



Al-Khair
FOUNDATION
BALANCE WITHOUT COMPROMISE



ANNUAL REPORT

YEAR END
31 JULY 2019

www.alkhair.org

Registered Charity No 1126808





"WE DON'T SEE WHERE THE
VICTIMS COME FROM, WE
JUST SEE HOW WE CAN
HELP THEM AND IT IS THIS
HUMANITY THAT BINDS US"

– IMAM QASIM
FOUNDER & CHAIRMAN
AL-KHAIR FOUNDATION

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LEGAL AND ADMINISTRATIVE INFORMATION

Al-Khair Foundation is a company limited by guarantee, incorporated on 3 July 2003
Al-Khair Foundation ('the Charity') is a Registered Charity (since 19 November 2008)

Registered Company Number:

04819971 (England and Wales)

Registered Charity Number:

1126808 (England and Wales)

Registered Charity Number:

SC042234 (Scotland)

Registered Office:

109 -117 Cherry Orchard Road, Croydon, CR0 6BE, United Kingdom

Website:

www.alkhair.org

Trustees and Directors:

Imam Qasim Rashid AHMAD
Dr Mohammed Jafer Hussain QURESHI
Mohamed Ayyub SHAIKH
Basil NADER

Key Management Personnel:

Imam Qasim Rashid AHMAD	(Executive Chair)
Shuaib YUSAF	(CEO)

Bankers:

HSBC Bank Plc
91 High Street
Thornton Heath
CR7 8XE

Al Rayan Bank
Edgbaston House
3 Duchess Place
Birmingham
B16 8NH

Lloyds Bank plc
25 Gresham Street
London
EC2V 7HN

Auditors:

Elliot, Woolfe & Rose
Chartered Accountants
Equity House
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Middlesex HA8 7TT

Legal Advisors:

Lee Bolton Monier-Williams
1 The Sanctuary
Westminster
London SW1P 3JT

Today we work in countries across Asia, Africa, Europe and the Middle East, alleviating the suffering of vulnerable people and communities

Al-Khair Foundation is a UK-based INGO which provides emergency relief and developmental support in some of the world's most impoverished areas. Established in 2003 by Imam Qasim Rashid Ahmad, Al-Khair Foundation began as a school and has steadily grown into one of the largest Muslim charities in the United Kingdom. Today we work in countries across Asia, Africa, Europe and the Middle East, alleviating the suffering of vulnerable people and communities.

Due in large part to the generosity and commitment of our ever-expanding donor base, we have one of the largest aid delivery footprints in the INGO sector – helping all those in need without reference to race, creed or political persuasion. While we strive to be the first on the ground in times of crisis, we also understand the importance of empowering our beneficiaries to improve and sustain their own livelihoods. We therefore have a variety of active projects which cater for both the short and long-term needs of our beneficiaries.



VISION MISSION VALUES

MISSION

Driven by our humanitarian and Islamic values, Al-Khair Foundation works around the world in collaboration with others to:

- Provide immediate relief in the event of emergency, and develop local capacity to prepare for and mitigate the effect of such incidents.
- Address the root causes of poverty by promoting education and equipping communities with the skills needed to expand their own horizons.
- Empower the marginalised and vulnerable to sustain their own livelihoods.

VISION

At Al-Khair Foundation, we believe in **Balance without Compromise**. We envisage a world where peace and equality prevail, where poverty has been overcome, and where every person has the opportunity to reach their fullest potential.

MISSION



VISION



VALUES



VALUES

As a faith-based organisation, we are guided by the values and teachings of Islam.

• Respect

We extend the utmost respect to everyone we work with, and strongly believe in the equal value of every human life. This translates into our work, through the way in which we ensure our beneficiaries are consulted prior to implementing projects. We celebrate diversity and will always serve people regardless of their race, creed or political affiliation, or indeed, any other differences.

• Integrity

As a leading UK Muslim charity, we are accountable to our staff, partners, donors and, most importantly, our beneficiaries. Hence, we transparently share our results, stories and lessons. We conduct ourselves in accordance with Islamic principles and also abide by all regulatory and statutory frameworks, thereby ensuring our work is both ethical and compliant.

• Commitment

Since 2003, we have been dedicated to our mission of making the world a better place. With a skilled and committed workforce, supported by leading information systems, we are able to deliver accurate and efficient projects on your behalf. We have also pledged commitment to the United Nations' Sustainable Development Goals and will continue to work until our vision has materialised.

• Excellence

At Al-Khair Foundation we strive for brilliance, challenging ourselves to be the best in everything that we do. We provide emergency relief but also recognise the necessity of sustainability, hence a large proportion of our projects are geared towards effecting long-lasting change. We are always looking for ways to further our impact, and frequently partner with other INGOs and NGOs to share knowledge and ideas.

WE ARE ALWAYS LOOKING
FOR WAYS TO FURTHER
OUR IMPACT, AND
FREQUENTLY PARTNER
WITH OTHER NGOS TO
SHARE KNOWLEDGE AND
IDEAS.



FUTURE PLANS

The Charity will continue to build on its strong reputation amongst donor communities, striving to remain at the forefront of providing accountable humanitarian aid deliveries. Al-Khair Foundation will remain committed to growing and improving its international development projects through,

- Strong leadership, organisation, and operations;
- Embarking on developing projects with the greatest impact;
- Fast, effective and efficient emergency responses;
- Increasing outreach and accountability to donors;
- Building friendships and partnering with other organisations;
- Strive to improve the standards of living globally;
- Reviewing regional aid delivery strategies, with view to incorporating sustainability into the heart of our programme delivery.

The Trustees take this opportunity to thank Al-Khair Foundation's generous supporters for their faith in the Charity's commitment and ability to deliver relief and development programmes where most needed, and on their behalf.

GOVERNANCE AND MANAGEMENT

The Trustees are elected and operate in accordance with the Charity's Trust Deed and Governing Document. The Trustees are responsible for all matters pertaining to governance at the Charity and policy making. The Charity's management is responsible for implementing programmes and projects approved by the Trustees in an efficient and transparent manner, within its policy framework, thus fulfilling the stated aims of the Charity.

The organisation is made up of structured departments functioning as independent units with clear reporting lines. Data Protection procedures are in place and being continually reviewed for compliance, systems for line management, appraisals, staff development and supervision, are in place and continually refined, together with an accountability framework as well as grievance and complaints procedures. These procedures and frameworks are periodically reviewed with a view to improvement and update.

Reports are submitted to the Charity Commission by the Trustees as is required by law.

PUBLIC BENEFIT

The Trustees can confirm that they abide by the Charity Commission's general guidance on public benefit, complying with Section IV of the Charities Act 2011 to have due regard to public benefit whilst in pursuit of its aims and objectives.

**Fast, effective and
efficient emergency
responses**

**Increasing outreach
and accountability
to donors**



TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' Report and each annual financial statement in accordance with the law applicable to charities in England and Wales. The Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. Under the Charity Law the trustees 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 Charity, its income and application of resources of the Charity for that period.

In preparing these financial statements the Trustees are required to,

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgments and accounting estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed

The Trustees are responsible for keeping adequate accounting records that sufficiently display the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and to show compliance with the Charities Act 2011. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps to ensure the prevention and detection of fraud and other irregularities.

The Trustees have exercised due diligence and care in protecting the integrity of the Charity and have reviewed the financial accounts placed on the Charity's website in line with UK legislation governing the preparation and dissemination of financial statements.

The Trustees confirm that,

- So far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees have taken all the steps as per their responsibility as to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is privy to such information.

EQUAL OPPORTUNITIES POLICY

The Charity is an equal opportunities' employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, gender, marital status, sexual orientation or disability. Selection criteria and procedures are in place to ensure that individuals are selected, promoted and treated on the basis of their relevant abilities and merits.



The Trustees have exercised due diligence and care in protecting the integrity of the Charity



Al-Khair Foundation

Aid Delivery Footprint
2003-2019



Afghanistan	Chad	Iraq	Mozambique	Rwanda	The Gambia
Albania	Chile	Jamaica	Myanmar	Senegal	Togo
Angola	Ecuador	Jordan	Namibia	Sierra Leone	Tunisia
Australia	Eritrea	Kenya	Nepal	Somalia	Uganda
Austria	Ethiopia	Kosovo	Niger	Somaliland	United Kingdom
Bangladesh	Ghana	Lebanon	Nigeria	South Africa	United States
Benin	Greece	Malawi	North Macedonia	South Sudan	of America
Bosnia and Herzegovina	Haiti	Malaysia	Oman	Sri Lanka	Venezuela
Bulgaria	Hungary	Mali	Pakistan	Suriname	Yemen
Central African Republic	India	Mauritania	Palestine	Tanzania	Zimbabwe
	Indonesia	Mexico	Phillipines		



EMERGENCY

When disaster strikes, Al-Khair Foundation is amongst the first on the ground.

In 2018-2019, several tragic emergencies took place around the world, from natural disasters to political crises. In each of these incidents, our trained staff were able to respond swiftly and dynamically, saving lives and communities.

KENYA

According to the Kenyan Meteorological Department, seasonal rainfall in 2018-2019 was the highest recorded in the last 50 years. This resulted in extreme flooding, landslides and the overflow of multiple dams, affecting around 800,000 people. The death toll reached at least 186, with a further 100 people suffering injuries. 300,000 people were also displaced, having lost their homes and belongings.

Al-Khair Foundation's quick response to the emergency benefited 10,150 people in the Tana River County. We provided families with nutritious food packs and also supported them with drinking water.

SOMALILAND

Somaliland suffered from just 25-50% of its usual rainfall in 2018-2019. This has impacted the growth of crops and livestock, putting 725,000 people at risk of starvation.

Al-Khair Foundation's response strategy was to target the most vulnerable and deprived individuals. We provided the internally displaced people in Gunburaha and Salahlay districts with fresh water and food packs, ultimately benefiting nearly 12,000.

MOZAMBIQUE

When tropical cyclone Idai hit the port city of Beira in Mozambique, there were an estimated 600 casualties and countless others in desperate need of humanitarian aid. Nearly 11,400 homes were also completely destroyed, with extensive crop losses threatening food security.

