



THE WORLD
FEDERATION
OF KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITIES



The World Federation is an NGO in
Special Consultative Status with the
Economic and Social Council (ECOSOC)
of the United Nations

Trustees Report & Accounts 2019

CORE VALUES OF The World Federation

Strive for
excellence in all
fields especially
in education

Serve with
simplicity,
sincerity, tenacity
and patience

Engage
grassroots

Prevent
duplication and
support local
efforts and
innovations

Respect others
at all times

Enable and
facilitate all
community
endeavours

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Objectives

OUR VISION:

To be a spiritually vibrant progressive and unified global community for the pleasure of Allah.

OUR MISSION:

To connect and lead the global membership into a unified community to represent its voice and enable them to achieve a shared vision.

OBJECTIVES OF THE WORLD FEDERATION OF KSIMC AND PUBLIC BENEFIT

The World Federation believes that all human beings are entitled to basic provisions, and therefore one of its key strategic objectives is to undertake humanitarian projects to achieve this. The long term aim of the World Federation is to bring about self-sufficiency within the developing world, through providing access to water, healthcare and education for all. In addition, the organisation's core values include spreading the true message of Islam as a religion that emphasises on peace and upholding human values.

We implement our projects through working closely with partners based in different parts of the globe.

Examples of projects undertaken include:-

- Rapid response to emergencies and disasters worldwide
- Relieving financial deprivation through economic development and building human capacity and potential
- Supporting of projects that provide for safe drinking water in developing countries
- Provision of low cost housing
- Provision of necessities to groups that are most vulnerable, such as seniors, children and women
- Sponsoring students from developing countries who wish to study in regions where there is a high level of

education, supported by adequate resources and facilities

- Engagement with various interfaith groups aimed at bridging the gap between Muslim communities and those of other religions, in order to promote community cohesion
- Publication and distribution of Islamic books

Our motto is 'We exist to serve'.

Our constitutional objectives are:

1. to promote the Shia Ithna-Asheri faith throughout the world;
2. to relieve poverty amongst the members of the Community; and
3. to educate members of the Community. (where 'the Community' shall mean all those persons throughout the world who are of the Shia Ithna-Asheri faith)

The following report outlines the activities of the charity in more detail. Each of these activities falls under one of three main departments in the charity, namely:

- (i) Islamic Education
- (ii) WF-AID; and
- (iii) Community Affairs.

These three departments both further the legal objects of the charity and also concentrate our efforts within the plethora of activities we undertake.

An action plan is developed each three-year cycle and guided by conference which forms the basis of the strategic direction of each department. The Trustees monitor the efficacy of our programs and grants through regular reporting from beneficiaries and these are communicated to donors specifically and the public at large on our website. The trustees of The World Federation of KSIMC are committed in ensuring they have considered Section 17 of the Charities Act 2011 guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

STRUCTURE and GOVERNANCE

The World Federation of KSIMC ('The World Federation') is governed by its Constitution dated 27 December 1980, (as amended in May 2014, May 2011, December 2010, October 2009, September 2006, October 2003, June 1997 and October 1990). The accounts have been prepared under SORP 2015.

MEMBERSHIP

The World Federation was registered as a charity in England and Wales on 1 June 1982. It was accredited as a Non-Governmental Organisation ('NGO') in Special Consultative Status with the Economic and Social Council of the United Nations in July 2007 and became a member of the Fundraising Standards Board in February 2008.

Following the implementation of the Charities (Protection and Social Investment PSI) Act 2016, the Charity has reviewed its fundraising activities and confirms that it complies with the regulation. The Charity did not make use of any external fundraisers. No complaints were received in respect of its fundraising activities.

The World Federation is also a member of the Conference of Non-Governmental Organisations in Consultative Relationship with the United Nations (CONGO) - a network organisation of NGOs working in international development.

Furthermore, The World Federation is a founding member of the Muslim Council of Britain (MCB), a member of End Water Poverty and a Board member of the Mosques and Imams National Advisory Board (MINAB). The World Federation is also a member of and Trustee of the Muslim Charities Forum (MCF).

ORGANISATIONAL STRUCTURE

The World Federation has an elected President, Vice President, Hon. Treasurer and Hon. Assistant Treasurer.

The Secretariat, led by a nominated Secretary General, and assisted by a nominated Assistant Secretary General, has overall responsibility of the staff and

volunteers that coordinate the activities of the organisation. The six Office Bearers are the key management personnel of the Organisation and effectively act as the senior management team. The Office Bearers are not remunerated for their services and only reimbursed occasionally for expenses incurred for duties carried out as Trustees.

The World Federation also has an Executive Council, made up of Councillors from its membership, who regularly meets to monitor the organisation's activities and progress. A triennial conference is also organised to discuss the progress of the preceding three-year period and the direction for the next three years. The Conference has the power to adopt important and strategic resolutions and can amend the Constitution.

APPOINTMENT OF THE TRUSTEES

The appointment of the Trustees is governed by the Constitution. In 2017, all six office bearers were members of the Board of Trustees. The Board of Trustees devote their time voluntarily. The organisation undertakes training needs analysis of its Trustees, actively encouraging them to undergo training to fulfil their development needs.

THE CORPORATE GOVERNANCE FRAMEWORK

After a strategic reorganisation in 2006, a significant proportion of The World Federation's services were devolved to its regional members who were better informed of the local needs and resources of the community. A new focused approach enabled the organisation to work through its 3 departments: WF-AID, Community Affairs and Islamic Education. Each department is led by a Head, who is responsible for managing the activities of that department.

The organisation has a corporate governance framework for a clear and decisive strategy. The structured Action Plan for the term 2017-2020 contains operational objectives and has laid down the necessary responsibilities and procedures, so as to ensure that it maximises the impact of its work, while

discharging its statutory duties. The World Federation has an assurance framework of the operational objectives for each of its departments. The performance of these objectives is reported at the meetings of the Executive Council.

