Islamic Relief Worldwide event with our CEO, Dr Mohamed Ashmawey.

Fundraising in the Middle East

In 2014, we secured support from across the Middle East and beyond, raising over US \$15 million and agreeing 53 Islamic Relief family projects. A special project in Tunisia – which aims to encourage learning by inspiring participation through extracurricular activities – gained the backing of the Bill & Melinda Gates Foundation, which pledged US \$1.7 million, and Reach Out to Asia (ROTA), which allocated over £165,500. ROTA also signed an agreement worth more than £165,500 to fund a sports and play project in Gaza, which will provide children with psychosocial support as part of our post-war recovery programme. The Islamic Development Bank pledged **US \$5.1 million to drill wells in water-scarce Somalia**, whilst the Saudi Government agreed to provide **US \$18 million for humanitarian work in Yemen**.

Islamic Relief Worldwide held a successful event in Kuwait, which marked our 30-year anniversary, and raised our profile with the Pakistani community. Also in Kuwait, we helped organise a world conference on women in the humanitarian sector – emphasising the need for organisations to empower women – and participated in a global event organised by OCHA. Here, we reiterated our four-year commitment to invest around **£58 million in humanitarian programmes responding to the Syria crisis** before the end of 2014. We became members of the Organisation of Islamic Cooperation (OIC) and were chosen to sit on its advisory council. We were also pleased to open new offices in Jordan, Lebanon and Tunisia and to launch a brand-new Arabic website.

Emerging Markets

Building a presence in new markets helps us to increase the reach of much-needed humanitarian programmes. This year, our Emerging Markets department gained more ground than ever before. We restructured the department, with greater focus on researching, developing and supporting new partner offices and countries into which we are expanding. We launched our latest partner office, Islamic Relief Norway, and also supported our newer fundraising offices to build upon grassroots activities and develop volunteer teams in over 35 cities.

Our first ever Emerging Markets International Volunteer camp brought 60 volunteers from a number of countries together to learn about being part of the Islamic Relief Worldwide family, and how to achieve fundraising success. 2014 was particularly notable for the success of Ramadan tours, which included dinners, collections



News presenter Jon Snow helped launch our UK Ramadan appeal.

and concerts around the world and which contributed significantly to fundraising this year.

Volunteer action, fundraising and campaigning for change in the UK

During the year over 4,000 UK volunteers rallied to the cause in Islamic Relief's country of birth. They included hundreds of intrepid mountain climbers, walkers, cyclists and other sponsored fundraisers, and a group of students who delivered a petition on Syria to Downing Street. Volunteers stood with representatives of Christian Aid and World Jewish Relief in solidarity with people of all faiths in Iraq at the We Are All Human vigil outside Westminster Abbey.

The spirit of 2014 was embodied in the dedicated people who participated in 173 fundraising challenges. Haroon Mota ran five half-marathons in a month for Gaza, raising nearly £6,000. Cakes4Syria, in its second year, raised over £200,000 in direct income, with hard-working volunteers delivering chocolate cakes to doorsteps around the country. The campaign also attracted another £200,000 in donations from new donors.

This year's 'Alhamdulillah' campaign for Ramadan **raised a record £19 million** through Islamic Relief UK – including £5 million pledged in match funding



In the UK, the Cakes for Syria campaign raised more than £200,000.

from the UK Government for a new project supporting communities in remote areas of Sudan. Channel 4 News presenter Jon Snow spoke movingly at our Ramadan launch event about Islamic Relief's 30-year history and our wide-ranging work in Gaza in particular.

With the conflicts in Syria and Iraq dominating the headlines, we gave interviews to leading mainstream broadcasters and a national newspaper published a series of major features about our **hard-hitting report urging the world not to abandon the Afghan people**. We also supported a global conference in London at which Afghan aid workers and civic leaders conveyed their concerns to the UK Prime Minister, the new Afghan President and other world leaders.

We formed prestigious partnerships with high-profile companies, mosques and trusts. His Excellency Ebrahim Rasool hosted a reception to support us and Islamic Relief UK was featured as charity partner for the annual Euromoney conference. In partnership with ActionAid and World Vision we **organised fringe debates on Afghanistan and Syria at three party conferences**, and we continued to work closely with other members of the Muslim Charities Forum to strengthen professional standards and collective advocacy in the Muslim NGO sector. We also joined a host of aid agencies successfully championing a Bill to enshrine in law the UK's pledge to spend 0.7 per cent of national income on foreign aid.

Our donors helped ensure that quality Qurbani meat was distributed to poor communities around the world. April's Hope, Fear, Faith events saw poets give readings in five UK cities and **led to 350 orphans being sponsored**. The flagship student fundraising event Charity Week raised over £732,000 for orphans and children's projects through universities across the country. In the winter we formed a new partnership with Age UK, supporting 4,000 older people suffering from the cold in the UK. At the end of the year we opened the British Muslim community's very first fair trade shop, selling products such as bags, clothes, snacks and gifts to benefit poor producers and their families. We hope 2015 will bring more customers and attention to our shop and to Islamic Relief's work around the world.

Principal risks and uncertainties

The Board of Trustees has a fully functioning independent Audit Committee which meets at least four times a year. It consists of a mixture of non-Executive external experts and Trustees including legal and transparency experts. The Audit Committee's terms of reference include the review of risk management within Islamic Relief Worldwide - so the Committee regularly reviews the risk register and progress against the action plans in place to mitigate the identified risks. Senior management regularly review key strategic and operational risk, and maintain a risk register to record risks and the associated action plans. Islamic Relief Worldwide has an independent Internal Audit function. This reports directly to the Audit Committee and follows an Audit Plan approved by the Audit Committee. The principal risks and uncertainties facing Islamic Relief Worldwide, and the corresponding actions taken to meet them, include:

The humanitarian sector faces significant challenges in a world fraught with conflict and turmoil. With numerous on-going conflicts claiming the lives of thousands of people, and bringing the number of forcibly displaced worldwide to just under 60 million people. In addition, the presence of armed groups operating in many areas where people are most in need, fulfilling the humanitarian mission to reach those who need help has become increasingly difficult for NGOs trying to operate in these regions.

A global increase in regulation to cut off the funding of terrorism has had a number of unintended consequences for the majority of the legitimate NGOs, both secular and faith based, who wish to carry out humanitarian projects to reach those in need and has consequently forced them to channel resources away from their mission and towards fulfilling onerous regulatory compliance requirements imposed on the NGO community.

The increased regulation has also seen a significant impact on the international financial and banking sector which has also been a big challenge for NGOs operating in difficult places. There are now greater hindrances to the movement of funds required to provide timely assistance to reach vulnerable people on the ground, as well as increased scrutiny. This has impacted greatly on humanitarian operations and continues to diminish the scope of life-saving and life-

changing work. Our concerns have been shared with the banking and finance sector as well as Her Majesty's Treasury Department and the impact on the sector has been acknowledged as an area of concern. We have also played our part along with civil society groups all across the world in lobbying the Financial Action Task Force (FATF) to ensure proportionate measures are taken by states in relation to counter terror and money laundering regulations.

The global economic crisis continues to impact our funding model. We continue to diversify and manage this risk by actively pursuing consortium led projects. We have set up an endowment board (waqf) to review alternative investment initiatives to drive our campaigns to grow unrestricted income. We are also revising the TIC strategy and business model to support this initiative.

Islamic Relief Worldwide, like many other leading INGOs, abides by International Humanitarian Law (IHL). We support the aim to protect people who are affected by conflict, which is enshrined in these laws, yet the restrictions in place mean that many aid agencies have found it extremely difficult to operate in conflict zones.