In the aftermath of this disaster, Al-Khair Foundation rapidly delivered aid to 1,300 individuals within the devastated Beira city. We also reached out to an education centre and successfully assisted 80 vulnerable students who were being housed there. The aid we provided consisted of vital food supplies and sturdy roofing materials, enabling the displaced families to regain autonomy by building themselves safe and secure shelter.



**10,150 PEOPLE
BENEFITED IN
THE TANA RIVER
COUNTY**

**12,000 INTERNALLY
DISPLACED PEOPLE
RECEIVED FRESH
WATER AND
FOOD PACKS IN
SOMALILAND**

**RAPID AID
DELIVERY FOR 1,300
INDIVIDUALS WITHIN
THE DEVASTATED
BEIRA CITY**

URGENT HUMANITARIAN AID FOR INDONESIA: SAFE DRINKING WATER FOR 2,500 PEOPLE SANITATION FOR 520 INDIVIDUALS



INDONESIA

In September 2018, an earthquake of magnitude 7.5 and a subsequent tsunami hit the Indonesian island of Sulawesi. More than 70,000 people were displaced with at least another 190,000 requiring urgent humanitarian aid.

Realising the lack of safe drinking water and sanitation within the disaster zone, Al-Khair restored and expanded the water pipe system in Sigi and Central Sulawesi. We aided nearly 2,500 beneficiaries through the construction of wells and water supply systems in Donggala and Central Sulawesi. Furthermore, we constructed communal latrines in these areas to compensate for the destroyed toilets, ultimately improving sanitation for 520 individuals.





BANGLADESH

Due to its position on the Brahmaputra River delta, Bangladesh is a region which is prone to flooding. The 2018 floods caused thousands of people to lose their homes and belongings, rendering them resourceless and without income.

- After a rapid needs-based assessment, Al-Khair Foundation's team delivered emergency relief to over 16,160 families. This aid consisted of food, water, shelter, clothing and medicine.
- The ongoing crisis in Myanmar's Rakhine state has left hundreds of thousands of Rohingya without citizenship or even a home. This has generated an influx of refugees to Bangladesh, where Al-Khair Foundation set up 38 transitional shelters for emergency short-term use, aiding 1,520 people in 2018-2019 alone.
- Over the last few years, our Food Pack distribution project has provided 21,000 cooked meals to displaced Rohingya families. From 2018 to 2019 we supplied an additional 5,600 families with monthly food packs, each consisting of enough to feed 6 people for an entire month, and distributed 500 packs of dry sustainable foods.

**EMERGENCY
SHELTERS FOR
SHORT-TERM USE,
AIDING 1,520 PEOPLE**

AFGHANISTAN

Due to persistent internal conflict, several provinces within Afghanistan are now facing severe hardship. This in turn displaces innocent families and forces them to migrate to areas where they have most likely never been before. When winter comes, these IDPs suffer the most, often battling hunger, malnutrition and disease.

Al-Khair Foundation extends a hand to minimise the hardships of these IDPs. In Kabul, Ningrahar (Jalalabad) and Logar, we supply emergency shelter in the form of tents, prioritising children and orphans above all. Our project has successfully distributed 600 tents in total, with 100 being supplied to roofless schools in Kabul. The provision of such shelter means that the most vulnerable communities are protected from harsh cold and heavy snowfalls. Overall, approximately 3,000 individuals have benefited from this project.



**3,000 INDIVIDUALS
RECEIVED
EMERGENCY SHELTER**

Aimal Gul Khan is a 60 year-old Afghan Citizen. He was living in Kunar, Afghanistan with his family before he and his family were exposed to shelling. Due to the extreme danger which this posed, he and a number of other village families were forced to flee to Suliman Khail Camp in Jalalabad. Aimal left everything behind in the hopes of securing a better life for his family. Our work on the ground supports people like Aimal Gul Khan when they need it most.





At Al-Khair Foundation, we understand that healthy people are the foundation of healthy societies and economies. We work tirelessly to ensure that every individual has access to affordable and quality healthcare. We believe that health provides the most extensive multiplier effect.

Kenya

With nearly half of its citizens living in poverty, Kenya struggles to provide basic healthcare services to all of its inhabitants – particularly those living in rural areas and densely populated slums.

- With Al-Khair Foundation's support in constructing three separate medical services (two in Nairobi County and one in Garissa County) the lives of nearly 27,000 individuals were vastly improved.
- In November 2018 and July 2019, Al-Khair worked with local medical professionals and held two dental camps in Nairobi, where 101 patients were treated for free.



Case Study

Wanago Yussuf Ali is 28 years old and lives in Dadaab. "Through Al Khair Foundation my family and other families have received family planning, postnatal and immunization all of which are essential to the community. AKF has developed healthcare and provides vital health education to the residents. This has resulted in a positive behaviour change within the community, people have become more health conscious and enlightened. Before maternity was opened home deliveries and complications like bleeding were commonplace. Families used to spend a lot of money on medicine. My fourth child was delivered by AKF maternity for free".



Somaliland

Due to the drought experienced in Somaliland, many people suffered from malnutrition, especially those who were internally displaced and forced to live in camps. Al-Khair Foundation therefore funded an extension to the Health Centre in the Balimatan IDP Camp, providing much needed aid to 10,000 people.

India

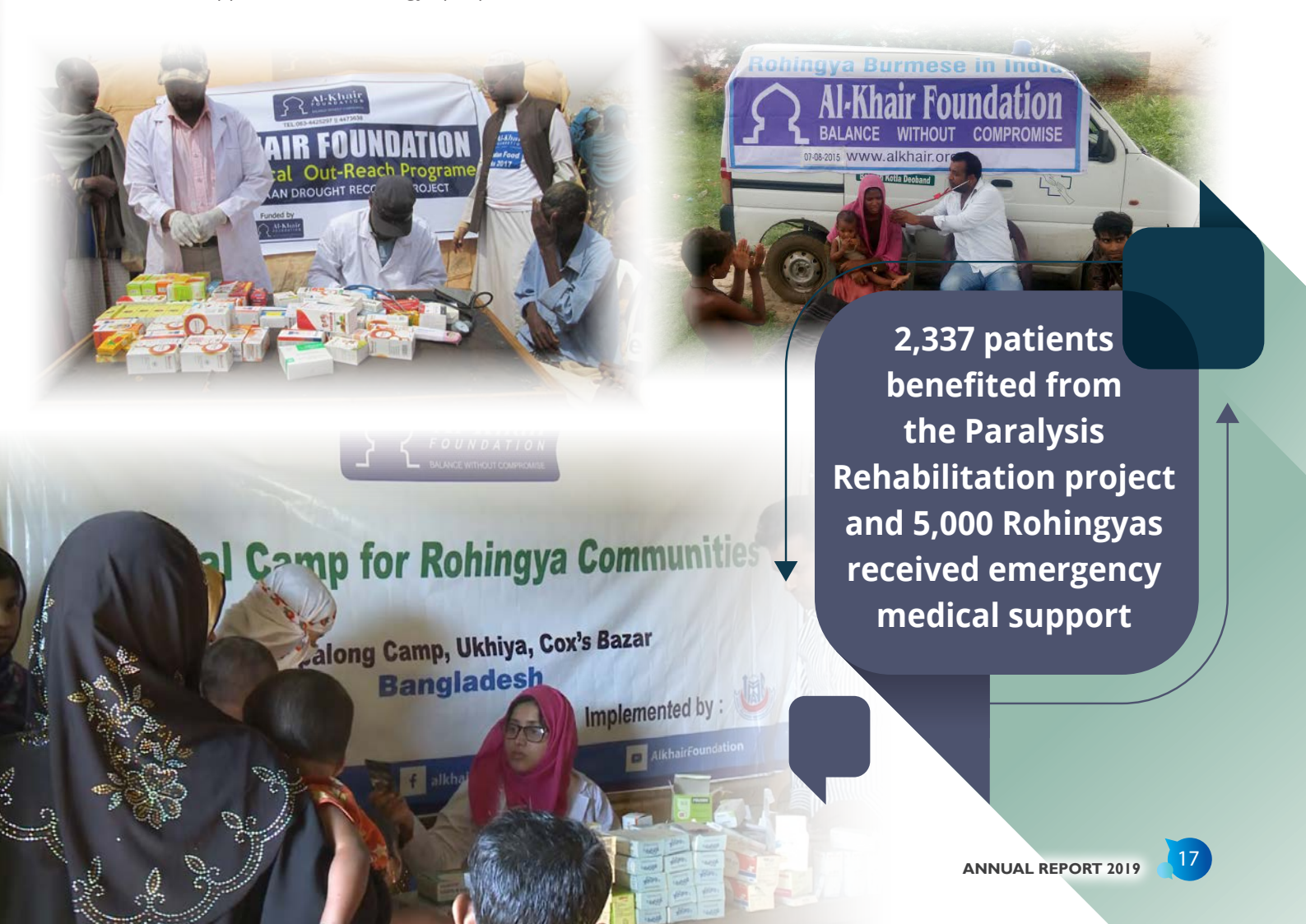
Approximately 23% of the population of India cannot access or afford healthcare. Al-Khair Foundation constructed Tayyab Hospital to provide for the needy and underprivileged in Deoband, India – ultimately providing 20,000 people with vital care.

Bangladesh

- It is estimated 7 million people need eye correction in Bangladesh. Women and elderly are amongst the most vulnerable as they are often financially unable to see a doctor. In order to support these underprivileged people, Al-Khair Foundation initiated a cataract project which provided free cataract surgery to 800 patients. More than 5,000 eye patients also received consultation, medicine, screening for refraction, and spectacles (reading and compound glasses) free of cost.

- Al-Khair works closely to help the Rohingya community. In 2018-2019, 3,000 beneficiaries were given access to maternal and child healthcare as well as ante- and post-natal care through the development of a free counselling centre. We also worked in collaboration with the Centre for the Rehabilitation of the Paralyzed (CRP) to implement a project providing comprehensive rehabilitation services to disabled Rohingya people in the refugee camps. Our activities included providing a range of therapies to 782 patients, and facilitating artificial limb transformation for 10 individuals. We also provided homebased therapy and rehabilitation services to 150 patients who were not able to access the rehabilitation centre regularly.

Overall, 2,337 patients benefited from this project in one way or another. Al-Khair Foundation also provided emergency medical support to 5,000 Rohingya people.