STRUCTURE & GOVERNANCE

RESPONSIBILITIES OF THE TRUSTEES

The Trustees are responsible for managing the day-to-day activities of The World Federation as per the Constitution and for preparing the Trustees' Report and the financial statements in accordance with applicable law and the United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the Trustee are required to

1. Select suitable accounting policies and then apply them consistently;
2. Observe the methods and principles in the Charities SORP;
3. Make judgements and estimates that are reasonable and prudent;

4. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

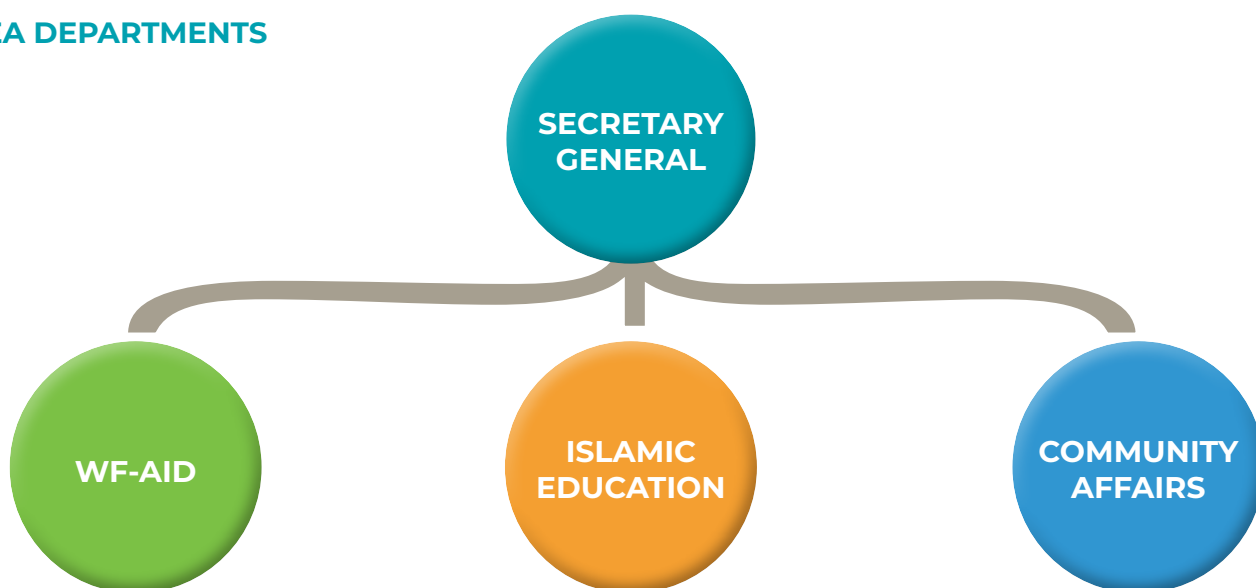
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts & Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity, taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

RELATED PARTIES

The World Federation has policies in place to identify and document related party transactions which are detailed under note 10a of the accounts section.

AREA DEPARTMENTS



Administrative & Reference Details for the year ending 31 December 2019

Status:

Registered charity in England & Wales

Charity No:

282303

Office Bearers

(Key Management Personnel)

President:

Anwarali Dharamsi

Vice President:

Shabbar Dhalla

Secretary General:

Shan E Abbas Hassam

Assistant Secretary General:

Mahmood Dhala

Hon. Treasurer:

Mohamedkazim Bhaloo

Assistant Hon. Treasurer:

Muntazir Bhimji

Accountant:

Mohamed Lakha

Trustees:

Anwarali Dharamsi

Shabbar Dhalla

Shan E Abbas Hassam

Mahmood Dhala

Mohamedkazim Bhaloo

Muntazir Bhimji

Principal Office:

The World Federation of KSIMC

Wood Lane

Stanmore

Middlesex

HA7 4LQ

United Kingdom

Bankers:

Barclays Bank, Harrow, UK

Habib Bank AG Zurich, London UK

Habib American Bank, New York, USA

Auditors:

Haysmacintyre LLP

10 Queen Street Place,

London EC4R 1AG

The WF-AID department engages in international relief and development activities and envisions a world free of suffering, where all human beings have access to basic needs like clean water, food, shelter, sanitation, education and health.

ACTIVITIES INCLUDED:

- Distribution of food in 21 countries including UK in the form of food baskets and iftaars in the month of Ramadan, reaching over 600,000 people.
- Facilitating the slaughtering of goats as part of the practise of Qurbani, which enables those less fortunate around the world to have readily obtainable provisions of food. The meat is distributed in Africa amongst the poor and needy, including widows, orphans, seniors and the disabled. In 2019, we completed a total of 1,209 Qurbanis, including 475 during the Islamic period of Hajj
- Provision of a healthy and nutritious breakfast during each school term to students across East Africa. As a result, teachers have commented on their increased levels of concentration and motivation, as well as improvements to their academic performance and general behaviour.
- Continued focus on long-term solutions to enable desperate communities access to clean water from remote and hard to reach sources. The projects included:
 - Construction of a water turbine to serve 30,000 people in Pakistan
 - Solar powered wells serving refugee families in Bangladesh for drinking, cooking, cleaning and growing crops
 - Water Desalination Plants in Kenya
 - Borehole Maintenance Projects & building of wells in Uganda
- Medical assistance in various regions was provided, including dialysis, cataract surgeries, major and minor hospital treatments for injuries/ sickness, general medicinal aid, and ad-hoc miscellaneous treatments. We have also contributed towards eye surgery equipment, providing hearing aids and wheelchairs. Education is a vital for good long term healthcare, so we have facilitated activities such as dental workshops and physiotherapy sessions.
- Provision of warm clothes, blankets and other heating essentials to those who cannot afford heating during severe cold weather in various regions around the world.
- Initiation of a microfinance project in Pakistan with the objective to alleviate poverty by providing interest free loans to community members. In the first five years, we aim to take at least 1,500 community members and their families out of the poverty trap by providing them micro to small business loans.
- Running the Zainabiya Child Sponsorship Scheme (ZCSS), which gives disadvantaged children and their families a chance to live free from the constraints of poverty with dignity and pride. A number of students across India, Pakistan, Kenya and Tanzania were sponsored for primary and higher education.
- Responding to emergency humanitarian situations arising from disease, famine, natural disaster or violence. In 2019, we responded to needs on the ground when Cyclone Idai struck Mozambique, the earthquake in Kashmir and the landslide in Shigar.



Islamic Education

Islam emphasises the importance of upholding and promoting universal humanitarian values, regardless of race, religion, gender or age. The Islamic Education department of The World Federation promotes these values through the true message of Islam as taught in the Qur'an and demonstrated in practice by the Prophet of Islam (saw) and his Holy Household (as).

The activities of the department fall under the functions described below.

