

# Ar-Rahmah Trust

## Annual Report 2018

*Trustees Report and Financial Statements For the year ended 31 March 2018*



## Ar-Rahmah Trust

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## **Ar-Rahmah Trust Trustees' report for the year ended 31 March 2018**

The trustees present their report and the financial statements of the charity for the year ended 31 March 2018. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document.

### **Reference and administrative details of the charity**

#### **Charity registration number**

1121296

#### **Correspondence address**

203 St Bernards Road  
Solihull  
West Midlands  
B92 7DL

#### **Trustees**

M Asif (Chair)  
Q Z Saleem (Secretary)  
M Nadeem

#### **Bankers**

TSB Bank  
22A Great Hampton Street  
Birmingham  
B186AH  
Al Rayan Bank  
394 Coventry Road  
Birmingham  
B10OUF

#### **Independent examiner**

Mainstream Accountancy Services  
527 Moseley Road  
Birmingham  
B12 9BU

## Message from Chairman

The past year has been a very successful year for Ar-Rahmah Trust, and I am delighted that the charity is growing from strength to strength.

I am very pleased that in 2017/18 we have been able to support more orphans. We have focused on supporting vulnerable young women and providing basic essentials to the very poor and needy of water, food and education, which is the basic right of every human being.

We have provided emergency aid to starving and helpless people who have been displaced from their homes because of tragic circumstances either fleeing persecution or being victims in a war zone.

Our greatest achievement has undoubtedly been the start of the construction of the first phase of the Ar-Rahmah Orphan Boarding Complex for 500 orphans near Lahore in Pakistan, which hopefully is on schedule to be completed by 2020/21.

I am pleased to report that our income for the year has been a noticeable increase on the previous years despite the economic and social conditions. Fundraising activity and revenues continue to have strong support from the local community.

I would like to offer my deep thanks and heartfelt appreciation to all those who have worked so hard to improve the lives of so many people throughout the world; to my fellow trustees who have devoted much of their time and expertise to supporting the charity, the C.E.O. Waseem Khan, staff, loyal volunteers, supporters and above all our donors without whom this tremendous work would not have been possible.

**Mohammed Asif**  
**Chairman Trustee**

## Message from Chief Executive

Ar-Rahmah Trust are pleased to announce in this annual report, the amazing work that the charity has carried out during the year April 2017-March 2018. In the wake of an increasingly challenging financial environment due to increased competition for funds within the sector, the staff and senior management team at Ar-Rahmah Trust have continued showing their utmost professionalism to achieve a higher charitable income than in previous years, alongside managing the charity's day to day affairs in-line with our organisational values and objectives.

This report shows the significant progress that Ar-Rahmah Trust has made over the last year, all thanks to the unwavering support we have received from our donors who wish to make a significant difference to the lives of thousands of poor and vulnerable people across the world. Our emergency campaigns in the form of food and winter packs have also provided humanitarian assistance to the Rohingya community, alongside the regular and consistent support that we have been providing since 2015 for the Syrian refugees displaced by the internal conflict.

Over the last year, together with previous years, one of the most precious gifts that our donors have given to orphan and vulnerable children is the access to education. Regular donations in the form of orphan sponsorships have eliminated obstacles in learning for some of the most disadvantaged communities in Pakistan and across the world. An overwhelming percentage of people living in poverty in Pakistan and the developing world are widows and their children. The reality is such that men are the main breadwinners. If they die, women and children often struggle to survive and must beg help from others or go out to work. Education, play and other childhood pursuits are a luxury they cannot afford.

This is the reason why our focus continues to concentrate on Pakistan, and the ground-breaking project that Ar-Rahmah Trust has undertaken to build a 500 Orphan Girls complex, one of the largest in Pakistan. We envisage that 2018/2019 will be a productive year for the construction work at the complex and that completion of phase 1 will be in line with the 2020/2021 targets outlined in last year's report.

As Chief Executive of Ar-Rahmah Trust, I would like to thank our staff, senior management team and donors. It is your unwavering support and prayers that have made it possible for the charity to continue serving humanity. We pray that all our efforts are accepted, and we continue to fulfil our trust in supporting orphans, the destitute and all those across the world who are in need of humanitarian assistance.