Access to challenging places is limited and very few NGOs have the capacity to provide aid in such areas. However, the ever changing socio-political situation and the rising threat of terrorism have made it harder than ever for NGOs needing to secure access to some of the world's most vulnerable populations. In Syria, for example, food, shelter, and medical supplies are increasingly scarce and NGOs are reluctant to have any dealings with groups linked to terrorism.

Cybercrime continues to be a global threat and reminds us all of the continuing need to be vigilant in protecting our information technology infrastructure against cyber-attacks. Islamic Relief is seeking to develop a strategy, security policy and a disaster recovery plan to control against and mitigate any such attacks. We continually assess and improve our infrastructure to ensure it remains effective and efficient.

Strategic partners

Thank you to all of our strategic partners, who support our vital work



“Islamic Relief has helped us so much”

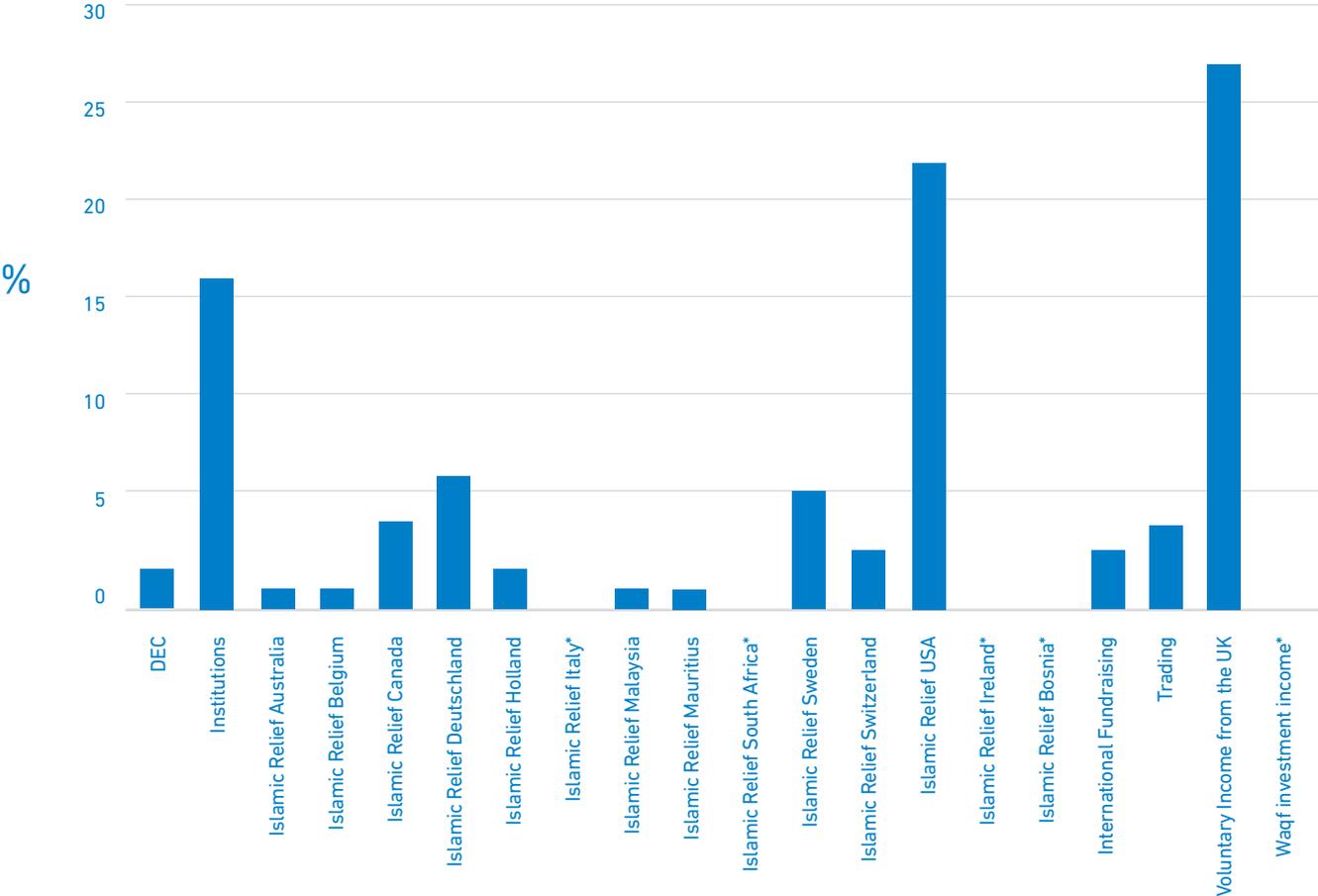
Mariam Traore lives in village de M’piébougou, Mali. She is among almost 14,000 beneficiaries of our innovative water scheme in the Koulikoro region, which focused on the needs of women and children.

“Islamic Relief has helped us so much with the establishment of our rural maternity health center equipped with a mini [solar-powered] water distribution system,” said the mother-of-one, describing the integrated project. The scheme also featured a micro-dam to reduce dependence on scarce groundwater in the drought-prone area – as well as vegetable gardens and measures to restore degraded land.

Microcredit enabled women to improve their incomes; and to band together to pay school fees for 234 children and fund 256 medical prescriptions. Children also benefitted from a school renovation and enrolment programme, and nutrition awareness saw the child malnutrition rate reduced by almost a third.

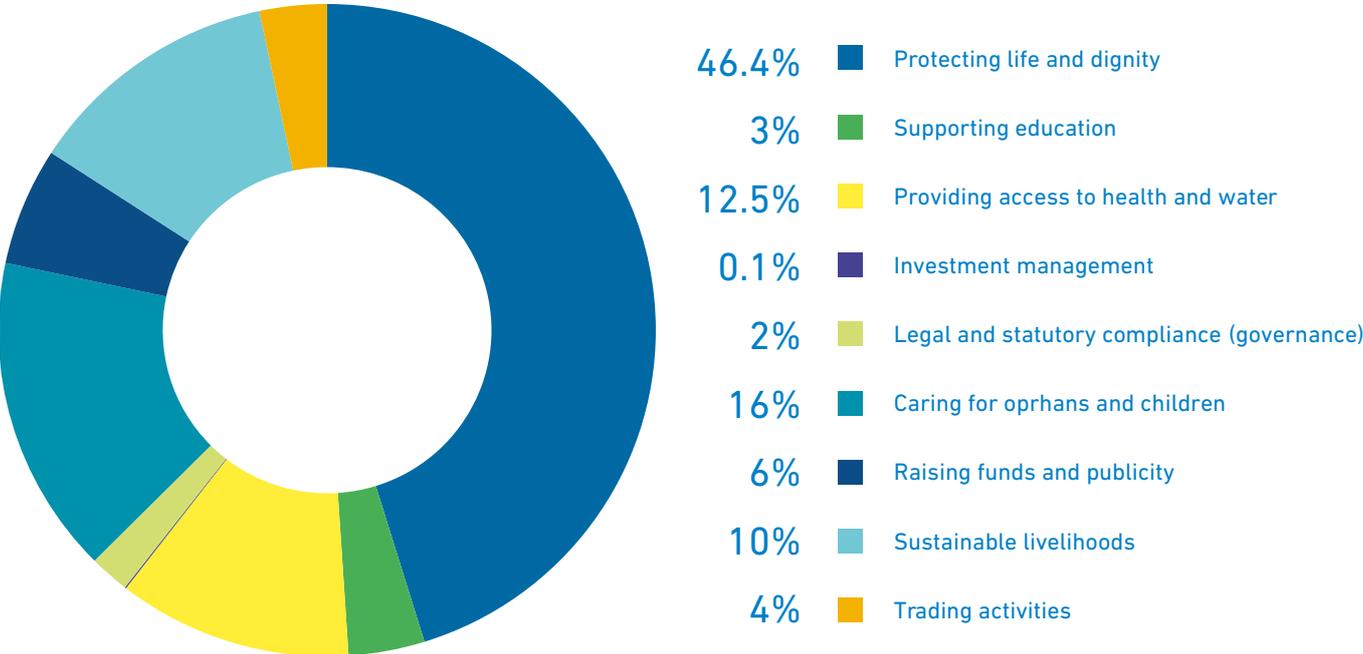
Income and expenditure

Where the money came from



* Income below 1%, details on page 51

Where the money was spent



Plans for future periods

In 2015, we will once more provide leadership and expertise to support global development, and deliver effective and high-impact interventions that make a meaningful difference to vulnerable people across the globe. We will prioritise the following key themes throughout our work as we progress in the final year of our current strategy:

A Gazan boy celebrates the holy month. In total, over 1.1 million people benefited from our food distributions during Ramadan 2014.