INTERNAL TABLEEGH

The purpose of Internal Tableegh is to promote the teachings of the Qur'an and the Ahl al-Bayt (as) in the Khoja community:

- Two Youth camps were organised in India, one each for boys and girls, to promote Islamic values and principles; address socially relevant topics; and facilitate personal development through games and activities.
- Interactive workshops and youth discussion circles were organised in India on various topics, including the popular Hajj preparation workshop.
- We organised the first-ever North American Muballigheen Seminar in June 2019 in Toronto. The seminar brought together religious scholars of the community to discuss key spiritual challenges facing the community in North America, formulating strategies for working together more effectively to meet these challenges.
- We actively maintain the Ask An Alim web site, a question and answer forum on matters pertaining to the Shia Ithna-Asheri faith. The answers are given by a panel of experts and are then made available online. We also maintain shiawills.org and a Khums Calculator app.
- Our branch office in Najaf enables us to achieve more effective Islamic education and spiritual guidance,

given our relationships with high-ranking scholars. In April 2019, we organised a one-of-a-kind Medical Retreat in Najaf al-Ashraf. Participants from various professional backgrounds from all over the world attended the course over 10 days. Lectures took place on different aspects of medicine covering the religious and spiritual point of view.

EXTERNAL TABLEEGH

The purpose of External Tableegh is to promote the teachings of the Qur'an and the Ahl al-Bayt (as) in communities other than the Khoja community. In 2019, we reached out in 34 countries, working on a variety of projects that increased awareness of the lives of the Ahl al Bayt, including an interfaith event in Paris with inspiring speeches from special Christian and Muslim guests, contributions towards various Muharram programs in 14 countries, raising awareness of the significance of Muharram through printing of various collateral, and facilitating religious courses for scholars.

We are also supporting a project called Discovering Sacred Texts in conjunction with the British Library which has launched online and will feature around 240 digitised sacred texts from the Library's collections.

DIGITAL SERVICES

The purpose of this function is to support the activities of the other three functions of Islamic Education by optimising the opportunities afforded by computer-mediated technologies. In 2019, we launched a series of videos that provide easy to understand and comprehensive answers to pertinent issues facing the community. In addition, we produced:

Ramadan 2019/1440 -
#BecomeAlawiSeries Series of videos

The Spiritual Gems of Hajj

Muharram 2019/1441 - #BecomeHusayni
Series of podcasts

Ziyarat Documentary: 'Heaven on Earth'

Prophet Muhammed (saw) Series of media posts highlighting the beautiful akhlaq of the Prophet

RESEARCH AND PUBLICATIONS

An important area of Islamic Education's work is publishing books on the history, thought, and practice of the Shia Ithna Asheri faith. The team has put into place a robust system for book production. To date, the WF has published 78 titles.

MADRASAH CENTRE OF EXCELLENCE (MCE)

In its sixth year of existence, MCE continued to progress in the four main areas of its work, namely:

- Curriculum Development
- Teacher Development
- Learning Resources
- Assessment and Evaluation

In 2019, a major milestone was the completion of translation of the madrasah curriculum, Tarbiyah, into French.



Community Affairs

The Community Affairs arranges projects and activities that enable our communities to grow and progress, as well as understand and promote our heritage.

KHOJA HERITAGE PROJECT (KHP)

The aim of the Khoja Heritage Project (KHP) is to promote and preserve the legacy and heritage of the Khoja Shia Ithna Asheri Community. KHP endeavours to create a sense of appreciation of an incredible legacy of the founding members of this community. The key objectives of the Khoja Heritage Project (KHP) are:

1. To promote and preserve all aspects of heritage of the Khoja Shia Ithna Asheri Community
2. To collaborate with other Khoja communities in promoting the shared heritage of the Khojas
3. To engage with Academia to enhance the field of academic Khoja Studies

IN 2019:

- A two-day Khoja Studies Conference was organised at Mumbai University, India, bringing academia together to present and discuss the development of Khoja identity over the past centuries among transnational communities in South Asia, East Africa, Western Europe, and North America
- A Khoja Heritage Festival was organised in Watford, UK for 2 days with a full program of activities including a research seminar, skit, and an eye-opening exhibition which engaged the audience with photos, presentations and unique archival material.
- The KHP Reading circle successfully completed its third year which discussing various topics pertaining to the intellectual history of the Khoja Community. So far, more than 50 sessions have been held.

- KhojaPedia, an online encyclopedia that details the socio-religious matters of the Khoja Shia Ithna Ashaeri Muslim community, continues to be expanded, with several new entries chronicling our past.
- An illustrative Global Khoja Map was released which highlights the basic contact details of approximately 150 Khoja Jamaats across the globe. It also offers images of the centres of our community along with its associated contact details.

KHOJA NEWS

KhojaNews.org is a dedicated website, designed for our community to share our news and celebrate our achievements. The website has the latest news on business developments and community projects, such as achievements of Khoja institutions and Khoja individuals and items of interest to the community.

In total, we published 151 news stories in 2019 with contributions from community members, all submitting content that matters to them. Topics varied from personal achievements, memorial pieces, and biographies, each bringing a new perspective and insight into the people who make up our community.

EDUCATION

This department's objective is to empower communities through education and enable them to become self-sufficient. This will create a generation of skilled individuals who will work together to lift their families and communities out of poverty.

Our various education loan schemes aim to provide an opportunity to the students from humble backgrounds to pursue university degrees leading to a successful career.



Financial Review & Statements

FINANCIAL REVIEW

Total income has increased by £3,127,400 and the Resources Expended increased by £611,300 due to generosity of our donors. A summary of these results is shown on the Financial Statements attached to this report.

RISK MANAGEMENT

The Trustees regularly consider all the risks the Charity might be exposed to and take corrective action to implement appropriate systems to mitigate identified risks. Financial risks are considered at the beginning of each year, and with the strengthening of the Secretariat staff; a thorough review of all operational and environmental risks is continuously being assessed.

PRINCIPAL RISKS AND UNCERTAINTIES

The World Federation of Khoja Shia Ithna-Asheri Muslim Communities has a formal risk management process through which the major risks to which the organisation may be exposed and has ranked these by likelihood and impact, culminating in a risk control document which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level. The principal risks and uncertainties identified by the charity are as follows:

Risk Identified:

Inability to sustain overhead expenditure from unrestricted funds.

Action Taken To Mitigate The Risk:

Continuous drive to target endowment / foundation funds for investment to generate income returns that can meet the organisation's overhead costs. Further investments have been made to increase investment income and add to the unrestricted funds of the organisation to

assist with supporting the administration and governance costs.

Risk Identified:

Disbursements and projects sponsored in 'at risk' jurisdictions in the Middle East e.g. Lebanon, Iraq

Action Taken To Mitigate The Risk:

Periodic and thorough Reviews of compliance, reporting and governance procedures for any projects undertaken with partners / agencies in 'at risk' jurisdictions. Furthermore, sending out staff for compliance visits to monitor and report back on funds disbursements to provide comfort that funds are being used for the intended purposes.

Risk Identified:

Reputational risk of constituent members i.e. members of members having negative PR and the ripple effects filtering up to The World Federation as the parent body

Action Taken To Mitigate The Risk:

Development of policies on key areas being created in consultation with our members to ensure that any affiliated organisation to the World Federation meets the required criteria to mitigate reputational risk.