2,337 patients benefited from the Paralysis Rehabilitation project and 5,000 Rohingyas received emergency medical support

Palestine – Gaza

- Al-Khair has been working to secure healthcare access for 600,000 Palestinians in Khan Yunis City. The Charity has constructed a hospital with the aim of providing vital medical assistance to patients in the city of Khan Yunis which, once completed, is estimated to treat almost 4,000 people a month.

- Al-Khair Foundation provided life-saving emergency medical supplies to Al Shifa hospital.

Treating
4,000*
people a month.

*approx



Middle East

Al-Khair Foundation's endeavours in Healthcare help approximately 40,000 beneficiaries each month.

Case Study 1

Umma Abdullah: "I came to hospital with my daughter because she fell ill. She had an inflammatory bowel. The doctor examined her and made the decision to commence treatment. My daughter was given paramedical course serums. Thank God she is ok now, at the hospital they care so much, no one asks for money and everything is free, even the medicine. We are more than satisfied, the nurses were very good to us, we thank God for them."



40,000 women and children were helped through hospital projects each month

Case Study 2

"Assalamualaiykum, I am Umm Ommar, I brought my daughter to the hospital and they examined her and gave her an X-Ray for her chest. She had an inflammation in her lungs, they made the necessary medical checks for her and they came to see her frequently. They treat her very well, they treat us in general very well and there is progress with her situation. I'm here for a week and I thank God they are very good with us and care very much about us."





LIVELIHOOD

Sustainability is at the heart of our ethos. We design projects which empower our beneficiaries to improve and sustain their own livelihoods.

India

As a result of poverty, many families in India are unable to cultivate enough crops to feed themselves every year. In seeking to sustainably alleviate this poverty, Al-Khair set up Skills Development Centres all around the nation, providing our beneficiaries with valuable techniques and equipment, and enabling them to transform their own lives. Overall, this project assisted 10,000 individuals, to date.

Bangladesh

Al-Khair Foundation's Rehabilitation and Assistive Device Support (RADS) project for the Rohingya refugees provided 200 wheelchairs and 300 assistive devices to disabled individuals. We also distributed 175 sewing machines among the vulnerable women of Sunamganj and Kutubdia, Cox's Bazar.

**AL-KHAIR SET UP SKILLS
DEVELOPMENT CENTRES
WHICH ASSISTED
10,000 INDIVIDUALS
TO TRANSFORM THEIR
OWN LIVES.**





Kenya

- In 2018-2019 we began our Marsabit County Sewing Machine project, in which we supplied over 200 people with sewing machines and sewing kits. The project enables these individuals to use their newfound skills to create high-quality products which they can then sell and earn a profit from. It promotes independence and encourages individuals to be active and productive members of their communities. Furthermore, it alleviates poverty by generating a source of income for those who were previously disadvantaged.

Nasibo Wario Kusu (age 26), who hails from Saku Sub County, is a beneficiary of this project. She says, "All praise to Allah for giving me this golden opportunity, it had never even crossed my mind that I would receive a sewing machine with a tool kit. With this start up, I can now confidently apply my skills to support myself and my family. Thank you, Al-Khair Foundation, for your generous donation and May God bless you."

- Al-Khair has been teaching individuals the art of goat rearing in Lamu County. We trained over 100 people with the hope that they could make profits from farming and therefore relieve the poverty within their area. In total, around 150 individuals are expected to benefit from this initiative.

- Since Kenya is currently suffering from a particularly severe drought, affecting people but also livestock – Al-Khair Foundation put forward a goal to provide living means to 50 destitute households in Maili Tisa. We provided 4 goats for each family and have improved the lives of 250 people.

- Additionally, in Nairobi County, we empowered people living with disabilities by purchasing and gifting 10 custom-made tricycles along with business start-up materials to these marginalised members of society. Our beneficiaries were also trained in basic business management skills. Through this scheme we successfully improved the lives of 50 disabled individuals and their families.

**TOGETHER, WE HAVE
SUPPLIED OVER 200
PEOPLE WITH SEWING
KITS AND MACHINES.**





EDUCATION

Education is key to breaking the cycle of poverty. Al-Khair Foundation strongly values the power of knowledge, and spreads the joy of learning to people in all corners of the world.

Kenya

In the Busia County, Al-Khair distributed solar lights so that homes could be run on sustainable energy. Aside from being more economical, this also enables children to continue their studies at home without fear of electricity shortages. Through this project, we managed to improve the lives of 4,000 children by facilitating their education. This will have a ripple effect by positively impacting the larger community which they are a part of as well.

Joseph Onyango is the head teacher in Bulanda primary school, and was very grateful for the solar lanterns. He says, "These solar lanterns came at a very crucial time when we needed them the most. My students are currently preparing for end of year exams, and I am positive they will perform well because of these lanterns. Most of pupils from this school come from very poor families and do not have access to electricity. I am glad they can now study and prepare for exams without worrying about light."



2,000 students
benefiting from free
and quality education
in Somaliland

1,000 individuals
benefiting in India

Somaliland

Al-Khair Foundation recently established an Al-Khair school in Hargeisa city, where there are currently 2,000 students benefiting from free and quality education. As this project is ongoing, the number of students will continue to rise.

India

To support young people with their studies, Al-Khair Foundation financed an extension of a college campus in Deoband, Uttar Pradesh. This extension allowed more students to be housed, ultimately benefiting 1,000 individuals.

Bangladesh

Al-Khair Foundation initiated a project to educate and empower disadvantaged children through non-formal education. Unlike standard education, non-formal education is flexible, and lessons can be held outdoors. Students are not required to wear a certain uniform, thereby saving money for the family. This unique project of ours vastly improved the lives of nearly 400 students in Mirpur, Dhaka.

- In Bangladesh, education for women is often inaccessible. By setting up girls' schools in Hamidnagar, Sreemangal and Moulvibazar, Al-Khair supported the education of 400 bright young girls.

- To ensure access to education for the children who had no choice but to leave school to support their families, Al-Khair Foundation funded 2 Urban Community Learning Centers (UCLC) in collaboration with Dhaka Ahsania Mission (DAM). These learning centres provide essential primary and secondary education and life skill lessons to 359 urban working-class children and adolescents from disadvantaged families around Dhaka. We also provided financial assistance to the construction of a primary school in Bhabanipur, a remote village under the Pabna Sadar sub-district. This primary school is critical as it is the only one for almost 3 miles around. Al-Khair Foundation also distributed a stipend to 50 meritorious students at Kutubdia, Cox's Bazar who came from disadvantaged backgrounds.

Palestine - Gaza

In January 2019 Al-Khair Foundation introduced a project named 'Back to School', targeted towards the children of Gaza. Education in Gaza has been seriously disrupted due to ongoing armed conflict which has resulted in the destruction of academic facilities. Our project assisted in providing a brighter future for 5,772 children.



Our project assisted in providing a brighter future for 5,772 children in Gaza



WATER

Water is vital to life, and should be accessible and affordable to all. Al-Khair Foundation works to ensure that people in every corner of the world may benefit from water, sanitation and hygiene facilities.

Kenya

- On 10th of February 2019, the Kenyan Government declared a national drought emergency, with 23 out of the 47 counties affected. In response, Al-Khair Foundation constructed three separate water facilities in three affected counties. In West Pokot County, we built solar-powered wells to provide a sustainable, eco-friendly resource that will continue to benefit local communities for years to come. This project has assisted 7,600 individuals.
- In Marsabit County we established a sanitation project which positively impacted over 6,100 people. Furthermore, we initiated the rehabilitation of the community water canteen and concrete water tank in Maili Tisa to ensure sufficient water for both residents and livestock.
- The Foundation also purchased 2 water tanks, each with a capacity of 10,000 litres, to boost the water storage capacity of communities and provide water for both people and livestock. We successfully achieved our goal and improved the lives of 500 individuals.



In Marsabit County we established a sanitation project which positively impacted over 6,100 people

Case Study 1

Hussein Waqo a resident of Watitii village says, "We pass our sincere gratitude to Al-Khair Foundation for donating funds which have been used for constructing pit latrines in our villages. Previously our lives were not comfortable since we walked long distances into the deep bushes to relieve ourselves. Unfortunately, these bushes were home to snakes and other dangerous animals, leaving us fearing for our health and safety. Thank you Al-Khair Foundation and may you continue with the same spirit. Inshallah"

Case Study 2

Bakari Sakwa, 72, hails from Sakwa village and is one of the beneficiaries of this project. He says, "I am grateful to Al Khair Foundation for constructing the water well in our village. We used to buy water from vendors but they would sell their water at high prices. This meant that many of us could not afford to buy the water every day, hence we trekked long distances to fetch water from the river which is several kilometres away. May Allah bless the donors for providing us with reliable source of water."

Somaliland

Hargeisa city is considered to be water deficient. With a population of close to 1.8 million, the capital city's water demand outstrips the existing water supply. In August 2018, Al-Khair Foundation began water tanker projects to provide clean water to three IDP camps in Hargeisa, a special needs centre, and the Edna Adan Maternity Hospital. This water distribution scheme acts as an alternative water source and has aided nearly 8,000 people.

Abdikadir Jam from Mohammed Mooge IDPs camp: "AKF has been a saviour in our lives. We used to drink dirty water in stagnant pools by the roadside because we had no other alternatives. Now we drink clean and clear water that quenches our thirst. We are forever grateful to Al-Khair Foundation; Allah bless their work".

India

Being a very densely populated country, India's planned water resources are thinly stretched with rural areas often left out. It is estimated that approximately 21% of the country's diseases are water-related and only 33% of the country has access to adequate sanitation. Al-Khair Foundation targeted seven of the most disadvantaged areas in India and provided them with hand pumps. These locations were: Assam, Bihar, West Bengal, UP, Uttarakhand, Delhi and Haryana. We managed to improve the lives of 9,040 beneficiaries.



**We have reached
nearly 8,000 people
with alternative
water distribution
projects**



Al-Khair Foundation has set up Tube Wells helping 5,400 individuals

Bangladesh

Around 4 million people in Bangladesh lack safe water and 85 million lack improved sanitation. Existing resources are further stretched due to the influx of Rohingya refugees from Myanmar.

- Al-Khair Foundation has provided emergency water and sanitation support to 40,000 newly arrived Rohingya people. We have also developed a longer-term WASH maintenance project specifically for the Rohingya community. The project focuses on preserving the supply of fresh water, thereby providing a sustainable service rather a temporary one. This project has benefited 30,000 people.
- Furthermore, Al-Khair Foundation has set up Tube Well projects in three other counties within Bangladesh, benefiting 5,400 individuals.