1

Sustainability and preparedness

We believe in long-term, impactful programmes that change lives and empower communities. Increasingly, we are focusing our expertise to tackle the root causes of poverty and suffering as well as the symptoms, through our unique integrated and faith-based framework – which is underscored by robust scientific approaches. Cornerstones in the sustainability of our impact are work to prepare for disasters and reduce their impact and to promote environmental custodianship. When the worst happens, we know how best to help and deliver an effective response that reaches those who need it most.

3

Islamic perspectives in policy and practice

We believe that faith-inspired perspectives have huge potential in tackling poverty and suffering worldwide. Islamic Relief actively develops distinctive approaches to key issues, most notably on gender, equality, child protection and climate change – and integrate these with grassroots learning throughout our work. We strengthen civil society and best practice and also plan to further enhance impact and embed lasting change by increasing our focus on faith-literacy. As an authority on Islamic humanitarianism, we contribute to global discourse on development, help to shape the post-2015 development agenda, and enhance collaboration to benefit poor and vulnerable communities.

5

Passionate, skilled people

Value-driven, responsible, motivated and passionate people enable Islamic Relief Worldwide to continually increase our reach and impact. We therefore work hard to cultivate people that are driven by the mission to serve vulnerable communities, and actively build on the experience and expertise of our dedicated staff and amazing volunteers. Our rigorous management programme is complemented by our new leadership programme - together they enhance and channel talent across the global Islamic Relief family. The Islamic Relief Academy provides people growth, exciting research, and challenging ideas to strengthen Islamic Relief and the sector as a whole. It also offers stimulating internship opportunities, nurturing new talent that is critical to the future of humanitarianism.

2

Localised and in partnership with communities

We do not define ourselves as a 'northern' or a 'southern' organisation, and we reflect this in how we make decisions. Our first regional hub in Nairobi anchors us closer to the point of impact, and demonstrates how we can harness regional programme expertise to enhance the quality of our work and the outcomes we create. We are also empowering local communities and partners to manage their own affairs in a partnership approach that builds capacity and shares learning and ideas.

4

Risk management

Islamic Relief Worldwide is developing ever-more robust transparency, due diligence and compliance measures that fulfil our spiritual and moral obligations to accountability. We continue to invest in new technology systems and an independent, expert Audit Committee. We maximise the positive outcomes we deliver with the donations we receive by protecting and improving the high quality programmes that serve the world's most vulnerable people, and by ensuring value-for-money and the lowest possible overhead costs.

This Trustees Annual and Strategic Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 7/8/15 including approving in their capacity as Directors the Trustees Strategic Report and Directors Report contained therein, and is signed as authorised on its behalf by:



Mr. Adnan Saif
Company Secretary/Trustee
7th August 2015

Financial review

Following another year in which increased funding was sent to the field by donors, income from resources of £99.1 million reached the accounts of Islamic Relief Worldwide in 2014 - compared to £92.2 million in 2013. Islamic Relief Worldwide partners donated an additional £13 million and Islamic Relief UK raised an extra £8 million for programme delivery, mainly relating to Protecting Life and Dignity programmes. Notable increases in donations were received from the USA, Germany, Sweden and Canada. The unrestricted income remained consistent with prior year levels. Analysis of income is given in note 2 through note 8.

Our 2014 charitable expenditure reaching Islamic Relief Worldwide accounts was £78.1 million compared to £83.6 million in 2013. As a consequence of our decentralised model which started last year, greater charitable expenditure is carried out in the field.

Net incoming resources for the year of £6.8 million include donors' contributions to the charity's international programming reserves of £44.5 million, compared with £37.8 million in 2013. This represents the operational working capital and reserves necessary to deliver the programmes operated by Islamic Relief Worldwide during 2014 and to secure better positioning for 2015.

After charitable expenditure of £78.1m

(£83.6m in 2013):

our restricted reserves stood at	£31.6m (2013: £22.8m)
general reserves at	£7.1m (2013: £9.6m)
endowment funds at	£5.8m (2013: £5.4m)

Charitable Expenditure

During the year, charitable expenditure continued to reach those who most needed our help. The impact of conflict and delayed programmes in Gaza and West Bank contributed to impact the speed with which expenditure is carried out in the region. Consequently, Islamic Relief Worldwide charitable expenditure fell to £78.1 million (2013: £83.6m).

Protecting Life and Dignity programmes continue to be where we use the greatest proportion of funds, representing approximately 49 per cent (2013: 49%) of total fund expenditure. Continued support for these vital programmes, alongside our work to Care for Orphans and Vulnerable Children In Need as well as our Sustainable Livelihoods programmes, saw our charitable expenditure reach 51 per cent of incoming funds (2013: 51%).

Fundraising

Voluntary income - which includes regular giving, campaigns and appeal income - increased by £21.1 million (37%) during the year to £78.8 million. This is a record high at 79 per cent (2013: 63%) of total income. The continuing plight of the Syrian people and conflict in Gaza contributed to the increased generous donations from the UK individual donors (34%), DEC (2%), and the global Islamic Relief family partners (60%) from across the world.

During the year, institutional income dropped by £14.7 million, with Middle East Institutions accounting for £12 million of the drop.

TIC International

Our trading business, TIC International Limited, increased sales by four per cent, attracting sales of £4.9 million (2013: £4.7m). Profit contributions of £725k remained comparable to the prior year (2013: £724k).

While the shop sales showed modest growth of 14 per cent, Qurbani sales increased significantly by 245 per cent to £693k. However, it was a challenging year for the TIC export business on a number of fronts. The textile and recycling business contributes 59 per cent of the income but is subject to significant market swings in the sales price and raw material costs.

The devaluation in Ghana New Cedi (GHS) against the British Pound meant that the buyers price appreciated by 62 per cent - pushing out our sales in this key marketplace.

TIC International continued to expand its activities from textile recycling and managing our charity shops to include supplying food to the NGO community. This latter activity provides affordable high-quality canned meat (Qurbani) for distribution to vulnerable people during emergency humanitarian responses.

Reserves

We hold sufficient reserves to meet the operating expenses of the charity in the event of a downturn in income and / or unforeseen increases in costs, the costs of unforeseen liabilities for employment or other legal claims not covered by insurance, the costs of closure or wind-down of the core operations of the charity.

Our reserves policy ensures that delivery of our vital programmes is not disrupted by unforeseen circumstances such as reduced income or increased expenditure.

We review the policy each year, assessing the risks and reflecting changes in factors such as investment income and also our financial obligations and commitments. The policy sets our target reserves as seven months' reserves of the core operational budget, as well as an appropriate amount for emergencies. These funds are held in current and medium-cash forms.

We have assessed our year-end reserves position and can conclude that it is within our policy target reserve for covering our next year's core operational budget with an appropriate amount for emergencies.