COVID-19

As of May 2020, the outbreak of COVID-19 has affected the charity in a number of ways similar to other organisations.

- The safety of our staff is paramount, so arrangements were made to allow staff to work safely following government advice. Following the lockdown, the office was closed and all staff are working productively from home.
- No staff have been furloughed, thus allowing the charity operations to continue with minimal disruption.
- The impact on the communities we serve has been palpable and is bound

to increase over time. We instituted a number of initiatives, such as conducting live Zoom shows with global participation, producing videos on a number of topics including spiritual, economic and mental health and wellbeing, and trialling an emotional support helpline.

- We have also launched an emergency COVID-19 appeal which has been very successful and we have begun distributing proceeds amongst the vulnerable and impoverished community members who have been hard-hit.
- Over time, we expect the level of donations to drop due to the economic uncertainties caused by the pandemic. In particular, Khums donations are likely to decline as a result of lower earnings and due to a change in the Islamic ruling regarding this particular religious obligation.
- The charity has a significant cash reserve and because of the nature of the charity's investments, this income is not expected to be significantly affected. We have, however, begun sensible cost-cutting measures to control expenses.

INVESTMENTS

The Trustees are actively seeking investment opportunities to invest the Foundation Fund (endowment) monies that have been specifically given by donors for investment purposes. During the year, several investments were made which are outlined below. The Trustees policy is to achieve a return greater than the rate of inflation whilst always taking great care to protect the capital invested.

1. Loan to CoEJ - £600,000

The Trustees agreed to loan an amount of £600k to CoEJ from the Foundation Fund to invest. In return we would get 10% income gift per annum. In 2019 the balance of the loan was repaid in full.

2. Investment in Property- £60,000 + additional £80,750

Following a proposal by the CoEJ on behalf of their constituent member Leicester Jamat for an opportunity to assist in the acquisition of an investment property in

2014, an amount of £60,000 was provided as a capital contribution for Leicester Jamat to purchase the property which entitled The World Federation to a 50% share of the annual income returns generated by the property, which will be let to members of the community.

The net rental per annum yields at 4% and Leicester Jamaat has an annual option to purchase further shares in the property from The World Federation at the market value prevailing at the time. This is an example of an investment which provides the wider benefits of assisting our constituent members to achieve their own self sufficiency whilst also providing a reasonable return to The World Federation.

In 2019 an additional property was purchased with Leicester Jamaat, our contribution being £80,750

3. KSIMC Investments Ltd

KSIMC Investments Ltd was set up as a joint venture UK company by the World Federation of KSIMC (WF) and the Council of European Jamaats (CoEJ) – the founder members - to combine foundation funds and invest in UK real estate for income return. The Board of the company contains equal representation from the founder members whilst the shareholding of the company is in line with each members' capital contributions made. Profit generated by the company would be wholly distributed back to the founder members in line with their respective shareholdings. The decision to contribute investment funds to the Company by the founder members remains with their respective Trustees.

The first investment was made in March 2017, and since then, further properties have been acquired. By the end of 2019, c£3,640,000 had been invested, with the yield of 6.81%.

4. Gifts of Properties

We were given two gifts in kind of properties by donors during the year 2019.

South London Property - This property has been valued at £ 350,000 as at December 2019. The rental generated from this property will be apportioned to projects in line with the donor's wishes and The World Federation objectives.

Essex Property – This property was purchased for £ 335,000 during July 2019. The rental generated from this property will apportioned to projects in line with the donor's wishes and The World Federation objectives.

PROJECTIONS

Investment income projections for the next three years from total donations invested to date, predict an additional income flow to The World Federation in excess of £350,000 per year.

TARGET

The World Federation Foundation Fund team achieved the goal of collecting foundation funds that can be invested to generate sufficient income returns to eliminate the necessity of charging an administrative fee on donations. A 0% admin fee has been in operation from 1st January 2018.

ZERO% ADMINISTRATION POLICY

We understand that donors give their money with the purest of intentions, for the sake of humanity, and they can now be reassured that their money is not being used on overhead costs with our Zero% Admin Policy.

As an organisation that relies on donations to support our programmes, we wanted to ensure that any money donated by our valued donors is completely used to help deliver the chosen charitable activity.

This announcement follows years of preparation and development of a Foundation Fund, where yields generated from investments offer a sustainable method to pay ongoing admin costs.

GRANT MAKING POLICY

The Trustees have a robust policy of rigorously reviewing grant applications that are received. The review of the applications is conducted by the Heads of Departments in line with these policies prior to approval being given for the grant to be made.

Furthermore, once the grants are released, there is a system in place to monitor the effect of the grant and reporting details acquired to ensure that the objective has been satisfied and to report back to the

charity's donors.

RESERVES POLICY

The level of total funds reserves held at the end of the year was £9,668,338. The restricted funds at the year-end amounted to £2,451,746.

£3,184,389 are held as designated funds and it is likely that these funds will be disbursed by the Trustees for the activities intended within the next 12 months.

Unrestricted funds are maintained to cover management and administration costs and to respond efficiently to varying application of grants and pledges made.

The Restricted funds are all continuing projects. Where deficits exist, funds have been received after the year end. Where there are surpluses, the funds are utilised when actual expenditure is incurred.

The Trustees have examined the Charity's requirements for reserves in light of the main risks to the organisation.

The Trustees are committed to generating sufficient reserves to support current organisational activities to meet the following requirements:

- Safeguard the charity's service commitment in the event of delays in receipt of donations or other income
- Providing a financial cushion against risk and future uncertainties.

To this end, the Trustees have established a reserves policy that is reviewed annually to ensure that the appropriate levels of reserves are maintained. However, the trustees are of the view that reserves should not be set too high, tying up funds which could and should be spent on charitable activities. In line with its duties as a service provider, the organization aims to hold unrestricted reserves, excluding those tied up in tangible fixed assets, amounting to three months projected operating costs. This is to minimize any disruption to beneficiaries should a source of income cease. On forecast expenditure this amount is equivalent to £115,500. The actual free reserves at the year-end were £2,570,241 (unrestricted funds, less designated funds, less net book value of fixed

assets, less amounts tied up in investments or held to be invested).

The trustees are continually in the process of raising funds for investment to generate a return that will create unrestricted income.

