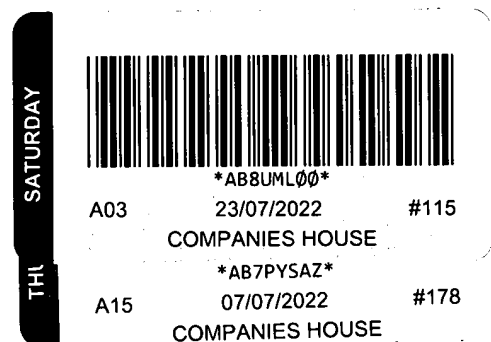




Islamic Relief Worldwide

ANNUAL REPORT AND
FINANCIAL STATEMENTS

2021

Cover photo: Vegim Rashiti / Islamic Relief Kosova

Members of the Roma community in Fushe Kosove, Kosova, carry home food supplies provided by Islamic Relief. Like many vulnerable people in the area, Sanije and her daughter rely on our support, which includes distributing food and survival items, and an ongoing orphan sponsorship programme.

Driven by the Covid-19 pandemic, climate change and conflict, global hunger continued to rise this year. We are proud to have remained a lifeline for families in crisis.

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CONTENTS

Message from the Chair of Trustees	4
Message from the Chief Executive	5
Our vision and strategy	6
Our global reach	8
2021 in numbers	10
Our income in 2021	12
Our expenditure in 2021	13
Humanitarian	14
Development	28
Campaigns	36
Partnerships	46
Some of our valued partners	52
Structure, governance and management	53
Trustees' compliance with their statutory duties	56
The Islamic Relief global family	57
Executive management team and trustees' responsibilities	58
Principal risks and uncertainties	60
Streamlined energy and carbon reporting requirements (SECR)	62
Financial review	63
Independent auditor's report to the members of Islamic Relief Worldwide	66
Group statement of financial activities and income and expenditure account for the year ended 31 December 2021	70
Parent charitable company statement of financial activities and income and expenditure account for the year ended 31 December 2021	71
Group and charity balance sheets as at 31 December 2021	72
Group cash flow statement for the year ended 31 December 2021	73
Notes to the financial statements	74
Corporate directory	96

IN THE NAME OF ALLAH, MOST MERCIFUL, MOST COMPASSIONATE.

MESSAGE FROM THE CHAIR OF TRUSTEES

ASSALAMU ALAYKUM

PEACE BE WITH YOU

For millions of people around the world, 2021 was a tumultuous year. The Covid-19 pandemic has continued to exert huge pressure on many already vulnerable people, contributing to an increase in global hunger, shattering livelihoods, and impacting travel and communication worldwide. Wealthier countries are starting to see light at the end of the tunnel but many poorer countries are still desperately struggling. As always, Islamic Relief has been at the forefront of the humanitarian response, with food aid and other support to stave off hunger and suffering helping 6.05 million people and Covid-19 projects assisting over 1.46 million people.

The relentlessly escalating climate breakdown has also fuelled hunger and suffering worldwide, and this was another important priority for Islamic Relief. In 2021 we supported some of the communities hit hardest by the increased frequency and severity of storms, floods and drought. Our programmes are helping these communities to forge livelihoods that can better withstand extreme weather; to make smart use of renewable energy; and to get the information they need to make positive change.

After decades of instability and strife and a year of further upheaval, Afghanistan now stands at the brink of a famine of huge proportions. Islamic Relief has been at the forefront of humanitarian efforts, with our teams on the ground working tirelessly to secure food supplies and other forms of assistance while navigating a maze of international restrictions to operate lawfully and ethically.

In my second year as Chair of Islamic Relief's Board of Trustees, I am acutely aware of the huge demands involved in responding to crises in every region in which we operate. Yet I am continually inspired by the commitment and compassion of our staff and partner organisations in delivering vital humanitarian and development programmes in incredibly challenging circumstances. We are extremely grateful for the continued support and commitment of our supporters and partners. Despite the pressures faced by many in 2021, Islamic Relief Worldwide's annual income

in 2021 grew once more to £183 million. Alhamdulillah, this generosity enabled us to deliver 815 life-saving and life-changing projects reaching 11.8 million people in 36 countries.

As a charity, we are increasingly focused on strengthening our impact and seeking new approaches and partnerships. We are taking bold steps to strengthen governance and collaboration across the global federation of Islamic Relief member entities, implementing the recommendations of an Independent Commission led by Dominic Grieve QC. We have again received certification under the Core Humanitarian Standard on Quality and Accountability (CHS), in recognition of the professional and transformative approach we bring to delivering aid.

We have also maintained our commitment to the Leave No One Behind agenda, including projects in Sudan and Gaza to ensure people with disabilities have a clear voice in our programmes and policies. We announced a new three-year collaboration with UNICEF to advance the rights of vulnerable children and strengthened the capacity of dozens of local charities in Tanzania, Kyrgyzstan, Gaza and Yemen.

We see the pressures faced by our staff and the toll that these pandemic years have taken on some of those who work tirelessly to support the most vulnerable communities. In 2021, as part of our commitment to staff who give so much to the communities they serve, we launched a dedicated sponsorship fund assisting the children of Islamic Relief colleagues who have passed away.

I am particularly proud that we remain steadfast in our commitment to the Syrian and Yemeni people, many of whom continue to endure unspeakable suffering, and that we have stood by the people of Afghanistan through a year of significant upheaval. In Syria alone we assisted over a million people, while in Yemen we remain one of the UN World Food Programme's biggest partners, providing regular food parcels and vouchers to over 640,000 people.

In 2022 I am looking forward to the launch of our ground-breaking new campaign to empower women and tackle inequality between women and men from an Islamic faith perspective in the communities we serve. This initiative is an important part

of our advocacy for positive social change. With your continuing support Islamic Relief will continue to do all we can to build and campaign for a future free from poverty and suffering.

Our work in some areas and on some issues is just beginning. None of our successes would have been possible were it not for the support granted to us by Allah the Almighty. We follow in the footsteps of our predecessors and founders who have made great sacrifices for the sake of Allah, serving His servants, which is the greatest honour to which we can aspire. Thank you for your support, and I hope our Board of Trustees will prove worthy of your trust as we lead the charity to achieve even more in the fight against poverty and suffering.

Dr Ihab M. H. Saad

Chair of the Board of Trustees,
Islamic Relief Worldwide

TRUSTEES' STRATEGIC REPORT

Our trustees are pleased to present their annual report with the audited consolidated financial statements of Islamic Relief Worldwide and its subsidiaries for the year ended 31 December 2021.

MESSAGE FROM THE CHIEF EXECUTIVE

ASSALAMU ALAYKUM

PEACE BE WITH YOU

If 2020 was the year in which we were first confronted with the challenges of Covid-19, 2021 was when the profound and lasting human and economic impact of the pandemic became clear for all to see. Supporting those worst affected has been at the heart of Islamic Relief's work, alongside responding to the climate emergency and the enduring effects of protracted crises and conflicts in places like Yemen, Syria, Afghanistan and beyond.

All our work is underpinned by our faith-based values of supporting and empowering the poor and marginalised, and by our commitment to furthering the United Nations' Sustainable Development Goals.

This was a year scarred by further growth in global hunger. This deeply distressing development is a consequence of both the pandemic and ever more extreme weather, in some places further exacerbated by conflict. Millions of people have been uprooted from their homes and have been unable to sustain their traditional way of life. The prospect of widespread famine is now a reality for millions, with many millions more struggling to feed their families each day. Our response to this hunger crisis has been shaped by listening to the insights and experience of frontline staff working in the communities they serve. I spoke up in favour of this approach when addressing over 100 fellow CEOs from partner organisations of the UN's World Food Programme at an event to share knowledge and experience in tackling growing global hunger.

In the face of diverse and complex humanitarian challenges, Islamic Relief has remained by the side of people in urgent need. In 2021 we supported over 11.8 million people. We provided emergency relief in response to disasters across the world, from Bangladesh to Mali, the Philippines and Gaza, places where the effects of climate change are often compounded by years of insecurity and endemic

poverty. In Syria and Yemen, whose respective crises have raged for many years, we have continued to provide vital life-saving assistance despite huge operational constraints. In Afghanistan, we remain steadfast in our support for those whose lives have been turned upside down.

In 2021 we developed new principles to capture our locally led approach to adaptation, ensuring that local knowledge, ideas and experience are at the heart of how we support communities worst affected by climate change. We are raising awareness of climate change and the adaptation measures that can be taken to build resilience among the most vulnerable communities. We have implemented climate-smart solutions for farmers in drought-afflicted parts of Ethiopia; helped people in Pakistan to better prepare for the changing climate; and assisted families in Kenya to find more climate-resilient ways to earn a living in the face of increasingly unpredictable and extreme weather patterns.

We continue our commitment to children who have grown up in great hardship and often lack access to shelter, education, basic healthcare and food. Our Orphan Sponsorship Programme continued to grow in 2021, and now supports over 80,000 children worldwide; while more women used our trailblazing Qurbani Plus model to improve their children's lives and prospects for the future.

I am delighted that we were also able to further strengthen the impact of our advocacy work, playing our part in securing positive change on the most important issues in the world today. We continued to throw our weight behind the movement for climate justice, now needed more than ever. Amplifying the voices of the communities already bearing the brunt of the climate breakdown, we made sure decision-makers heard their experiences and insights by delivering 10 events in and around the COP26 summit in Glasgow.

As this report demonstrates, we are intensifying our efforts and diversifying our tools and approaches in response to increased and diverse humanitarian needs. While the challenges are great, the strong backing of our generous supporters, partners and the communities we serve continues to motivate us to do all we can to save and change lives around the world, insha'Allah.

Waseem Ahmad

Chief Executive Officer,
Islamic Relief Worldwide

OUR VISION AND STRATEGY

Inspired by the Islamic faith and guided by our values, we envisage a caring world where communities are empowered, social obligations are fulfilled, and people respond as one to the suffering of others.

We provide lasting routes out of poverty, empowering people to transform their lives and serving all communities without prejudice.

Our five-year strategy for 2017-2021 has four global goals that aim to ensure we respond effectively to humanitarian emergencies, contribute significantly to the UN Sustainable Development Goals and advocate for positive social change. These goals are based on four key areas of work we present in this report: humanitarian, development, campaigns and partnerships.

OUR GLOBAL GOALS

- 1 Reducing the humanitarian impact of conflicts and natural disasters**
- 2 Empowering communities to emerge from poverty and vulnerability**
- 3 Mobilising people and funds to support our work**
- 4 Strengthening the Islamic Relief federation**

"I was an artisan gold miner, relying on luck to support my two children. Previously we had no water and farming knowledge," says Juma, 26. He lives in Moyale, Kenya, an area on the frontline of the climate emergency.

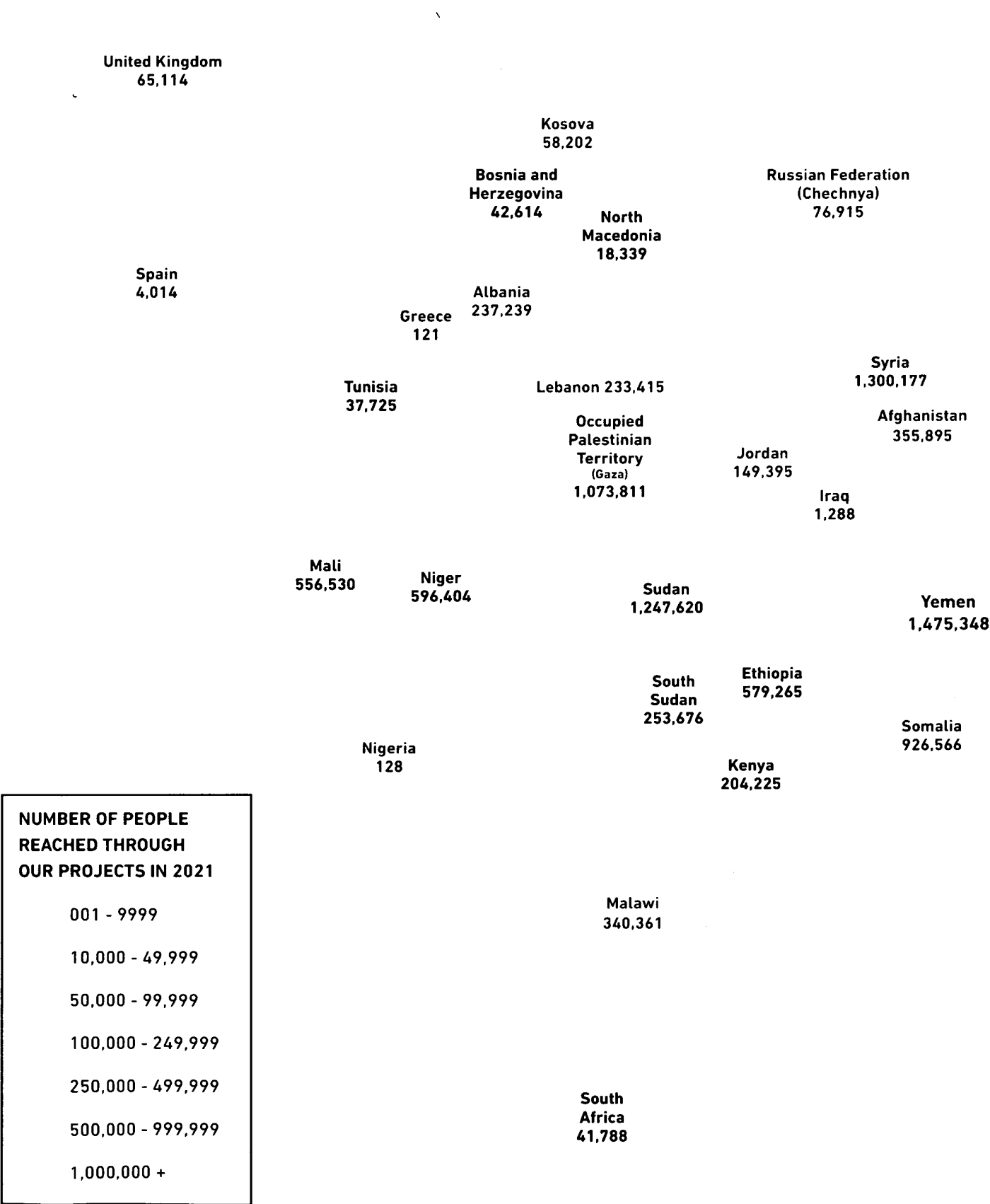
Working with communities devastated by recurring flooding and droughts, we constructed dams and installed solar-irrigation technology. Juma decided to take up farming and joined other local people in

one of the farmers' groups we formed. As a result of our work, 3,000 families – including Juma's – now have livelihoods that can better withstand the challenges of climate change.