As at 31 December 2014, the total group reserves increased by £6.8 million to £44.5 million (2013: £37.8m). This total is made up of a £2.4 million drop in unrestricted reserves and an increase of £8.7 million in total restricted reserves. The increase in restricted income combined with the delay in implementing programmes drove the increase at the year end in restricted reserves.

The unrestricted reserves as at 31 December 2014 amounted to six months' of core costs projected in 2015. Along with tighter financial controls over programme delivery and support costs, Islamic Relief Worldwide continues to put in place business models and structures that aim to increase the unrestricted reserves in future years as well as at 31 December 2015.

The movement in reserves when compared to last three years are:

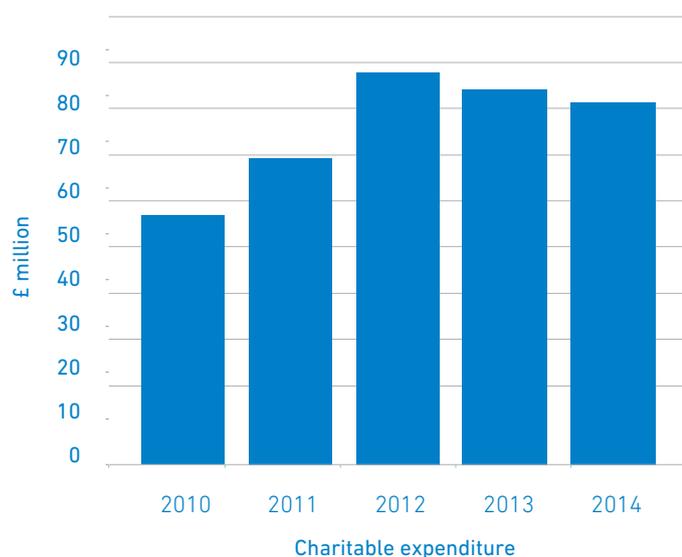
Reserve	31 Dec 2012	31 Dec 2013	31 Dec 2014	Change from prior year
	£'000	£'000	£'000	%
Unrestricted	13,527	7,826	5,925	(24%)
Designated	1,788	1,735	1,191	(31%)
Restricted	22,170	22,847	31,592	38%
Endowments	4,772	5,379	5,833	8%
Total	42,257	37,787	44,541	18%

Going concern

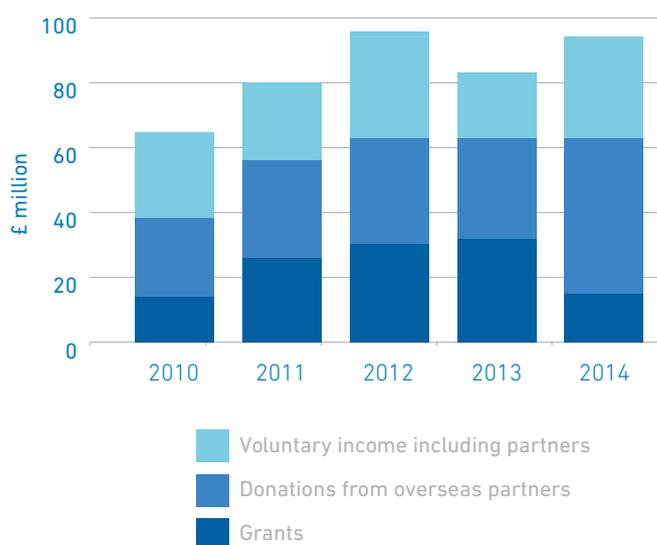
We have set out above a review of financial performance and the charity's reserves position for 2014, and we have a reasonable expectation that we have the resources to continue in operational existence for the foreseeable future. We believe there are no material uncertainties that call into doubt the charity's ability to continue as a going concern. The accounts have therefore been prepared on the basis that the charity is a going concern.

Five year trend

Charitable expenditure



Charitable income



	2010	2011	2012	2013	2014
	£ million				
Total voluntary income	£50,136,719	£53,482,795	£67,651,237	£57,643,995	£78,762,180
Grants	£14,701,032	£25,578,127	£29,430,036	£30,577,259	£15,857,189
Donations from overseas partners	£22,186,981	£29,089,238	£35,174,506	£34,154,566	£47,414,468
Charitable expenditure	£56,640,746	£67,089,619	£85,434,010	£83,593,110	£78,121,372



Children in an orphanage in Kenya's Garissa County enjoy Qurbani meat distributed by Islamic Relief.

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 2014 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 31. 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 154 of the Charities Act 2011 and section 44(1c) of the Charities and Trustee 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 Trustees' Responsibilities Statement set out on page 12, 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 auditor under section 151 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the 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 and Strategic Report, to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 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 Act 2011 and the Charities and Trustee 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 and Strategic 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.



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

14 September 2015

Crowe Clark Whitehill is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GROUP STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT for the year ended 31st December 2014

	Unrestricted funds	Restricted funds	Endowment funds	Total	Total (as restated)	Note
				2014	2013	
	£	£	£	£	£	
Incoming resources						
Incoming resources from generated funds						
Voluntary income	3,942,176	74,365,890	454,114	78,762,180	57,643,995	2
Activities for generating funds	3,452,804	692,616	-	4,145,420	3,599,194	3
Investment income	-	-	377,363	377,363	332,420	4
Incoming resources from charitable activities	54,253	15,802,936	-	15,857,189	30,577,259	5
Total incoming resources	7,449,233	90,861,442	831,477	99,142,152	92,152,868	
Resources expended						
Costs of generating funds						
Costs of generating voluntary income	-	8,524,463	-	8,524,463	8,261,294	10
Fundraising trading: costs of goods sold and other costs	2,742,218	685,555	-	3,427,773	2,886,384	11
Investment management cost	77,797	-	74,889	152,686	167,622	12
Charitable activities						
Protecting Life and Dignity	1,813,947	36,528,904	-	38,342,851	41,284,867	
Empowering Communities						
- Caring for Orphans and Children in Need	296,649	13,985,185	-	14,281,834	14,333,204	
- Supporting Education	245,044	2,082,928	-	2,327,972	3,786,863	
- Providing access to Healthcare and water	1,845,087	10,871,702	-	12,716,789	11,212,283	
- Sustainable livelihood	1,851,937	7,226,381	-	9,078,318	12,244,434	
Campaigning for Change	720,434	653,176	-	1,373,610	731,459	
Total Charitable activities	6,773,098	71,348,276	-	78,121,374	83,593,110	
Governance cost	603,326	1,558,324	-	2,161,650	1,714,808	13
Total resources expended	10,196,439	82,116,618	74,889	92,387,946	96,623,218	
Net income for the year before transfers	(2,747,206)	8,744,824	756,588	6,754,206	(4,470,350)	
Gross transfers between funds	301,890	-	(301,890)	-	-	
Net income for the year before other recognised gains/(losses)	(2,445,316)	8,744,824	454,698	6,754,206	(4,470,350)	
Net movement on funds	(2,445,316)	8,744,824	454,698	6,754,206	(4,470,350)	
Reconciliation of funds						
Total funds brought forward	9,561,310	22,847,125	5,378,717	37,787,152	42,257,502	
Total funds carried forward	7,115,994	31,591,949	5,833,415	44,541,358	37,787,152	

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 Islamic Relief as a charity for the year ended 31 December 2014 net surplus was £6.7m (2013 net loss £4.4m).

