

Charity Number: 1056562



Report and financial statements
For the year ended 31 December 2018

Reference and administrative information	1
Trustees' annual report	2
Independent examiner's report	12
Statement of financial activities (incorporating an income and expenditure account)	13
Balance sheet	14
Statement of cash flows.....	15
Notes to the financial statements	16

Charity number	1056562
Registered office and operational address	5 Yew Tree Close Worcester WR5 2LH
Country of registration	England & Wales
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: <div> <div>Mr Mumtaz Ali (Chair)</div> <div>Mr Sajid Zulfiqar (Treasurer)</div> <div>Asfand Ali (Secretary)</div> <div>Naida Dukovic</div> <div>Iqraa Zaman</div> <div>Bushra Hussain (resigned 4 February 2019)</div> <div>Naeem Akhtar (resigned 10 October 2019)</div> </div>
Key management personnel	<div>Mr Mumtaz Ali, (Chair)</div> <div>Mr Sajid Zulfiqar (Treasurer)</div> <div>Mr Asfand Ali (Secretary)</div> <div>Mr Parwez Hussain (CEO)</div>
Bankers	<div>Al Rayan Bank</div> <div>PO Box 12461</div> <div>BIRMINGHAM</div> <div>B16 6AQ</div>
Solicitors	<div>Stone King</div> <div>Boundary House</div> <div>91 Charterhouse St</div> <div>London</div> <div>EC1M 6HR</div>
Independent Examiner	<div>Lloyd & Smith Accountants</div> <div>Certified Public Accountants Association</div> <div>Membership No: 42343419A</div> <div>36 Harrington Road</div> <div>Worcester</div> <div>WR2 5HD</div>

The trustees present their report and the unaudited financial statements for the year ended 31 December 2018.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Al-Fatiha Global is an international, non-governmental, non-political organisation committed to helping in areas of crisis anywhere in the world. It is a UK registered charity run entirely by UK volunteers, Al Fatiha Global runs a refugee camp inside Syria, in which it employs Syrian National with Turkish residency permits to manage the camp and sort / distribute aid to the families living in the Al Fatiha Global refugee camp. Despite this it has delivered invaluable aid to help the suffering people of Syria, (Inside Syria, Turkey, Greece & Lebanon), Gaza, Kashmir, and the Rohingya in Bangladesh with Food, Water, Clothing, Shelter and Medical Aid.

With the discharge of the Interim Manager in December 2015, Al-Fatiha Global began 2016, by amending its governing document. amendments were made in Section 10 of the Governing Document, (MEETINGS AND PROCEEDINGS OF THE EXECUTIVE COMMITTEE), the minimum number for a quorum was increased and the requirements for the recently discharged Interim Managers agreement were removed.

The objectives of the charity are:

- The relief of sickness by the provision of free or subsidised clinics for the people of Northern Pakistan.
- To provide humanitarian aid globally, giving priority to needs arising from/in areas disrupted by conflict, poverty or natural disaster.

There have been no further amendments to the Governing Document since 23 June 2017. In order to further these objectives, Al Fatiha Global is constantly looking to strengthen links with other charities and organisations, especially in areas where all parties can mutually benefit from each other's expertise. In 2016 we expanded our operations by working with charities in Jammu & Kashmir to facilitate Food deliveries and Qurbani, local organisations in Bangladesh to deliver food for the Rohingya refugees and identified suitable NGOs for delivering Humanitarian Aid in Gaza and Yemen.

In 2016 the Syrian conflict escalated, the long-standing policy of "no convoys", which has been in force since 2014 is still in because the risks at present are unacceptable. The

current model of delivery is one group of volunteers' works in partnership with medical and civic institutions within Northern Syria to identify beneficiaries' needs and delivering the required aid utilising Syrian volunteers. This is cross-checked with information available from refugees in Turkey and news reports. Majority of the Aid is sourced in Europe and sent via shipping containers into Southern Turkey and then transported overland into northern Syria. On occasion, Aid is purchased inside Turkey and collected by Syrian volunteers inside Turkey for distribution inside Syria. Separate volunteers are used to identifying and collecting evidence of the post-delivery impact of activities.

2016 saw the charity move a number of families onto the E-Aid Card system inside Syria, where families are given a cashless debit card, which is topped up with credit monthly, based on the family size. E-Aid Card can be used to purchase goods at local shops. This E-Aid card system has been expanded to include a small number of Syrians living in Turkey.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Trustees acted promptly on communication from Charity Commission and ensured no Aid sent by Al Fatiha Global goes through Barb-al-Hawa border crossing. This restriction is also enforced on those UK charities who work with Al Fatiha Global to sent Aid into Syria.