"I make a good income. During a three-month season I can earn £19 per day from the sale of tomatoes. Our children are healthy because they now eat food fresh from the farm, unlike before."

OUR GLOBAL REACH

In 2021 we supported over 11.8 million people



Pakistan
640,776

Nepal
123,549

China
11,037

India
127,800

Bangladesh
637,070

Philippines
85,065

Myanmar
101,160

Sri Lanka
16,879

Indonesia
55,605

NUMBER OF PEOPLE REACHED THROUGH GLOBAL PROGRAMMES

Humanitarian	6,053,938
Development	1,891,066
Advocacy	39,139
Orphan sponsorship	80,443
Seasonal	4,879,734
Grand total	11,778,955

**The figures in this table are included
within the country figures on the map.*

TOTAL
PEOPLE REACHED:
11,778,955

2021 IN NUMBERS

Madina and her 11-year-old son, Zanoun, live in Wad ElZubeir village, Sudan. Since Islamic Relief installed a mini water yard in their village, Madina has been able to earn a living selling coffee.

11.8 MILLION PEOPLE IN 36 COUNTRIES HELPED OR EMPOWERED

427 emergency projects reached
6.05 million people in 32 countries

Nearly **two million lives** changed by
237 development projects

210 food aid and food security interventions
helped just over **2.5 million people**, mostly in Yemen

Over **1.2 million people** in 33 countries
reached by Ramadan food parcels

Over **3.4 million people** benefited from qurbani meat

40 Covid-19 prevention and support projects
assisted **1.46 million people**

Over **320,000 people** in 11 countries reached through
29 projects responding to the climate emergency

175,000 people received winter survival items

Water, sanitation and hygiene projects
served over **775,000 people**

More than **103,000 children and adults**
helped to access education

Over **80,000 orphaned children**
received life-changing sponsorship

OUR INCOME

Where the money came from	£m	Percentage
Islamic Relief USA	54.4	30%
UK Donations (including DFID)	37.6	21%
Islamic Relief Canada	29.8	16%
Islamic Relief Sweden	14.0	8%
Institutions (UN and others)	12.5	7%
Islamic Relief Germany	11.2	6%
International fundraising	5.7	3%
Islamic Relief Switzerland	4.7	3%
Trading (Charity shops and clothes recycling)	3.5	2%
Islamic Relief South Africa	3.3	2%
Islamic Relief Australia	1.3	1%
Islamic Relief Mauritius	1.0	1%
Disasters Emergency Committee (DEC)	0.9	1%
Islamic Relief Malaysia	0.7	<1%
Islamic Relief Ireland	0.6	<1%
Waqf investment income	0.5	<1%
Islamic Relief Bosnia and Herzegovina	0.5	<1%
Islamic Relief Spain	0.3	<1%
Islamic Relief Italy	0.3	<1%
Islamic Relief Norway	0.1	<1%
Total	182.9	100%

Please refer to notes 2,3,4,5a and 5b

OUR EXPENDITURE

Where the money was spent	£m	Percentage
Protecting life and dignity	83.4	48.0%
Caring for orphans and children in need	34.1	19.6%
Providing access to health and water	17.2	9.9%
Sustainable livelihoods	12.9	7.4%
Raising funds and publicity	9.6	5.5%
Support costs	6.6	3.8%
Supporting education	4.4	2.5%
Trading activities	2.8	1.6%
Campaigning for change	1.6	0.9%
Legal and statutory compliance (governance)	0.6	0.3%
Investment management	0.4	0.2%
Total	173.6	100.0%

HUMANITARIAN

2021 was a year scarred by growing global hunger, fuelled by the far-reaching effects of the Covid-19 pandemic as well as the climate emergency.

Islamic Relief's food aid and other lifesaving interventions were needed more than ever. Delivering over 427 major humanitarian projects, we responded to many of the worst disasters and conflicts in the world.

While providing a lifeline to people in crisis, we also worked with communities to build their resilience and developed plans to support long-term recovery and boost self-reliance.

- **6.05 million people received vital emergency aid in 32 countries**
- **Just over 2.5 million people received food aid and food security support**
- **1.3 million people assisted in crisis-stricken Syria**
- **Food aid reached more than 1.04 million people in war-torn Yemen**
- **Over 3.4 million people benefited from qurbani meat**
- **1.46 million people in 18 countries reached through interventions responding to Covid-19**

HUMANITARIAN RELIEF IN 2021

JANUARY

"We live here suffering and in severe poverty," says Um Ibrahim. Like many in north-west Syria, the mother of seven lives in a camp. Every winter life becomes even more difficult for the 46-year-old and her family, when their riverside camp floods. This year they are among the 175,000 people in 14 countries helped by our annual winter survival programme. They receive bedding, plastic sheeting and heating materials to help keep them warm in the cold months. "I hope you will continue to distribute humanitarian aid to us and we thank you for being by our sides for 10 years."

In a turbulent start to the year, heavy rains destroy tents and food supplies in 228 camps in north-west Syria, worsening the plight of nearly 35,000 displaced families. Islamic Relief provides meals and tents, blankets, warm clothing and plastic sheets to assist over 4,000 people. Meanwhile in Bosnia and Herzegovina we work closely with local authorities and partners to help 3,000 people left without shelter when a fire ravages Lipa migrant camp in Una Sana Canton. Working with the International Organisation for Migration (IOM), we give food parcels and survival items such as winter clothes, boots, and sleeping bags to people sleeping in the open in freezing temperatures.

DISASTER: A 6.2-magnitude earthquake hits Indonesia's West Sulawesi province in the middle of the night as most of the population sleep.

IMPACT: At least 73 people are killed and hundreds more injured. Thousands of buildings are damaged, forcing people to seek refuge in overcrowded temporary shelters where Covid-19 measures are impossible. Landslides block roads, and electricity and telephone lines are also down in some areas.

RESPONSE: Working with local non-governmental organisations, Islamic Relief provides 100 affected families with food, blankets and hygiene items to help protect them from Covid-19.

Islamic Relief assesses the damage following a deadly earthquake in Indonesia's West Sulawesi province.

FEBRUARY

Families uprooted by conflict in Mali receive food supplies from Islamic Relief.

DISASTER: A spike in airstrikes and clashes between armed groups force thousands of people to flee their homes in Mali.

IMPACT: Food supplies are running so short that some uprooted families have not eaten for days. In Gossi, a town in central Mali, at least 2,000 displaced people have no clean water and are at risk from waterborne disease.

RESPONSE: We launch an emergency response to assist displaced people. Nearly 700 families receive sufficient food supplies to prepare three meals per day for a month. In addition the shelter materials they get help protect them from the elements, and reduce their need to cut down trees to build makeshift refuges. Many families are forced to use open water sources which expose them to waterborne disease. They dig shallow pits in the riverbeds to get water, increasing soil erosion which harms the local environment. In the coming months Islamic Relief tackles this by providing water purification tablets to make poor-quality well water safe, and by educating local people about good hygiene practices to protect them from infection.

MARCH

As Syria marks a devastating decade of crisis, at least 13.4 million people are in dire need of humanitarian aid. One of the largest international non-governmental organisations still working in north-western Syria, Islamic Relief continues to save lives.

We distribute food to families who do not know where their next meal is coming from, and support a healthcare system that is close to collapse. We provide shelter to families facing dire conditions in camps and informal settlements, and we help Syrian refugees in neighbouring countries to begin to rebuild their lives and become self-sufficient once more.

A doctor in north-western Syria takes receipt of drugs provided by Islamic Relief. This year our health interventions in the country include supporting health clinics and mobile units, dialysis centres and a heart surgery centre with supplies, staff training and help with running costs – assisting over 578,000 people.

A man surveys the damage caused by a fire at Balukhali Refugee Camp in Cox's Bazar, Bangladesh.

DISASTER: Mass fires break out in Kutupalong Camp in Cox's Bazar, Bangladesh. The camp is the world's largest refugee settlement, home to more than one million people, mainly Rohingya refugees from neighbouring Myanmar.

IMPACT: Families are left homeless, their shelters reduced to ashes. Many have no choice but to sleep in the open air, often on roadsides. There are serious safety concerns for women, older people and those with disabilities.

RESPONSE: Islamic Relief distributes 500 hygiene kits, and 500 families receive clothing and bedding. We rebuild 500 shelters and gender-sensitive showers and latrines. In the weeks and months ahead we increase child protection and counselling support for traumatised survivors, and begin reconstructing the camps.

APRIL

A woman in Nepal receives a food parcel filled with nutritious staples through one of Islamic Relief's largest ever Ramadan food distributions. During the holy month, our food packages reach more than 1.2 million people in 33 countries, despite the challenges of Covid-19. To limit exposure to coronavirus, we distribute parcels outdoors, with social distancing, masks and other measures in place.

The most powerful tropical storm in decades, Cyclone Seroja slams into coastal communities in Indonesia. In East Nusa Tenggara province it triggers flash floods, tidal waves and landslides which kill over 160 people. With almost 2,600 homes destroyed, nearly 21,000 people are living in makeshift tents. Our emergency team responds swiftly, reaching over 1,800 people in four villages with food, hygiene supplies and items such as facemasks and hand sanitiser to help prevent the spread of Covid-19.

DISASTER: Violence intensifies in Maguindanao province, the Philippines, affecting municipalities including Shariff Aguak, Datu Saudi Ampatuan, Mamasapano and Datu Salibo.

IMPACT: At least 14,000 people flee their homes. They are in urgent need of food and shelter, as well as water, sanitation and hygiene facilities.

RESPONSE: Islamic Relief works alongside local humanitarian organisations to support more than 8,000 affected families with food and hygiene items.

A family at an Islamic Relief centre which became a temporary evacuation site amid violence in Maguindanao province, the Philippines.

MAY

A Palestinian family stocks up on essentials bought using vouchers provided by Islamic Relief.

DISASTER: An 11-day escalation in conflict causes devastation in Gaza once more. Rockets destroy 300 buildings, including homes and hospitals.

IMPACT: More than 250 people – including 66 children – are killed and nearly 2,000 others are injured. Unlike previous escalations, this time the whole of the Gaza Strip is crippled, making it difficult and extremely dangerous to respond immediately to the emergency. It also worsens the Covid-19 crisis, making social distancing harder for displaced families, preventing testing and delaying the arrival of vaccines.

RESPONSE: Islamic Relief provides food vouchers, bedding and medical aid to those affected but border closures and roads blocked by rubble complicate relief efforts. It is immediately clear that the scale of the damage will require a long-term response. We begin repairing damaged homes, schools and healthcare facilities, as well as supplying equipment to help them run smoothly. We plan to support the repair of Gaza's damaged water systems, while supporting children with counselling.

Nepal's health system is now at breaking point as the country is gripped by one of the highest Covid-19 infection rates in the world. Nearly half of the population have tested positive for coronavirus and over 4,000 people have died. There are no beds left in hospitals, and oxygen and other vital medical supplies are running out. Islamic Relief is responding in Rautahat, with food vouchers assisting more than 1,700 vulnerable families. In the weeks ahead we will give food aid to another 2,000 people who are unable to work, and we will provide healthcare facilities with lifesaving medical equipment and supplies.

People in Rautahat, Nepal, collect food distributed by Islamic Relief as Covid-19 cases soar.

JUNE

In Somalia, Islamic Relief continues to support those affected by Cyclone Gati, which struck late in 2020. In one village of around 200 people, we provide new homes, each equipped with solar power systems giving families 'green' energy. We construct

30 latrines for community use and run educational programmes on hygiene and sanitation and their link to good health. During the six-month project, we also raise community awareness of gender-based violence and safeguarding issues.

Women collect water from a kiosk constructed by Islamic Relief in Adayo, Somalia, in the aftermath of Cyclone Gati.

DISASTER: Violence flares between communities in South Sudan's Warrap state. It is quickly followed by heavy flooding.

IMPACT: The violence forces hundreds of people to seek shelter in camps. Some families are uprooted for a second time by the flooding, which destroys shelters in the camps.

RESPONSE: Islamic Relief distributes food to nearly 3,000 affected families, while more than 2,600 households receive essential items including buckets, soap and torches.

Women receive food and other essential items – including buckets, soap and dignity kits – in Warrap state, South Sudan.

JULY

A woman in Lombok, Indonesia, with the food she bought with the cash voucher she received through Islamic Relief.

DISASTER: As Indonesia suffers a devastating second wave of Covid-19 infections, the country spends a week atop the global case list.

IMPACT: Livelihoods are affected by strict lockdown measures designed to slow the infection rate, making hunger an everyday reality for more families.

RESPONSE: Islamic Relief launches a hunger prevention project in Lombok, providing cash vouchers to help 20,000 people buy food for two months. We also help 500 small and medium-sized businesses to stay afloat by providing essential items to people in need.

A family in Ethiopia enjoy meat provided by Islamic Relief's qurbani programme, which reaches 3.4 million people in 28 countries at Eid al-Adha.

Akbert plays with her infant son in Um-Rakuba refugee camp, Gedarif State, Sudan.

"I was worried about what was going to happen to us, whether we were going to live or die," says Akbert, 35, describing her plight in Tigray, Ethiopia, after her husband was killed. She decided to flee with her seven children, joining around 80,000 others seeking safety in Sudan. The family now face dire conditions in Um Rakuba camp. "I worry about my children when I run out of food, how can I explain it to them? Water is also scarce in the camp. I have to go a long way to get water."