GROUP AND CHARITY BALANCE SHEETS

as at 31st December 2014

	2014 total funds		2013 total funds		Note
	Group	Charity	Group	Charity	
	£	£	£	£	
Fixed assets					
Intangible assets	91,669	91,669	109,526	109,526	19
Tangible assets	6,574,696	6,110,487	6,643,259	6,153,589	20, 21
Investments	358,103	1,269,351	360,884	894,307	22
Total fixed assets	7,024,468	7,471,507	7,113,669	7,157,422	
Current assets					
Stocks and work in progress	178,505	-	96,017	-	23
Debtors due within one year	12,153,737	12,167,232	12,509,587	12,690,823	24
Debtors due after one year	1,643,996	1,643,996	1,596,219	1,596,219	24
Cash at bank and in hand	32,925,135	31,824,383	23,185,020	22,484,024	
Total current assets	46,901,373	45,635,611	37,386,843	36,771,066	
Liabilities					
Creditors: amounts falling due within one year	8,867,846	8,202,043	5,996,719	5,595,337	25
Net current assets	38,033,527	37,433,568	31,390,124	31,175,729	
Creditors: amounts falling due after more than one year	516,637	516,637	716,641	716,641	25
Total assets less total liabilities	44,541,358	44,388,438	37,787,152	37,616,510	
Total funds					
Unrestricted funds					
General	5,924,941	6,686,000	7,826,358	8,615,796	
Designated: fixed assets	1,191,053	277,072	1,734,952	774,872	
Total unrestricted funds	7,115,994	6,963,072	9,561,310	9,390,668	29
Restricted income funds	31,591,949	31,591,951	22,847,125	22,847,125	30
Endowment funds	5,833,415	5,833,415	5,378,717	5,378,717	31
Total funds	44,541,358	44,388,438	37,787,152	37,616,510	

The financial statements on pages 45 to 65 were approved by the board and signed on its behalf by



Mr. Adnan Saif

Company Secretary/ Trustee
7th August 2015

The notes to the accounts on pages 48 to 65 form part of these financial statements.

GROUP CASH FLOW STATEMENT

For the year ended 31st December 2014

	2014	2013
	£	£
Reconciliation of net outflow to net cash flow from operating activities		
Net income and resources (excluding cash flow from endowments)	6,299,511	(5,077,390)
Reconciliation to cash generated from operations		
Depreciation	540,170	482,401
Amortisation	17,857	17,857
Revaluation of investments	2,781	28,074
Decrease/(Increase) in stocks	(82,488)	(5,414)
Decrease/(Increase) in debtors	308,073	5,949,137
Increase in creditors	2,871,124	1,000,187
	9,957,028	2,394,852
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(489,977)	(1,081,656)
Proceeds from the sale of fixed assets	18,370	-
	(471,607)	(1,081,656)
Financing		
Management of Liquid Resources		
Endowment (waqf)	454,698	607,040
Repayment of amounts borrowed	(200,004)	(200,004)
	254,694	407,036
Net increase in cash	9,740,115	1,720,232
Cash at bank and in hand less overdrafts at 1 January	23,185,020	21,464,788
Cash at bank and in hand less overdrafts at 31 December	32,925,135	23,185,020
Consisting of:		
Cash at bank and in hand	32,925,135	23,185,020
	32,925,135	23,185,020

Reconciliation in net funds

	1 Jan 2014	Cashflow	Non-cash movement	31 Dec 2014
	£	£	£	£
Cash at bank and in hand	23,185,020	9,740,115	-	32,925,135
Debt due within one year	(200,004)	200,004	(200,004)	(200,004)
Debt due in over one year	(716,641)	-	200,004	(516,637)

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.

b. Going concern

We have set out in the Trustees' report a review of the financial performance and the charity's reserve position (page 60). 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 company registration number 2796175 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 also controls Islamic Relief Waqf and Islamic Relief (UK). During the year these were dormant companies.

Islamic Relief Worldwide has taken advantage of section 408 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 9 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 9 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 29. The designated fund for fixed assets is that part of unrestricted funds that represent fixed assets held. Refer to Note 29.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

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 15) 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 straight-line basis	Over 50 years
Fixtures and fittings straight-line basis	Over 4 years
Office equipment straight-line basis	Over 4 years

Motor vehicles straight-line basis	Over 5 years
Plant and machinery straight-line basis	Over 8 years

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. Liquid Resources

The charity includes fixed term deposits of less than one year as liquid resources.

p. 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.

q. 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.

r. 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
	2014	2014	2014	2014	2013	
	£	£	£	£	£	
Donations, appeals and fundraising events						
United Kingdom	3,883,052	22,595,253	330,278	26,808,583	19,705,760	6, 8b
Disasters Emergency Committee*	-	1,584,867	-	1,584,867	359,124	6
International Fundraising**	-	2,895,751	58,509	2,954,260	3,424,545	7
Islamic Relief partners	59,124	47,290,019	65,327	47,414,470	34,154,566	8a, 8b
	3,942,176	74,365,890	454,114	78,762,180	57,643,995	

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

The Disasters Emergency Committee (DEC) brings 14 leading UK aid charities – including Islamic Relief – together in times of crisis. For further information go to 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

	Total	Total
	2014	2013
	£	£
Trading Subsidiaries		
TIC		
Income from charitable shops	1,000,184	874,862
Qurbani Income	692,616	200,544
Clothes Recycling Income	2,419,749	2,488,125
	4,112,549	3,563,531
SIF	32,871	35,663
Total	4,145,420	3,599,194

4. Investment income

	Total	Total
	2014	2013
	£	£
Return on waqf	377,363	332,420
Total	377,363	332,420

NOTES TO THE FINANCIAL STATEMENTS

5. Incoming resources from charitable activities by institution

	Protecting Life and Dignity	Empowering Communities	Total	Total (as restated)*
			2014	2013
	£	£	£	£
Action Aid	164,087	84,504	248,591	195,596
Bill & Melinda Gates Foundation	-	870,489	870,489	-
Catholic Agency for Overseas Development	-	80,899	80,899	231,189
Care International UK	-	20,385	20,385	869,608
Concern Worldwide	-	-	-	51,216
Department for International Development	384,644	850,000	1,234,644	1,250,000
European Commission	-	247,983	247,983	156,970
European Commission for Humanitarian Operations	-	1,236,461	1,236,461	1,372,369
International HIV Fund	-	750	750	1,148
International Organisation for Migration	-	-	-	86,990
International Rescue Committee UK	-	864,682	864,682	477,972
Oxfam	255,980	10,269	266,249	71,059
Plan International	-	136,324	136,324	205,445
Secours Islamique France	382,963	1,596,484	1,979,447	1,464,732
ShelterBox	-	318,141	318,141	-
Start Fund	50,499	-	50,499	-
Solidarity Fund	-	-	-	363,001
Swiss federal department of foreign	-	181,032	181,032	248,021
United Nations Development Programme	-	545,068	545,068	1,404,657
United Nations World Food Programme	876	-	876	33,008
Subtotal	1,239,049	7,043,471	8,282,520	8,482,981
Inkind Donations				
United Nations Office for the Coordination of Humanitarian Affairs	-	-	-	37,085
United Nations World Food Programme	-	-	-	2,432,880
Inkind Donations Subtotal	-	-	-	2,469,965
Total	1,239,049	7,043,471	8,282,520	10,952,946