**Waseem Khan (M.A)**  
**Chief Executive**

## Highlights of the year

Throughout 2017/18, Ar-Rahmah Trust has worked hard to successfully secure new income to support its charitable activities and deliver its plans.

- Income for the year 2017/18 was above £600k.
- In Ramadan 2017 £272k was raised to support charity projects.
- Approx. £215k raised solely towards the construction and development of the charities large scale 500 orphan girls complex project in Pakistan.
- 120 hand water pumps and 55 Motor Pumps installed in poor areas of Pakistan in 2017/2018.
- 3 mountain settlements in Pakistan benefitted from fresh water supplies via Ar- Rahmah Trusts piping systems that facilitated access to water on a daily basis.
- Rohingya “Need 2 Feed” campaign provided approx. 1,500 monthly food parcels to displaced Rohingya refugees residing in Bangladesh.
- Rohingya “Ease the Freeze” campaign provided approx. 1,600 emergency winter packs to displaced Rohingya refugees residing in Bangladesh.
- Syria “Ease the Freeze” campaign provided approx. 1,200 emergency winter packs to displaced Syrian refugees residing on the Turkey/Syria border.
- Free Eye clinics were run successfully in Pakistan to benefit poor people and free treatments were conducted. The eye camps attracted approx. 900 people who benefitted from free eye check-ups and treatment.
- Community of Stoke independently conducted an Eid in the Park event for Ar-Rahmah Trust complex appeal in Sep 2017. Over 2,500 people attended the event and raised approx. £10,000
- Hundreds of poor families in Pakistan, Eritrea and Bangladesh were provided with over 1,000 food parcels and rations that catered for their nutritional needs for an entire month during the month of Ramadan.
- 73 Orphan girls continue to be sponsored at the Rawalpindi boarding school for girls. Alongside this over 20 homebased Orphans were sponsored in Pakistan and Sudan.



## About Ar-Rahmah Trust

Ar Rahmah Trust has steadily continued to expand its projects meeting the needs of orphans, widows, the poor and destitute across the world, providing them with education, health, food aid, livelihood support and most importantly empowering people with the essential knowledge and skills needed to build their own future with dignity and self-respect.

The charity aims to focus its attention on providing continuous and sustained assistance and support to orphans, poor and vulnerable women through sustainable development programmes, ensuring that they receive long term support and provision throughout the course of their lives, helping them to rebuild their future, as well as their self-esteem, bringing in to their lives more optimism and purpose. Alongside this the charity also aims to prevent or in certain cases contribute to the prevention and relief of poverty across the world.

### Objectives and activities

#### a. Summary of objectives

The objectives of the charity as set out in its Trust Deed are as follows:

1. the advancement of education, relief of poverty and the promotion of good health anywhere in the world
2. the relief of suffering amongst victims of natural or other kinds of disaster anywhere in the world
3. for such general charitable purposes anywhere in the world as the trustees may deem fit from time to time.

#### b. Activities for achieving objectives

During the year the charity achieved its objectives as stated in its governing document by undertaking the following charitable activities:

1. Food aid
2. Education
3. Supporting orphans
4. Healthcare
5. Community empowerment

Further details of each of the above activities is provided below:

### 1. FOOD/EMERGENCY AID

#### Ramadan Food Programme Pakistan

Like previous years, before the onset of Ramadan 2017, food parcels were distributed to the poor, destitute, elderly, disabled, widows and orphans. 690 Food parcels weighing 35kg each consisting of flour, rice, cooking oil, sugar, lentils and dates were distributed to poor families in the various areas of Pakistan. Approximately 4,140 people benefitted from the monthly food packages.

Ar-Rahmah Trust also provided Suhor and Iftar meals in different areas around the Punjab. Approx. 350 people on a daily basis benefitted from free meals throughout the month of Ramadan.

#### Bangladesh

260 food parcels were distributed through our partner agency Al Ihsan foundation based in Bangladesh. Approximately 1,300 people benefitted from the monthly food packages.

### **Sudan**

100 food parcels were distributed through our partner agency Kebire Relief on the Sudan border with Eritrea.