Islamic Relief is working in Um Rakuba and other camps in Sudan's Gedaref state. Already, we have supported around 30,000 refugees with assistance including food, water, sanitation and hygiene, and education. We have constructed around 50 latrines and 30 washing facilities in the camps, and are building classrooms so children can resume their studies.

AUGUST

A man receives food aid in the Khak-e-Jabbar district of Kabul province, Afghanistan.

The eyes of the world are on Afghanistan as a major political upheaval sparks a new humanitarian crisis. Almost 600,000 people flee their homes. Now displaced and extremely vulnerable, many are in urgent need of aid.

The mass movement comes as a country depleted by 40 years of conflict is also grappling with a food crisis, drought, and the Covid-19 pandemic. As many as 23 million people are thought to have lost their livelihoods, and conditions continue to deteriorate.

Despite the challenges, Islamic Relief continues working in Afghanistan, distributing food packages across six provinces. In addition to this, we provide healthcare services through mobile health teams, distribute vital hygiene and survival items, and support farmers and widowed women in rebuilding their livelihoods.

DISASTER: Flash flooding in Sudan devastates several states in a country already struggling with a severe food crisis, Covid-19 and a crippled economy.

IMPACT: Homes and other buildings, including hundreds of refugee shelters, are destroyed and surrounded by flood waters, leaving many people exposed and vulnerable. Water sources and power plants are submerged. The flooding leads to a rise in food prices.

RESPONSE: In three of the worst-hit states, Islamic Relief works with partners to give affected families desperately needed items including food, temporary shelter and hygiene kits.

A man makes his way through floodwaters in Sudan, where Islamic Relief provides temporary shelter and hygiene kits to those affected.

SEPTEMBER

Since civil war broke out in South Sudan in 2013, hundreds of thousands of people have died and more than 3.5 million people have fled their homes. Despite an official ceasefire, violence between communities continues. Coupled with the Covid-19 pandemic, other disease outbreaks, flooding and a major food crisis, the humanitarian situation is becoming even more desperate.

Islamic Relief responds by providing food packs and essential hygiene items to thousands of people, as well as drilling and repairing boreholes to provide a reliable water supply to communities. We also set in place plans to provide shelter to help those living in unsafe conditions.

Islamic Relief staff check a young child in Kapoeta East, South Sudan, for signs of malnutrition.

DISASTER: Just over a year after a devastating explosion in its capital city, Lebanon's economic crisis is worse than ever. It is now suffering one of the world's most severe economic crises of the century.

IMPACT: With the country in economic freefall, the most vulnerable people are on the brink of survival. Skyrocketing prices have pushed even basic food staples beyond reach for many. In the poorest parts of Beirut, homes badly damaged by the blast are still occupied by families unable to pay for repairs. Shortages of electricity, fuel and medicine and deficiencies in communications are cutting off vital education and healthcare services.

RESPONSE: One of the first to respond to the explosion, Islamic Relief has remained a lifeline in Beirut throughout the crisis. Our work includes distributing food parcels and repairing and improving shelters for some of the 300,000 people left homeless by the blast. We also assist struggling healthcare facilities by supplying fuel, medicine and medical equipment.

Islamic Relief continues to support those affected by the Beirut port explosion, helping to rebuild homes and supplying urgently needed items.

OCTOBER

Father of nine Feteeni collects his family's food basket from an Islamic Relief distribution point in Sana'a, Yemen. "Every two months the organisation provides us with a food basket including flour, cooking oil, beans, sugar, rice and a sack of salt," says the 62-year-old. "It alleviates our suffering."

As one of the UN World Food Programme's biggest partners, we distribute food vouchers and food packages, which contain staples such as rice, flour and oil that are a lifeline for families in crisis.

DISASTER: Now in its sixth year of conflict, Yemen continues sliding toward catastrophe as the humanitarian situation becomes more desperate than ever.

IMPACT: Livelihoods have been destroyed, most of the population need humanitarian aid, and a staggering 9.6 million people are now one step away from famine.

RESPONSE: Around 640,000 people already rely on the regular food parcels and vouchers we distribute as the main implementing partner for the UN World Food Programme in Yemen. This month we welcome a £2 million World Food Programme boost to expand our food aid programme, so we can feed an extra 30,000 people. We also provide nutrition support for the most vulnerable at 150 health facilities and 484 food distribution points across Yemen.

A family sit in rubble following an earthquake in Balochistan, Pakistan.

A 5.9-magnitude earthquake hits the district of Harnai, in Balochistan, Pakistan in early October, killing 42 people and injuring over 200 more. More than 300 houses are destroyed and thousands more damaged.

Islamic Relief is quickly on the ground to provide tents, mattresses and essential food items to vulnerable families. Amid concerns about waterborne diseases, we work to repair water sources and begin longer-term plans to repair damaged buildings.

Badly damaged crops leave many unsure where their next meal is coming from, so we start plans to help local people rebuild their livelihoods.

NOVEMBER

Islamic Relief provides water, bedding and hygiene items to families affected by severe flash flooding in Bosnia.

DISASTER: Bosnia and Herzegovina experiences severe flash flooding that inundates homes, leaving families extremely vulnerable.

IMPACT: Hundreds evacuate as homes and roads in Sarajevo and the south-west region are inundated. Power cuts spread across the capital, disrupting schools, offices and hospitals already struggling to cope with the Covid-19 pandemic. The floods also severely damage the only plant producing oxygen cylinders to treat patients with Covid.

RESPONSE: Islamic Relief provides evacuated people with food, water, bedding and hygiene items. We distribute more than 1,200 five-litre bottles of drinking water among 600 affected families, along with emergency food packs. Coordinating with government, we go on to equip hundreds of families with more hygiene supplies, cleaning kits including disinfectant, and dehumidifiers to help dry damaged properties.

DECEMBER

In Kenya's Garissa County, people in drought-stricken Shimbirey village can now get water from a borehole constructed by Islamic Relief.

An intensifying drought in the Horn of Africa sparks fears of a severe food crisis. Continued poor rainfall throughout 2021 has led to crop failures and now 13 million people do not know where their next meal is coming from. The situation is deteriorating in eastern Kenya, southern Ethiopia and Somalia, where food and water are extremely scarce. Pastoralists are seeing their livestock dying in large numbers, while farmers struggle to grow crops.

Islamic Relief is ramping up support for those affected by the drought. In Kenya we provide cash transfers to enable families to buy food. We also distribute water tanks to communities in need. In Ethiopia we work to combat high rates of malnutrition with food packs. In Somalia we provide families with clean water by helping to repair boreholes and distributing water purification tablets.

DISASTER: Super Typhoon Rai, locally known as Odette, batters the Philippines. It is the strongest storm to hit the island nation this year, with winds of up to 121 miles per hour.

IMPACT: Hundreds of thousands of people are forced to flee as torrential rains, landslides and storm surges destroy homes and infrastructure. There is a shortage of drinking water in affected areas, and communications and road networks across the country suffer severe disruptions. More than 400 people are killed and over 1,200 injured.

RESPONSE: Islamic Relief teams work around the clock to reach hard-hit, vulnerable communities. We distribute food and drinking water, as well as soap and other hygiene essentials to help protect displaced people from Covid-19.

People displaced by Super Typhoon Rai, in the Philippines, collect essential items from Islamic Relief.

DEVELOPMENT

This year we continued to tackle issues at the heart of poverty and empowered more communities to become self-reliant. We provided access to healthcare, education, water and sanitation and provided livelihood opportunities, delivering 237 development projects which served over 1.9 million people.

Our development programmes are not just about providing access to essential services – they are also focused on understanding the multiple challenges communities face and supporting them to lift themselves out of poverty.

- **£71 million spent on 237 development projects this year**
- **3.1 million people benefited from healthcare interventions**
- **Over 745,248 people provided with food security and livelihood opportunities**
- **Over 775,000 people given clean water, sanitation and hygiene support**
- **More than 103,000 children and adults helped to gain an education**
- **Almost 320,000 people supported to adapt to climate change challenges**
- **31,000 people in six countries accessed life-changing Islamic social finance**

ESCAPING THE POVERTY TRAP IN GAZA AND CHECHNYA

"My husband's health condition means he is unable to support our family," says mother-of-eight Wafaa (above). She lives in Gaza, where occupation, blockade and recurring conflict have brought the economy close to collapse. Unemployment is commonplace, particularly among women. "Every day my family suffered: we could not afford food and everything was a struggle."

Many families like Wafaa's have no choice but to rely on humanitarian aid from charities like Islamic Relief, which provide food, clean water, safer homes and support for vulnerable children. We also help people break out of dependency – this year Wafaa joined 24 other Palestinians to receive our support, training and cash grants to build a small enterprise.

"I was able to establish a small project selling and raising sheep. Working with this project makes me feel warm inside: my joy is indescribable. My debts have now greatly reduced, and my daughter is able to study at university."

A similar project helped Zaira, who lives in Kirova, Chechnya. In her area unemployment, low wages and lack of social support trap many in poverty.

"When my husband was 17 years old, like many other young people, he used to collect scrap metal to sell to feed his family," says the mother-of-four. "One day he stepped on a landmine. He lost his left leg and damaged his intestines. He is unable to work and has undergone around 30 operations."

Zaira struggled to pay the medical bills and meet their basic needs, until she received a cow and fodder through an Islamic Relief project helping 175 people in her area. With milk from the cow, Zaira produces and sells dairy items like cottage cheese and sour cream, giving her family more food to eat and a reliable source of income.

BUILDING FAMILY LIVELIHOODS IN JORDAN

"I have an opportunity to support my family financially," says 19-year-old Mahmud. His family were among nine in rural Jordan to receive a beehive and training in beekeeping through an Islamic Relief project this year. "The whole family helps me collect the honey and we package it at home. My father sells it within the community and I do the same at my university."

The intervention was funded by the International Waqf Fund (IWF), which we set up as a sustainable way to support our vital programming into the future. Supporters give waqf, a type of endowment, for IWF to invest. The return on investment is then used to help people in need. With new donors adding to an investment pot that has been growing for 21 years, each year our impact increases. This year the fund ploughed £395,000 into 21 humanitarian and development projects across 16 countries.

SUPPORTING SELF-RELIANCE IN BANGLADESH

In Rangpur, Bangladesh, almost 4,200 people have become self-sufficient through a three-year Islamic Relief project. Providing vocational training and equipment to vulnerable members of the community, it has proven particularly life-changing for older people, who often face significant barriers to earning a living.

Coming together in groups, participants learned agricultural practices such as cow and poultry rearing. After presenting a

business plan, they received an initial loan so they could start a new business. Fatima, 61, now earns a living selling produce from the cow and chicken she received, and treasures the support of her community group.

"With my earnings, I can support myself with everything I need. I am now leading a happy life and I strongly feel that I am not alone. Twenty-six group members are also with me."

Seated with her community group in Rangpur, Bangladesh, Fatima (left) counts out her contribution to their shared food bank.

INSTALLING CLIMATE-SMART SOLUTIONS IN DROUGHT-AFFECTED ETHIOPIA

"I was the one who was taking care of the animals and collecting water," says mother-of-10 Nuriya, who lives in Moyale, on the Ethiopian-Kenyan border. "We had to walk for many hours to collect water, which was a necessity for our families and animals. We went through a lot of hard times, especially during the drought season."

In 2021 Islamic Relief built climate-smart wells in Nuriya's community. Solar-powered, they provide water to 33,000 local people and enable farmers to water their crops even when the rains fail.

"We now have clean water for our animals and for ourselves. It is close to our homes and farms. We no longer have to walk for hours to access water. Children can go to school without worrying about collecting water from far away. Because of Islamic Relief's support, the lives of thousands of people have been positively impacted."

IMPROVING ACCESS TO WATER AND SANITATION AND HYGIENE PRACTICES IN MALI

"In our village there is only one water pump [and] that is out of order. We were forced to resort to using water from the river, which is not safe for drinking," says mother-of-two Fadimata, who lives in Circle of Gourma Rharous, Mali. That changed when Islamic Relief repaired water sources in her area. Over 8,000 local people gained reliable access to clean drinking water, while more

than 5,700 benefited from a greater understanding of good hygiene.

"Our community was unaware that a lack of hygiene and sanitation is the source of many diseases that we contracted, such as diarrhoea and malaria. With Islamic Relief we learned a lot about good hygiene and sanitation practices," explains Fadimata, who is a member of a newly-formed and trained village committee. In addition, the project helped make women and girls safer by creating gender-sensitive water, sanitation and hygiene services, including separate latrines for men and women.

A \$1.1m water infrastructure development project helped build and maintain 36 water boreholes in Somaliland and Puntland, Somalia.

BOOSTING CANCER CARE IN ALBANIA

"Islamic Relief's support is greatly helping the Lushnja hospital and all patients in need," says Dr Zui, a medical doctor in Albania, a country with poor access to adequate and affordable healthcare. This year Islamic Relief equipped Lushnja General Hospital to improve care for up to 200,000 people. The hospital received 20 sets of oxygen

apparatus, three defibrillators and the first stationary mammogram machine in the city. We also provided awareness-raising sessions around cancer prevention and control. As a result, cancer awareness has increased and breast cancer is being diagnosed earlier, giving patients a better chance of survival and a wider range of treatment options.

IMPROVING OUTCOMES FOR SYRIAN REFUGEE CHILDREN

"Amer was unable to hear what was taught during school classes. He also couldn't speak like other children his age. His teacher told us to fix the problem before he loses his chance of an education altogether," says his father, Qasim.

Islamic Relief works with Syrian refugees in northern Jordan to provide children with vital healthcare. Children receive life-saving surgery, health awareness sessions, and medical equipment. One of 54 children to whom we gave hearing aids this year, Amer is now flourishing.

"Alhamdulillah, after his hearing aid was fitted, the worst scenario didn't happen. Amer now talks to us and is able to respond quickly. He is doing very well at school and that's great."