Water projects benefiting over 75,400 people

Shajeda Begum, a 45-year-old women, is one of the beneficiaries of the tube well installation project in Rajbari District. She lives in Bethulia village and has three children, two sons and one daughter. Her husband is a seasonal day laborer (agriculture/ non-agriculture). As a day laborer their average monthly income is very low. They struggle to meet the basic requirements for their family.

When asked about the benefits of the tube well installed in her locality, she said: "Before installing the tube well I had to travel a long distance to fetch drinking water for my family. Every day I had to spend a lot of my productive time to fetch water which used to hamper my daily household work since I'm the only person to do the household tasks. During summer it was not possible for me to travel long distances to fetch water in the scorching heat. In that period, we had to depend on the nearest pond water. As a result, my children often used to suffer from diarrhea and would fall sick all the time. Now, my children don't have to drink surface water and neither do I have to travel a long distance to fetch water. This tube well has saved a lot of my time which I can use to do my other household works. It has also protected my children's health and future. It will not only supply safe drinking water to my family, but also to the poor people in the locality who do not have easy access to tube wells. I'm very grateful to the people who installed the tube well for us."



Pakistan

- With a semi-arid to arid climate, Pakistan's environment in many areas is very desert-like. As a result of this, Pakistan's population relies on resources from groundwater. With an ever increasing population, water resources are becoming progressively scarce. In January 2019, Al-Khair Foundation installed hand pumps in 9 remote areas of Pakistan to service poor and needy people. These hand pumps benefited over 6,200 people.
- We also constructed 100 water wells in Tharparker Sindh, improving the lives and well-being of 50,000 individuals.

Myanmar

- Most of the population living in the rural communities of Myanmar do not have access to clean, drinkable water. Al-Khair Foundation therefore set up a hand-pump in Sittwe, Rakhine, servicing 420 people.
- We also developed a broader safe water access project in the same area, ultimately aiding 2,400 individuals.

Palestine – Gaza

Palestinians in Gaza suffer from a shortage of clean water. To support these people, Al-Khair Foundation constructed a Water Well and Desalination Plant in the Gaza Strip, North of Gaza and also in Beit Hanoun, which aids 45,000 people.

"May Allah bless you, I humbly thank all the donors of Al-Khair Foundation for this work. Thanks to Allah's Grace, all the families in the area are now able to drink clean, fresh and hygienic water," said Um Mohammed Emawi. The area in which Um Mohammed dwells, still requires a lot of work to secure a healthy and safe environment for the people. However, there is still hope to put in place a sanitation network as this will improve the livelihood of the community and also prevent malicious diseases.

**Water Wells and
Desalination Plant
in the Gaza Strip,
and in Beit Hanoun,
aids 45,000 people**

AL-KHAIR Water
well and water
desalination plant
Gaza
2017

AL-KHAIR Water
well and water
desalination plant
غزة
2017





SHELTER

Al-Khair Foundation constructs and provides shelter to communities worldwide, putting a roof over the heads of those who are most vulnerable

Gaza

As of August 2016, only 30% of the 17,800 homes that were destroyed in Gaza in 2014 were rebuilt. Understanding the basic human right of adequate shelter, Al-Khair Foundation restored and repaired houses for 10 families. Furthermore, we are planning to improve the quality of a further 16 houses to support needy families in Khan Yunis.



AL-KHAIR FOUNDATION CONTINUES TO REPAIR & RESTORE HOUSES FOR NEEDY FAMILIES

Beneficiary Ali Abu Sharekh (62 years old): "After waiting patiently for 15 years, Al-Khair Foundation made my dream come true, and achieved my family's hopes in having a safe, well arranged, and clean house to live in." Ali dwells in a small home located in a disadvantaged area. His home lacks the humanitarian basics needed to live comfortably. He sustains 6 members of his family including a cancer patient. "Thanks to Allah, my joy can't be described, even neighbours have come to congratulate me", Ali happily said. "I have always dreamed to get my home condition improved like other surrounding homes but the eyes desire what the hands can't reach", he said. "Thanks to Allah, my life has changed for the better", Ali added. "The kitchen used to be very hot but now a new ceiling of brick has been installed. Also, we have got new tiles, kitchen corner, and window. It has become safe from reptiles and insects", Ali explained. His wife Um Ahed said with a long breath "Finally my kids can live without disease, in the past they were exposed to many nasty infections, including flu, colds, and Bronchial asthma. With joy and happiness Ali says: "Honestly, I did not expect my house to be rehabilitated like this, I was desperate. I waited for this moment for more than ten years. Alhamdulillah my dream has come true and I had the opportunity of renovation from Al-Khair foundation". Ali asks Allah for Jannah for all the people that have helped his family.



VULNERABLE PEOPLE



When families are tragically torn apart due to war, poverty or natural disaster, Al-Khair Foundation is there to offer a helping hand and get them back on their feet.

Many orphans and widows – particularly in developing countries which suffer from natural disasters and conflict – face poverty, hunger and insecurity on a daily basis. Even if these orphans make it through their often-traumatic childhood, there is no guarantee that they will have a better life, as they don't have an education nor the tools to provide for themselves.

Women who are widowed also experience hardship from losing often the only breadwinner in their family. Al-Khair Foundation's sponsorship programme allows these vulnerable women to live a dignified life while also supporting their orphaned children.

- Thanks to our wonderful sponsors we were able to provide a sense of security, well-being and education for orphans in the Middle East and Pakistan. In total we improved the lives of 1,354 orphans. Our sponsors also supported 14 widows in Gaza and Palestine by assisting them to become independent and support their family.

Amna Abu Selmi (32 years old) is a Palestinian widow who lives in Khan Yunis in Gaza. Amna is the mother and guardian of 3 boys and 2 girls. When we visited her home, we saw her humble abode and met with her five orphan children playing around her. She explained to us how difficult her life was and how she was suffering since the demise of her husband.

"When my family gave me the news that my husband has passed away, I cried and felt that my life was over and that there was nothing left for me now. It was the most painful moment of my existence and I was terrified for my children. My youngest child was only 10 months at the time and the eldest one was only 7 years old. I felt that since my husband was no more, there was no point in us living."

"When my husband passed away I was immensely worried about my children's future and had no clue how I was going to put food on the table. But Alhamdulillah, after one month I was contacted by Al Khair foundation and they sponsored me. I felt like I was in a dream. I did not believe it. AKF's sponsorship came at a time when I was desperate and at the point of giving up. I was surrounded by hopelessness. This sponsorship saved my life and my children's lives."

Al-Khair Foundation through their Widows sponsorship scheme was able to reach a beneficiary like Amna who was struggling on a daily basis to bring her up children without the basics and make an assessment of her situation and her family. Amna was the only guardian of her 5 children, with no source of income and was overwhelmed with debts, our team in Gaza were able to provide her with a sponsor in UK. Now all her children are going to school and living a normal life without having to struggle for basic things.

"Al Khair Foundation's regular sponsorship has changed my life for the better. It helps me to buy food and clothes for my children and it covers all the basic things that I need to manage the household. I thank my generous sponsor, I do not have enough words to describe how I really appreciate your assistance, I sincerely pray to Allah to bless my sponsor"

**1,354 ORPHANS IN
GAZA and WIDOWS
SUPPORTED
THROUGH YOUR
SPONSORSHIP.**





FOOD

Al-Khair Foundation strives to put an end to hunger and starvation – otherwise known as “The World’s Greatest Solvable Problem”.

Middle East

Al-Khair Foundation provided kitchen support for the IDPs and refugees in Camps during August 2018 and May 2019, ultimately aiding around 13,000 individuals.

“It is really very delicious. The workers of the kitchen are kind people and the hygiene and cleaning is very good in the kitchen. The workers wear gloves and masks and the work is organized inside kitchen. The supervisors are very nice people and they take care of everything in the kitchen. We thank them all and we thank everyone who funded this project. Jazakum Allah Khair. This project is charitable. May Allah reward the donors of this project.” Kitchen Help, Yusuf Abu Emir

**AIDED AROUND
13,000 IDP’S AND
REFUGEES**



Turkey, Gaza, Yemen, Jordan, Lebanon

Food packs are a brilliant way to provide for those suffering from hunger and starvation. They are full of nutritional items and are made to last for a very long time. This financial year, Al-Khair Foundation distributed assorted food packs to the refugees and civilians living in Gaziantep in Turkey, aiding 650 homes. We also provided food packs to the poor in Gaza, Yemen and Jordan, helping 5,348 families. Lastly, we provided food packs to the Aarsal Camp in Lebanon, assisting 725 homes.

"I want to say something; I would like to thank Al-Khair Foundation for providing us with these food packs. I swear that they brought this pack at this time because we are in desperate need of them." Jordan Food packs, Ali Hakeem.

"Assalamu Alykum. We live at Al Talbeya Camp in a rented house at the camp. My husband and children are deaf. My children study at the Deaf Centre, who charge us an extortionate amount of money. Our conditions are very hard. I cannot afford to pay the rent fees of my house, I cannot afford to buy food and water for my family and I am struggling to pay for my children's education." Ayesha Abu Malik

**AL-KHAIR PROVIDED
FOOD PACKS TO THE
POOR IN GAZA, YEMEN
AND JORDAN, HELPING
5348 FAMILIES.**





RELIGIOUS

Our Muslim identity underpins everything that we do at Al-Khair Foundation. We follow the teachings of Islam and help others to fulfil their religious obligations as well.

Palestine – Gaza

Palestinians may face restrictions in celebrating their religious holidays. At Al-Khair Foundation we understand the importance of religion and how it can uplift an entire community's spirits, so we provided Qurbani to 3,990 families in Gaza. During the month of Ramadan, we also provided Iftar meals to 2,920 orphans.

Afghanistan

In Afghanistan, Al-Khair's Qurbani project directly benefited more than 12,000 individuals in the poverty-stricken regions of Kabul and Logar. While we prioritised malnourished widows and orphans, for whom meat is a rare luxury, we also provided for other poor families and disabled individuals in these two provinces.

Al-Khair Foundation intends to provide food packs to Afghanistan every year during the holy month of Ramadan. So far, more than 10,000 individuals have greatly benefited from our efforts.