Achievements and performance

We continued to develop the 2015 mechanism to work with other non-Turkish NGO's in order to achieve better coordination of aid deliveries.

The Volunteers at Al Fatiha Global refugee camp is instrumental in enabling us to work out what aid is still needed based on recent distributions (both from Al-Fatiha Global and from other charities) that have been done. Then we informed other charities what aid is needed, and asked which items they could contribute. We would then adjust the aid we would send in subsequent distributions based on what other charities were able to collect. We encourage volunteers to share this information other charities to maximise the effectiveness of aid distribution.

Despite the positive response from beneficiaries, on utilising our distribution network inside Syria to deliver aid for other Charities, we have witnessed significant donor fatigue in 2018, consequently, aid distribution inside Syria has been significantly reduced since 2018.

Al-Fatiha has facilitated volunteers collecting funds and distributing aid with their own hands under the supervision of either trustees or an experienced volunteer, for those in

refugee camps in Greece and Turkey. We find this approach helps those collecting aid and obtaining a better understanding of the plight of refugees, then simply talking to volunteers about the scale of the humanitarian need.

Building Capacity of Key Personnel

The Trustees have continued with a program of personal development, for key personnel by taking up training offered by Stone King and Sayer Vincent throughout the year. Al-Fatiha Global continues to learn from best practices established by larger International charities, National Governments and the United Nations. The training programme established for local Syrian / Turkish volunteers after the World Humanitarian Summit in Turkey In 2016, has been expanded to include training local Syrian workers at Al Fatiha Global refugee camp in producing quality videos and photos of aid distribution which are now used in promotional appeals and delivery reports.

Setting up an Office in Turkey

Al-Fatiha Global has setup an office in Turkey to oversee Aid distribution inside Syria. The Turkish Office, helps clear containers through customs, arranges transport from Turkey to Syria, arranges the hire of vehicles for delivering aid inside Syria and manages the Syrian distribution Teams inside Syria. The Turkish Office also oversees monitoring of aid, provides feedback on how effective aid distributions are and what will be needed in subsequent aid distributions.

The Turkish office, also identifies Syrian refugees waiting for paperwork to be processed by the Turkish Authorities in Southern Turkey and offers them temporary support, or helps with equipment catering for disabilities. In addition to facilitating visits for UK donors who wish to distribute Aid to Syrian refugees inside Turkey and can arrange 1-2-1 visits with genuine refugee families inside Turkey, (the Turkish office will stipulate the minimum a donor, has to have collected for distribution before a visit will be facilitated). Volunteers are expected to cover their own costs during these visits, including travel, accommodation and food.

Al Fatiha Global Refugee Camp inside Syria

Al-Fatiha Global runs its own refugee camp inside Syria, the camp was originally established for 100 families and has been slowly expanding. Funds raised through various campaigns during the year, like winter campaign, tents, were first utilised to ensure the needs of those at the camp were met. The camp has drinking water, functioning showers/toilets, a shop and large communal areas which are used as schools and for prayer facilities. A road is covered with sufficient rubble, to enable deliveries of aid from large vehicles. A warehouse, so Aid delivered can be sorted at the camp, before it is delivered to other sites inside Syria. The camp also has internet access so we can communicate with the camp manager and respond to any immediate needs. The camp caters for widows, orphans, and children with disabilities and those forced to flee their homes.

The warehouse and distribution infrastructure at the Al Fatiha Global also enables the charity to maintain a cooperative relationship with other charities distributing aid in northern Syria and apprise them of local needs. The Camp is used to coordinate the distribution of Medical Aid across Northern Syria.

Food Packs, Ramadan & Qurbani Distribution

Iftar Meals were provided to Refugees in Turkey, and inside Syria, In Ramadan, we have a policy of avoiding delivering aid too close to the Turkish border because many NGO's hop over the border distribute aid and return to Turkey. This approach has reduced the number of reports from local volunteers that Internally displaced people were selling perishable aid because they had received more aid in Ramadan than they could consume. Food packs are also distributed to institutions like schools and medical clinics, where it is unsafe for staff to travel home daily for meals. Food packs' deliveries are normally staggered so that deliveries do not stop once Ramadan finishes and the content of the food packs are adjusted to meet the needs/tastes of different villages and to exclude items that can be purchased locally at a cheaper price. Food packs are typically over 34Kg.