Islamic Relief mobile health teams operate throughout the country, providing primary healthcare to vulnerable Jordanians as well as refugees.

*Girls in a school
built by Islamic
Relief in West
Kordofan, Sudan.*

LIFE-CHANGING EDUCATION FOR REFUGEES IN SUDAN

Conflict, civil unrest and economic crises in South Sudan have caused almost 800,000 people to flee to neighbouring Sudan, where they face uncertain futures. Islamic Relief is helping to change that for almost 6,000 refugee children.

In West Kordofan, our education project is helping many to return to education. We have created new schools and safe learning spaces, and provided children with the equipment to support their learning.

"Alhamdulillah (praise God) Islamic Relief constructed our school. We no longer face the challenge of overcrowding, and managing the classroom is now easier," says Rezg

Tebeig, principal of Elkharasana School.

"I was very happy when I joined the school, where I can learn properly. I wish to graduate and become a doctor. I want to treat patients for free. Money is not everything, what is important is that people like us live a dignified life," says Sharkous, a 17-year pupil who fled to Sudan in 2010.

FIXING SCHOOLS AND BUILDING FUTURES IN MALAWI

Some 525 children in Blantyre, Malawi, received exercise books, stationery and school bags from Islamic Relief this year.

In 2019 Cyclone Idai swept across Malawi, leaving damaged homes, roads, bridges, and schools in its wake. Islamic Relief's post-disaster recovery work in Blantyre district has been helping transform affected communities.

Even before the storm, Namisu, Namitsitsi and Khombwe primary schools were dilapidated, with some students forced to take classes outdoors. Our latest project, which took place this year, repaired and improved classrooms, kitchens, toilets and teachers' facilities. Over 3,600 children now have a safe learning environment, and school attendance has increased by four per cent.

REPAIRING HOMES AND REBUILDING LIVES SHATTERED BY WAR IN BOSNIA

"The situation in Srebrenica at the time was unspeakable. You can't imagine what it was like to be in that situation," says Tima (right) from Potocari, Srebrenica, describing the horror of the Bosnian War. The mother-of-four fled with her children, escaping the violence but not the hardship that awaited when they eventually felt safe enough to go home. "When I returned, my house had been destroyed in the fighting. Everything had been taken from inside, and the house was devastated."

Unable to afford the repairs, the family endured unsafe living conditions for years. Then Tima heard about our work repairing houses in Bosnia and Herzegovina and her family joined around 40 others benefiting from our latest project.

"Islamic Relief helped repair my home. They constructed a room, hallway and bathroom so that we could live comfortably. They even sent me firewood for cooking and heating," she says. Since the end of the war Islamic Relief has fixed 1,100 damaged homes in Bosnia and Herzegovina.

SAFER SHELTER FOR ROHINGYA MUSLIMS IN MYANMAR

"The floor of our shelter was damaged, so we laid plastic sheets on the ground where we slept. The roof leaked and the walls had holes. We dreaded going to sleep. It was really tough," says mother-of-three Daw Khine Ny, who faced dire living conditions at Sin Tet Maw camp in Myanmar's Rakhine State.

She and her family have been living in the overcrowded, dilapidated camp since communal conflict flared in 2012. Their misery deepened every rainy season as the damaged shelters did little to protect them from the elements. But this year was different. Daw Khine Ny's family is one of 175 who have moved into more substantial shelters built by Islamic Relief. Constructed from materials designed to withstand harsh weather conditions, these shelters provide families with a safe and comfortable place to live.

"Now that our shelter problem has been addressed, we're prepared for the monsoon and I can focus my energy in creating a better life for my family. I venture out of the camp and look for any work available, like working in farms or doing domestic labour in the nearby village."

CLIMATE CHANGE ACTION IN PAKISTAN

Local people lead a community cleanup drive in Karachi, Pakistan.

RESPONDING TO CLIMATE CHANGE IN KARACHI

In Karachi, Pakistan, Islamic Relief is supporting communities that are particularly vulnerable to the effects of climate change. In 2021 we educated communities on reducing their carbon footprint, building resilience against changing climate, and how to be better prepared for the future.

"Islamic Relief changed my mindset to understand how our communities are contributing to climate change, and the devastating impact this is having. Now I am part of a youth network established by Islamic Relief and work hard to reduce my carbon footprint, for example by reducing plastic usage and by recycling," says Kanwal

from Karachi. "I also hope to inspire my family members to help reduce their carbon footprint."

We ran community sessions to raise awareness of climate change and resilience. We also brought farmers together in groups, training them in techniques that can withstand the changing climate. Altogether we helped nearly 30,000 people become better prepared in the face of the growing climate emergency. We are still working with the local government, think tanks and researchers to improve local plans to adapt to climate change.

PROTECTING BIODIVERSITY IN AZAD JAMMU AND KASHMIR

Climate change is causing natural disasters to become increasingly intense and frequent, with often devastating effects on the world's poorest people. Azad Jammu and Kashmir is particularly vulnerable to climate change, so Islamic Relief is empowering local people to protect their environment and build resilience.

Focusing on increasing biodiversity, this year we worked with local governments to plant 67,000 wild trees. We have also established new fruit orchards to increase the variety of locally available fruits. The project constructed six new dams to help prevent homes, livestock and farmland from being inundated with water. It also introduced new bioengineering techniques focused on sustainable planting – eco-friendly plants were used to prevent soil being washed away, and to attract other plants and animals. Altogether, the project benefited over 16,000 people.

One of the dams we built in Azad Jammu and Kashmir to better protect homes and livelihoods.

CAMPAIGNS

We mobilised people and funds to support our work and campaign for social justice. This year we ratcheted up our fundraising efforts, raising a record £123 million globally to fund our programmes.

We campaigned to protect those affected by gender injustice, climate change and the refugee crisis. We also supported the most vulnerable children, including orphans and those at risk of child labour and human trafficking.

We worked with religious leaders and used our knowledge of Islamic teachings to help tackle harmful practices such as gender-based violence, to advocate for peace, to respond to the climate emergency, and to protect children from abuse.

- **Our activities during the annual 16 Days of Activism campaign against gender-based violence raised awareness in 14 countries**
- **107 projects tackled gender-based violence this year**
- **80,000 children are now supported through our orphan sponsorship scheme**
- **Over 320,000 people in 11 countries reached through projects responding to the climate emergency**

RESPONDING TO THE CLIMATE CRISIS

In 2021 Islamic Relief continued to respond to the global climate emergency with projects spanning 11 countries. Our interventions helped hundreds of communities to adapt to the effects of climate change and become more resilient in the face of extreme weather conditions, making sure that the needs of the most vulnerable were considered. We also campaigned for better mitigation of the causes of climate change, supporting international efforts to eliminate greenhouse gas emissions.

At the Climate Adaptation Summit in Amsterdam, we supported the launch of *Principles for Locally-led Adaptation*, which sets out a practical basis for the often difficult process of funding local action. Determined to make sure our programming remains responsive to the challenges, this year we also made sure all our new projects included an assessment of how climate breakdown will affect local people during our intervention in their communities.

In Loga, Niger, one of 10 women's groups learn about climate change as part of an Islamic Relief women's empowerment project that has also introduced 1,000 tree nurseries and trained women to earn a living.

INFORMING ACTION ON CLIMATE CHANGE

This year we published three research and policy papers packed with valuable insights into climate change issues and responses:

- Launched at this year's pivotal climate conference, COP26, *Climate Induced Migration in Pakistan* examines the root causes of climate-induced migration, a growing consequence of climate change, providing recommendations for governments.
- Adding to the conflict-climate discourse, *Adapting to Instability* explores how conflict and climate change influence disputes between farmers and pastoralists in Mali – calling for conflict-sensitive, locally-led adaptation.
- *Islamic Relief climate adaptation: Locally-led, people centred* shows how we can support people towards a locally-led, people-centred response to the threat of climate change.

16 DAYS OF ACTIVISM ON GENDER-BASED VIOLENCE

Islamic Relief took part in the UN's global 16 Days of Activism on Gender-based Violence campaign, throwing our weight behind efforts to end violence against women and girls. This year Islamic Relief offices in 14 countries organised events such as rallies, workshops and meetings with government officials.

In the Philippines six workshops explored important topics such as violence against women and girls and relevant legislation, gender justice in Islam, and youth advocacy. Meanwhile in Somalia we held discussions with community leaders around gender-based violence to help bring about positive, lasting change. In Bosnia we held educational outreach workshops and a seminar for representatives of women who have been affected by war. As part of our work to stand up for gender justice, we began working

with more than 40 local Islamic Relief offices to collect 17,500 signatures for a ground-breaking call to action against gender inequality from an Islamic faith perspective which is being launched in 2022.

Women and men in Gawang village raise awareness of gender justice in Islam at an Islamic Relief workshop in Datu Saudi Ampatuan, the Philippines.

"THERE IS A GOOD PERSON FOR EVERY BAD ONE"

"I was scared to see a group of people carrying weapons and sticks and calling my name. They dragged me out of my home and started beating me, accusing me of practising witchcraft," says Sumitra, 65, a widow living in Rautahat, Nepal.

Brutally beaten, Sumitra was left unconscious. When the mob dispersed, neighbours came to her aid and she was taken to hospital at Chapur. Islamic Relief was informed of the attack and visited Sumitra in hospital, where we provided much-needed counselling and paid for her emergency medical treatment.

"It makes you lose faith in people, but thankfully, Islamic Relief's support has reminded me that there is a good person for every bad one," she says. "Their life-saving treatment and financial support helped us through these horrible times. I am also thankful to the counsellor who remained with us during those difficult moments."

TACKLING VIOLENCE AND ABUSE IN BANGLADESH

Shumoti is earning a living rearing goats, thanks to training and support from Islamic Relief and a community group set up by one of our livelihoods projects.

"I was extremely happy when my son, Tuhin, was born. However, my husband, parents-in-law and other relatives started mistreating me and calling me 'unlucky'. Since then, life has been very miserable," says Shumoti from Dinajpur, Bangladesh, describing how her life changed when she gave birth to a child with disabilities. "I had no choice but to leave my son tied up with a rope so that I could work. Every day I returned home, I found bruises all over his body. Seeing his suffering, I could not stop my tears."

Then Shumoti joined a women's support group run by Islamic Relief as part of our efforts to protect human rights and ensure better services for ethnic minorities and vulnerable people. She learned about her rights and how to access support around gender-based violence. Islamic Relief also helped her to access government support which has provided Tuhin – now 13 years old – with a wheelchair, boosting his independence.

"When they told me the news of my upcoming wedding, I was shocked and started to cry. I didn't know what to say," says Norhata, who lives in Maguindanao, the Philippines.

"Without my consent, I was married when I was 14. My husband was a widower who already had seven children that I was expected to care for," she adds, explaining that she dropped out of school and was pregnant with her first daughter within three years. However, she did not give up on her dream of finishing her studies.

"I told myself that if I can get an education, I can change my daughter's life. She can also go to school. I want to be a role model for her," says Norhata, who became even more determined after taking part in an Islamic Relief project.

"As I gained dress-making skills, I also learned about women's rights and empowerment through gender sessions conducted by Islamic Relief. I have become stronger because of all the knowledge I have gained.

Islamic Relief has supported me enormously in this. I now know that child marriage is a violation of girls' rights."

Despite the obstacles in her way, courageous Norhata continued her education and was offered a place on a vocational course. Run by Islamic Relief and the Swedish International Development Cooperation Agency (Sida), the course gave her a dressmaking starter kit, which included materials and a sewing machine. Norhata was then taught how to produce clothes to sell, going on to become one of 166 students to graduate through the project.

"My life has completely changed. I am now a nationally certified dressmaker and have developed more self-esteem and confidence. We've shown girls and women in our community that they don't have to limit themselves. I am proud that I can contribute in this way by showing the importance of education and the need to end child marriage."

CHAMPIONING HUMAN RIGHTS IN KENYA

In Kenya, reliance on so-called 'kangaroo courts' often leaves survivors of human rights violations unable to get justice. This year Islamic Relief continued to support human rights defenders in Wajir County, Kenya, who are working to change that. Facilitating a human rights group which lobbied for the stalled Sexual and Gender-Based Violence Bill, we helped get this vital legislation passed in January 2021. This led to establishing a board that manages funds to support victims of sexual and gender-based violence, and to develop recovery centres for survivors.

In collaboration with local government, we trained 20 child protection volunteers to help improve child protection services. Supporting communities to speak out against gender-based violence and child protection issues has seen more than 200 cases reported to the relevant authorities, which has helped reduce the number of early marriages.

"As activists, we will not allow the rights of the young girls, women and children to be violated," says Sofia, a human rights defender. "We are grateful for the training received from Islamic Relief. I believe we have the right skills and knowledge to tackle the issues of gender-based violence and child protection in Wajir County. This month, we have reported five cases of rape and early marriage."

In 2021 Islamic Relief also strengthened the capacity of community rights committees to handle and refer human rights cases, and trained women's groups to help members build reliable livelihoods.

Human rights defender Sofia is a child protection volunteer who was trained by Islamic Relief.

"WE NEED TO FIGHT TO BE HEARD"

"We need to fight for our voices to be heard in peacebuilding processes. Youth and women can also contribute towards solving problems in our community," says Noraisha (above), an activist who is determined to ensure that women and young people are not excluded from peace support and negotiation processes in the Philippines. She is part of a community-based women's group formed by Islamic Relief to engage women in developing pathways to peace within their communities. Actively involving young people and women in building social cohesion and in promoting the peaceful resolution of disputes and conflicts was an important component of our Sida-funded triple nexus programme, which concluded this year. "I wasn't allowed to participate before, but now I have become one of the organisers in encouraging and mobilising women, youth and religious leaders towards peace."

PROTECTION FOR THE MOST VULNERABLE IN NIGER

In 2021 Islamic Relief continued vital work to improve protection for vulnerable groups such as women, children, older people and people with disabilities in Niger. A dedicated project in the Tillabery region engaged directly with local people in 20 villages, equipping them with the knowledge they need to address important protection issues.