Free reserves continue to be in excess of the required target amount and therefore the Trustees can consider investing the surplus reserves to generate income and provide future sustainable funding for the organization.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees are responsible for managing the day-to-day activities of The World Federation as laid down by the Constitution. The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources 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 then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2016, the Charity

(Accounts and Reports) Regulations 2008 and the provisions of the trust deed.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

CONCLUSIONS

During the period 1 January 2019 - 31 December 2019, The World Federation has taken significant steps in achieving its operational objectives which were in line with its constitutional objects and the Trustees assert it as a going concern entity.

The World Federation Trustees are grateful to the dedicated service of its staff and many volunteers.

Without their commitment it would be impossible for The World Federation to achieve its objectives and carry out its programs.

The Trustees consider the performance as satisfactory for the year-end 31 December 2019. This report was approved by the board of trustees on 20 July 2020 and signed on its behalf by:

Mohamedkazim Bhaloo
Trustee/Hon.Treasurer

Mohamedkazim Bhaloo

Date: 20 July 2020

Independent Auditor's Report

Opinion

We have audited the financial statements of The World Federation of the Khoja Shia Ithna-Sheri Muslim Communities for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2019 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance

with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 17, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

Independent Auditor's Report

This description forms part of our auditor's report.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

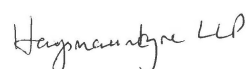
Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place, London EC4R 1AG

21/07/2020

Date:

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

Statement of Financial Activities

FOR THE YEAR ENDED 31 DECEMBER 2019

	NOTES	Restricted Funds £	2019 Unrestricted Funds £	Total Funds £	2018 Total Funds £
INCOME AND ENDOWMENTS FROM:					
Charitable Activities	2	3,276,746	12,530,263	15,807,009	12,600,960
Investments	3	-	37,103	37,103	115,735
TOTAL		3,276,746	12,567,366	15,844,112	12,716,695
EXPENDITURE ON:					
Charitable activities:	4				
Health		49,733	940	50,673	13,669
Relief		2,633,310	8,057,202	10,690,512	9,081,935
Education		44,001	3,141,765	3,185,766	4,219,975
TOTAL		2,727,044	11,199,907	13,926,951	13,315,579
NET INCOME/(EXPENDITURE)		549,702	1,367,459	1,917,161	(598,884)
TRANSFERS BETWEEN FUNDS	17	(1,214,498)	1,214,498	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(664,796)	2,581,957	1,917,161	(598,884)
Total funds at 1 January 2019		3,116,542	4,634,635	7,751,177	8,350,061
TOTAL FUNDS AT 31 DECEMBER 2019		2,451,746	7,216,592	9,668,338	7,751,177

The accompanying notes form an integral part of these accounts.

All activities are continuing and no activities were discontinued this year.

Balance Sheet

AS AT 31 DECEMBER 2019

		2019		2018	
	NOTES	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	11		714,390		687,044
Investment property	12		825,750		60,000
Investments in subsidiary undertakings	13a		100		100
Investments in associates	13b		3,640,050		3,540,050
			-----		-----
			5,180,290		4,287,194
CURRENT ASSETS					
Debtors	14	982,193		788,906	
Cash at bank		4,949,534		3,709,248	
		-----		-----	
		5,931,727		4,498,154	
CREDITORS: amounts falling due within one year	15	(1,253,956)		(844,448)	
		-----		-----	
NET CURRENT ASSETS			4,677,771		3,653,706
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			9,858,061		7,940,900
CREDITORS: amounts falling due after more than one year	16		(189,723)		(189,723)
			-----		-----
NET ASSETS			9,668,338		7,751,177
			=====		=====
FUNDS	17				
Restricted Funds			2,451,746		3,116,542
General Funds			4,032,203		1,868,212
Designated Funds			3,184,389		2,766,423
			-----		-----
TOTAL FUNDS			9,668,338		7,751,177
			=====		=====

The financial statements were approved and authorised for issue by the Board of Trustees on 20 July 2020 and were signed below on its behalf by:

Mohamedkazim Bhaloo

Mohamedkazim Bhaloo
Hon. Treasurer

Shabbar Dhalla

Shabbar Dhalla
Trustee

The accompanying notes form an integral part of these accounts.

Statement of Cash Flow

AS AT 31 DECEMBER 2019

	2019 £	2018 £
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities	2,123,299	276,681
Cash flows from investing activities		
Dividends and interest	37,103	115,734
Payments to purchase investments and investment properties	(865,750)	(230,000)
Payments to acquire tangible fixed assets	(54,366)	(99,992)
Net cash (used in)/provided by investing activities	(883,013)	(214,258)
Change in cash and cash equivalents in the reporting period	1,240,286	62,423
Cash and cash equivalents at the beginning of the reporting period	3,709,248	3,646,825
Cash and cash equivalents at the end of the reporting period	4,949,534	3,709,248

NOTES TO THE STATEMENT OF CASH FLOWS

(A) Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities:

Net movement in funds:	1,917,161	(598,884)
Depreciation charges of tangible fixed asset	27,020	19,373
Depreciation on mobile homes	-	371,333
(Increase)/decrease in debtors	(193,287)	459,992
Increase in creditors	409,508	140,601
Dividends, interests and rents from investments	(37,103)	(115,734)
Net cash provided by/(used in) operating activities	2,123,299	276,681

(B) Analysis of Cash and Cash equivalents

Cash at bank and in hand	4,949,534	3,709,248
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Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2019

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) – (Charities SORP (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Charity is a Public Benefit Entity registered as a charity in England and Wales, it was registered in 1982 (charity number: 282303).

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence as a going concern for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim

and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Income

All income is recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Dividend income is accounted for in the statement of financial activities in the period in which the charity is entitled to receipt. On certain projects an administration fee of 3% is charged on funds received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated services and facilities are included at the value to the charity where this can be quantified, and a third party is bearing the cost. The value of services provided by volunteers has not been included in the financial statements as the value of their contribution cannot be reliably estimated or quantified.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Rental income is recognised in the period in which the income falls due on an accruals basis.

Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants payable are charged in the year when the offer is conveyed to the recipient.

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of investment management and other support costs that do not relate directly to separate charitable activities.
- Expenditure on charitable activities includes the costs of projects on health, relief and education undertaken to further the purposes of the charity and their associated support and governance costs.
- Support costs that are not directly attributable have been allocated to charitable activities based on each function's proportion of total direct costs. Governance costs are allocated in line with other support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the statement of financial activities.

Operating Leases

All operating leases rentals are charged to the statement of financial activities over the terms of the lease.

Employee Short Term Benefits

Short term benefits, including holiday pay, are recognised as an expense in the period in which the service is received.

Employee Termination Benefits

Termination benefits are accounted for on an accruals basis and recognised when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Tangible Fixed Assets and Depreciation

All assets costing more than £1,400 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Fixtures and fittings	- 10% straight line

Investments

Investment properties are included in the balance sheet at their open market value.