Ramadan Food Packs and later Qurbani meat for Eid-ul- Adha was distributed in Syria/Turkey, Pakistan, Gaza, and Kashmir.

By continuing to work with other charities Al Fatiha Global was able to source aid and utilise the premises of other charities to deliver, sort and pack aid. In 2018 Al Fatiha Global worked with European Charities to sent 8 Containers of medical and humanitarian Aid to Syria. Trustee raised funds and travelled to Greece to distribute aid to Syrian and other nationalities stuck in Greece. Supported efforts of South Asian Woman Empowerment by sponsoring Breast Cancer Awareness event in Islamabad Pakistan.

Azad Jammu & Kashmir

Provided nearly 24,000GBP medical aid to (Tehsil Headquarter Hospital), is the only public hospital in the County of Charhoi, Kotli, Azad Kashmir. This 30-bed Hospital, in the mountainous district of Kotli in Azad Kashmir, is approx 5km from the LOC (Line of Control) near to the Indian border. Aid included an Operating Theatre Table, Operating Theatre Lights, Suction Machine, Ventilator, Autoclave Machine, Sterilizer/ Boiler, Hot Air Oven, Diathermy/Cautery Machine, Cardiac Monitor, ECG Machine, Digital X-Ray Machine, Chemistry Analyzer, Hematology Analyzer, Gynaecology Delivery Table, Paediatric Suction Machine, Incubator.

UK Hardship

A number of individuals/local charities created small appeal pages to help individuals in the UK, that need small amounts of financial help to reduce the impact of poverty, these ranged from buying domestic appliances to fundraising for professional fees, once donation targets were reached these appeals were closed.

E-Aid Card System

Following the successful Pilot of Al Fatiha Global's E-Aid Card system, for distributing Aid in Syria & Turkey. where families were provided a card (much like a Debit Card), with their pin number and online login, informed them of the stores in which they could purchase goods from, their spending limit and list of products they could choose from.

The families piloting this system visited the store at their convenience and purchased food, hygiene and baby products of their preference. Standard food items were made available, such as: rice, beans, tuna and oil, but we also included fresh items, such as: eggs, cheese, bread and olives.

This system was developed by Syrians, who after years of experience with various charities, identified the challenges of delivering aid into their homeland and saw first-hand their people being degraded to fighting for aid handouts. In order to maintain the dignity of the beneficiaries they decided to develop this, revolutionary system that returns dignity to the people and literally transfers your donated funds into the pockets of needy families. These families have the freedom to shop at local participating stores and purchase the items they need for their home.

This system removes the overhead costs of transportation, storage, processing fees and salaries, enables Syrians to benefit from seasonal variation in prices, or even choose alternative products based on personal tastes, gives donors the ability to select which items the households can purchase and enables Al-Fatiha Global to vary the amount of aid given to each household based on its size, age and gender.

For example, you can give families the option to choose food items, hygiene products, clothing, etc., but prohibit them from spending the donated funds on items such as cigarettes and alcohol. Every item purchased is tracked by barcode, each transaction is recorded and the system provides daily monitoring of purchased items, enabling us to adjust the aid, when a mother is expecting, or a child is born.

Feedback on this system has been VERY POSITIVE. Our families are truly grateful for the system and we are looking to reach more families in more cities in the coming months, Insha'Allah.

The system enables us to identify suspicious transactions, or alert us if no transactions

are happening in the event of a beneficiary moving.

When risk assessing the E-Aid Card, Al Fatiha Global were acutely aware that family circumstances of Syrian refugees inside Turkey are fluid, that refugees needs change, since being added they might also be receiving support from other charities or might be getting support from the Turkish state that they were not receiving when they were added to the E-Aid card system. Given the desperate situation of many refugees, it's highly unlikely they would volunteer information that would deprive them of support from Al-Fatiha Global.

To address this shortcoming, Al Fatiha Global now works with a local Syrian NGO in Turkey, that runs 3 schools for Syrian Refugees, they have taken on the task of identifying which families need the most support and recommend which families should be supported with the E-Aid Card inside Turkey. They are in daily contact with Syrian refugees they are able to apprise us of changing family circumstances that would necessitate adding someone or removing someone from the E-Aid card system.