**WE PROVIDED QURBANI
TO 3,990 FAMILIES IN
GAZA. DURING THE
MONTH OF RAMADAN,
WE ALSO PROVIDED
IFTAR MEALS TO
2,920 ORPHANS.**

Bangladesh

• From 2017-2019, 6,630 monthly family food packs, 55,260 Iftar meals and 2,750 Eid Gift packs were distributed amongst underprivileged children in Bangladesh as part of our Ramadan Program. We also provided 1,750 Rohingya families with monthly food packs and Iftar meals.

• In 2017 and 2018, we facilitated a total of 676 cows and 150 goats for Qurbani in 26 districts, providing 38,725 poor and underprivileged families with Qurbani meat. We also allocated 106 cows for Rohingya families in Balukhali and Kutupalong Rohingya refugee camps, distributing the meat among 5,000 families.

• Al-Khair Foundation provided financial assistance to the construction and development of 15 mosques in the most deprived areas of 11 districts – so that locals gain a vital community hub and have the opportunity to practice and share their faith as a community.

• To help poor families get through the cold, we distributed winter packs in 15 districts, ultimately benefitting nearly 8,000 families. Each winter pack included items such as blankets and shawls.

Djibouti

Around 50,000 rural and refugee households in Djibouti experience acute food insecurity. During Ramadan, poorer citizens who suffer most from food insecurity are often unable to eat the foods that provide the sustenance they need to get through their daily fasts.

Al-Khair Foundation sought to ease the struggles of the most needy in Djibouti by providing them with Ramadan food packs. 250 individuals received our food packs in the refugee camps, as well as a further 500 in Obock, Tadjoura and Ali Sabieh.

Gambia

With rising levels of food shortages in Gambia, Al-Khair Foundation mobilised to aid two counties in need: Bakau and Farafenni. Overall, we relieved the hunger of 115 households.

Somaliland

It is estimated that around 2 million people are severely food insecure in Somaliland. The country suffered a terrible drought which in turn raised the prices of food and meat. Al-Khair Foundation did its part by providing food for 6,000 people in the Hargeisa IDP Camps.

During Qurbani we also provided a supply of fresh and quality meat to both the Hargeisa IDP camp and the Balimatan IDP camp, helping 114,000 people.

Kenya

Religion is a way of bringing a community together, so it is important to have a space where people can come together and practice their faith in peace. In Kenya, Al-Khair Foundation successfully constructed two mosques: Masjid e-Ibrahim and Olla Haro Mosque in the Busia and Marsabit Counties, providing for over 1,600 individuals in rural village areas who previously lacked adequate community facilities.

Africa

We also held our Ramadan project in Uganda, Tanzania, Rwanda, Malawi, Zimbabwe, Mozambique, Ethiopia, Zambia, DRC Congo, Burundi and Kenya, aiding a further 16,175 people.

**6,630 MONTHLY
FAMILY FOOD PACKS,
55,260 IFTAR MEALS,
2,750 EID GIFT PACKS
FOR CHILDREN
AND FAMILIES IN
BANGLADESH**



UK PROGRAMMES

Following Islamic tradition, Al-Khair Foundation strongly advocates that charity begins at home. Within the UK, we run a variety of projects to benefit those who are most in need.

Leicester

We began a winter campaign for the homeless within the city of Leicester, and distributed clothes in Evington.

Glasgow

- We established a soup kitchen in Glasgow (operating six days a week, all year-round) aimed at low income families, the homeless, Windrush families, and asylum seekers. Al-Khair Foundation also has a food bank situated in Glasgow that operates six days a week year-round, much like the soup kitchen.
- Realising that Glasgow has some problems with drug and alcohol abuse, Al-Khair Foundation conducted a one-day course in the city engineered towards families and teens suffering from addiction.
- We held a marriage preparation course designed for engaged couples, as well as those thinking of getting married, to advise them on the benefits of married life.
- Another notable event we held in Glasgow was the Gaza Bike Ride which raised donations for the people of Gaza and simultaneously brought the Glaswegian community together for a shared purpose.

We established a soup kitchen in Glasgow aimed at low income families, the homeless, Windrush families, and asylum seekers



London

In June 2019, Al-Khair Foundation partnered with Great Ormond Street Hospital (GOSH) to share the joy of Eid. We held a competition amongst the primary students of Al-Khair School to design Eid cards for all the hospitalised children and their families at GOSH, and ultimately chose 3 that were appropriate to different age groups. Our team then personally visited the hospital to deliver the cards, along with gift bags overflowing with books and toys. They were greeted by staff from the Harris International Patients Centre who showed immense gratitude towards our gesture: "It will make a really big difference to all of the children and families here as they come together to celebrate Eid".

Al-Khair previously worked with GOSH to construct Muslim prayer facilities within the hospital, as well as an adjoining quiet room open to all faiths. The Chaplain looked back on this initiative: "We want to thank Al-Khair, who has given us the resources to create an amazing prayer room where God's name is praised everyday – not just during Ramadan, but 365 days a year". This has provided sick children and their parents, as well as all doctors, nurses and employees, from all faith backgrounds with a quiet space for prayer, contemplation and reflection at such a world-renowned hospital.

Bolton

In early 2019, Al-Khair Foundation Bolton liaised with local community members to collect food and clothing to fill a shipping container and send it to poor and deserving people in Djibouti. The office also organised a community street-clean to revitalise the city and mobilise local citizens to be active participants in their community.

In 2018, Al-Khair distributed essential aid for the homeless, including blankets and food, so that their life out on the streets would not be as difficult or challenging as it may have been in previous years.

**AL-KHAIR FOUNDATION
CONSTRUCTED A
MULTIFAITH QUIET ROOM
AND PRAYER FACILITIES
WITHIN ONE OF LONDON'S
LEADING CHILDREN'S
HOSPITALS,
GREAT ORMOND STREET.**



**AKF Bolton liaised
with local community
members to collect
food and clothing to fill
a shipping container
and send it to poor and
deserving people in
Djibouti.**



Bradford

- Bradford is home to nearly 300 refugees. Al-Khair Bradford office has been doing all they can to support these vulnerable people. This includes preparing hot food, collecting dry/tinned food donations, and working with other businesses to collect donations which are suitable for refugee and homeless shelters. This project has been ongoing since November 2018 and with the help of our local volunteers we aim to continue this.
- Al-Khair Bradford has been providing food parcels to local residents struggling to meet their daily needs. We have an extensive network which collects dry food donations from local masjids and families to distribute to those most in need.
- Al-Khair Bradford conducts study circles for new and existing Muslims, for them to better understand the Islamic faith and to encourage proper Islamic principles of moderation and virtue, and to help tackle extremism. This is also an opportunity for new Muslims to meet others and settle into the community, as this experience can sometimes be a lonely and difficult one. Our new Muslims packs provide key essentials for those familiarising themselves with the faith.
- The Bradford Al-Khair office also help refugees and asylum seekers fill in key council and governmental forms, so that they may get vital access to public support, entitlements and amenities.

Birmingham

- Our team in Birmingham liaised with 17 mosques from across the Midlands in an effort to bring communities together and raise funds for charitable initiatives. They also hosted regular Social 'Carom Board' Nights – inviting the public to socialise, network and learn more about each other, while promoting cultural awareness and tolerance.
- Al-Khair Foundation Birmingham worked steadfastly to raise awareness of mental health issues, as it is a long overlooked yet critically important subject. In Birmingham, we sponsored the inaugural launch of the 'International Association of Islamic Psychology UK' in April 2019. This provided a platform for over 100 Muslim psychology professionals and over a dozen more NGOs operating in the mental health space to collaborate. Al-Khair's local programmes continue to enhance the mental wellbeing of Britain's communities.

**Al-Khair Bradford office
has been doing all they
can to support these
vulnerable people.**





**Al-Khair Foundation
has helped thousands
of displaced
communities across
the globe**

FINANCIAL REVIEW

for the year ended 31 July 2019



The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the accounting policies set out on pages 45-46 and comply with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) [Charities SORP (FRS102)] and the Charities Act 2011 (or) Companies Act 2006.

RESULTS IN OVERVIEW

Total income was £20.8m (2018: £23.7m), of which £16.7m (2018: £19.2m) was restricted to international programmes. This reflects a small decrease of the programme portfolio compared to the previous year and the timing of receipt of donation at the end of 2018. We carried forward £9.8m of restricted funds for multiple projects, which reduced to £6.6m by the end of 2019 as these funds were spent on specific programmes.

The net outgoings for the year £2.6m (2018: £2m surplus) are made up as follows:

- unrestricted net operating surplus £615k (2018: £966k)
- net outgoings of £3.2m (2018: a net surplus of £1m) on the restricted programme covered from the previous year's surplus.

- no transfer from unrestricted funds to the restricted funds in the financial year (2018: £1m)

Total reserves, therefore, decreased to £18.2m (2018: £20.9m), made up as follows:

- the unrestricted general fund of £8.1m (2018: £7.5m), which include £6.5m (2018: £5.2m) of fixed assets, leaving a free reserve balance of £1.5m (2018: £2.3m); which is within our reserve policy limits.

- unrestricted project funds of £3.6m (2018: £3.6m) received from individual donors and held at the yearend to be spent on ongoing programmes in subsequent years.

- restricted funds of £6.6m (2018: £9.8m), reduced by £3m due to programme carried from previous years unspent fund and the remains held at yearend to be spent on current programmes in future years.

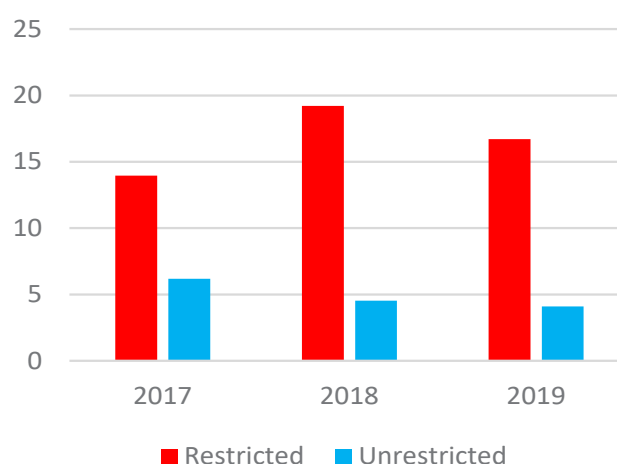
INCOME

The Charity reduced some of the emergency campaigns during the year as its programmes migrated to development phases from humanitarian (lifesaving) stages. As a result of the reduced emphasis on emergency fundraising, the Charity raised £20.8m (£2.9m less than in the previous financial year). The affected campaigns were mainly those for displaced refugees.