Investments in subsidiaries and associates are stated at their actual investment costs.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

Debtors

Trade and other debtors are recognised at the settlement due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligations resulting from a past event that will probably result in the transfer funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Critical Accounting Judgements and Estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. The Trustees consider the following items to be areas subject to estimation and judgement.

Depreciation & Impairments:

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation & impairments, that charge is adjusted retrospectively. As tangible fixed assets are not significant in value, variances between actual and estimated useful economic lives are not expected to have a material impact on the operating results.

2. INCOME FROM CHARITABLE ACTIVITIES

	TOTAL FUNDS 2019 £	TOTAL FUNDS 2018 £
Donations	15,588,252	12,335,730
Subscriptions	502	250
Gift Aid reclaimed	149,499	184,005
Management charges	14,505	69,508
Books and CD sales	4,223	11,467
Legacy	50,028	-
	15,807,009	12,600,960

Included in above are restricted donations of £3,276,746 (2018: £5,809,773). All other income in both years was unrestricted.

3. INVESTMENT INCOME – UNRESTRICTED FUNDS

	Total Funds 2019 £	TOTAL FUNDS 2018 £
Rental income	6,896	103,799
Bank interest	30,207	11,936
	37,103	115,735

4. EXPENDITURE

	Direct Staff Costs £	Direct Other Costs £	Grants Payable £	Support Costs Other Support Costs £	Governance Cost £	Total Funds 2019 £
Health	-	-	49,734	866	73	50,673
Relief	35,209	1,862,509	8,580,669	199,525	12,600	10,690,512
Education	210,169	276,686	2,117,447	551,839	29,625	3,185,766
	245,378	2,139,195	10,747,850	752,230	42,298	13,926,951

COMPARATIVE PERIOD

	Direct Staff Costs £	Direct Other Costs £	Grants Payable £	Support Costs Other Support Costs £	Governance Cost £	Total Funds 2018 £
Health	-	-	12,014	1,588	67	13,669
Relief	34,370	639,226	8,074,748	321,922	11,669	9,081,935
Education	205,166	94,960	3,052,142	840,272	27,435	4,219,975
	239,536	734,186	11,138,904	1,163,782	39,171	13,315,579

5. ALLOCATION OF SUPPORT COSTS	Staff £	Premises £	Office £	Governance £	2019 Total Funds £
Health	-	-	866	73	939
Relief	35,209	14,283	150,033	12,600	212,125
Education	192,259	6,878	352,702	29,625	581,464
	-----	-----	-----	-----	-----
	227,468	21,161	503,601	42,298	794,528
	=====	=====	=====	=====	=====

COMPARATIVE PERIOD	Staff £	Premises £	Office £	Governance £	2018 Total Funds £
Health	-	-	1,588	67	1,655
Relief	34,370	12,517	275,035	11,669	333,591
Education	187,684	6,028	646,560	27,435	867,707
	-----	-----	-----	-----	-----
	222,054	18,545	923,183	39,171	1,202,953
	=====	=====	=====	=====	=====

Support costs that are not directly attributable have been allocated to charitable activities based on each function's proportion of total direct costs. Governance costs are allocated in line with other support costs.

6. GRANTS TO INDIVIDUALS	Number	Total Funds 2019 £	Number	Total Funds 2018 £
Health	2	4,073	2	103
Relief	388	2,722,263	232	1,692,159
Education	160	138,658	194	156,671
	-----	-----	-----	-----
	550	2,864,994	428	1,848,933
	=====	=====	=====	=====

7. GRANTS TO INSTITUTIONS	Total Funds 2019 £	Total Funds 2018 £
Health	45,661	11,911
Relief	5,858,406	6,382,589
Education	1,978,789	2,895,471
	-----	-----
	7,882,856	9,289,971
	=====	=====

Grants awarded over £30,000 to institutions include:

	2019 £	2018 £
Africa Federation	2,102,012	1,690,575
Al Aqeela Foundation	30,534	-
Al Imam AsSajad Foundation	164,000	-
Al-Basaer Charitable Development	177,393	43,150
Al-Khoie Foundation	-	399,294
Al-Sadiq Academy	47,699	-
Alyatem	577,112	2,413,032
Anjuman Samaji Bahbood	191,692	58,384
Association for Pisciculture & Cattle Development	10,641	32,935
Caring is Sharing	36,641	51,902
Council of All KSI Jamaats India Fed	91,075	-
Council of European Jamaats	442,978	517,943
Dar Al Zahra School	122,865	65,273
Federation of KSIJ of Pakistan..	182,279	63,008
Foreningen Ahlul Bait i Dk	-	73,485
Haydari Benevolent Trust	83,528	-
Husaini Education & Welfare Society Trust	208,940	149,606
Hussaini Foundation	484,802	444,238
IFRC/ Iraq Red Crescent	50,652	-
Imaan Trust Ltd	30,000	-
Imam Al Sadr Foundation	565,000	516,674
Imam Khumeini Trust	-	37,848
Imamia Education & Welfare Trust	77,890	70,632
Jaferia Institute of Social Medicine	-	39,273
Khoja Shia Isnaashari Jamaat	120,458	69,940
KSI Medical Aid & Welfare Society - India	36,450	43,986
KSIMC Of Birmingham	8,000	300,000
Madeenat Al-Elm Cultural Foundation	289,792	97,285
MKSI of Dubai	-	136,364
Muslim Aid	-	53,000
Noor Trust	181,809	-
Orison Charitable Trust	340,650	138,875
Orphan Trust	56,870	-
SCI Imaan	79,940	1,379,480
SIJ of New York	274,417	-
Tauheedul Muslimeen Trust	31,008	-
Wiphas	69,884	-

8. GOVERNANCE COSTS

	TOTAL FUNDS 2019 £	TOTAL FUNDS 2018 £
Auditor's remuneration - audit fees (including irrecoverable VAT)	18,000	15,600
Auditor's remuneration - accountancy fees (including irrecoverable VAT)	3,840	3,600
Staff costs	20,458	19,971
	-----	-----
	42,298	39,171
	=====	=====

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

Depreciation of tangible fixed assets:

- Owned by the charity

Auditors' remuneration

- Audit (excluding VAT)

- Accountancy fees (excluding VAT)

TOTAL
FUNDS
2019
£

TOTAL
FUNDS
2018
£

27,020

19,373

15,000

14,500

3,200

3,000

=====

10. STAFF COSTS

2019
£

2018
£

Staff costs were as follows:

Wages and salaries

429,616

419,895

Social security costs

43,230

41,695

472,846

461,590

=====

The average number of employees during the year was as follows:

No.