For example if a refugee family was joined by a working age male in Turkey, their E-Aid card would not be renewed, if a family lost a breadwinner then they would join the priority shortlist, every 6 months families are evaluated by the Syrian NGO, to assess who should remain on the E-Aid Card system.

In 2018 Turkish office facilitated visits from UK donors, who wanted to purchase aid inside Turkey and distribute the aid to Syrians living inside Turkey. These donors also made significant donations to the eAid card.

Tuyoor Al-Amal (Birds of Hope) Lebanon

Tuyoor Al-Amal School is split over 3 sites, providing for education to over 2,700 displaced Syrian children aged 5 –18, teaching the National Lebanese Arabic Curriculum.

The school caters primarily for Syrian refugee children, who cannot enrol in formal schools, owing to cost, transportation, discrimination, and language difficulties. Tuyoor Al-Amal also enrolls children of Palestinian refugees and poor Lebanese families who are unable to enrol in formal schools.

There are 112 members of staff including former Syrian teachers and qualified Lebanese teachers, who teach Mathematics, English, Science, Arabic, Art and Physical Education.

Al Fatiha Global ran a successful campaign to help support the children of the school with their Eid celebration this year.

Rohingya inside Bangladesh

Al Fatiha Global worked with a number of Charities across the globe (Indonesia, South Africa and UK) in collecting and distributing aid for the Rohingya Refugees inside Bangladesh. Aid included providing daily meals, building shelters, washing facilities and building water pumps along the main roads used by Rohingya refugees in Cox's Bazaar area of Bangladesh. Chair of Trustees and Al Fatiha Global volunteers visited Bangladesh to oversee the delivery of aid for Rohingya refugees in Bangladesh.

Fundraisers & Publicity

Funds were raised for Al-Fatiha Global throughout the year, these included two Trustee led, walks in Wales and Yorkshire. National Beauty Workshops, in London, Birmingham, Leeds and Manchester. Two Cricket Fundraisers Birmingham and Manchester with members of Pakistan Cricket team helping with the fundraisers by promoting on social media for a joint project aimed at improving lives of women in Pakistan by working with South Asian Woman Empowerment, (Pakistan). In addition to the above Fundraising activities, there were constant appeals made via website and other social media campaigns.

Al-Fatiha Global showcased the successful deliveries of our aid containers, at these events, utilising the videos made by Syrians we had previously trained to take pictures and videos. The Turkish Office, meticulously recorded each step taken by Syrian volunteers in Turkey and Syria, in a timely manner on how aid was transported, sorted and distributed, giving donors a high level of confidence in our activities. Where other charities donated aid and labelled boxes, these labels are clearly visible when their aid is distributed. These videos can now be seen on our website and YouTube. It enabled us to reassure other charities that if they asked us to deliver their aid. Their branding would be visible in the distribution and they could show the videos to their donors.

Risks

The trustees are continuously aware of the risks involved in our Syrian work. We try where possible to eradicate or at least mitigate the dangers. But we appreciate and tolerate the following:

- Syria is a complex war zone and volunteers may be in danger, and steps are taken to ensure our aid does not fall into the hands of protagonist fighters.
- British Government Policy of Syria has to respond to changing situation, Al Fatiha Global keeps itself updated on guidance/alerts issued by UK and has structured itself, so it can shut down operations immediately until the trustees are able to confirm that Al Fatiha Global is in compliance.
- Turkish Mobile phones coverage at Al Fatiha Global Syrian refugee camp enable us to remain in constant communication with staff and ensure our policies and procedures are being adhered to.

- The establishment of Al Fatiha Global refugee camp, where aid can be sorted and stored inside Syria, far from any fighting, has enabled to avoid risky distributions of aid. Local Civic authorities and medical clinics are regularly in contact with the Syrian Camp manager and are able to make arrangements to collect aid for their regions, significantly reducing the risk to our volunteers. Level of Risk is reassessed based on the analysis of media reports and feedback from volunteers.
- Turkish Government recognition of the Al Fatiha Global Camp means our Syrian Camp Manager has permits to travel across Turkish border to facilitate distribution of Aid.

Financial review

Lack of media coverage and increasing conflict in Yemen has further reduced public appetite for donating towards Syria, donor fatigue and ongoing statutory inquiry has meant Al Fatiha Global continued to utilise its reserves to support its charitable work in 2018. We continue to focus on utilising our infrastructure to deliver aid collected by other charities.