Additionally, the Muslim segment of the charity sector has become increasingly competitive with new entrants vying with established players. Notwithstanding, the results achieved by Al-Khair Foundation have instilled the required confidence in the donor base to continue supporting the Charity.

We continued to maintain the level of unrestricted fund for the Charity. At the end of the financial year we had raised £4.1m (2018: £4.5m) unrestricted income.

THREE YEARS INCOME TREND



EXPENDITURE

Total expenditure for the year ended 31 July 2019 was £23.4m (2018: £21.7m).

The expenditure on charitable objectives was £20.6m (2018: £19.4m) which was £1.2m more compare to the previous year. The increased expenditure was covered from the unspent balance of the previous financial year.

The breakdown of charitable expenditure is shown in Note (5). The split between our Humanitarian and Development deliveries 55:45 respectively (2018: 57:43).

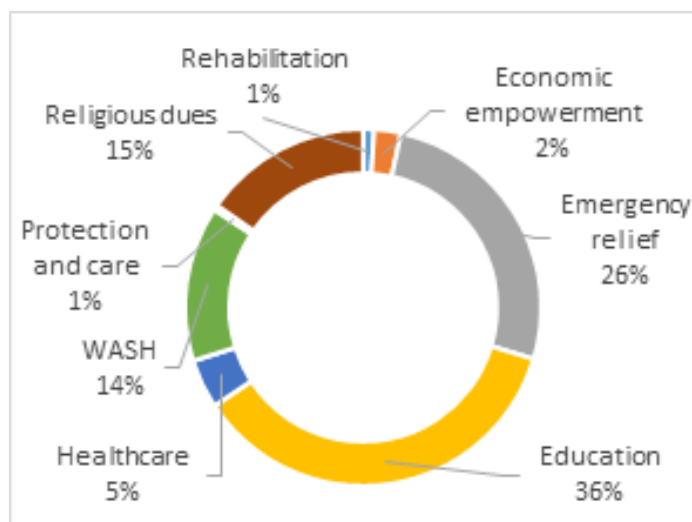
The Charity recovered £1.3m (2018: £1.3m) of fundraising and support costs from gift-aid tax reclaim from HMRC.



FINANCIAL REVIEW

for the year ended 31 July 2019

THEMATIC EXPENDITURE



NET ASSETS

The Charity's balance sheet shows net assets of £18.2m, compare to £20.8m in the previous year, representing the decreased operational working capital and reserves.

FINANCIAL RISK

The Trustees have the overall responsibility for ensuring the Charity has an appropriate system of controls, financial and otherwise, across the entire organisation in order to provide reasonable assurance that:

- Its assets are safeguarded against unauthorised use or disposition,
- Proper records are maintained and that financial information is reliable,
- The Charity complies with all relevant laws and regulations.

Cash flow risks are minimised by setting an appropriate reserves' policy, including adequate levels of working capital, and close monitoring of unrestricted funding flows from donors.

RESERVES POLICY

Unrestricted reserves are defined as general funds and are available to enable the Charity to meet its objectives. Net free reserves are defined as unrestricted reserves less any designated funds and the value of tangible fixed assets.

The aim of a reserves' policy is to ensure that a charity's ongoing and future activities are reasonably protected from unexpected financial risk(s). These includes:

- unexpected increase or decrease in funding streams or costs,
- working capital required to meet cash flow needs,
- specific funds required to meet unexpected one-off expenditure impacts.

Following the Annual Review, the Trustees endorsed the reserves target of £1.5m, to provide against key risk items:

- hold a level of reserves to provide going concern continuity,
- increased competition in the charity sector and volatility of unrestricted income funding to guard against donation income downturns,
- emergencies requiring a rapid response (where affected fundraising would occur subsequently to the emergency),
- a minimum of six months' operational costs in the event of a donation income downturn.

Currently, the Charity's total reserves stand at £18.2m, and net free reserves (defined as total unrestricted reserves less designated/tangible fixed assets) stand at £1.5m (2018: £2.3m), and the unrestricted programme fund stands at £3.5m.

At 31 July 2019 the Charity's restricted reserves were £6.6m (2018: £9.8m). These are committed funds which will be spent on earmarked programmes in subsequent years. The Charity's programme/projects' stable is such that funds are required to be held as cash and cash deposits. The Charity's unrestricted free reserve funds are also held in cash, and focus on the security of assets. As a result, these are not invested for long-term returns.

After reviewing the Charity's forecasts and future plans and its reserves, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operation for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

TRADING SUBSIDIARIES

The Charity's wholly owned subsidiaries carries out trading activities for the Charity. These activities provided no profit in the current financial year (2018: £1k), which is usually transferred to the Charity through the HMRC gift aid scheme.

The Trustees' Report, including ongoing and proposed activities and strategies, was approved by the Board on 26 February 2020 and signed on its behalf on 26 February 2020 by:

Imam Qasim Rashid AHMAD
Trustee

REPORT OF THE INDEPENDENT AUDITORS

for the year ended 31 July 2019

Opinion

We have audited the Consolidated Financial Statements of Al-Khair Foundation for the year ended 31 July 2019 which comprise the Statement of Financial Activities including Income & Expenditure, the Balance Sheet, the Statement of Cash Flows and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2019 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of opinion

We conducted our audit in accordance with International Standards Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt

the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees Report.



REPORT OF THE INDEPENDENT AUDITORS

for the year ended 31 July 2019

We have nothing to report in respect of the following matters where the Companies Act 2006 or the Charities Accounts (Scotland) Regulation 2006 (as amended) requires us to report to you if, in our opinion.

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the company is not entitled to claim exemption from preparing a strategic report due to it being a member of an ineligible group.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. The description forms part of our auditor's report.

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 in accordance with Section 44(ic) 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees, who are also directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud to error.

In preparing the accounts, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

Stephen Seifert BA FCA (Senior Statutory Auditor)

For and on behalf of Elliot Woolfe & Rose

Chartered Accountants

Statutory Auditor

Equity House

128-136 High Street

Edgware

HA8 7TT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an income and
expenditure account)

for the year ended 31 July 2019

		2019 Unrestricted Funds	2019 Restricted Funds	2019 Total	2018 Unrestricted Funds	2018 Restricted Funds	2018 Total
	Notes	£	£	£	£	£	£
INCOME FROM							
Donations and legacies	2	3,998,494	12,180,844	16,179,338	4,528,633	15,470,028	19,998,661
Primary and Secondary school	3	-	1,801,303	1,801,303	-	1,717,545	1,717,545
Institutional Grants		-	565,595	565,595	-	-	-
<i>Other activities:</i>							
Community Education (Iqra tv)		-	2,137,223	2,137,223	-	2,011,912	2,011,912
Investment and other income	4	122,689	-	122,689	8,140	-	8,140
Total income		4,121,183	16,684,965	20,806,148	4,536,773	19,199,485	23,736,258
EXPENDITURE ON							
Raising funds		427,063	292,089	719,152	366,752	355,254	722,006
Primary and Secondary school		135,201	1,954,161	2,089,362	45,816	1,585,386	1,631,202
Charitable activities		2,943,735	17,686,821	20,630,556	3,157,790	16,226,602	19,384,392
Total expenditure	5	3,505,999	19,933,071	23,439,070	3,570,358	18,167,242	21,737,600
Net income / (expenditure) and net movement in the funds for the year		615,184	(3,248,106)	(2,632,922)	966,415	1,032,243	1,998,658
Transfers between funds	14	-	-	-	(1,017,049)	1,017,049	-
Net movement in funds		615,184	(3,248,106)	(2,632,922)	(50,634)	2,049,292	1,998,658
Reconciliation of funds							
Funds balances brought forward		11,021,017	9,843,278	20,864,295	11,071,651	7,793,986	18,865,637
Funds balances carried forward		11,636,201	6,595,172	18,231,373	11,021,017	9,843,278	20,864,295

The results for the year shown above all derive from continuing operations. There are no recognised gains or losses for the year other than those shown above. There are no material differences between the results for the year as stated above and those calculated on a historical cost basis.

The notes on pages 45 to 54 form an integral part of these financial statements.



GROUP AND CHARITY BALANCE SHEET

for the year ended 31 July 2019

	Notes	Charity 2019 £	Group 2019 £	Charity 2018 £	Group 2018 £
Fixed assets					
Intangible assets	9	-	-	179,806	-
Tangible assets	10	6,245,677	6,540,863	4,829,296	5,170,968
Investment in subsidiaries	11	251,001	-	251,001	-
		6,496,678	6,540,863	5,260,103	5,170,968
Current assets					
Stocks		77,573	77,573	-	-
Debtors	12	3,211,432	2,799,848	3,749,244	3,475,298
Cash at bank and in hand		11,163,342	11,875,176	12,695,654	12,909,325
		14,452,347	14,752,597	16,444,898	16,384,623
Creditors: falling due within one year	13	(2,713,304)	(3,062,087)	(600,478)	(691,296)
Net current assets		11,739,043	11,690,510	15,844,420	15,693,327
Total assets less current liabilities		18,235,721	18,231,373	21,104,523	20,864,295
Net assets		18,235,721	18,231,373	21,104,523	20,864,295
The funds of the charity:					
Unrestricted income funds					
- Programme funds		3,443,315	3,561,705	3,614,643	3,568,427
- General funds		1,911,459	1,533,633	2,531,202	2,281,622
- Designated funds		6,496,678	6,540,863	5,260,103	5,170,968
Restricted income funds		6,384,269	6,595,172	9,698,575	9,843,278
Total charity funds	14	18,235,721	18,231,373	21,104,523	20,864,295

The accompanying notes on pages 45 to 54 form an integral part of these Financial Statements.