NOTES TO THE FINANCIAL STATEMENTS

5. Incoming resources from charitable activities by institution

	Protecting Life and Dignity	Empowering Communities	Total	Total (as restated)*
			2014	2013
	£	£	£	£
International Fundraising				
Alpha Data LLC	1,416	288	1,704	3,958
Al Eslah Society Bahrain	-	17,936	17,936	-
Al Rahman Al Raheem	-	-	-	124,201
Bahrain Royal Charity Organisation	-	-	-	2,946,185
Bayet al Zakat	660,569	62,777	723,346	67,345
International Islamic Charitable Organisation Kuwait	119,814	4,800	124,614	6,341
Islamic Cultural Centre Panama	-	-	-	25,832
Islamic Development Bank	455,269	997,728	1,452,997	2,138,762
Islamic Foundation Ireland	-	-	-	9,988
Jordanian Hashemite Charity Organisation	129,141	169,446	298,587	11,012
Qatar Charity	243,413	-	243,413	-
Reach Out to Asia – Qatar	-	309,376	309,376	463,379
Sheikh Abdullah Al Nouri Charity - Kuwait	913,324	95,285	1,008,609	-
The Foundation of the Committee of Humanitarian Relief & Aid	181,620	-	181,620	-
World Assembly of Muslim Youth	-	-	-	36,184
Subtotal	2,704,566	1,657,636	4,362,202	5,833,187
Inkind Donations				
Islamic Cultural Centre Panama	57,702	-	57,702	1,838,391
Islamic Development Bank	-	-	-	2,353,685
Jordanian Hashemite Charity Organisation	-	-	-	260,474
Sheikh Abdullah Al Nouri Charity - Kuwait	306,282	-	306,282	-
World Assembly of Muslim Youth	112,967	-	112,967	-
Inkind Donations Subtotal	476,951	-	476,951	4,452,550
Income Received from IRW Donors Received Directly in Country Offices				
Islamic Development Bank *	2,647,659	-	2,647,659	9,338,576
Jordanian Hashemite Charity Organisation	87,857	-	87,857	-
Income Received from IRW Donors Received Directly in Country Offices Subtotal	2,735,516	-	2,735,516	9,338,576
International Fundraising Subtotal	5,917,033	1,657,636	7,574,669	19,624,313
Total	7,156,082	8,701,107	15,857,189	30,577,259

* Restated to include income from Islamic Development Bank received directly in country offices. This income is matched by expenditure therefore has no impact on prior year and 2014 year-end reserves.

NOTES TO THE FINANCIAL STATEMENTS

6. Total income generated in the United Kingdom

The income raised in the United Kingdom relates to the income raised by IRW through its headquarters and through its various offices and branches in the United Kingdom.	Total	Total	Note
	2014	2013	
	£	£	
Voluntary income from the United Kingdom	26,808,583	19,705,760	2
Disasters Emergency Committee	1,584,867	359,124	2
Activities for generating funds	1,000,184	874,862	3
Trading subsidiary – TIC International Limited	3,145,236	2,724,332	3
Incoming resources from Charitable Activities	2,199,773	3,802,077	
	34,738,643	27,466,155	

7. 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
	2014	2013 (as restated)	
	£	£	
Voluntary income from the International Fundraising	2,954,261	3,424,545	2
Incoming resources from charitable activities	7,574,669	19,624,313	5
	10,528,930	23,048,858	

Income generated by International Fundraising includes gift in kind valued at £4,192,077 in 2013 and £490,150 in 2014.

8a. Donations disclosure by partner

The voluntary income shown below, which is included in Note 2, is shown below by partners*.					
Partner	Unrestricted funds	Restricted funds	Endowment funds	Total	Total
	2014	2014	2014	2014	2013
	£	£	£	£	£
Islamic Relief Australia	-	1,296,539	-	1,296,539	600,545
Islamic Relief Belgium	-	948,877	-	948,877	380,943
Islamic Relief Canada	29,875	4,356,608	-	4,386,483	2,905,886
Islamic Relief Deutschland	-	6,426,871	-	6,426,871	4,167,001
Islamic Relief Italy	-	239,250	-	239,250	255,139
Islamic Relief Ireland	3,094	183,584	-	186,678	48,882
Islamic Relief Malaysia	-	872,780	-	872,780	518,828
Islamic Relief Mauritius	-	522,948	31,302	554,250	648,274
Islamic Relief Nederland	-	2,157,388	-	2,157,388	1,581,398
Islamic Relief South Africa	26,033	437,786	12,164	475,983	1,395,992
Islamic Relief Sweden	-	4,816,775	-	4,816,775	3,491,428
Islamic Relief Association Switzerland *	81	2,833,911	21,860	2,855,852	2,385,014
Islamic Relief USA	-	22,055,923	-	22,055,923	15,617,716
Islamic Relief Spain	44	100,464	-	100,508	-
Total partner income	59,127	47,249,704	65,326	47,374,157	33,997,046
Islamic Relief Bosnia and Egypt	-	40,313	-	40,313	157,520
Total	59,127	47,290,017	65,326	47,414,470	34,154,566

NOTES TO THE FINANCIAL STATEMENTS

8b. Donations disclosure by partner continued

This note further analyses and shows the summary of funds from partners shown in Note 8a. It shows the breakdown of humanitarian projects/sectors funded by the partners. For a summary, refer to Note 8a on Donations disclosure by partner.

Partner	Protecting Life and Dignity	Empowering Communities	Total	Total
			2014	2013
			£	£
Islamic Relief Australia	734,183	562,356	1,296,539	600,545
Islamic Relief Belgium	376,159	572,718	948,877	380,943
Islamic Relief Canada	2,077,301	2,309,182	4,386,483	2,905,886
Islamic Relief Germany	3,417,394	3,009,477	6,426,871	4,167,001
Islamic Relief Italy	115,352	123,898	239,250	255,139
Islamic Relief Ireland	127,167	59,511	186,678	48,882
Islamic Relief Malaysia	433,731	439,049	872,780	518,828
Islamic Relief Mauritius	278,680	275,570	554,250	648,274
Islamic Relief Netherland	1,238,238	919,150	2,157,388	1,581,398
Islamic Relief South Africa	321,723	154,260	475,983	1,395,992
Islamic Relief Sweden	3,353,190	1,463,585	4,816,775	3,491,428
Islamic Relief Switzerland	1,315,296	1,540,557	2,855,853	2,385,014
Islamic Relief USA	10,551,803	11,504,120	22,055,923	15,617,716
Islamic Relief Spain	53,547	46,959	100,506	-
Islamic Relief Bosnia	40,314	-	40,314	157,520
Total	24,434,078	22,980,392	47,414,470	34,154,566
Islamic Relief UK	24,328,941	4,064,509	28,393,450	20,064,884
Total	48,763,019	27,044,901	75,807,920	54,219,450

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.

*IR Switzerland income includes nil (2013: £327,740) from the OPEC fund for international development (OFID).

NOTES TO THE FINANCIAL STATEMENTS

9. Results from trading subsidiaries

	TIC International Limited	SIF Invest	2014	2013
	£	£	£	£
Subsidiary trading income	2,419,749	32,871	2,452,620	2,523,788
Income from charitable shops managed by TIC International Limited	1,000,184	-	1,000,184	874,862
Income from Qurbani	692,616	-	692,616	200,544
	4,112,549	32,871	4,145,420	3,599,194
Operating and administrative costs	3,387,890	39,883	3,427,773	2,886,384
Net profit for the year	724,659	(7,012)	717,647	712,810
Amounts gift aided to Islamic Relief	724,659	-	724,659	724,334
Retained in subsidiary	0	(7,012)	(7,012)	(11,524)
The assets and liabilities of the subsidiaries were:				
Fixed assets	464,208	-	464,208	489,669
Current assets	1,914,426	133,633	2,048,059	1,757,739
Current liabilities	(1,411,907)	(36,199)	(1,448,106)	(1,549,326)
Total net assets	966,727	97,434	1,064,161	698,082
Aggregate share capital and reserves	966,727	97,434	1,064,161	698,082

The group has taken advantage of the exemption in Financial Reporting Standard 8 not to disclose related party transactions between the Charity and TIC International Limited as TIC International Limited is a wholly owned subsidiary company registration number 2796175 and consolidated financial statements are publicly available.