Focus has been on training staff in implementing existing policies and procedures to ensure maximum control of the funds with which we have been entrusted with. We have focused on implementing revised volunteer policies and procedures to ensure we have control of how funds are raised and how aid is delivered. Appeals were made via our newly consolidated web site and via social media to enable Food and Medical Aid to be sent throughout the year.

Reserves policy and going concern

Free reserves are £114,698 (2017: £143,109). Of the reserves represented by cash, £107,434 (2016: £105,575) are held in the reserve account with the remainder being held in the current account. The policy can briefly be stated as reserving sufficient funds following fundraising to pay for future deliveries of humanitarian aid, but also to cover the cost of the Staffing, Website, and professional fees.

Plans for the future

- Further promoting our fundraising platform via Al-Fatiha Global Website.
- Encouraging Volunteer deployments into Turkey and supervise Aid Distribution inside Turkey.
- Incorporation post Statutory Inquiry
- Following the visit by Al Fatiha Global to Bangladesh, we were able to identify UK charities that we can utilise to deliver aid inside Bangladesh and going forward we believe this will be more cost-effective of distributing aid for the Rohingya.
- Expanding the nature and Scope of Aid being delivered inside Jammu & Kashmir, to include food and water.
- Expanding operations in Pakistan, to include medical camps in remote areas.
- Plans to provide beds and additional equipment to Public Charhoi County Hospital, (which is located 5km from the Line of Control, near the Indian Border, in Kotli.

Structure, governance and management

Al-Fatiha Global (AFG) is an unincorporated charity registered as a charity on 3 July 1996.

The charity is constituted under a constitution adopted on 20 June 1996 and later amended by resolutions on 1 July 1996, 6 June 2003, 25 November 2012, 2 July 2013, on 31 January 2015, 24 July 2015, 9 January 2016 and 23 June 2017.

In March 2014 following media reports (not all of them entirely accurate) in relation to the operation of the Charity's convoys of humanitarian aid into Syria the Charity Commission instituted a statutory Inquiry into the governance and activities of the Charity and on 23 December 2014 the Commission appointed an Interim Manager, Michael King of Stone King LLP, Solicitors, to

- Ensure that charitable funds were and are expended in accordance with Charity's objects and in its best interests
- Ensure that the Charity is not exposed to liabilities or actions of the trustees which might affect the operation of the Charity or its reputation
- Assess overall governance of the Charity and take remedial actions where necessary, including:-
 - Examination of commitments and liabilities of the Charity
 - Ensuring that there are relevant controls and policies relating to Charity's operation in the UK and elsewhere
 - Determining whether the current trustees are suitable to manage the Charity.

The remedial action taken by the Interim Manager, included advice and training from Stone King and from Sayer Vincent, the governance, decision-making, policies and operations of the Charity have improved and that the Charity is in the view of the Interim Manager that the Charity is in a position to be self-sustaining and able to govern itself without the need for such intervention. On the 2 December 2015, the Charity Commission was satisfied that the Interim Manager had fulfilled his duties and discharged Michael King of Stone King LLP, Solicitors. The Charity is waiting for the Commissions Inquiry to be concluded.

All trustees give their time voluntarily and receive no benefits from the charity for undertaking Trustee duties. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

With the assistance of specialists in the field, the Trustees formulated and implemented a robust system of policies and procedures to ensure the safety of Al-Fatiha Global personnel and its Aid distributions. Trustees regularly monitor the potential impact to of Aid distributions throughout the year and when/where it has been necessary, acted to halt aid distributions.

Al-Fatiha Global recognises the value of the many dedicated volunteers involved in our service and revised its organisational structure volunteer policies and agreements to ensure volunteers remain actively involved at the heart of the charity. Volunteers are given clear guidelines about their rights, roles and responsibilities and Al-Fatiha Global sets out the charities responsibilities to its volunteers and outline what expectations Al-

Fatiha Global has of its volunteers. Volunteers are the key ingredient in our local fundraising strategy and delivering aid.

Volunteers are split into groups, based on geographic region and are directly supervised by Trustees.

Appointment of trustees

Al-Fatiha Global does not have any corporate entities as Trustees.

Al-Fatiha Global is open to considering Trustee Applications from members of the public who are supportive of our charitable aims and objects. There is no requirement for a Trustee of Al-Fatiha Global to be a Muslim, (not all founding members were Muslim), the application process is accessible on <https://www.alfatihaglobal.com/trustee-vacancy>.