No.

Education

6

6

Health

5

2

Administration

4

6

15

14

=====

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel are considered to be the Trustees. The Trustees did not receive any remuneration in respect of the services they provided to the organisation.

10 a. RELATED PARTY TRANSACTIONS

During the year ended 31 December 2019, travel and subsistence expenses totalling £4,956 were reimbursed to 4 Trustees (2018: £9,333 to 4 Trustees).

During the year donations from trustees totalled £478,760 (2018: £26,625).

During the year the charity received donations totalling £73,324 (2018: £nil) from Veenak International Limited, an entity where the Secretary General is a director.

During the year no Trustees (or any persons connected with them) received any remuneration or any benefits in kind (2018 - £Nil).

During the year the charity received £1,330,440 (2018: £1,388,846) from Africa Federation and paid £2,102,012 (2018: £1,690,575). Included in debtors are amounts due from Africa Federation amounting to £242,231 (2018: £149,404). Africa Federation is a related party as the President is also a trustee of Africa Federation.

During the year the charity paid donations of £700 (2018: £10,245) to Sakina Trust, a UK registered charity in which the Secretary General is a trustee.

There were no other related party transactions in the year.

11. TANGIBLE FIXED ASSETS

	Land and Buildings £	Furniture, Fittings and Equipment £	Software £	Total £
COST				
At 1 January 2019	651,145	73,491	99,992	824,628
Additions	-	1,684	52,682	54,336
At 31 December 2019	651,145	75,175	152,674	878,994
DEPRECIATION				
At 1 January 2019	104,184	33,400	-	137,584
Charge for the year	13,022	6,364	7,634	27,020
At 31 December 2019	117,206	39,764	7,634	164,604
NET BOOK VALUE				
At 31 December 2019	533,939	35,411	145,040	714,390
At 31 December 2018	546,961	40,091	99,992	687,044

Between 2008 and 2016, building work was carried out in Canada with a total cost incurred over that period of £651,145

12. INVESTMENT PROPERTY

	2019 £	2018 £
Market Value		
At 1 January 2019	60,000	60,000
Additions	765,750	-
At 31 December 2019	825,750	60,000

In addition to the brought forward £60,000 invested for a 50% equitable share in a residential property with the aim to generate rental income for the use of charitable purposes, the Charity has also invested £80,750 in another property for similar purpose. These are classified within FRS 102 as a social investment. All other additions in the year have been included at the trustees' valuation, who do not believe there to be a material movement in their fair value between their acquisition and the year-end.

13 a. INVESTMENT IN SUBSIDIARY UNDERTAKING

	2019 £	2018 £
100% ordinary share capital of WF Productions Limited	-	100
Investment loss on company being struck-off	-	(100)
100% ordinary share capital of KSIMC Residential Investments Limited	100	100
Registered in England & Wales (company number 10986218)		

13 b. INVESTMENT IN ASSOCIATE

	2019 £	2018 £
KSIMC Investments – A shares	50	50
KSIMC Investments – B shares	3,540,000	3,310,000
KSIMC Investments - B shares issued in the year	100,000	230,000
	3,640,050	3,540,050

14. DEBTORS	2019 £	2018 £
Amounts due in within one year		
Loans to individuals	129,368	137,536
Loans to Charitable organisations	429,984	152,665
Other debtors	421,350	192,234
Prepayments	1,491	201,364
Tax refunds	-	20,798
	982,193	704,597
Amounts due in more than one year		
Loans to Charitable organisations	-	84,309
	982,193	788,906

15. CREDITORS: amounts falling due within one year	2019 £	2018 £
Other creditors	890,553	623,725
Trade creditors	328,818	194,427
Accruals	21,840	16,000
Other taxation and social security	12,745	10,296
	1,253,956	844,448

16. CREDITORS: amounts falling due after more than one year	2019 £	2018 £
Other creditors	189,723	189,723
	189,723	189,723

This amount is held in trust for an associate member organisation.

17. STATEMENT OF FUNDS

	BROUGHT FORWARD 01/01/2019 £	INCOME £	EXPENDITURE £	TRANSFERS £	CARRIED FORWARD 31/12/2019 £
DESIGNATED FUNDS					
Khums	191,156	3,959,709	(2,885,882)	(885,992)	378,991
WF-AID	870,753	5,222,957	(5,200,937)	261,498	1,154,271
Investment Fund	1,496,000	-	-	-	1,496,000
Huqooq	208,514	461,342	(475,229)	(39,500)	155,127
	2,766,423	9,644,008	(8,562,048)	(663,994)	3,184,389
UNRESTRICTED FUNDS					
General Fund	1,868,212	2,923,358	(2,637,859)	1,878,492	4,032,203
Total Unrestricted Funds	4,634,635	12,567,366	(11,199,907)	1,214,498	7,216,592
RESTRICTED FUNDS					
Hiridjee Foundation Fund	493,370	502,792	(393,892)	(585,825)	16,445
Health	9,975	74,043	(49,733)	-	34,285
Late R.R. Merali Fund	513,464	-	-	-	513,464
Mogadishu Fund	480,942	250,000	-	-	730,942
Amanat Trust Fund	1,514,481	2,086,269	(1,934,414)	(576,957)	1,089,379
Education	37,200	24,672	(44,001)	-	17,871
Mamas	-	120	-	-	120
Zainabiya Child Sponsorship Scheme	18,972	328,094	(252,749)	(51,716)	42,601
Yasir Asir Sponsorship Scheme	48,138	10,756	(52,255)	-	6,639
Total Unrestricted Funds	3,116,542	3,276,746	(2,727,044)	(1,214,498)	2,451,746
Total Funds for the Charity	7,751,177	15,844,112	(13,962,951)	-	9,668,338