### **Zakat Al-Fitr Pakistan**

On the occasion of Eid Al-Fitr 2017 Ar-Rahmah Trust UK made arrangements for the distribution of Zakat Ul-Fitr funds. Like previous years, this year food products were distributed to the poor families before the Eid day. 15kg food parcels were distributed to 3,690 families benefitting over 14,000 people when equated to 1 family consisting of 4 members.

100 Zakat Ul Fitr packs were also given to 100 new Muslim families who had embraced Islam in Pakistan.

### **Qurbani UK**

Qurbani in the UK was a national project in which Ar-Rahmah Trust worked in collaboration with National Halal (GHFG) Muslim Based charity HHUGS, and Islam Wise in order to revive the Prophetic Sunnah of Qurbani, of consuming the Qurbani meat and more importantly benefitting those who are poor and destitute within the local community, both Muslim and non-Muslim. 120 bags containing approx. 5kg meat were distributed to poor families across the West Midlands, including newly arrived Syrian refugees who had been given council accommodation.

### **Qurbani Pakistan**

380 packets of 2kg meat were prepared and distributed to the poor and needy in Pakistan. Approx. 1,900 poor people benefitted from the 380 food packets.

### **Syria Need 2 Feed**

Over £21,000 was raised to provide approx. 870 Syrian refugee families with monthly food rations in March 2017. Distribution took place in Turkey near the Syrian border in refugee camps.

### **Water Projects**

127 hand water pumps and 55 Motor Pumps installed in poor areas of Pakistan in 2017/2018.

### **Rohingya Need 2 Feed**

1,500 monthly food parcels distributed to refugees living in makeshift camps in Bangladesh in Oct 2017.

### **Rohingya Ease The Freeze**

1,600 Winter packs were distributed to refugees living in makeshift camps in Bangladesh in Feb 2018.

### **Syria Ease The Freeze**

In line with the objectives of the charity to provide mercy for those in need during a harsh winter in Syria, 1,200 winter packs were distributed to Syrian refugees in Dec 2017.

## **2. EDUCATION**

### **Ar-Rahmah Institute**

This institute, based on the outskirts of Lahore-Pakistan, provides education to 110 poor and orphan boys funded by the charity. They study to a master's degree level of Postgraduate education. The students are also provided with food, education, books as well as hostel accommodation. The students have achieved some of the best results in the country.



### **Quran Academy**

Ar-Rahmah believes every child has the right to education despite their social deprivation. Hence the charity funded Quran Academy, in Faisalabad-Pakistan, where poor and orphan children are provided with basic education in Maths, English and Science. They are also taught how to read the Qur'an. This enables these children to attain basic education, which otherwise they would not have received due to their poverty. The Quran academy caters for the educational provision of approx. 60 students.

## **3. SUPPORTING ORPHANS**

### **Orphan sponsorship boarding school Pakistan**

Orphan care and wellbeing is a key activity of Ar-Rahmah Trust. At the end of the year, there were 73 orphan girls who were provided with free full boarding, in Rawalpindi-Pakistan. The boarding included free education, accommodation, healthcare, food, books, stationery, uniforms and other essentials.

### **Pakistan homebased orphans**

Approx. 12 homebased orphans are provided support to cater for their educational, medical and nutritional needs in various towns and cities across Pakistan.

### **Ar-Rahmah 500 Orphans Boarding Complex**

Construction work has started on the purpose build complex. A three-storey grey structure to house and educate the orphan girls has been completed. Future work will involve a perimeter wall alongside internal completion of the grey structure building.

### **Sudan homebased orphans**

Campaign was launched in May 2016 alongside Kebire Relief who operate on the Sudanese and Eritrean border and is a British based charity. Ar-Rahmah have taken the responsibility of 20 homebased orphans that will be marketed to seek regular monthly sponsorship.

## **4. HEALTHCARE**

### **a) Medical dispensary**

Ar-Rahmah Trust has been running a free medical dispensary in Faisalabad, which is open every day. It is situated in an extremely poor and socially deprived neighbourhood. It attracts 20-30 patients every day. The patients are given free medicines, blood tests and treatment

A free ambulance service is also provided to transport poor and disabled patients between home and treatment centres.