"Recently, we benefited from a capacity-building session on child protection and the fight against violence. The knowledge we have gained will definitely change our practices," says father-of-four Haroun. "We hope this project will help us establish stronger protection for vulnerable people. We are grateful to Islamic Relief for helping our municipality and villages."

Manal's youngest daughter now lives comfortably, thanks to Islamic Relief's support.

BY THE SIDE OF REFUGEES

"It is so hard to move forward amidst the bad living situation we have had for years in this camp," says mother-of-four Manal, who lives in Jerash camp, Jordan, after fleeing conflict in the Occupied Palestinian Territory. "My house is in a dire condition. Before my husband passed away, the lack of ventilation in the house worsened his health condition. I felt afraid that I could lose my oldest child, who has asthma, for the same reason."

Thanks to Islamic Relief, Manal no longer worries about the house damaging her children's health. The family were among 17 households to benefit from a project that repaired, maintained and constructed homes. Working on Manal's house, we repaired two rooms, giving the family of five – who previously had all slept in one room – more space.

"Alhamdulillah, what Islamic Relief has done for us is such a miracle. We felt like finally our dua (our prayers) had been accepted. My children are so happy to have new rooms. It gave them more privacy and a place to study. Islamic Relief also repaired our kitchen and other facilities in the house."

SUPPORTING ORPHANS AND THEIR FAMILIES

An incredible 80,000 children now have life-changing support, thanks to the continued growth of our orphan sponsorship programme. This year, we secured sponsorship for over 10,000 additional children. Our support for orphans, along with all our programmes, is underpinned by the work of dedicated safeguarding leads in every country who ensure that we follow best practice and procedures to keep vulnerable children and adults safe from abuse.

The regular stipend that orphans' families receive meets their basic needs and enables them to go to school. Among those supported by the programme is 15-year-old Shyhrete, from Kosovo. The teenager, whose father died when she was small, lives with her mother and two siblings. As her mother is in poor health the children help take care of their small

farm and livestock, but it is a struggle to make ends meet. Islamic Relief orphan sponsorship meets their immediate needs and helps Shyhrete work towards her ambition to become a professional footballer by covering essential expenses such as training and kit.

"I am one of the best players in my team," says Shyhrete, who plays for a local football club and has been selected to represent Kosovo internationally in the under-16 group. "I am very happy that I am realising my dream. I hope that in the near future I can give hope to others and help other people in need."

Sponsored children often benefit from other Islamic Relief interventions, including food aid and support with accessing healthcare and education. In 2021 we also began a dedicated sponsorship fund assisting the children of Islamic Relief colleagues who have passed away.

Shyhrete, a 15-year-old sponsored orphan, dreams of becoming a professional footballer

FUNDRAISING ACTIVITIES IN THE UK

This year Islamic Relief UK developed a new strategy to strengthen fundraising in the UK, increase the effectiveness of our UK campaigns for change and expand our UK domestic programmes.

Our fundraising department worked to deliver another strong year of activities and events that contributed to broader fundraising work. The team organised a wide variety of sponsored challenges for individual supporters to take. Climate change impacts, felt around the globe, resonated with our UK donors, some of whom focused on reducing the carbon footprint of their fundraising efforts. Our fundraising team promoted 29 Great Outdoors challenges across the UK, raising over £300,000.

The team worked closely with community partners around the country to build strong relationships, which have been an invaluable source of support for our work. Our community partners, including Green Lane Mosque and Masjid Al Falah, both in Birmingham, are champions of our

work in the UK and internationally. In 2021 our community partners helped to raise over £1 million. Through our combined fundraising, we raised £38 million this year, above and beyond our target.

The UK programmes team also delivered a strong year of activities to ensure that Islamic Relief's efforts to support the most vulnerable were reflected in the UK, as well as internationally. The team worked with charity partners around the country, including mosques, community groups, charities such as the Felix Project and FareShare, and football clubs such as Liverpool FC and Celtic FC. Providing grants to our partners helped them to secure a range of essential food and hygiene items that were provided to their local communities through their food banks. They distributed over 11,000 food packs and reached over 25,000 people across the UK.

Our efforts in the UK are wide-ranging, and we have tackled issues from alleviating poverty, to supporting refugees and empowering

women. Through the National Zakat Foundation, who distribute zakat to vulnerable families in the UK, we reached nearly 1,400 people. Our work with refugee groups included the Bike Project, which provides financial assistance to asylum seekers by repairing and providing bikes to refugees to help them travel around London – and doing so in a green and sustainable way.

Pushing forward with our climate change work we ran our Eco-Ramadan initiative for the second year in 2021, aiming to reduce carbon emissions during Ramadan and beyond. Blogs, web content and challenges encouraged people to adopt more eco-friendly lifestyles and recognise the importance of this to the Islamic faith. As part of this we launched the Meat Free Fortnight Challenge, asking supporters to go meat free for 14 days during Ramadan. This successful initiative raised awareness of climate change related work, was endorsed by over 100 supporters and 14 people taking part, and raised over £2,250 for sustainable livelihood projects.

GREENING THE MOSQUE

During the COP26 climate change conference Islamic Relief hosted several events to promote awareness of climate change programmes and to advocate for continued efforts to meet the UN's Sustainable Development Goals. As part of these events, Islamic Relief UK worked with Greenpeace MENA and Ummah for the Earth to promote the Greening the Mosque campaign through the solarisation of Glasgow Central Mosque.

Supported by Islamic Relief, the mosque received a grant to purchase solar panels to be installed on the building. The panels provide a much cleaner and greener source of renewable energy, helping the mosque to limit carbon emissions and save money. It is hoped the initiative will light the way for other UK mosques.

Islamic Relief staff and volunteers took part in a 100,000-strong climate change demonstration in Glasgow, Scotland.

The highly successful launch of the initiative to solarise Glasgow Central Mosque was welcomed by Scottish National Party Cabinet Secretary for Justice and Veterans, Keith Brown MSP, and Muslim Council of Britain's General Secretary, Zara Mohammed.

HARNESSING THE POWER OF COMMUNICATION

This year, Islamic Relief UK continued to harness the power of a range of communications channels. Our efforts with traditional, online and broadcast media resulted in hundreds of pieces of coverage, including news items or features on flagship programmes such as BBC Radio 4's Woman's Hour. The exciting launch of the 'Dear Lifesaver' podcast also boosted Islamic Relief's profile, featuring a range of guests including C40 climate campaigner Muna Suleiman. The digital marketing team's success was marked by a win for the Ramadan 2020 campaign at the prestigious Drum Awards.

INTERNATIONAL

International crises and humanitarian needs remained a key focus for Islamic Relief UK. Rising tensions in the Occupied Palestinian Territory were the forerunner to the launch of our Palestine appeal, while swift changes in Afghanistan saw us launch an emergency appeal to raise much needed funds to tackle the growing hunger crisis. Islamic Relief UK was directly involved in assessments that established the devastating

extent of the escalating crisis in Afghanistan and the need to scale up our response. We played a pivotal role in providing spokespeople and content to highlight the deteriorating humanitarian situation. Initially raising our concerns in a meeting with the Foreign Secretary, Elizabeth Truss, we also undertook an emergency visit to Afghanistan. UK Director Tufail Hussain was a key spokesperson during the Disasters Emergency Committee (DEC) Emergency Appeal.

Islamic Relief staff distribute food packages to vulnerable families in Afghanistan.

(Left to right) Liverpool Football Club Foundation Chief Executive Matt Parish, Director of the Liverpool Mosque Regions Network Farhad Ahmed, and Tufail Hussain, Director of Islamic Relief UK, support an aid distribution in Liverpool, UK. Teaming up to help vulnerable people such as refugees, people without homes and survivors of domestic violence, the organisations distributed 500 parcels filled with food staples and hygiene items.

EMPOWERING LOCAL OFFICES

Thanks to the hard work of Islamic Relief staff and volunteers in Kosovo, there was a huge rise in local donations in 2021. As part of ongoing initiatives to empower the people of Kosovo to support our vital programmes in the country, over the last five years donations have increased by 80 per cent and one-to-one orphan sponsorship has risen 35 per cent. We are using this money to help the most vulnerable feed themselves and keep warm during winter, as well as to help give children the best possible start in life. This year, a new initiative raised funds for 40 new wells to be built during the month of Ramadan, providing communities with clean water.

INTERNATIONAL FUNDRAISING

This year, we successfully launched a Ramadan and qurbani campaign with Al Jazeera Arabic. We ran three adverts per day throughout Ramadan, which resulted in increased funds through our Arabic website. The campaign also helped to increase our reach within the Middle East region, as well as to help boost credibility and build a stronger working relationship with the influential Al Jazeera network.

THANK YOU TO OUR SUPPORTERS

"I chose to support Islamic Relief because of all of the fantastic work I saw they were doing. I was highly impressed by their presence on the frontlines of emergencies and trusted that my funds would be used ethically. In addition, I was touched to see the energy and enthusiasm of the Islamic Relief volunteers.

"I feel honoured to be able to help others and to fulfil my Islamic obligations in the process. It's a powerful feeling knowing that through supporting Islamic Relief I can transform a life, especially in such uncertain times, and I thank Allah for guiding me to Islamic Relief."

Yasmin Largaut - Dublin, Ireland

With Islamic Relief's help Sulaeman learned to adapt to problems that had been impacting his livelihood for years.

"For the first time, I learned that as a lobster farmer I need an adaptation plan and strategy," says Sulaeman, who lives in Pare Mas, Indonesia. The plan he has created, "can help me ensure I have a long-term, sustainable livelihood."

At our community climate school, he learned about alternative, more affordable feeding options, as well

as how to use weather data to help with cultivation. He also ran an experiment that showed how beneficial formulated feeds can be to lobster growth.

"Now, I am grateful that we do not depend on the weather to feed lobsters, and even during extreme weather we don't have to worry because we can produce formulated feed at any time."

PARTNERSHIPS

This year we strengthened existing partnerships and worked to support the Islamic Relief family in our shared mission to improve the lives of vulnerable people worldwide.

We joined forces with other faith-based humanitarian groups and organisations at the COP26 climate conference to advocate on behalf of those most affected by climate change.

We also continued to adapt to the challenges of Covid-19, making almost all of our staff training available virtually, and equipping local partners with virtual training.

- **Delivered 10 events in and around COP26 in Glasgow**
- **Recertified under the prestigious Core Humanitarian Standard (CHS) for a second four-year cycle**
- **More than 80,000 orphans worldwide supported through our Orphan Sponsorship Programme.**

INFORMING CLIMATE DECISION-MAKING

This year we had a significant presence in the host city of Glasgow as the crucial COP26 climate conference took place in the UK, ensuring that the voices of the communities we serve were heard.

We organised two 'Road to COP26' events with partners in two countries. In Indonesia we teamed up with KONSEPSI to host a virtual event producing recommendations and commitments on local initiatives for inclusive low-carbon development and climate resilience. Among the speakers were the governor of West Nusa Tenggara, Zulkieflimansyah, and Ministry of Development and National Planning Board officials. In Pakistan we hosted five events across five provinces aimed at sharing research insights and fostering partnerships and policy dialogue around climate-induced migration in Pakistan.

These events added to the knowledge generated from an extensive series of consultations with climate-vulnerable communities in Bangladesh, which we shared with policy makers before the conference; and Islamic Relief Pakistan's work with the Ministry of Climate Change.

At the United Nations Capital Development Fund (UNCDF) COP 26 hub, Islamic Relief Senior Policy Advisor Jamie Williams (left) and our Head of Global Advocacy, Shahin Ashraf (centre), discuss locally-led climate change adaptation with CBM Global Disability Inclusion's director of mental health, Julian Eaton.

ADDING MOMENTUM TO CLIMATE CHANGE ACTION

Islamic Relief staff from the UK, Pakistan, Indonesia, Sweden, Canada and Germany took part in COP26, held in Glasgow, Scotland. We contributed to the United Nations Framework Convention on Climate Change (UNFCCC) sessions, which aimed to negotiate an outcome that underlined the importance of climate change adaptation to communities on the frontline of climate catastrophe. Drawing on our extensive preparations, including as lead on climate adaptation for the Climate Action Network (CAN), we demonstrated that local knowledge and understanding must be at the centre of plans and action to adapt to climate change.

Over the two-week conference we held ten events, including the launch of our climate induced migration report by Pakistan's Minister for Climate Change, Malik Amin Aslam. At another event, focusing on the nexus between gender-based climate adaptation and localisation, our team from Indonesia presented their experiences of local adaptation practices, including use of indigenous knowledge to understand weather and climate patterns when making decisions about crops and farming practices. Experts provided insights into the challenges and opportunities in climate change mitigation and inclusive adaptation in local contexts.

PRIORITISING QUALITY AND ACCOUNTABILITY

Islamic Relief is one of only five UK-based charities to have been certified against the CHS, and to date we are the only UK-based Muslim faith-inspired charity to hold the certification.

This whole community in Balochistan, Pakistan, is enjoying the benefits of a drinking water supply funded by Islamic Relief.

Islamic Relief cares deeply about the quality of our work. We do all we can to ensure we provide support that is timely, relevant, effective, does no harm and builds on the resources and capacity of affected communities and individuals. This year, we were again recognised for systematically prioritising quality and accountability across our programming, with recertification against the Core Humanitarian Standard on Quality and Accountability (CHS) – a rigorous global standard for humanitarian work.

The recertification came after auditors reviewed, on a sample basis, our offices in Kenya, Somalia, Bangladesh, Jordan and Bosnia, as well as our international headquarters in the UK. Speaking with staff and members of the communities we serve, auditors found we work closely with local and national authorities to provide services quickly and effectively to those in need. Communities themselves told auditors that our programmes are well designed to meet their needs while also being adaptable, and we were also found to have robust complaints and feedback systems.