NOTES TO THE FINANCIAL STATEMENTS

Resources expended

Costs of generating funds

	Activities under-taken directly	Support costs	Total	Total	Note
	2014	2014	2014	2013	
	£	£	£	£	

10. Costs of generating voluntary income

Fundraising and publicity costs	4,811,065	1,907,031	6,718,096	4,946,209
Campaigns and events costs				
Protecting Life and Dignity	999,121	409,325	1,408,446	2,565,471
Empowering Communities	214,620	87,927	302,547	530,366
Campaigning for Change	27,558	11,290	38,848	165,095
e-fundraising	-	-	-	54,153
Islamic Relief Mauritius	56,526	-	56,526	-
	6,108,890	2,415,573	8,524,463	8,261,294

11. Fundraising trading: cost of goods sold and other costs

	Activities under-taken directly	Support costs	Total	Total
	2014	2014	2014	2013
	£	£	£	£
Trading subsidiary costs	1,604,952	1,822,821	3,427,773	2,886,384

12. Investment management cost: waqf

	Activities under-taken directly	Support costs	Total	Total
	2014	2014	2014	2013
	£	£	£	£
Investment management cost	77,797	74,889	152,686	167,622

NOTES TO THE FINANCIAL STATEMENTS

13. Governance costs

	Activities under-taken directly	Support costs	Total	Total	Note
	2014	2014	2014	2013	
	£	£	£	£	
External audit and statutory accounts	64,000	16,951	80,951	52,312	
Legal and consultancy	343,844	84,757	428,601	192,216	
Trustees' expenses (refer to Note 14)	148,894	4,238	153,132	43,350	14
Risk Management	332,361	127,135	459,496	291,478	
Strengthening the Islamic Relief family*	321,578	169,514	491,092	379,680	
General governance costs	453,044	95,334	548,378	755,772	
	1,663,721	497,929	2,161,650	1,714,808	

* Strengthening the Islamic Relief Family represents Islamic Relief Worldwide providing service delivery support to partners.

14. Trustees' remuneration

	2014	2013
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.	6	6
The Number of Trustees claiming expenses	6	6
Trustees' expenses	£	£
Meeting	42,852	3,225
Travel	102,071	35,494
Telecommunications	8,209	4,631
Total	153,132	43,350

NOTES TO THE FINANCIAL STATEMENTS

15. Support-cost allocation

	Management and administration		Finance		Human resources & Organisational Development		Information Communications Technology		Facilities		Total		Note
	2014	£	2014	£	2014	£	2014	£	2014	£	2013	£	
Costs of generating funds													
Costs of generating voluntary income	737,310		382,749		294,268		450,844		550,402		2,182,278		10
Fundraising trading – subsidiary costs	1,822,821		-		-		-		-		1,724,129		11
Investment management costs	22,859		11,866		9,123		13,977		17,064		56,020		12
	2,582,990		394,615		303,391		464,821		567,466		4,313,283		
Cost of charitable activities													
Campaigning for change	219,899		114,154		87,764		134,462		164,155		720,434		
Protecting Life and Dignity	77,612		40,289		30,976		47,457		57,937		254,271		
Empowering Communities													
- Access to healthcare and water	161,691		83,937		64,532		98,869		120,702		529,731		
- Caring for Orphans and children	90,547		47,004		36,138		55,367		67,593		296,649		
- Supporting Education	80,845		41,968		32,266		49,435		60,351		264,865		
- Sustainable livelihoods	80,845		41,968		32,266		49,435		60,351		264,865		
	711,439		369,320		283,942		435,025		531,089		2,330,815		
Governance cost	159,332		77,221		59,370		90,960		111,046		497,929		13
	3,453,761		841,156		646,703		990,806		1,209,601		7,142,027		
Total support costs													

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

16. Grants

	Grants to institutions	Total	Total
	2014	2014	2013
	£	£	£

Empowering Communities

Supporting Education	-	-	25,000
Total grants paid	-	-	25,000

In 2014 there was no grant. 2013 grants was £25,000 to Muslims Charities Forum. Grants to individuals 2014(£Nil)

17. Net incoming resources

	Total	Total
	2014	2013
	£	£

This is stated after charging/(crediting):

Auditors' remuneration	64,000	41,667
Depreciation	540,170	482,401
Amortisation	-	-
Profit/(Loss) on disposal of tangible assets	-	-
Operating leases' rental other than plant and machinery	218,000	199,500
Exchange (gain)/loss	968,696	456,042

Auditors' remuneration relates solely to audit services.

	2014	2013
	£	£
Fees payable to company's auditors for the audit of the company's annual accounts	60,000	37,667
Fees payable to company's auditors for the audit of the company's subsidiaries pursuant to legislation	4,000	4,000
Total audit fees	64,000	41,667

NOTES TO THE FINANCIAL STATEMENTS

18. Staff costs and emoluments

	Group	Charity	Group	Charity
	2014	2014	2013	2013 (as restated)
	£	£	£	£
Gross salaries	9,959,873	8,471,115	8,948,548	7,622,510
Employers' National Insurance	753,449	673,803	712,994	628,608
Employers' Pension	38,275	38,275	-	-
	10,751,597	9,183,193	9,661,542	8,251,118

Average number of employees	Group	Charity	Group	Charity
	2014	2014	2013	2013
	Number	Number	Number	Number
Engaged in fundraising activities	102	102	99	99
Engaged in charitable activities	83	83	81	81
Engaged in support activities	105	105	82	82
Engaged in trading subsidiaries	103	-	102	-
	393	290	364	262

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

The number of employees with emoluments between £90,000 to £100,000 per annum 2014: 1 (2013 : 0)

The number of employees with emoluments between £70,000 to £80,000 per annum 2014: 0 (2013 : 1)

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.

19. Intangible assets Group and Charity

	Group trade-marks 2014
	£
Cost	
At 1 January 2014	188,026
Additions	-
At 31 December 2014	188,026
Accumulated amortisation	
At 1 January 2014	(78,500)
Charge for the year	(17,857)
At 31 December 2014	(96,357)
Net book value	
At 31 December 2014	91,669
At 31 December 2013	109,526

Trademarks are depreciated over their economic life of 10 years.

NOTES TO THE FINANCIAL STATEMENTS

20. Group Tangible assets

	Freehold land and buildings	Plant and machinery	Fixtures, fittings and office equipment	Motor vehicles	Total
Group	£	£	£	£	£
Cost/Valuation					
At 1 January 2014	6,864,217	490,177	3,034,319	273,297	10,662,010
Additions	156,827	34,830	233,500	64,820	489,977
Disposals	-	-	-	(49,701)	(49,701)
At 31 December 2014	7,021,044	525,007	3,267,819	288,416	11,102,286
Accumulated depreciation					
At 1 January 2014	1,135,965	279,175	2,426,890	176,721	4,018,751
Charge for the year	148,017	49,895	298,686	43,572	540,170
Disposals	-	-	-	(31,331)	(31,331)
At 31 December 2014	1,283,982	329,070	2,725,576	188,962	4,527,590
Net book value					
At 31 December 2014	5,737,062	195,937	542,243	99,454	6,574,696
At 31 December 2013	5,728,252	211,002	607,429	96,576	6,643,259

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

21. Charity Tangible assets

	Freehold land and buildings	Fixtures, fittings and office equipment	Motor vehicles	Total
Charity	£	£	£	£
Cost				
At 1 January 2014	6,679,750	2,875,929	133,114	9,688,793
Additions	156,825	233,500	24,920	415,245
Disposals	-	-	(18,220)	(18,220)
At 31 December 2014	6,836,575	3,109,429	139,814	10,085,818
Accumulated depreciation				
At 1 January 2014	1,098,699	2,348,915	87,590	3,535,204
Charge for the year	135,818	298,685	18,624	453,127
Disposals	-	-	(13,000)	(13,000)
At 31 December 2014	1,234,517	2,647,600	93,214	3,975,331
Net book value				
At 31 December 2014	5,602,058	461,829	46,600	6,110,487
At 31 December 2013	5,581,051	527,014	45,524	6,153,589

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

NOTES TO THE FINANCIAL STATEMENTS

22. Investments

	Total Group	Total charity
	£	£
As at 1 January 2014	360,884	894,307
Additions	-	375,000
Revaluation	-	-
Increase/(decrease in value)	(2,781)	44
As at 31 December 2014	358,103	1,269,351

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.