### **b) Eye Camp**

A free eye camp is arranged twice a year run by experienced eye surgeons in a very poor area of Faisalabad, Punjab, Pakistan. 400 to 500 free eye tests are performed in each camp. Some prevent fatal eye diseases and blindness due to early detection. 30 to 40 surgical eye operations are performed. All medicines and glasses are supplied free of charge to the patients. Some patients who travel from far distances are also provided with free meals. Ar-Rahmah Trust recognises that healthcare should not just be a privilege of those that can afford it.

## **5. COMMUNITY EMPOWERMENT**

The trustees frequently review the activities of the charity to ensure they continue to reflect the objectives and aims of the charity and provide an overall benefit to the public. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit.

**Achievements and performance**

Each aforementioned charitable activity was carried out systematically through a project. The details of which are as follows:

**Sewing classes**

Ar-Rahmah Trust aims to empower communities to help themselves. It organised and ran sewing classes, in Faisalabad-Pakistan, as self-reliance schemes for the poor thus helping the needy to become self-sufficient and less reliant on aid. This allows poor and vulnerable women to live a life of dignity and respect

**Marriage support**

Marriage is an essential aspect of life and enables both man and woman to complete life to its full. Due to poverty many people cannot afford to marry. Many men and women were helped to fulfil this union by providing them with essential items of living such as furniture, beds, cooking utensils, clothes and essential household appliances.

**Supporting widows**

Many widows live a very difficult and miserable life because they do not have any source of income. Some widows were financially helped to enable them to buy essential items such as food and clothing. This gave them a decent standard of living, which every human being is entitled to.

**Masjid Ar-Rahmah Faisalabad**

The area has a high concentration of people who reside within the locality of the masjid, who have now been able to benefit from the services provided at Jamia Masjid Ar-Rahmah. Providing much more than a place of worship, many essential community services are delivered at the masjid such as weekly services congregation, children's classes, funeral and burial services and Ramadan facilities.

## **Plans for the Future**

### **a) Ar-Rahmah Orphan Boarding Complex**

Grey structure is now near completion and next stage of construction will involve building a perimeter wall that will cover the entire 10-acre area of land for the 500 Orphan girls complex.

### **b) Online Fundraising/digital marketing**

Invest in online digital marketer and introduce systems that generate more funding via online platforms in order to save resources and build on fundraising each year.

### **c) Global Reach**

Promote campaigns to international audiences and network with potential international donors who show interest in working alongside and supporting the campaigns and projects of Ar Rahmah Trust.

### **d) Humanitarian Aid work**

Have a set budget allocated each year to provide emergency response to humanitarian disasters and conflicts across the world affecting poor and destitute. Continue providing seasonal support such as winter clothing and food projects to the poor.

### **e) UK based workshops**

Ar Rahmah will be providing educational workshops in the UK to tackle youth violence and drugs awareness. The workshops will be delivered across the UK and will target the younger community 12-21-year olds.

## **Structure, governance and management**

### **a. Governing document**

The charity is governed by its Trust deed which was adopted by the trustees on 2nd October 2007 and subsequently amended on 29th June 2008.

### **b. Method of appointment and induction of new trustees**

New trustees are appointed by existing trustees and are briefed on their legal obligations under charity law, the content of the Trust Deed and recent performance of the charity.

### **c. Organisational structure and decision making**

Ar-Rahmah Trust is a UK based charity that works with a number of partner organisation overseas through which it delivers programmes supporting Community Empowerment, Education, Food Aid, Healthcare and Orphans. The board of Trustees of the charity oversee the running of the charity on a day to day basis. All operational decisions are made at board meetings which are held frequently through the year.

### **d. Risk management**

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems and procedures are in place to mitigate our exposure to those risks.



## Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.


The law applicable to charities in England and Wales requires the trustee(s) 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 of the Charities SORP
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and;
- 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 which disclose with reasonable accuracy the financial position of the charity and to enable them to ascertain to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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 in accordance with legislation in the United Kingdom governing preparation and dissemination of financial statements.

This report was approved by the Trustees on 29 January 2019 and signed on their behalf by:



M Asif  
Trustee



## Independent examiner's Report to the Trustees of Ar-Rahmah Trust

I report on the accounts of the Trust for the year ended 31 March 2018, which are set out on pages 14 to 23.

### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general directions given by the commission under section 145(5)(b) of the 2011 Act;
- to state whether particular matters have come to my attention.

### Basis of independent examiner's statement

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

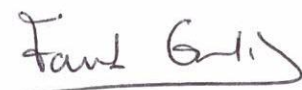
### Independent examiner's statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the 2011 Act and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**F B B Galia BSc (Hons), FCA**

MAS (Bham) Ltd T/A Mainstream Accountancy Services  
New Inn Business Centre  
527 Moseley Road  
Birmingham  
B12 9BU

29 January 2019

**Statement of financial activities**  
for the year ended 31 March 2018

		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Note	2018 £	2018 £	2018 £	2017 £
<b>Incoming and endowments</b>					
Donations	2	69,225	524,799	594,024	535,987
Charitable activities	3	2,150	8,760	10,910	10,295
Other		-	-	-	28
<b>Total incoming resources</b>		<b>71,375</b>	<b>533,559</b>	<b>604,934</b>	<b>546,310</b>
<b>Expenditure</b>					
Raising funds	4	8,128	67,926	76,054	91,107
Charitable activities	5	31,746	788,047	819,793	425,846
<b>Total resources expended</b>		<b>39,874</b>	<b>855,973</b>	<b>895,847</b>	<b>516,953</b>
<b>Net incoming resources before transfers</b>		<b>31,501</b>	<b>(322,414)</b>	<b>(290,913)</b>	<b>29,357</b>
<b>Gross transfers between funds</b>	14	-	-	-	-
<b>Net movement in funds for the year</b>		<b>31,501</b>	<b>(322,414)</b>	<b>(290,913)</b>	<b>29,357</b>
Total funds brought forward	14	(4,109)	366,704	362,595	333,238
<b>Total funds carried forward</b>	14	<b>27,392</b>	<b>44,290</b>	<b>71,682</b>	<b>362,595</b>

All activities relate to continuing operations.

The notes on pages 16 to 23 form part of these financial statements.

**Balance sheet**  
at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Tangible assets	11	394	120,074
		<b>394</b>	120,074
<b>Current assets</b>			
Debtors	12	8,281	24,738
Cash at bank and in hand		77,856	273,629
		<b>86,137</b>	298,367
<b>Creditors:</b> amounts falling due within one year	13	(14,849)	(55,846)
<b>Net current assets</b>		<b>71,288</b>	242,521
<b>Net assets</b>		<b>71,682</b>	362,595
<b>Charity Funds</b>			
Unrestricted Funds	14	27,392	(4,109)
Restricted Funds	14	44,290	366,704
<b>Equity shareholders' funds</b>		<b>71,682</b>	362,595

The financial statements were approved by the Trustees on 29 January 2019 and signed on their behalf by



M Asif  
Trustee

## Notes to the financial statements

### for the year ended 31 March 2018

#### 1. Accounting policies

The principal accounting policies adopted in the preparation of the financial statements are as follows:

##### 1.1. Basis of preparation of financial statements

The financial statements have been prepared under the historic cost convention in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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).

Ar Rahmah Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

##### 1.2. Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition to FRS 102 there were no changes in accounting policies that had an impact on previously reported balances under UK GAAP. Consequently, no restatement of previously reported balances under the previous GAAP was required.

##### 1.3. 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.

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.

##### 1.4. Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.



## **1. Accounting policies (continued)**

### **1.5. Incoming resources**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably.

Donations, gifts and grants that provide core funding or are of general nature, are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from Charitable Activities - Including income recognised as earned from the related goods or services which are provided.

### **1.6. Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Charitable Activities include those costs that are directly related to the objectives of the charity.

Governance costs include those incurred in the governance of its assets and are primarily associated with constitutional and statutory requirements.

Support Costs for a single activity are allocated directly to that activity. Where support costs relate to several activities they have been apportioned on the basis of resources consumed by those activities. In allocating the support costs, the trustees have ensured that the costs are expended utilising the unrestricted funds available and consequently no restricted funds have been used in this respect.

### **1.7. Tangible fixed assets and depreciation**

All assets costing more than £100 are capitalised.