This year we also made further improvements to our programming by introducing a rigorous set of minimum requirements for all our projects. The new Monitoring, Evaluation, Accountability and Learning Framework helps make sure we effectively design, plan, implement, monitor and learn from our projects, in an accountable manner.

WORKING TO END HUNGER

Since Islamic Relief installed water facilities near his northern Syria home, Mustafa, 58, has been able to grow food and feed his children once more.

Hunger emerged as a key issue for Islamic Relief this year, with conflict, natural disasters, and the Covid-19 pandemic adding to the worries of many around the world about where their next meal is coming from. Our CEO was chosen to address more than 100 CEOs from World Food Programme (WFP) partner organisations at its Annual Partnership Consultations. Speaking during a panel on 'Advocacy on the Path to Zero Hunger,' Waseem Ahmad underlined the importance of listening to insight from frontline colleagues in local and national non-governmental organisations. Waseem also attended a high-level United Nations event on famine prevention, organised by the Group of Friends on Action on Conflict and Hunger, the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), the Food and Agriculture Organization of the United Nations (FAO) and the WFP.

STRENGTHENING LOCAL RESPONSE

Supporting local organisations to better respond to crises is a priority for Islamic Relief. This year, we continued to work towards that goal through our Strengthening Response Capacity and Institutional Development for Excellence (STRIDE) project, now in its second phase.

We held workshops on preparedness and response for each region in which we work. In addition we have developed country-specific pathways towards prioritising localisation and partnerships with local organisations in all of our 19 STRIDE-focused country offices.

The Global Learning Platform we launched this year will improve problem-solving and communication on localisation, while the taskforce we set up began developing a shared understanding of localisation discourse and a roadmap for the way forward. We also welcomed research by the Overseas Development Institute (ODI) on local humanitarian action

A localisation workshop with Islamic Relief colleagues in Afghanistan.

during Covid-19, which highlighted STRIDE as a best-practice model.

In addition, our Humanitarian Academy for Development (HAD) – Islamic Relief's training and development division – ran several programmes aimed at strengthening the capacity of local civil society organisations. In Tanzania and Kyrgyzstan, more than 20 local organisations were equipped with skills to achieve financial sustainability, while over 15 organisations in Gaza received training

and coaching support to build core skills, accountability, and the quality of their interventions.

Meanwhile over a dozen local organisations in Yemen benefited from the launch of an intensive mentoring programme. Each organisation received a tailored development plan and access to specialist training, and a collective 70 mentoring days provided by HAD this year.

Islamic Relief and HAD colleagues with some of the Islamic Relief trustees who received specialist training this year. Some 17 delegates took part in the training, which was designed to ensure our Board of Trustees continues to operate effectively. Trustees learned about our governance reform programme, explored their collective and individual responsibilities as trustees, and examined our rigorous Code of Conduct.

TRAINING COLLEAGUES FOR SUCCESS

Our Humanitarian Academy for Development (HAD) delivered courses to more than 250 colleagues this year. A further 500 staff completed e-learning on subjects including child safeguarding, risk management and modern slavery. Adapting to the challenges of the pandemic, HAD strengthened its 'blended learning' offering and is now in a position to deliver almost all its courses virtually, whether to humanitarian practitioners within Islamic Relief or to those in other organisations.

"I needed to build my knowledge within the international standards that are required for a project manager," says Ahmad Saad, who was among

those to benefit from the training. Head of quality assurance and control for the Directorate of Mine Action. He described the Project D course as, "relatable, informative, well managed and presented".

HAD facilitated eight virtual internships, with several of the interns going on to work for Islamic Relief. In addition ten graduates undertook placements across the charity, thanks to our graduate training scheme, while the UK government's Kickstart scheme gave internship experience to young people.

"I was inspired by Islamic Relief's message to help others," says Maryam Bilqis (right), who took part

in a Kickstart placement this year, gaining experience as a project support officer. "I enjoy the community feeling which comes from the team and work environment, and I learned new things. I hope that the valuable work experience I've gained from my role can help me build a career in the sector."

DEVELOPING THE POTENTIAL OF ISLAMIC SOCIAL FINANCE

Since 1994 we have provided life-changing Islamic microfinance to disadvantaged people who are typically unable to access conventional financial services. With our interest-free Shariah-compliant loans, those we lend to can start up or expand a small business or farm – lifting themselves out of poverty. This year our multi-million-pound loan portfolio helped over 31,000 people in six countries, taking the total social investment circulated since inception to over £65 million.

In Niger, our innovative finance solutions have helped women improve their economic situation. With our support, they rear goats and sheep for qurbani and benefit from links to the

best livestock markets when selling the animals. The trailblazing Qurbani Plus model ensures that women and their families earn as much as possible in return for their hard work. Some have used their share of the profit to buy their own livestock or set up a kitchen garden, creating a sustainable source of income. They can also invest in nutrition, healthcare and education for themselves and their families. Islamic Relief re-invests our share of the profit into livestock so that more people can be helped out of poverty.

To improve poor people's resilience to shocks and provide financial protection, we have created a safety net for communities affected by or at risk from natural disasters. In Bangladesh, for example, Islamic Relief offers Shariah-compliant takaful insurance, meaning individuals make

regular contributions into a collective fund instead of paying a premium to a company. In the event of a loss of members' livelihood assets such as livestock, a debilitating accident or an adverse weather event, they receive a pre-defined pay out. Investing any surplus has ensured the community insurance scheme has been able to run for over five years.

Women contribute to a Shariah-compliant community insurance scheme set up by Islamic Relief in Bangladesh.

Eunice is a member of Nitunze Nikufae Women's Group, one of 20 loans and savings groups created by Islamic Relief in Mandera and Kilifi, Kenya. Supported to register their group and open a bank account, the 30 women members also received training in savings and loans, running the group, and entrepreneurship. With a collective savings pot and a strong financial education behind them, the group bought an acre of land and are saving up to install irrigation so they can farm together. The small loans administered by the group also enable members to feed their families, send their children to school, and invest in small income-generating activities.

MAKING BETTER USE OF CASH AND VOUCHERS

Cash and vouchers are increasingly being recognised as an effective and dignified means of assisting vulnerable people, and in 2021 Islamic Relief took further steps to increase their use in our programming in line with our Grand Bargain commitment. In a dedicated policy, we set out why and how we can help people in crisis more swiftly and effectively through the use of cash and vouchers. This approach not only meets the most pressing needs, but also protects people against resorting to harmful coping strategies and provides a much-needed boost to struggling local economies.

Last year we delivered £22.5 million in at least 31 emergency and livelihood recovery responses, including in

challenging contexts such as Gaza, Niger, Somalia, Sudan, Syria and Yemen. We reached over 350,000 people with cash assistance in the form of food vouchers, and cash transfers including cash for work. Providing people with money enables them to meet their food, shelter, health as well as other basic and livelihood needs while preserving their choice and dignity.

"It is our hope card," says 31-year-old Atef, a father of five, describing the e-voucher his family receives from Islamic Relief. As a seasonal agricultural worker in Gaza, when Atef is able to work he earns less than 15 shekels a day – not enough to feed his family or to repair their dilapidated, windowless house. With the 586

shekel e-voucher they get from Islamic Relief every month, they can buy food and other essentials from nearly 200 shops in the Gaza Strip. It has made a big difference to the family, points out his wife, Ekhlās: "The food voucher helped us so much. Our food situation has improved and so has the children's health."



Ekhlās uses her Islamic Relief e-voucher to buy food and other essentials at a local supermarket in Gaza.

LEAVING NO ONE BEHIND

Islamic Relief is committed to ensuring that our humanitarian and development actions are accessible to people living with disabilities. Our extensive work to ensure people with disabilities have a say in our programmes and policies included two important new initiatives this year.

In Sudan, we analysed the needs of refugees with disabilities living in camps for people fleeing the conflict in Tigray. Working with the International Disability Alliance, two researchers with disabilities interviewed affected people and compiled a report that revealed the persistent exclusion

of people with disabilities across all sectors. The report provided practical recommendations to ensure protection for the rights of people with disabilities during times of armed conflict. In addition, we worked with organisations representing people with disabilities in the Occupied Palestinian Territory to make our complaints and feedback mechanism more inclusive and effective.

A focus group meets to discuss the needs of refugees living with disabilities in Um Rakouba camp, Sudan.

CONTRIBUTING TO FAITH-INSPIRED ACTION

In 2021 we continued our efforts to lead interfaith approaches to humanitarian relief and development. CEO Waseem Ahmad spoke at the 3rd Vatican Dialogue on Energy Transition, an online event organised by Notre Dame University and the Dicastery for Promoting Integral Human Development. Discussing 'Just Transition', Waseem highlighted Islamic Relief's work empowering communities to build resilience and adapt to the challenges of climate change.

We participated in several interfaith events in and around COP26 in Glasgow, joining hands with Jewish, Christian, Hindu, Buddhist and other faith groups to galvanise faith-based action towards tackling climate change. Our Chief Executive took to the stage in COP's Green Zone, speaking alongside Dr Antje Jackelén, Archbishop of the Church of Sweden, at an event exploring what faith actors and the international community can do to ensure faith becomes a catalytic force for climate and gender justice for people and communities affected by crisis.

Islamic Relief Worldwide Chief Executive Waseem Ahmad with H.E. Archbishop Dr Antje Jackelén, Archbishop of the Church of Sweden, at a COP26 session focused on faith in action to strengthen community-led and gender-inclusive adaptation for climate justice.

TEAMING UP TO HELP VULNERABLE CHILDREN

Islamic Relief's work with children was the focus of a new three-year collaboration period with UNICEF, announced in December 2021. The partnership is a first for both organisations and will see us join forces with UNICEF as a partner in fundraising, implementation and advocacy. UNICEF and Islamic Relief have committed to using their combined networks, resources and expertise in areas including education, climate change and gender justice to improve the lives of vulnerable children.

Sponsored orphans gather in Bamako, Mali, to celebrate Universal Children's Day with Islamic Relief.

SOME OF OUR VALUED PARTNERS

The organisations that appear on this page encompass many of our key partners in 2021, from major institutional funders to programme implementation and advocacy partners, and key stakeholders we consult with:

Arab Fund for Economic and Social Development (AFESD)
 Bond
 CAFOD (Catholic Agency for Overseas Development)
 Care
 CHS Alliance
 Climate Action Network International
 Disasters Emergency Committee (DEC)
 Finn Church Aid
 Foreign, Commonwealth & Development Office (FCDO)
 Gender and Development Network (GADN)
 Global Affairs Canada
 HIAS
 Humanitarian Coalition
 Inter-Agency Standing Committee (IASC)
 International Council of Voluntary Agencies (ICVA)
 International Islamic Charity Organisation
 International Organisation for Migration (IOM)
 Islamic Development Bank
 Joint Learning Initiative (JLI)
 Jordan Hashemite Charity Organisation (JHCO)
 Lutheran World Federation
 Network for Religious & Traditional Peacebuilders (N RTP)
 Qatar Charity
 Qatar Red Crescent
 Radiohjälpen
 Reach Out To Asia (ROTA)
 Sheikh Abdullah Al Nouri Charity Society
 Sida (Swedish International Development Cooperation Agency)
 Start Network
 Trócaire
 UN Office for the Coordination of Humanitarian Affairs (OCHA)
 UN Refugee Agency (UNHCR)
 UN World Food Programme (WFP)
 UNFPA (United Nations Population Fund)
 Unicef
 United Nations Development Programme (UNDP)
 United Nations Entity for Gender Equality and the Empowerment of Women (UN Women)
 World Vision
 Zakat House

STRUCTURE, GOVERNANCE AND MANAGEMENT

INTERNATIONAL GENERAL ASSEMBLY

To meet the changing needs of the Islamic Relief family and the challenging environment in which we operate, the International General Assembly (IGA) has been in operation since 2020, as the highest body of the Islamic Relief Worldwide governance structure. The IGA is made up of representatives elected by and from Islamic Relief member offices. Ultimately, our aim is to have up to a third of the IGA consisting of independent members from outside the Islamic Relief family, helping to bring additional specialist skills and experience, as well as increased diversity and accountability.

The main responsibilities of the IGA are to:

- elect members of the IGA to Islamic Relief Worldwide's Board of Trustees
- approve any changes to the Islamic Relief Worldwide governing documents, membership policies, the mission and strategy, as well as being the final arbitrator on issues of membership
- appoint the Chair and members of a new Membership Accreditation Committee (MAC)
- appoint the Chair of the Governance Committee, which is responsible for proposing best practices across the Islamic Relief family. It also reports on adherence to agreed standards, policies, and procedures across all member offices.

ISLAMIC RELIEF WORLDWIDE BOARD OF TRUSTEES

The Islamic Relief Worldwide Board of Trustees is elected, each trustee for a term of four years, by the IGA. The Board is diverse and by the end of 2021 was made up of seven trustees from seven countries across five continents. Each trustee is a volunteer bringing differing skills, knowledge and experience which together will help the organisation develop and respond to key challenges. The main responsibilities of the Board of Trustees are to:

- oversee the governance of Islamic Relief Worldwide in accordance with our statutory obligations, making sure we satisfy our regulatory requirements
- act always in a manner most likely to support the charity in meeting our aims and objectives
- oversee the development of the organisational strategy and the setting of priorities and objectives
- approve the executive management structure of the organisation together with delegated authorities
- evaluate performance and progress
- approve relevant new policies and procedures
- appoint the CEO, evaluate the performance of the executive management team and make appointments to, and dismissals from, this team
- approve the remuneration policy of the organisation and set the remuneration for senior management.

The responsibilities of trustees can be made more difficult by the scale and complexity of the organisation. To help them fulfil their duties to the best of their abilities each new trustee benefits from a mentor and comprehensive induction. They receive a full overview of our strategic and operational functions, as well as a welcome pack, which includes a copy of the Memorandum and Articles of Association, the financial statements, Board minutes, the Charity Commission guidance 'The Essential Trustee' and recent publications. We actively encourage trustees to identify any training they may need, and our CEO keeps them up to date with training opportunities and changes in regulatory standards. We continually evaluate the Board's effectiveness.