During the year IRW made an investment towards TIC, increasing its share capital by £375,044. IRW now owns 100% of the 860,309 shares in TIC. 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.

23. Stocks and work in progress

	Group	Charity	Group	Charity
	2014	2014	2013	2013
	£	£	£	£
Donated Clothing	178,505	-	96,017	-
	178,505	-	96,017	-

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

24. Debtors

	Group	Charity	Group	Charity
	2014	2014	2013	2013
	£	£	£	£
Trade debtors	596,602	3,233	366,703	4,721
Amounts owed from group undertakings	-	651,411	-	757,139
Other debtors	12,512,208	12,467,661	13,633,107	13,419,186
Prepayments	688,923	688,923	105,996	105,996
	13,797,733	13,811,228	14,105,806	14,287,042
Amounts falling due more than one year are included in:				
Other debtors	1,643,996	1,643,996	1,596,219	1,596,219

Amounts due from associated and subsidiary undertakings included £724,663 gift aid payment from TIC International Limited (2013: £724,337). Other debtors represent amounts owed by partners for costs incurred on their behalf for operational matters. Other debtors include £2 million Gift Aid.

NOTES TO THE FINANCIAL STATEMENTS

25. Creditors

	Group	Charity	Group	Charity
	2014	2014	2013	2013
	£	£	£	£
Creditors: amounts falling due within one year				
Trade creditors	1,409,647	840,023	940,758	329,559
Other creditors*	6,819,001	6,765,754	4,453,224	4,409,239
Amounts owed to group undertakings	-	99,936	-	384,823
Bank loan < 1 year	200,004	200,004	200,004	200,004
Accrued expenses	219,494	98,373	207,093	97,001
PAYE and National Insurance	204,741	182,994	194,903	173,974
Unpaid pension contributions	14,959	14,959	737	737
	8,867,846	8,202,043	5,996,719	5,595,337
Creditors: amounts falling due after more than one year				
Bank loan > 1 year	516,637	516,637	716,641	716,641

Other creditors represents amounts due to Islamic Relief implementing partners for projects committed to and implemented during 2014. It also includes deferred income of the amount £1.2 million allocated to projects by the donors in the following period.

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.

Supplier payment policy and practice: payments are made in accordance with terms and conditions agreed between Islamic Relief and its suppliers, provided the supplier is also complying with the relevant trading terms.

26. Commitments

	Group	Charity	Group	Charity
Operating leases other than plant and machinery	2014	2014	2013	2013
	£	£	£	£
Expiring				
Less than one year	-	-	-	-
Between 2-5 years	-	-	-	-
More than 5 years	218,000	218,000	218,000	218,000
Total	218,000	218,000	218,000	218,000

As at 31 December 2014, the group had no capital commitments (2013: £nil).

27. Pension costs

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

NOTES TO THE FINANCIAL STATEMENTS

28. Analysis of assets and liabilities representing funds

At 31 December 2014	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
	£	£	£	£	£
Group					
Tangible and Intangible fixed assets	-	1,191,053	-	5,833,415	7,024,468
Assets	15,309,421	-	31,591,949	-	46,901,370
Liabilities	(9,384,480)	-	-	-	(9,384,480)
	5,924,941	1,191,053	31,591,949	5,833,415	44,541,358

29. Unrestricted funds

	General reserve	Designated: Fixed Assets	Total
	£	£	£
Balance as at 1 January 2014	7,826,358	1,734,952	9,561,310
Net incoming resources	(2,747,206)	-	(2,747,206)
Movement to restricted funds*	301,890	-	301,890
Movement between funds**	543,899	(543,899)	-
Balance as at 31 December 2014	5,924,941	1,191,053	7,115,994

* This is a transfer from endowment funds to unrestricted funds for humanitarian projects.

**Designated: Fixed Assets reclassified to General reserve.

NOTES TO THE FINANCIAL STATEMENTS

30. Restricted income funds

	Opening Balance	Income	Restricted Expenditure	Associated Expenditure	Unrestricted Expenditure	Total 2014	Total 2013
	£	£	£	£	£	£	£
Appeal funds							
Protecting Life and Dignity	11,152,325	48,790,504	38,328,679	9,794,626	1,734,609	13,554,133	11,152,325
Empowering Communities							
Caring for Orphans and Children in Need	795,581	14,446,514	13,438,803	1,208,626	451,528	1,046,194	795,581
Supporting Education	1,373,297	4,293,115	1,761,329	567,550	249,162	3,586,695	1,373,297
Providing access to Healthcare and water	4,910,613	14,514,544	10,430,713	1,515,767	1,266,513	8,745,190	4,910,613
Sustainable livelihood	4,615,309	8,816,765	8,419,629	986,346	633,638	4,659,737	4,615,309
Total	22,847,125	90,861,442	72,379,153	14,072,915	4,335,450	31,591,949	22,847,125

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

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

31. Endowment funds

	Balance as at 1 January 2014	Total incoming resources	Return on Investments	Total available resources	Total resources expended	Transfer	Balance as at 31 December 2014
	£	£		£	£	£	£
Endowment funds							
Protecting Life and Dignity	315,479	8,977	20,685	345,141	3,305	16,548	325,288
Empowering Communities	5,063,238	445,137	356,678	5,865,053	71,584	285,342	5,508,127
Total	5,378,717	454,114	377,363	6,210,194	74,889	301,890	5,833,415

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 2014 income from these waqf investments amounting to £377,363 will finance future long-term sustainable humanitarian development projects. Of this £301,890 has been transferred to unrestricted funds to finance future humanitarian development projects.

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

Names of Trustees

- Mr Moegamat Tahir Salie, Chairperson of Board of Trustees (appointed as Chairperson, 13 July 2015)
- Mrs Lamia El Amri, Vice-Chairperson of Board of Trustees (appointed as Vice-Chairperson, 13 July 2015)
- Dr Abdul Rahman Bin Bidin, Treasurer of Board of Trustees (appointed as Treasurer, 13 July 2015)
- Mr Adnan Abdul Rahman Saif
- Dr Almoutaz Tayara, Member of Board of Trustees (appointed 13 July 2015)
- Dr Mohamed Ali Abu-El-Magd (resigned 9 February 2015)
- Mr Ibrahim Farouk El-Zayat (resigned 13 July 2015)
- Dr Mohammed Omar El-Alfy (resigned 13 July 2015)
- Dr Abdul Wahab Abdulrahman Nourwali (resigned 13 July 2015)

Company Secretary

- Mr Adnan Abdul Rahman Saif

Executive Management Team

- Dr Mohamed Ashmawey, Chief Executive Officer
- Mr Khatib Alam, Chief Operations Officer
- Mr Abdul-Jalil Ali, Interim Finance and Services Director
- Mr Shakil Butt, Human Resources and Organisational Development Director

- Mr Jehangir Malik, Islamic Relief UK Director
- Mr Fadi El-Itani, Communications and External Relations Director
- Mr Mehdi Ben Mrad, International Programmes Director (resigned 31 July 2015)
- Mr Tayeb Abdoun, Emerging Markets Director (appointed as Emerging Markets Director 16 August 2015)
- Mr Lotfy El Sayed, Middle East Department Director (appointed as Middle East Department Director 16 August 2015)
- Dr Hossam Said, IR Academy Managing Director

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“And whoever saves
the life of one person,
it is as if he had saved
all mankind”

Qur'an 5:32



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