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

Fixtures and fittings	- 15% reducing balance
Computers and office equipment	- 35% straight line on cost

### **1.8. Taxation**

As a registered charity, the charity is exempt from Income and Corporation tax to the extent that its income and gains are applicable to the charitable purposes only.

**Notes to the financial statements  
for the year ended 31 March 2018 (continued)**

**2. Income from donations**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>	<b>Total funds</b>
	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations	39,030	524,799	563,829	513,016
Gift Aid	30,195	-	30,195	22,971
	<b>69,225</b>	<b>524,799</b>	<b>594,024</b>	<b>535,987</b>

**3. Income from charitable activities**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>	<b>Total funds</b>
	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Community Empowerment	-	-	-	100
Food Aid	2,150	8,760	10,910	10,195
	<b>2,150</b>	<b>8,760</b>	<b>10,910</b>	<b>10,295</b>

**4. Raising funds**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>	<b>Total funds</b>
	<b>2018</b>	<b>2018</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fundraising and publicity	8,128	67,926	76,054	91,107
	<b>8,128</b>	<b>67,926</b>	<b>76,054</b>	<b>91,107</b>

**Notes to the financial statements  
for the year ended 31 March 2018 (continued)**

**5. Analysis of resources expended by charitable activity**

Expenditure can be summarised as:

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Community empowerment	1,411	24,262	25,673	19,578
Education	1,953	45,268	47,221	36,331
Emergency relief	937	67,717	68,654	10,772
Food aid	3,292	65,166	68,458	98,522
Healthcare	411	9,525	9,936	5,661
Supporting orphans	22,386	544,308	566,694	239,137
Water aid	1,356	31,801	33,157	15,845
	<b>31,746</b>	<b>788,047</b>	<b>819,793</b>	<b>425,846</b>

**6. Analysis of resources expended by activity type**

	Activities undertaken directly 2018 £	Grant funding of activities 2018 £	Support and governance costs 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Cost of generating volume income</b>					
Fundraising and publicity	71,083	-	4,971	<b>76,054</b>	91,107
<b>Charitable activities</b>					
Community empowerment	360	24,223	1,090	25,673	19,577
Education	-	45,216	2,005	47,221	36,331
Emergency relief	3,544	62,195	2,915	68,654	10,772
Food aid	18,098	47,454	2,906	68,458	98,522
Healthcare	-	9,514	423	9,937	5,661
Supporting orphans	-	542,635	24,059	566,694	239,137
Water aid	553	31,196	1,407	33,156	15,845
	<b>22,555</b>	<b>762,433</b>	<b>34,805</b>	<b>819,793</b>	<b>425,845</b>
<b>Total</b>	<b>93,638</b>	<b>762,433</b>	<b>39,776</b>	<b>895,847</b>	<b>516,952</b>

**Notes to the financial statements**  
**for the year ended 31 March 2018 (continued)**

**7. Grants payable**

	<b>Grants to Institutions</b>	<b>Grants to individuals</b>
	<b>£</b>	<b>£</b>
Community empowerment	24,223	-
Education	45,216	-
Emergency relief	62,195	-
Food aid	47,454	-
Healthcare	9,514	-
Supporting orphans	542,635	-
Water aid	31,196	-
	<b>762,433</b>	<b>-</b>

Recipients of institutional grant(s) were as follows:

	<b>Total</b>	<b>Total</b>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Ar-Rahmah Trust (Pakistan)	694,363	337,151
Islamic Yatima Foundation Tanzania	-	5,000
Al-Ihsan Foundation	2,000	3,000
Crisis Aid	24,000	33,287
Restless Beings	38,195	-
Ethar Relief	875	-
Kebire Foundation for Relief & Development	3,000	5,540
	<b>762,433</b>	<b>383,978</b>

**8. Support and governance costs**

	<b>Basis of allocation</b>	<b>Fundraising costs 2018 £</b>	<b>Charitable activities 2018 £</b>	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
<b>Support costs</b>					
Management and administration	Usage	4,971	34,805	39,776	34,239
<b>Governance costs</b>					
Independent examination	Resources expended	-	-	-	600
<b>Total</b>		<b>4,971</b>	<b>34,805</b>	<b>39,776</b>	<b>34,839</b>



**Notes to the financial statements  
for the year ended 31 March 2018 (continued)**

**9. Net incoming resources**

	2018	2017
	£	£
This is stated after charging:		
Depreciation of tangible fixed assets - owned by the charity	352	222
	<b>352</b>	<b>222</b>

**10. Staff costs**

	2018	2017
	£	£
Wages and salaries	38,591	27,040
Social security costs	3,073	2,612
	<b>41,664</b>	<b>29,652</b>

During the year the charity had 2 (2017:1) full time equivalent and a number of casual employees.