The Board of Trustees receives regular performance reports, annual financial reports, plans and budgets. The Board is committed to continuous improvement and will soon put in place a periodic third-party review and assessment of its effectiveness and its way of working.

In 2021, the Humanitarian Academy for Development (HAD) rolled out two training sessions for new and existing Trustees of Islamic Relief Worldwide, and members of the Islamic Relief family:

- **Trustee Induction Programme:** targeted at both new and existing trustees to inform them of the key areas they need to know about to carry out their duties and responsibilities effectively and efficiently.
- **Governance Training Programme:** targeted at Board members and executives, drawing on their experience to strengthen their understanding and application of governance principles in line with best practice.

OTHER BODIES AND COMMITTEES IN OUR GOVERNANCE STRUCTURE

Islamic Relief Family Council

Alongside the IGA, the organisation's foremost global governance body, we also have a global executive branch called the Islamic Relief Family Council. This is a forum that brings together the chief executives of Islamic Relief Worldwide and all Islamic Relief member entities to enhance communication, strengthen relationships and provide strategic insight to help improve processes within Islamic Relief Worldwide itself and the wider federation of members.

The Membership Accreditation Committee

The Membership Accreditation Committee (MAC) oversees the operations of the Board of Trustees and strengthens accountability within the IGA. The MAC is responsible for making recommendations on the suitability of members (both entities and individuals) to the IGA. These recommendations can potentially include the initial nomination, membership levels, renewals and ending membership. The MAC ensures adherence to the rules governing membership of the IGA and the Board of Trustees.

Governance Committee

The IGA has created a new, dedicated Governance Committee, which helps to identify best practice for all Islamic Relief entities and ensure compliance with agreed standards, policies and systems.

Audit and Finance Committee

The main purpose of the Audit and Finance Committee is to provide oversight of the financial reporting process, the audit process (internal and external), our system of internal controls, risk management and compliance with laws and regulations.

KEY PERSONNEL

The Chief Executive Officer (CEO) is accountable to the Board of Trustees and, along with other senior staff, is responsible for our day-to-day management. The CEO chairs the executive management team, which is made up of directors. Divisional directors make sure that the policies and strategies agreed by the Board of Trustees are implemented, and they also support the work of other staff and volunteers. A full list of trustees and key personnel is given in the corporate directory on page 96.

REMUNERATION POLICY

We strive to attract and retain talented individuals based on their passion, commitment, values, knowledge, skills and experience. Whilst the financial dimension is not the foremost basis for engagement, we are keen to pay our team appropriate salaries. As such, our remuneration principle is to be market relevant, not market driven – so we position ourselves in the median quartile of benchmarking exercises. Our remuneration model is designed to be cost-effective and sustainable, and in line with our determination to be 'lean', to maximise the amount we spend on our programme work. In 2021 we conducted a salary benchmarking exercise to make sure our salaries remain competitive within the sector.

We also recognise that attracting and retaining the best talent requires sufficient flexibility to allow for a case-by-case consideration for particularly exceptional talents, hard-to-fill roles and top performers. By using the steps within a set grade range, we can apply this flexibility while maintaining the integrity of the wider grading system. We also encourage and reward opportunities for acting up and secondments within the charity to allow colleagues to learn and develop valuable skills and experience.

GOVERNING DOCUMENTS

Islamic Relief Worldwide refers to the charity incorporated as a company limited by guarantee in England and Wales. Islamic Relief Worldwide's governing document, known as Memorandum and Articles, was originally dated 14 March 1989 and amended on 9 August 2010 and the Objects amended on 16 March 2020 to reflect the education, advocacy and broader work of Islamic Relief Worldwide rather than the original 'alleviation of poverty.' Islamic Relief Worldwide is registered with the Charity Commission of England and Wales and with the Office of the Scottish Charity Regulator.

Other pertinent documents that are now in place with the implementation of the new governance structure and the establishment of the IGA are:

- Licence Agreement: the document that confirms that Islamic Relief members can use the Islamic Relief name and logo in their respective geographical areas
- Members Agreement: a contractual agreement between Islamic Relief members and Islamic Relief Worldwide that cements and defines the terms of our mutually beneficial relationship.

TIC INTERNATIONAL LTD

TIC International is a trading subsidiary of Islamic Relief Worldwide. It supports our fundraising activities by recycling clothes and running charity shops across the UK. The registered address of TIC International Ltd is 19 Rea Street South, Birmingham B5 6LB.

INTERNATIONAL WAQF FUND

This is a subsidiary of Islamic Relief Worldwide and also a registered charity that undertakes waqf (Islamic endowment) activities (see page 64 for more information). The registered address of International Waqf Fund is 22 Sampson Road North, Birmingham B11 1BL. Islamic Relief Worldwide exercises control over International Waqf Fund, having the right to appoint and remove its trustees.

ISLAMIC RELIEF MAURITIUS

Islamic Relief Mauritius is incorporated as a branch of Islamic Relief Worldwide with local directors appointed to oversee operations. The entity's transactions and balances are included within the accounts of Islamic Relief Worldwide.

TRUSTEES' COMPLIANCE WITH THEIR STATUTORY DUTIES

The trustees of Islamic Relief Worldwide are required to state how they have complied with their duties "to have regard to matters in Section 172(1) of the Companies Act 2006". The matters alluded to are given as headings below and in each section, we have detailed how the trustees have complied.

THE LIKELY CONSEQUENCE OF ANY DECISION IN THE LONG TERM

The charity operates under a five-year Global Strategy and in order to meet this, the Board of Trustees has to pay due regard to the long-term consequences of its decisions. Throughout the life of the strategy its implementation is regularly monitored through bi-annual progress reports, which help inform the long-term decision-making required to achieve the objectives set out in our strategy. A new long-term strategy is due to be developed in 2022.

THE INTERESTS OF THE CHARITY'S EMPLOYEES

The trustees fully appreciate the work of our colleagues and involve them to the greatest extent possible so that their interests are served. For example, we conduct general consultation with our colleagues on policies before bringing them to the Board of Trustees for approval. Another example is that of the Gender Equality Steering Group, which is chaired by a trustee, supported by two co-chairs from amongst our staff. The Group is made up of individuals from across the Islamic Relief Worldwide workforce, representing all sections of the organisation.

The Chair of the Board of Trustees and the CEO hold regular organisation-wide webinars in which colleagues are encouraged to express their views and concerns. The Chair then reports back to the rest of the Board so that appropriate actions can be taken to address any matters raised. We also intend to formalise and strengthen the organisational identity that will underpin the development of the new strategy, with consultation extending to every colleague.

THE NEED TO FOSTER THE CHARITY'S BUSINESS RELATIONSHIPS WITH SUPPLIERS, CUSTOMERS AND OTHERS

The trustees recognise the value in fostering relationships with all the charity's stakeholders, which leads to loyalty, mutual respect, trust and openness. Although our vetting processes for on-boarding partners and suppliers are necessarily rigorous, we try to build their capacity whenever possible by offering advice and sharing policies and procedures.

Islamic Relief Worldwide would not exist were it not for the generosity of our donors, so we exert a great deal of effort in keeping in touch with them in the manner that they prefer and informing them of what their contributions have achieved.

We try to give our volunteers the most rewarding experience possible, not least because we know that such an experience may lead to them becoming a committed employee, donor or advocate. Most volunteers support our fundraising efforts, others volunteer at the charity shops, get involved in campaigning, join our call centre operation, deliver cakes or act as brand ambassadors. We value their time and commitment and offer our recognition through initiatives such as our annual Volunteer Award Ceremony. We have also developed several volunteer development programmes that attract young adults and working professionals alike to develop the leadership and life skills needed to be effective volunteers. Our flagship programme, AimIR, allows learners to earn a Level 3 certificate in Leadership and was awarded a prestigious Princess Royal Training Award in 2018.

THE IMPACT OF THE CHARITY'S OPERATIONS ON THE COMMUNITY AND THE ENVIRONMENT

The Board of Trustees has fully committed the organisation to the Core Humanitarian Standard. This standard

puts "communities and people affected by crisis at the centre of humanitarian action". The charity fully subscribes to this ethos, which we enact in all of our programme delivery. Indeed, the standard is also adhered to by all of our support departments, such as Finance, Human Resources and External Relations and Advocacy.

We are committed to tackling climate change and spend considerable resources advocating and campaigning in this regard, so it is incumbent on us to pay due regard to the impact our operations have on the environment. Accordingly, all our programmes are now designed to ensure that due attention is paid to their environmental impact. We are endeavouring to reduce our carbon footprint by seeking to cut back air travel and making our new headquarters more energy efficient.

MAINTAINING A REPUTATION FOR HIGH STANDARDS OF BUSINESS CONDUCT

Our trustees are fully aware that the charity's reputation for high standards of business conduct has played a major part in our growth over the past years. Accordingly, the Board of Trustees consider it imperative that this reputation is maintained. To this end we employ rigorous vetting procedures when recruiting staff and set out clear standards of behaviour expected from them in the Code of Conduct, which is instilled in them at their induction and subsequently reinforced. We have fostered a culture that abhors bribery and corruption, and actively implements policies to prevent wrongdoing.

Our procurement and ethical vetting procedures ensure that values are a key deciding factor in our selection of suppliers. Islamic Relief Worldwide requires all suppliers to adhere to our Code of Conduct which encompasses the Modern Slavery Act 2015, the International Labour Standards as defined by the International Labour Organisation and the United Nations Global Compact's 10 principles which cover human rights, labour, the environment and anti-corruption. In this way we aim to attract and do business with partners who strive for the same high standards, cementing our reputation still further.

THE ISLAMIC RELIEF GLOBAL FAMILY

Based in Birmingham, UK, Islamic Relief Worldwide is the international office of the Islamic Relief federation. We oversee global standards, co-ordinate and monitor project implementation, identify new areas for fund development, oversee the response to emergencies and disasters by members of the Islamic Relief federation and support them as needed with marketing and media materials. We also coordinate engagement and ongoing relations with multi-lateral institutions, represent the federation in international forums and develop and coordinate the global strategy.

Registered as independent legal entities, Islamic Relief Worldwide's members raise funds for international humanitarian projects, implement local programmes and deliver advocacy and other activities in their own contexts. In these accounts we have included funds transferred to us from the following, legally recognised under Company Law, members of our IGA:

- Islamic Relief Australia
- Islamic Relief Canada
- Islamic Relief Germany
- Islamic Relief Italy
- Islamic Relief Malaysia
- Islamic Relief South Africa
- Islamic Relief Sweden
- Islamic Relief Switzerland
- Islamic Relief USA

Non-voting members also attend our IGA, and, while they do not yet meet the criteria for full membership, fully share in the Islamic Relief strategy and activities. The following are non-voting members:

- Islamic Relief Kenya
- Islamic Relief Pakistan

Some independent organisations are affiliated to Islamic Relief Worldwide through our Licence Agreement. These affiliates, some of which are independent legal entities, deliver projects on behalf of the Islamic Relief family and include:

- Islamic Relief India
- Islamic Relief Ireland
- Islamic Relief Norway
- Islamic Relief Russian Federation
- Islamic Relief Spain
- Islamic Relief Turkey

Countries in which we have what we call 'country offices', delivering humanitarian and development aid, and sometimes engaging in advocacy and external relations locally:

- Afghanistan
- Albania
- Bangladesh
- Bosnia and Herzegovina
- Ethiopia
- Indonesia
- Iraq
- Jordan
- Kosovo
- Lebanon
- Malawi
- Mali
- Nepal
- Niger
- Occupied Palestinian Territory
- The Philippines
- Somalia
- South Sudan
- Sudan
- Tunisia
- Yemen

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

- China*
- Greece
- North Macedonia
- Myanmar
- Sri Lanka
- Syria

*In early 2022, Islamic Relief stopped operating in China having completed its scheduled programmes there.

TRUSTEES' RESPONSIBILITIES

The trustees, who are also the company directors of Islamic Relief Worldwide, are responsible for preparing the trustees' report. This includes the group strategic report and the financial statements, preparing these in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires our trustees to prepare financial statements for each financial year. They must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including income and expenditure, of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

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

Trustees must keep adequate accounting records that are sufficient to:

- show and explain the charitable company and the group's transactions
- disclose with reasonable accuracy at any time the financial position of the charitable group
- enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the trust deed.

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

STATEMENT ON DISCLOSURE OF INFORMATION TO THE AUDITORS

Under Section 418 of the Companies Act 2006 the trustees' report must contain statements to the effect that, in the case of each of the persons who are trustees at the time, the report is approved:

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

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

PUBLIC BENEFIT

We develop strategic plans to make certain that we deliver maximum public benefit and achieve our strategic objectives, which fall under purposes defined by the Charities Act 2011. The trustees have carefully considered the Charity Commission's general guidance on public benefit in setting our objectives and planning our activities.

EMPLOYEES

The organisation recognises that it is only as good as the staff that it employs. Accordingly, Islamic Relief Worldwide is an equal opportunities employer and we are proud to recruit and promote staff based on aptitude and ability, without discrimination. The steps we take include ensuring 'blind-shortlisting' when

recruiting to new roles, so applicants cannot be identified when we decide who to shortlist for interview. As set out in our Recruitment and Selection Policy, we make all reasonable adjustments necessary for candidates who tell us they have a disability and give full and fair consideration to all applications. Determined to do more, we are working to create and embed an Equal Opportunities Policy and to ensure our learning and development opportunities are accessible to all colleagues. We support our employees and actively develop their skills. We encourage all our colleagues to engage with our organisational strategy and objectives and to give their suggestions and views in the development of these. In 2021 we undertook a global staff survey which identified areas to explore but also areas to celebrate. Going forward, this data will help to shape our People and Culture Strategy.

We offer our employees management and leadership development through our Aspiring Managers and Management and Leadership Development programmes in order to enable them to forge career paths within the organisation.