Approved by the Board on 26 February 2020 and signed on its behalf on 26 February 2020

Imam Qasim Rashid AHMAD
Trustee



CONSOLIDATED STATEMENT OF CASHFLOW

for the year ended 31 July 2019

	Group 2019 £	Group 2018 £
Cash flow statement		
Net cash inflow from operating activities	739,436	1,839,034
Payments to acquire tangible fixed assets	(1,773,585)	(226,876)
(Decrease) / Increase in cash in the year	(1,034,149)	1,612,158

Note to the cash flow statement

Reconciliation of changes in movement in net funds to net cash inflow from operating activities

Movement in net funds	(2,632,922)	1,998,658
Add: Depreciation	403,690	463,798
(Increase) / Decrease in inventories	(77,573)	-
(Increase) / Decrease in debtors	675,450	(743,514)
Increase / (Decrease) in creditors	2,370,791	120,092
Net cash inflow / (outflow) from operating activities	739,436	1,839,034

Analysis of change in net funds

	Opening balance 01 August 2018 £	Cash flow movement £	Closing balance 31 July 2019 £
Cash at bank and in hand	12,909,325	(1,034,149)	11,875,176

NOTES TO THE ACCOUNTS

for the year ended 31 July 2019



1 Accounting policies

a) Basis of preparation

The financial statements of the Charity, which is a public benefit entity under Financial Reporting Standard 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)) and the Charities Act 2011 and Companies Act 2006.

The Consolidated Statement of Financial Activities (SoFA) and Balance Sheet consolidate the Financial Statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. No separate Statement of Financial Activities has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006. The Charity has also taken the exemption under FRS102 1.12(b) to not include a parent only cash flow statement in these accounts. The Charity also has taken advantage of the exemption contained in FRS8, 'related party transactions, where disclosure is not required in consolidated financial statements of intra-group transactions and balances eliminated on consolidation

The Accounting Policies are consistent with the previous year. After reviewing the group's forecasts and projections, the trustees (who are the directors for the purposes of company law) have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

b) Income

All incoming donations from individuals are included when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. All monetary donations and gifts are included in full in the statement of financial activities when received.

Gifts in kind are included as income and expenditure at market value discounted for the most prudent realisable amount.

Gift Aid claims are recognised when there is an entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income represents profit on bank deposits and is recognised when receivable.

c) Expenditure

Charitable expenditures are recognised in the year in which they are incurred on an accrual basis as and when a liability is incurred.

Charitable activities comprise those costs incurred by the charity in the delivery of its activities under its core objectives and services for its beneficiaries. It includes costs that can be allocated directly or indirectly necessary to support them.

Fundraising costs comprise costs incurred for generating donations and legacies from individuals and other incoming resources. They do not include the costs incurred in disseminating information to support the audit, legal advices and charitable activities.

Governance costs are those which relate to the provision of the governance infrastructure of the Charity. Included within this category are costs associated with the strategic management of the Charity's activities, and all Trustees' costs. In accordance with FRS102, these costs are classified as Support Costs.



NOTES TO THE ACCOUNTS

for the year ended 31 July 2019

d) Amortisation and Depreciation

All fixed assets are initially recorded at cost. Depreciation is calculated to write off the cost of an asset, less its estimated residual value over the useful economic life on a straight line basis as follows:

Goodwill	over 5 years
Freehold Property	over 50 years
Leasehold Property	over the lease term
Freehold and Leasehold Improvements	over 10 years
Plant and Machinery	over 4 years
Fixtures, Fittings and Equipment	over 5 years
Motor Vehicles	over 4 years

According to the SORP 2015 (10.23), as the useful life of the Goodwill cannot be estimated reliably the Charity decided to amortise it in five years.

e) Stocks

Stocks are valued at year-end. These consists of jewellery received for distribution (to needy families for wedding purposes) during the year and distributed after the year-end.

f) Taxation

The Charity is exempt from corporation tax on its charitable activities.

g) Fund Accounting

Unrestricted funds comprise those funds which may be used towards meeting the charitable activities at the discretion of the Trustees.

Restricted funds are only used for particular restricted purposes within the objects of the Charity.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

h) Foreign Currency

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currency are translated at the rates prevailing on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

i) Pension

The Charity has fully complied with the auto-enrolment legislation and all eligible employees are offered a Shariah compliant pension scheme through NEST. The charity pays a contribution of 3% of salary to match the contribution paid by eligible employees.

NOTES TO THE ACCOUNTS

for the year ended 31 July 2019



2 Donations and legacies

	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Unrestricted £	2018 Restricted £	2018 Total £
Received in UK	3,569,109	7,113,568	10,682,677	4,133,889	10,580,266	14,714,155
Received in Overseas	2,322	604,435	606,757	27,992	-	27,992
	3,571,431	7,718,003	11,289,434	4,161,881	10,580,266	14,742,147
Gift Aid - tax claim	427,063	851,177	1,278,240	366,752	938,663	1,305,415
Gift in Kind received in UK	-	209,391	209,391	-	139,400	139,400
Gift in Kind received overseas	-	3,402,273	3,402,273	-	3,811,699	3,811,699
	3,998,494	12,180,844	16,179,338	4,528,633	15,470,028	19,998,661

3 Primary and secondary school

	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Unrestricted £	2018 Restricted £	2018 Total £
Fees income	-	2,021,007	2,021,007	-	1,967,725	1,967,725
Less: Discount	-	(241,000)	(241,000)	-	(271,023)	(271,023)
	-	1,780,007	1,780,007	-	1,696,702	1,696,702
Miscellaneous income	-	21,296	21,296	-	20,843	20,843
	-	1,801,303	1,801,303	-	1,717,545	1,717,545

4 Investment and other income

	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Unrestricted £	2018 Restricted £	2018 Total £
Bank deposit profit	3,860	-	3,860	3,574	-	3,574
Service fee received	115,623	-	115,623	3,699	-	3,699
Exchange Rate Gain	3,206	-	3,206	-	-	-
Other trading activities	-	-	-	867	-	867
	122,689	-	122,689	8,140	-	8,140

5 Expenditure on

	Direct costs £	Human resources £	Support costs £	Total 2019 costs £	Total 2018 costs £
Raising funds	362,067	331,789	25,296	719,152	722,006
Operation of primary and secondary school	1,935,183	18,978	135,201	2,089,362	1,631,202
Charitable activities					
Rehabilitation	184,717	10,247	12,905	207,869	2,036,322
Economic empowerment	425,489	43,904	29,727	499,120	448,659
Emergency relief	4,654,205	433,071	325,164	5,412,440	3,370,879
Education	6,616,612	362,031	462,268	7,440,911	6,796,697
Healthcare	789,969	72,353	55,191	917,513	2,040,192
WASH	2,480,604	248,749	173,307	2,902,660	1,016,148
Protection and care	81,915	2,469	5,723	90,107	1,163,657
Religious dues	2,723,511	246,148	190,277	3,159,936	2,511,838
Total Charitable activities	17,957,022	1,418,972	1,254,562	20,630,556	19,384,392
Total resources expended	20,254,272	1,769,739	1,415,059	23,439,070	21,737,600



NOTES TO THE ACCOUNTS

for the year ended 31 July 2019

5a Expenditure of raising funds

Expenditure on raising funds includes all expenditure incurred by Al-Khair Foundation to raise funds for its charitable activities. It comprises the cost of advertising, on-air fundraising appeals and educational and charitable programmes' presentation, social media marketing, producing publications and printing and mailing materials and costs, direct staff and overhead costs and an appropriate allocation for related support costs.

5b Expenditure on charitable activities

Charitable activities include expenditure incurred in the execution of programmes through field offices and partner organisations in 21 countries around the world.

Allocation of support costs has been proportionate to the total of programme costs and corresponding thematic programme area.

6 Support costs

	Office costs £	Finance and IT costs £	Governance costs £	Total 2019 £	Total 2018 £
Raising funds	15,608	9,260	428	25,296	35,376
Operation of primary and secondary school	83,423	49,492	2,286	135,201	45,816
Charitable activities					
Rehabilitation	7,963	4,724	218	12,905	129,397
Economic empowerment	18,342	10,882	503	29,727	25,329
Emergency relief	200,637	119,030	5,497	325,164	192,012
Education	285,234	169,219	7,815	462,268	407,340
Healthcare	34,055	20,203	933	55,191	115,178
WASH	106,936	63,441	2,930	173,307	58,244
Protection and care	3,531	2,095	97	5,723	65,693
Religious dues	117,407	69,653	3,217	190,277	141,804
Total Support costs	873,136	517,999	23,924	1,415,059	1,216,189

7 Governance Costs

	2019 £	2018 £
External Audit fee	21,000	21,000
Trustees travel	2,924	2,000
Legal and other costs	-	25,953
	23,924	48,953

8 Staff cost and number of employees

	2019 £	2018 £
The average monthly numbers of employees in the UK during the year were:		
Permanent	69	111
Part time	33	60
Supply	21	14

Employment costs

	2019 £	2018 £
Gross Pay	1,551,003	1,614,751
Employer's national insurance	105,001	171,216
Pension costs	16,982	17,327
	1,672,986	1,803,294

School teacher's remuneration are direct expenses and paid from school income (note 3 & 5)

1,120,721 1,027,701

NOTES TO THE ACCOUNTS

for the year ended 31 July 2019

Included in total staff costs above are the wages and other staff costs relating to four staff employed by Al Khair Foundation UK who are related to the Charity's trustees. The costs relating to these staff are £91,175 (2018: £62,636) which includes the organisation's national insurance and pension contribution.

In addition to full-time permanent staff, AKF employed temporary call centre staff at a cost of £376,704 (2018: £401,624), this was to service incoming calls for donation income mainly during Ramadan and Qurbani time.

A payment £15,275 was made to two staff for settlement payments during 2019 (2018: £30,000 to one staff).

The number of employees whose remuneration (wages and employer pension contribution) during the year amounted to over £60,000 was as follows:

	2019	2018
	Number	Number
£60,001-£70,000	0	1

The highest paid individual in the organisation is the Chief Executive Officer (Shuaib YUSAF). In 2019 the Chief Executive's remuneration including pay and pension was £56,342 (2018: £64,902) The remuneration of the Chief Executive is set by the Board of Trustees; the remuneration of the Senior Management Team is set by the Chief Executive in consultation with the Chair of Trustees.

The key management personnel of the Charity are the trustees and the Senior Management Team (as listed under Organisational Details in the Annual Report). The short term employee benefits (as defined in FRS102 28.4: wages, pension and social security contributions) for the Senior Management Team for 2019 was £156,576 (2018: £146,146), the increase is largely due to vacant positions in 2018.