The Trust considers its key management personnel comprise the trustees and the Chief Executive Officer. The total employment benefits paid to its key management personnel were £38,591 (2017: £27,040). No employees had benefits in excess of £60,000 (2017: Nil).

During the year, no trustees received any remuneration or benefits in kind (2017: Nil).

During the year, no trustees received any reimbursement of expenses (2017: Nil).

**11. Tangible fixed assets**

	Assets under the course of construction	Fixtures & fittings	Computers & office equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2017	119,628	995	959	121,582
Additions	-	-	300	300
Transfer	(119,628)	-	-	(119,628)
At 31 March 2018	-	<b>995</b>	<b>1,259</b>	<b>2,254</b>
<b>Depreciation</b>				
At 1 April 2017	-	851	657	1,508
Disposals	-	-	-	-
Charge for the year	-	22	330	352
At 31 March 2018	-	<b>873</b>	<b>987</b>	<b>1,860</b>
<b>Net book value</b>				
At 31 March 2018	-	<b>122</b>	<b>272</b>	<b>394</b>
At 31 March 2017	119,628	144	302	120,074

**Notes to the financial statements  
for the year ended 31 March 2018 (continued)**

**12. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other debtors	500	21,218
Prepayments & accrued income	7,781	3,520
	<b>8,281</b>	<b>24,739</b>

**13. Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	4,195	1,350
Other creditors	10,000	53,800
Salaries and social security	654	96
Accruals & deferred income	-	600
	<b>14,849</b>	<b>55,846</b>

**Notes to the financial statements**  
**for the year ended 31 March 2018 (continued)**

**14. Statement of funds**

**Year ended 31 March 2018**

	<b>Brought forward</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers in/(out)</b>	<b>Carried forward</b>
	£	£	£	£	£
Unrestricted funds	(4,109)	71,375	(39,874)	-	27,392
<b>Total unrestricted funds</b>	<b>(4,109)</b>	<b>71,375</b>	<b>(39,874)</b>	<b>-</b>	<b>27,392</b>
<b>Restricted funds</b>					
Ar-Rahmah Institute	(15,129)	640	(2,513)	-	(17,002)
Ar-Rahmah Mosque Fund	5,818	6,483	(13,943)	-	(1,642)
Education	602	-	(602)	-	-
Family Sponsorship	254	773	(3,163)	-	(2,136)
Fidyah	-	3,273	(3,273)	-	-
Health	392	543	(935)	-	-
Kaffarah	-	270	(270)	-	-
Marriage sponsorship	2	-	(2)	-	-
Orphans	355,491	259,264	(572,145)	-	42,610
Pakistan Need to Feed	-	3,764	(1,541)	-	2,223
Quran Memorisation	1,578	500	(3,052)	-	(974)
Qurbani	(150)	19,256	(19,767)	-	(661)
Ramadaan Food Programme	(1,037)	45,054	(44,017)	-	-
Self Reliance Scheme	5	50	(55)	-	-
Syria	3,610	34,274	(32,453)	-	5,431
Burma	-	60,077	(57,883)	-	2,194
Water Pump Appeal	15,406	41,701	(38,419)	-	18,688
Zakat	-	45,620	(50,061)	-	(4,441)
Zakat Al-Fitr	(138)	12,017	(11,879)	-	-
<b>Total restricted funds</b>	<b>366,704</b>	<b>533,559</b>	<b>(855,973)</b>	<b>-</b>	<b>44,290</b>
<b>Total funds 2018</b>	<b>362,595</b>	<b>604,934</b>	<b>(895,847)</b>	<b>-</b>	<b>71,682</b>