All Trustees are required to volunteer for the charity as part of the application process, during which their individual skills and commitment to the charitable aims are assessed, before a decision is made on an appointment, by existing Trustees. To-Date, every Trustee appointed has previously been a volunteer with Al-Fatiha Global.

Two Trustees resigned in 2019, Bushra Hussain resigned on 4 February 2019, and Naeem Akhtar resigned on 10 October 2019.

Al-Fatiha Global currently has 5 Trustees and is open to accepting additional applicants.

Related parties and relationships with other organisations

Al-Fatiha Global does not have any subsidiary undertakings.

In the pursuit of our charitable aims, of maximising the amount of Aid Al-Fatiha Global was able to distribute to those in need of Humanitarian Relief. Al-Fatiha Global agreed to open up its distribution network to other charities in UK and Europe. Al Fatiha Global would specify to other charities what aid was required and, charities would collect the aid and Al Fatiha Global would arrange for the transportation and distribution of the Aid inside Syria. The relationship in this undertaking was that Al-Fatiha Global served as a distributional channel for a number of UK Registered Charities Aid.

In order to provide evidence of Aid distribution and its' impact, Al-Fatiha Global Stipulates that banners and T-Shirts of Charity donating Aid are included in the container. Al Fatiha Global also requests that the outside of boxes have the logo of donor charity, so when media footage is recorded. It is clearly evident which donor charities aid has been distributed and Syrians beneficiaries also are aware of the names of donor charities. This makes it easier when video interviews are subsequently recorded about impact since local beneficiaries are aware of which donor charity provided the aid. This approach enables video footage to distinguish these distributions from Al-Fatiha Global's own distributions.

Statement of responsibilities of the trustees

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- 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 UK Accounting Standards and statements of recommended practice 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 operation

The trustees are responsible for keeping adequate 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. 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 corporate 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.

The trustees' annual report has been approved by the trustees on 27 October 2019 and signed on their behalf by

Sajid Zulfiqar
Trustee

Independent examiner's report to the trustees of Al-Fatiha Global

I report to the trustees on my examination of the accounts of Al-Fatiha Global for the year ended 31 December 2018.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

Accounting records were not kept in respect of the Charity as required by section 130 of the Act;
or

The accounts do not accord with those records; or

The accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Name:

Nohman Aziz (ACPA)

Independent Examiner

Address: Lloyd & Smith Accountants, 36 Harrington Road, Worcester, WR2 5HD.

Date: 21 October 2019.

Statement of financial activities

For the year ended 31 December 2018

	Note	Unrestricted £	Restricted £	2018 Total £	Unrestricted £	Restricted £	2017 Total £
Income from:							
Donations	2	18,064	278,348	296,412	51,646	358,128	409,774
Investments		1,061	–	1,061	1,050	–	1,050
Total income		19,125	278,348	297,473	52,696	358,128	410,824
Expenditure on:							
Raising funds	3	58,332	31,755	90,087	41,615	11,156	52,771
Charitable activities	3	2,042	158,360	160,402	62,192	303,634	365,826
Humanitarian aid							
Total expenditure		60,374	190,115	250,489	103,807	314,790	418,597
Net (expenditure) / income for the year	4	(41,246)	88,230	46,984	(51,111)	43,338	(7,773)
Transfers between funds	14	–	–	–	(12,684)	12,684	–
Net movement in funds	4	(41,246)	88,230	46,984	(63,795)	56,022	(7,773)
Reconciliation of funds:							
Total funds brought forward		143,109	62,986	206,095	206,904	6,964	213,868
Total funds carried forward		101,863	151,222	253,085	143,109	62,986	206,095

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Al-Fatiha Global

Balance sheet

As at 31 December 2018

	Note	£	2018 £	2017 £
Fixed assets:				
Tangible assets	9		<u>11,288</u>	<u>14,001</u>
			11,288	14,001
Current assets:				
Stock	10	23890	-	
Debtors	11	-	4,643	
Short term deposits		106,635	105,575	
Cash at bank and in hand		<u>136,607</u>	<u>108,313</u>	
		267,132	218,531	
Liabilities:				
Creditors: amounts falling due within one year	12	<u>26,402</u>	<u>(26,437)</u>	
Net current assets			240,730	192,094
Total net assets			<u>252,018</u>	<u>206,095</u>
The funds of the charity:	14			
Restricted income funds		151,219		62,986
Unrestricted income funds:				
General funds			<u>143,109</u>	
Total unrestricted funds			<u>100,799</u>	<u>143,109</u>
Total charity funds			<u>252,018</u>	<u>206,095</u>