One member of the Board of Trustees received remuneration amounting to £35,254 (2018: £32,174) for his services under the required dispensation from the Charity Commission for executive duties as Executive Chairman of the Charity.

Expenses reimbursed to Trustees for travel undertaken on the Charity's behalf amounted to £2,923 for 2 members (2018: £2,000 for 2 members). The Charity paid £1,676 (2018: £1,529) for Trustees' Indemnity Insurance cover.

9 Intangible Fixed Assets

Cost

At 01 August 2018 and 31 July 2019

Amortisation

At 01 August 2018

Charge for the year

As at 31 July 2019

Net book values

As at 31 July 2019

As at 31 July 2018

International Television Channel Ltd	Runners TV Ltd	Total
£	£	£
103,620	204,619	308,239
43,175	85,258	128,433
60,445	119,361	179,806
103,620	204,619	308,239
-	-	-
60,445	119,361	179,806



NOTES TO THE ACCOUNTS

for the year ended 31 July 2019

10 Tangible fixed assets

Charity	Freehold Property	Leasehold Property & Improvement	Plant and Machinery	Fixtures Fittings and Equipment	Motor Vehicles	Total
Cost	£	£	£	£	£	£
At 01 August 2018	4,204,087	1,262,128	234,775	815,563	90,988	6,607,541
Additions	1,602,457	-	-	113,164	-	1,715,621
Disposals	-	-	-	-	-	-
As at 31 July 2019	5,806,544	1,262,128	234,775	928,727	90,988	8,323,162
Depreciation						
At 01 August 2018	444,270	445,237	234,775	580,645	73,318	1,778,245
Charge for the year	142,491	45,415	-	102,338	8,996	299,240
Disposals	-	-	-	-	-	-
As at 31 July 2019	586,761	490,652	234,775	682,983	82,314	2,077,485
Net book values						
As at 31 July 2019	5,219,783	771,476	-	245,744	8,674	6,245,677
As at 31 July 2018	3,759,817	816,891	-	234,918	17,670	4,829,296

Group	Freehold Property	Leasehold Property & Improvement	Plant and Machinery	Fixtures Fittings and Equipment	Motor Vehicles	Total
Cost	£	£	£	£	£	£
At 01 August 2018	4,204,087	1,507,758	998,271	1,051,641	145,504	7,907,261
Additions	1,602,457	-	26,059	145,069	-	1,773,585
Disposals	-	-	-	-	-	-
As at 31 July 2019	5,806,544	1,507,758	1,024,330	1,196,710	145,504	9,680,846
Depreciation						
At 01 August 2018	444,270	514,823	907,092	771,498	98,610	2,736,293
Charge for the year	142,491	69,979	44,674	123,921	22,625	403,690
Disposals	-	-	-	-	-	-
As at 31 July 2019	586,761	584,802	951,766	895,419	121,235	3,139,983
Net book values						
As at 31 July 2019	5,219,783	922,956	72,564	301,291	24,269	6,540,863
As at 31 July 2018	3,759,817	992,935	91,179	280,143	46,894	5,170,968

11 Investment - in Subsidiaries

	Channel I (UK) Limited	International Television Channel Ltd	Runners TV Ltd	Total 2019	Total 2018
	£	£	£	£	£
Ordinary shares of £1 each	250,000	1,000	1	251,001	251,001

Al-Khair Foundation owns the entire share capital of Channel I (UK) Limited, International Television Channel Limited and Runners TV Limited, all of which are incorporated in England and Wales.

NOTES TO THE ACCOUNTS

for the year ended 31 July 2019

12 Debtors and Prepayments

	Charity 2019 £	Group 2019 £	Charity 2018 £	Group 2018 £
Trade Debtors	121,913	146,913	98,739	150,739
Gift Aid Receivable	1,278,240	1,278,240	1,618,271	1,618,271
Other Debtors	1,007,792	1,164,464	1,212,607	1,626,897
Amount Due from Subsidiary Undertaking	593,256	-	740,236	-
Prepayments	210,231	210,231	79,391	79,391
	3,211,432	2,799,848	3,749,244	3,475,298

13 Creditors: amounts falling due within one year

	Charity 2019 £	Group 2019 £	Charity 2018 £	Group 2018 £
Trade Creditors	127,938	177,500	274,259	313,748
Programme Commitments	2,128,281	2,128,281	32,000	32,000
Other Taxation and Social Security	82,813	371,423	36,060	48,281
Other Creditors and Accruals	374,272	384,883	258,159	297,267
	2,713,304	3,062,087	600,478	691,296

Program Commitments are monies in respect of on-going substantial projects, authorised within the year, where payments were made following the Year End

14 Restricted funds and Unrestricted funds

	As at 01 August 2018 £	Incoming Resources £	Resources Expended £	Transfers £	As at 31 July 2019 £
Restricted funds					
Rehabilitation	-	172,980	(197,851)	24,871	-
Economic empowerment	-	-	(363,803)	363,803	-
Emergency relief	3,692,254	3,105,090	(4,712,158)	(181,115)	1,904,071
Education	-	5,785,261	(7,050,409)	1,265,148	-
Education at UK	-	1,801,303	(1,983,179)	181,876	-
Healthcare	-	161,897	(870,682)	708,785	-
WASH	1,939,159	1,229,731	(2,539,186)	-	629,704
Protection and care	-	267,635	(72,981)	(194,654)	-
Religious dues	4,211,865	3,595,473	(2,142,822)	(2,168,714)	3,495,802
Institutional grants	-	565,595	-	-	565,595
Total Restricted funds	9,843,278	16,684,965	(19,933,071)	-	6,595,172
		16,684,965	(19,933,071)		
Unrestricted funds					
Programme funds	3,568,427	1,848,173	(3,505,999)	1,651,104	3,561,705
General fund	2,281,622	2,273,010	-	(3,020,999)	1,533,633
Designated funds (fixed assets)	5,170,968	-	-	1,369,895	6,540,863
Total Unrestricted funds	11,021,017	4,121,183	(3,505,999)	-	11,636,201
Total funds	20,864,295	20,806,148	(23,439,070)	-	18,231,373



NOTES TO THE ACCOUNTS

for the year ended 31 July 2019

- Restricted funds are held for application on affected programmes subsequent to receipt.
- Unrestricted Programme funds balances are held for the Charity's overall work (including humanitarian) subsequent to receipt.
- The general fund represents the amounts that Trustees are free to use in accordance with the Charity's objectives.
- Designated funds are unrestricted funds that have been ring-fenced for replacement of fixed assets (net book value of tangible fixed assets that were originally funded out of unrestricted funds). Fixed assets acquired out of general funds, and transfer to the fixed asset fund, represents the difference between new assets and the depreciation charge for the year.

15 Net assets by funds

	Unrestricted £	Restricted £	Total £
Tangible fixed assets	6,540,863	-	6,540,863
Net current assets	5,095,338	6,595,172	11,690,510
	11,636,201	6,595,172	18,231,373

16 Analysis of change in net funds

	Opening balance 1 August 2018 £	Cash flow movement £	Closing balance 31 July 2019 £
Cash at bank and in hand	11,297,167	1,612,158	12,909,325

17 Commitments

	Group and Charity 2019 £	Group and Charity 2018 £
Land and buildings		
Operating leases expiring		
– within one year	17,000	17,000
– within two to five years	68,000	68,000
– over five years	1,122,000	1,139,000

NOTES TO THE ACCOUNTS

for the year ended 31 July 2019

18 Subsidiary companies

The Charity has three wholly owned subsidiaries. Channel I (UK) Limited, International TV Channel Limited and Runners TV Limited, which are all registered in England and Wales.

These subsidiaries broadcast Islamic educational and religious programmes on free-to-air channels under the name of "IQRA TV" and "IQRA Bangla" via SKY satellite. All activities of the subsidiaries have been consolidated on a line by line basis in the Statement of Financial Activities.

	2019 £	2018 £
Total trading income	2,223,391	2,522,658
Cost of sales	(1,039,045)	(1,337,445)
Gross profit	1,184,346	1,185,213
Administrative expenses	(1,184,346)	(1,184,346)
Profit before charitable donations and taxation	-	867
Interest receivable	-	-
Profit before charitable donations and taxation	-	867

19 Contingent liabilities

There are no contingent liabilities at 31 July 2019 (2018: none)

20 Related party transactions

The Charity has taken advantage of the exemption given by FRS 102, Related Party Disclosures, from disclosing transactions with its wholly owned subsidiaries.

During the year to 31/07/2019, the following Related Party Transactions were affected at the Charity,

- The Charity made donations totalling of £6,000 to Croydon Mosque and Islamic Centre (Reg. Charity 285030) where Shuaib Yusaf is both a Trustee of Croydon Mosque and Islamic Centre and also the CEO of the Charity.
- The Charity paid a membership subscription of £25,000 to the Muslim Charities Forum (an advocacy body for the Muslim segment of the charity sector). Shuaib Yusaf is a trustee of the Muslim Charities Forum and is also the CEO of the Charity;



NOTES TO THE ACCOUNTS

for the year ended 31 July 2019

- The Charity entered into an agreement with PakAID (a UK Registered Charity) for the delivery of Water, Sanitation and Hygiene (WASH), and poverty reduction programmes in Pakistan. An initial funding agreement was executed for £2m. Two of the PakAID trustees (Aisha Chaudhry and Almas Iqbal) are also employees of the Charity.
- As reported in Note (8), a salary of £35,254 is paid to Imam Qasim for duties as the Executive Chairman of the Charity.

21 Taxation

Al Khair Foundation is a registered charity and is not liable therefore to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The irrecoverable VAT is charged to its associated expenditure.

22 Pension costs

We comply fully with auto-enrolment legislation, from July 2014 enrolling new employees into a Group Personal Pension Plan NEST comprising an employer payment of 3% against a 5% employee contribution.

Contributions to the scheme for the year were £30k (2018: £34k) and at the end of July 2019, there were 91 members in the scheme (2018: 85).

Al-Khair Foundation is committed to reducing the suffering of these disadvantaged people by responding rapidly to humanitarian crises, wherever they occur, and aiding anyone affected, irrespective of religion or ethnicity.





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