17. STATEMENT OF FUNDS (RESTATED) COMPARATIVE - 2018		BROUGHT FORWARD 01/01/2018 £	INCOME £	EXPENDITURE £	TRANSFERS £	CARRIED FORWARD 31/12/2018 £
DESIGNATED FUNDS						
Khums		457,595	3,190,653	(2,037,557)	(1,419,535)	191,156
WF-AID		431,128	1,820,165	(1,685,268)	304,728	870,753
Investment Fund		1,496,000				1,496,000
Huqooq		150,177	315,098	(197,961)	(58,800)	208,514
		-----	-----	-----	-----	-----
		2,534,900	5,325,916	(3,920,786)	1,173,607	2,766,423
		=====	=====	=====	=====	=====
UNRESTRICTED FUNDS						
General Fund		2,068,117	1,581,006	(2,860,656)	1,079,745	1,868,212
		-----	-----	-----	-----	-----
Total Unrestricted Funds		4,603,017	6,906,922	(6,781,442)	(93,862)	4,634,635
		=====	=====	=====	=====	=====
RESTRICTED FUNDS						
Hiridjee Foundation Fund		506,393	-	(13,023)	-	493,370
Health		7,134	14,855	(12,014)	-	9,975
Late R.R. Merali Fund		513,464	-	-	-	513,464
Mogadishu Fund		480,942	-	-	-	480,942
DT Fund		2,110,477	5,557,573	(6,153,569)	-	1,514,481
Education		32,021	32,534	(27,355)	-	37,200
Mamas		348	120	(19,068)	18,600	-
Zainabiya Child Sponsorship Scheme		1,148	193,375	(250,813)	75,262	18,972
Yasir Asir Sponsorship Scheme		95,117	11,316	(58,295)	-	48,138
		-----	-----	-----	-----	-----
Total Restricted Funds		3,747,044	5,809,773	(6,534,137)	93,862	3,116,542
		-----	-----	-----	-----	-----
Total Funds for the Charity		8,350,061	12,716,695	(13,315,579)	-	7,751,177
		=====	=====	=====	=====	=====

Restatement of funds relates to correcting the classification of the brought forward fund balances.

TRANSFERS

Transfers have been made at the Trustees discretion from designated and unrestricted funds to cover deficits or shortfalls on other funds. Restricted funds have been lawfully released to unrestricted funds where charity law permits the use of an excess of restricted funds raised from an appeal for an alternative charitable purpose within general or designated funds. Where an asset has been purchased from a restricted fund donation but is held for a general and not a restricted purpose, a transfer of restricted funds to unrestricted funds may also be made at the discretion of the Trustees.

DESIGNATED FUNDS

WF-AID - Funds for the humanitarian work undertaken by International Relief and Development through emergency relief, community development schemes, reconstruction and rehabilitation projects to the underprivileged people who lack basic provisions in regions of deprivation, war and natural disasters.

Investment Fund - Funds used for investments, where the income generated can be utilised for operational expenses.

Khums & Huqooq Funds - Specific funds to be utilised in accordance to the teachings of the Islamic faith and at the discretion of the trustees.

RESTRICTED FUNDS

Hiridjee Foundation Fund - Specific Funds received and utilised for the construction of an Information Resource Centre in Canada.

Health - This fund is used for the health projects undertaken by The World Federation including four primary healthcare centres and four eye clinics in South Asia, where the underprivileged are given medical help and educated in hygiene and preventative measures.

The Late R R Merali Fund - Funds representing the legacy donation of a freehold land and building (note 11).

Mogadishu Fund - Funds used for investment, where the income generated should be utilised on education and tabligh (Islamic education) projects.

Amanat Trust Fund – Third-party funds held on behalf of donors to be utilised for charitable purposes in accordance to their instructions.

Education - This fund is used for the education activities of The World Federation with an aim of assisting deprived children to receive quality education so that they can support their families and communities.

Mulla Asgher Memorial Academic Scheme (MAMAS) - This scheme is aimed at supporting education of children and youth in Africa.

Zainabiya Child Sponsorship Scheme (ZCSS) - This Scheme is aimed at eliminating poverty through education of children and youth. Deserving students are being sponsored for their studies from primary to higher education.

Zainabiya Yatim & Asir Sponsorship Scheme - This is a scheme is aimed at providing education and basic amenities to the growing number of orphan and refugee children who have been afflicted by war.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2019 RESTRICTED FUNDS £	2019 UNRESTRICTED FUNDS £	2019 TOTAL FUNDS £
Tangible fixed assets	533,939	180,451	714,390
Investments	-	4,465,900	4,465,900
Current assets	1,917,807	4,013,920	5,931,727
Creditors due within one year	-	(1,253,956)	(1,253,956)
Creditors due more than one year	-	(189,723)	(189,723)
	-----	-----	-----
	2,451,746	7,216,592	9,668,338
	=====	=====	=====

ANALYSIS OF NET ASSETS BETWEEN FUNDS - COMPARATIVE (RESTATED)

	2018 RESTRICTED FUNDS £	2018 UNRESTRICTED FUNDS £	2018 TOTAL FUNDS £
Tangible fixed assets	546,961	140,083	687,044
Investments	-	3,600,150	3,600,150
Current assets	2,569,581	1,928,573	4,498,154
Creditors due within one year	-	(844,448)	(844,448)
Creditors due more than one year	-	(189,723)	(189,723)
	-----	-----	-----
	3,116,542	4,634,635	7,751,177
	=====	=====	=====

19. OPERATING LEASE COMMITMENTS

	2019 £	2018 £
At 31 December 2019, The charity's future minimum operating lease payments are as follows:		
Less than 1 year	444	1,146
1-2 years	-	3,338
	-----	-----
	444	4,485
	=====	=====

20. CAPITAL COMMITMENTS

Capital commitments contracted but not provided for in the financial statements amounted to £4,860.

This represents the remaining amounts payable under a contract with Pythagoras for the development of a new CRM system.

21. POST BALANCE SHEET EVENTS

Due to COVID-19, which is a non-adjusting post balance sheet event, the trustees have carefully assessed the charity's investments. The property investments are long-term and none of them are impaired. As such, the trustees are of the opinion that there is no need for any adjustment to be made to the value of these investments.



Looking Ahead

The COVID-19 pandemic caused our triennial conference that was scheduled for March 2020 to be postponed until it is safe for it to be held. By way of a resolution, the current trustees term has therefore been extended. We will be organising a smooth handover to the new team that comes into power.

The effects of COVID-19 will introduce new challenges to our ways of working and delivering our projects. However, we will remain alive to the new possibilities to adopt different working practises and increasing our efficiencies.

WF-AID, the sub-brand of the organisation focussing on humanitarian aid, has been establishing partnerships with the youth of the community to exponentially grow our outreach. The increased social awareness benefits the youth as well, as they seek to tie in their activities in sports and otherwise to a wider objective of giving to those who are less fortunate. We are aiming to increase such partnerships and awareness.

Our efforts on spiritual growth continues via a growing programme of projects in Digital Services where we look to harness the power of digital technology.





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I would like to sincerely thank each and every one of you for your heartfelt support - from our devoted staff working daily on the multitude of projects, to our volunteers around the globe who serve with inspiring dedication, and above all, to our donors and sponsors for their ongoing contributions which make everything we do possible.

Anwarali Dharamsi

President | The World Federation of KSIMC



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Registered Charity in the UK No: 282303

The World Federation is an NGO in Special Consultative Status with
the Economic and Social Council (ECOSOC) of the United Nations