Approved by the trustees on 27 October 2019 and signed on their behalf by

Sajid Zulfiqar
Trustee

1 Accounting policies

a) Statutory information

Al-Fatiha Global is an unincorporated charity registered with the Charity Commission in England & Wales. The registered office address is 5 Yew Tree Close, Worcester, WR5 2LH.

b) 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (August 2014) and the Companies Act 2006.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

As a smaller charity, in accordance with SORP Update Bulletin 1, a Statement of Cashflows is not required.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering humanitarian aid undertaken to further the purposes of the charity and their associated support costs

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

Expenditure is translated into the reporting currency at the date of the transaction and therefore the expenditure recorded represents the actual cost to the charity.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an

- | | |
|-------------------------|-----|
| ● Cost of raising funds | 10% |
| ● Humanitarian aid | 90% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised at cost where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|--|-------------------|
| ● Fixed assets – computer equipment | 25% Straight line |
| ● Fixed assets – fixtures and fittings | 25% Straight line |
| ● Fixed assets – motor vehicles | 15% Straight line |

1 Accounting policies (continued)

m) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

n) Debtors

Trade and other debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

o) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of 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.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2 Income from donations

	Unrestricted	Restricted	2018 Total	2017 Total
	£	£	£	£
Donations	18,064	278,348	296,412	368,434
Donated advertising services	–	–	–	16,334
Donated humanitarian supplies	–	–	–	25,006
	<u>18,064</u>	<u>278,348</u>	<u>296,412</u>	<u>409,774</u>

3 Analysis of expenditure

	Cost of raising funds	Charitable activities Humanitarian aid	Governance costs	Support costs	2018 Total	2017 Total
	£	£	£	£	£	£
Staff costs (Note 5)	-	-	-	-	-	-
Water tanks	-	-	-	-	-	6,600
Food and clothing	-	160,403	-	-	160,403	34,522
Transport	-	16,668	-	-	16,668	56,215
Warehousing costs	-	-	-	2,904	2,904	2,532
Publicity and events	16,791	-	-	-	16,791	45,861
Office and administration costs	-	13,011	-	-	13,011	21,682
Professional fees	-	-	36,000	-	36,000	39,095
Independent examiner's fees	-	-	-	2,000	2,000	6,000
Depreciation	-	2,712	-	2,712	6,090	6,090
	16,791	190,082	36,000	7,616	250,489	418,597
Support costs	761	6,855	-	(7,616)	-	-
Governance costs	3,600	32,400	(36,000)	-	-	-
Total expenditure 2018	20,391	230,098	-	-	250,489	-
Total expenditure 2017	52,771	365,826	-	-	-	418,597

Notes to the financial statements

For the year ended 31 December 2018

4 Net expenditure for the year

This is stated after charging / (crediting):

	2018 £	2017 £
Depreciation	2,712	6,090
Independent examiner's remuneration (excluding VAT):		
Independent examination fees	2,000	5,000

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	-	3,600
Social security costs	-	153
	-	3,753

No employee earned more than £60,000 during the year (2018: nil).

The total employee benefits including pension contributions of the key management personnel were £nil (2018: £nil). Payments to the interim CEO under a service level agreement are disclosed in Note 7.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2018: £nil). With the exception of the related party transaction disclosed in Note 7, no charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

Trustees' expenses represents the payment or reimbursement of travel, subsistence and publicity costs totalling £nil (2018: £766) incurred by 0 (2018: 2) trustees relating to attendance at meetings of the trustees.

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2018 No.	2017 No.
Support	0.3	0.3
	0.3	0.3

7 Related party transactions

In 2016, the charity disclosed related party transactions with the company Greypop Ltd, which was engaged under a service level agreement to provide interim CEO services. Mr P Hussain, who resigned as a charity trustee on 31 October 2016, is a director and employee of this company, and received a salary of the company in return for providing these interim CEO services. The payment to Mr P Hussain was permitted under Article 9 of Al-Fatiha Global's Constitution. Transactions invoiced during 2018 totalled £36,000 (2017: £39,000). The amount due to Grey Pop at 31 December 2018: £3,000 (2016: £6,000).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

8 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Computer equipment	Fixtures and fittings	Vehicles	Total
	£	£	£	£
Cost				
At the start of the year	12,400	5,209	11,256	28,865
Additions in year	–	–	–	–
At the end of the year	12,400	5,209	11,256	28,865
Depreciation				
At the start of the year	8,884	2,604	3,376	14,864
Charge for the year	879	651	1,182	2,712
At the end of the year	9,763	3,255	4,558	17,576
Net book value				
At the end of the year	2,637	1,954	6,697	11,288
At the start of the year	3,516	2,605	7,880	14,001

All of the above assets are used for charitable purposes.

10 Stock

	2018 £	2017 £
Finished goods	23,890	–
	23,890	–

11 Debtors

	2018 £	2017 £
Accrued income	-	2,638
Prepayments	-	-
	-	4,643

All of the charity’s financial instruments, both assets and liabilities, are measured at amortised cost.
The carrying values of these are shown above and also in note 12 below.

12 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	6,338	14,225
Other creditors	18064	6,212
Accruals	2,000	6,000
	26,402	26,437

13a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	9,334	1,954	11,288
Net current assets	253,794	11,338	265,132
Net assets at the end of the year	263,128	13,292	276,420

13b Analysis of net assets between funds (prior year)

	General £	Restricted £	Total funds £
Tangible fixed assets	11,396	2,605	14,001
Net current assets	131,713	60,964	192,094
Net assets at the end of the year	143,109	62,986	206,095

Notes to the financial statements

For the year ended 31 December 2018

14a Movements in funds (current year)	At the start of the year	Income and gains	Expenditur e and losses	Transfer	At the end of the year
	£	£	£	£	£
Restricted funds:					
Projects in Syria	35,322	248,772	(156,870)	–	127,224
Projects in Bosnia	2,933	–	–	–	2,933
Projects in Yemen	952	918	(23)	–	1,847
Projects in Burma	21,492	5,233	(7,092)	–	19,633
Projects in Africa	760	471	(14)	–	1,217
Projects in UK	1,527	1,314	(621)	–	2,220
Projects in Iraq	–	2,911	(59)	–	2,852
Projects in Kashmir	–	4,150	(13,906)	9756	–
Projects in Gaza	–	1,201	(30)	–	1,171
Projects in Greece	–	1,822	(34)	–	1,788
Projects in Indonesia	–	80	(3)	–	77
Projects in Lebanon	–	10,360	(794)	–	9,566
Projects in Pakistan	–	1,116	(10,669)	9,553	–
Total restricted funds	62,986	278,348	(190,115)	19,309	170,528
Unrestricted funds:					
General funds	143,109	18,064	(60,374)	(19,309)	81,490
Total unrestricted funds	143,109	18,064	(60,374)	(19,309)	81,490
Total Funds	206,905	296,412	(250,489)	–	252,018

For the year ended 31 December 2014					
	At the start of the year	Income and gains	Expenditure And losses	Transfers	
14b Movements in funds (prior year)					
	£	£	£	£	£
	At the end of the year				
Restricted funds:					
Projects in Syria	–	286,846	(251,524)	–	35,322
Projects in Palestine	2,243	576	(7,862)	5,043	–
Projects in Bosnia	2,933	–	–	–	2,933
Projects in Kashmir	–	7,613	(7,910)	297	–
Projects in Greece	–	160	(7,391)	7,231	–
Projects in Yemen	161	813	(22)	–	952
Projects in Burma Rohingya	–	54,488	(32,996)	–	21,492
Projects in Lebanon	–	1,355	(1,468)	113	–
Projects in Africa	–	6,017	(5,257)	–	760
Projects in UK	1,627	260	(360)	–	1,527
Total restricted funds	6,964	358,128	(314,790)	12,684	62,986
 General funds	 206,904	 52,696	 (103,807)	 (12,684)	 143,109
Total unrestricted funds	206,904	52,696	(103,807)	(12,684)	143,109
Total funds	213,868	410,824	(418,597)	–	206,095

14 Movements in funds (continued)

Purposes of restricted funds

While fundraising income is normally solicited for the general purposes of the charity, the Charity’s website did at the time request funding for specific purposes in Syria, Palestine, Bosnia, Northern Pakistan (Kashmir), Greece, Yemen, Burma Rohingya, Lebanon, Africa and projects within the UK. The charitable objects of the constitution have been amended to provide humanitarian aid to those areas affected by conflict, poverty and natural disasters. These restricted funds have during the year been spent for the purposes for which they were raised. The transfers represent the use of unrestricted funds to cover any shortfall on the level of expenditure required on the restricted projects.

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2018 £	2017 £
Less than 1 year	-	-
	-	-