In 2021 we continued to take part in the Government Furlough Scheme and topped this up in order to continue to pay employees their full salaries. During the pandemic each staff member in the UK was allocated a mental health first aider to be their contact point to support them. We also trained several mental health first aiders on bereavement training to support staff who unfortunately lost family/friends during the pandemic.

Working from home helped people navigate personal and professional challenges during the pandemic. We continue to provide greater flexibility to allow staff to achieve a better work life balance and continue to restrict the total number of staff attending the workplace at any given time to ensure staff feel safe and secure within the workplace while the pandemic persists. To facilitate a smooth return to the working environment we began trialling a hybrid working model to allow staff to continue working from home for up to 80 per cent of the week whilst developing a functional return to work premises to enhance cohesion and collaboration and boost morale.

We strive to promote a healthy workplace and continue to develop and train our staff in mental health, which included training 66 managers on mental health awareness and training an additional ten mental health first aiders. In total we now have over 30 mental health first aiders. Throughout the year we ran various wellbeing initiatives which included staff quizzes, coffee mornings and nutritional advice sessions.

VOLUNTEERS

During the Covid-19 pandemic, with due regard to safety and wellbeing, we adopted a cautious approach to recruiting volunteers. However, the commitment and passion of the network of volunteers continues to contribute greatly to the success of Islamic Relief Worldwide. These dedicated volunteers have been instrumental in supporting the charity in every aspect of operation: across our shops, administration, fundraising and campaigning activities. Our active management of volunteers enables us to deploy them in the most effective way and enhances their experience.

During lockdowns we kept in touch with our volunteers, sending them reminders about the importance of their mental as well as physical health. We are very proud of the 18 volunteers who completed an accredited year-long Volunteer Leadership Programme – much of it online due to the pandemic.

AUDITORS

A resolution to reappoint Grant Thornton LLP as auditors will be put to the members at the Annual General Meeting.

FUNDRAISING STRUCTURE

Islamic Relief Worldwide raises funds through various channels including online platforms and through our International Fundraising and Partner Development departments, which help new member offices establish themselves and grow, as well as strengthen links with institutional donors around the world. In the UK, we engage donors and fundraise through our strategic business unit, Islamic Relief UK. The overall objectives are agreed with the Board and disseminated to Islamic Relief UK. The Board and Islamic Relief UK then plan accordingly, setting key performance indicators for their teams and delivering in accordance with the Fundraising Regulator's Code of Fundraising, to which the charity adheres. Management regularly monitors the performance of

the fundraising teams and reports are issued to the Board periodically.

FUNDRAISING APPROACHES

The charity adheres to all relevant statutory regulations including the Data Protection Act 2018 and the Charities Act 2011. We are registered with the Fundraising Regulator and strive for best practice in fundraising by adhering to the Code of Fundraising Practice and are committed to its Fundraising Promise. Islamic Relief is also a member of the Institute of Fundraising. Our fundraising utilises several different approaches, which include the following:

- Major-donor giving
- Corporate giving
- Community fundraising
- Digital peer to peer fundraising
- Charity shops
- Sponsored challenges
- Live TV appeals
- Live radio appeals
- Volunteer activities
- Direct mail
- Social media fundraising
- Influencer fundraising
- Digital fundraising

In response to the challenges of the Covid-19 pandemic, we maintained our focus on digital fundraising methods. Most of our activities were carried out by our own staff and volunteers. Islamic Relief Worldwide occasionally engaged third-party organisations to fundraise on our behalf, subject to contractual agreements and requirements to meet the same standards observed by Islamic Relief Worldwide in our fundraising practices.

CHARITY WEEK

The year saw the return of offline events for our mass participation campaign, Charity Week. A student volunteer led campaign, Charity Week engaged thousands of volunteers across the globe and saw 394 educational institutions sign up to the event. The project was run by 474 core volunteers who worked very closely with our fundraising teams. They received formal training and support to deliver an effective campaign which raised a total of £1.8 million, a record for the campaign to date.

CODE OF FUNDRAISING PRACTICE

During the year, we performed ongoing reviews of our compliance with the Fundraising Regulator's Code of Fundraising Practice. We carried out an extensive internal audit of our fundraising practices to further identify areas for improvement and ensure that we are constantly aiming for excellence in our work as well as adherence to the Code.

PROTECTING VULNERABLE PEOPLE

Islamic Relief Worldwide abides by the Fundraising Regulator's Code of Fundraising Practice and ensures our colleagues and volunteers are fully briefed about the protection of vulnerable people. We brief staff and volunteers about best practice before they undertake any fundraising, making them aware of the need to identify, respect, support and protect vulnerable people.

COMPLAINTS HANDLING

We pride ourselves in having an open-door policy, providing stakeholders with transparency and an opportunity to give feedback to us about their experience. However, there may be times when we do not meet the high standards we set ourselves. For such instances we have a Fundraising Regulator-approved complaints policy in place. We try to make it easy for concerns and complaints to be raised via our website and our complaints policy can be found there. Complaints are captured centrally, dealt with in accordance with the process laid out in the policy and reported to the Fundraising Regulator through the annual return. In 2021 we received 141 complaints, each of which was dealt with in accordance with our complaints policy.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Trustees' indemnity insurance, indemnifying each trustee against liability to third parties, has been in place throughout the year ended 31 December 2021 and up to the date of approval of this report.

PRINCIPAL RISKS AND UNCERTAINTIES

Islamic Relief Worldwide works across multiple jurisdictions in which security, political uncertainty and fragile economies may mean some risk is inevitable. With over 38 years of institutional knowledge and experience, we have in place an active assurance framework and risk management protocols to manage and mitigate risk across the charity and our areas of operation.

Our Board of Trustees has invested to safeguard our people, those we serve and other stakeholders, the funds and assets entrusted to us and the reputation of Islamic Relief Worldwide.

ASSURANCE FRAMEWORK

The Board is supported by a dedicated Audit and Finance Committee responsible for ensuring that Islamic Relief Worldwide has a robust system of internal control, management, safeguarding, complaints management and audit to manage risk and to take advantage of emerging opportunities. Assessing risk is central to our governance and management.

Reporting to the Audit and Finance Committee is the independent Internal Audit function. This ensures that there is professional oversight and assurance of adherence to risk management policies and procedures, as well as effective mitigation actions when needed.

RISK PROCESSES

- We conduct risk and assurance assessments periodically across each country office, functional division, and department, and at a strategic level by the executive and trustees.
- Islamic Relief Worldwide has deployed an enterprise risk management solution across its country offices and UK offices to streamline and enhance compliance. This supports effective monitoring and reporting on managing risks.
- We carry out quarterly risk management reviews at operational and executive levels, with oversight from Internal Audit, reporting to the Audit and Finance Committee.
- The executive team periodically reviews the charity's strategic risks.

- The Internal Audit function undertakes regular audits, in addition to statutory annual audits and institutional funder audits. All the results are reported to the Audit and Finance Committee, who oversee the implementation of recommendations by the executive team.
- A dedicated team works to enhance our protocols to ensure that our people, and those we serve and work with, are kept safe and secure. The team also manages and responds to complaints, safeguarding matters and whistleblowing.
- We carry out monthly financial reporting, the results of which are reported to the executive team and the Audit and Finance Committee.

SIGNIFICANT RISKS

We have identified the following significant risks at an organisational level. The executive monitors specific indicators relating to each risk and implements specific actions with oversight from Internal Audit, the Audit and Finance Committee and the Board of Trustees.

SAFEGUARDING

Islamic Relief made considerable progress in addressing safeguarding in 2021. Increasing staff capacity in 2020 resulted in more training and capacity building of country office teams, as well as a greater ability to investigate concerns and support survivors. Capacity development of country offices is a vital part of embedding and improving safeguarding practices across operations, so we welcomed funding to undertake this through a dedicated project covering our operations in Ethiopia, Somalia, Kenya, Jordan and Afghanistan.

The project developed a strong safeguarding infrastructure through disseminating policies and strengthening processes and procedures, as well as integrating safeguarding into systems such as human resources and procurement. Safeguarding communication materials and comprehensive training packages were developed and delivered to staff

at all levels. It also developed staff awareness of the entitlements and rights of those we serve, the behaviour expected of staff, and of complaints mechanisms.

Examples included developing child-friendly complaints mechanisms and raising awareness of children and guardians in Jordan; incorporating safeguarding in each aspect of monitoring and evaluation activity; and ensuring community understanding of the issues at the start of projects in Kenya. In Afghanistan, we strengthened complaints mechanisms in projects serving remote areas, designing culturally sensitive materials and raising the confidence of local community members.

In Somalia, we incorporated safeguarding into an emergency response to flooding, training local people on safeguarding approaches and accessible complaints mechanisms. In Ethiopia, we set up and trained Community Hope Action Teams, resulting in greater transparency in complaints handling, feedback, and dialogue with affected communities. We found innovative methods to work with socially conservative and traditional communities while disseminating safeguarding messages.

We developed a training tool on 'Preventing Sexual Exploitation Abuse and Harassment' specifically tailored to the communities that Islamic Relief works with. The tool included animations depicting a variety of safeguarding scenarios and detailing different ways of raising complaints. We used it successfully in remote rural communities as well as urban contexts, resulting in more local people feeling able to raise concerns and provide feedback.

A heavy emphasis was placed on safeguarding training in 2021, recognising that staff in country offices needed thorough knowledge and understanding of safeguarding if they were to practically apply best practice in their respective areas of work. We equipped country directors with regional workshops delivered training on specific areas such as child protection, and held in-depth online training for 30 country offices.

In addition, our network of Safeguarding Focal Points gave country offices advice and support. Staff became more confident of their ability to safeguard, and examples of greater protection and inclusion were evidenced, as well as the development of an environment that enabled our colleagues and those we serve to raise concerns, confident in the knowledge that such concerns would be taken seriously and addressed independently.

As a result, Islamic Relief received 46 safeguarding cases in 2021 of which two were deemed to not relate to safeguarding. A further 14 related to concerns within the community between community members, with no involvement of Islamic Relief staff. Five cases related to concerns between Islamic Relief staff and community members, and 25 related to concerns between staff members. Of all cases, six were unfounded, two were found to be malicious, and nine cases resulted in formal disciplinary action being taken including five dismissals.

Islamic Relief adheres to best practice as outlined in the CHS Alliance guidelines when undertaking investigations of safeguarding policy breaches to ensure a fair and transparent process. A survivor-centred approach is adopted which places the needs and wishes of the survivor at the heart of our work, providing timely support and interventions to ensure the health, safety and wellbeing of the survivor is at the forefront of our response.

Cases numbers have increased from 2020, evidencing that communities and staff alike are more confident in reporting concerns. Communities also acted to prevent abuse from happening when faced with potential exploitation and felt emboldened to provide feedback on other matters, leading to greater participation and accountability.

CYBERSECURITY

We take data protection seriously, with strong security measures in place to protect our data in an environment in which there is a growing risk posed by phishing, malware and ransom attacks across all sectors globally.

Islamic Relief Worldwide has therefore persisted in investing in, and continually monitoring, our security management system and accreditation to relevant security standards. Policies, procedures and regular e-learning are all in place for all staff, and we continue to evolve the effectiveness and robustness of data protection and cyber security controls into 2022 and beyond.

GOVERNANCE AND REPUTATION

Good governance is essential to deliver effectively for the people we serve, our staff and other stakeholders. Given the fragile and turbulent international context in which we work, it is essential to provide robust assurances to our stakeholders.

All Islamic Relief entities continue to progress complementary implementation plans to enhance good governance under the new governance model introduced in 2020. This year saw rigorous new and expanded training given to trustees, and a revised trustee recruitment policy, ensuring independent trustees will be added to those already elected in due course. We have also revised our constitution.

Islamic Relief Worldwide continues to refute false or misleading adverse media reports. In addition, we work with the wider sector such as through the UK government's Tri-Sector Group to address the financial access challenges we face, including the challenges created by banks de-risking and payment de-platforming. Islamic Relief also continues to maintain strong relationships with its financial services providers.

FRAUD AND CORRUPTION

Risk is always present in challenging environments, humanitarian emergencies and other contexts in which Islamic Relief Worldwide operates. It is therefore essential to ensure funds and resources are not lost.

Islamic Relief Worldwide continues to develop holistic counter-fraud resilience, which involves nurturing a counter-fraud culture across all Islamic Relief entities. Over the past year, we have enhanced our control processes and standardised procurement across country offices. We will audit these to assess their effectiveness.

FINANCIAL RESILIENCE

We continually monitor risk and opportunities, particularly the evolving economic environment and outlook that affect the economic situation for our funders and those we serve. This includes the recent cut in FCDO funding across the international aid and development sector.

Our strong financial performance during the year has mitigated the risk presented by Covid-19. We continue to work with Islamic Relief family members to determine an enhanced future business model that will enable us to appropriately recover costs and continue to invest in mitigating risks effectively and maximising opportunities.

STREAMLINED ENERGY AND CARBON REPORTING REQUIREMENTS (SECR)

This statutory reporting requirement is intended to encourage the implementation of energy efficiency measures, with both economic and environmental benefits, supporting organisations in cutting costs at the same time as reducing carbon emissions.

In 2021 Islamic Relief continued to contribute extensively to the movement for climate justice. We published research advocating for bold, urgent action, and campaigned for better mitigation of the causes of climate change. We ensured decision-makers at the pivotal climate conference, COP26, listened to the experience of communities bearing the brunt of

climate change. In addition, the 29 projects we delivered in response to the climate breakdown in 11 countries assisted over 320,000 people.

We take our responsibilities seriously, and so have engaged specialist consultants Enica to determine our carbon footprint. The consultant's findings are set out in the table below:

NARRATIVE TABLE

[+ve denotes 2021 higher than 2020; -ve denotes 2021 lower than 2020]

SECR Scope No	Energy source	SECR 2020 BASE YEAR FOR FUTURE COMPARISONS		SECR 2021 (COVID YEAR)		VARIANCE		
		Corrected 1 January to 31 December 2020		1 January to 31 December 2021		BASE YEAR 2021 LESS 2020		
		Energy (kWh/yr)	Emissions (tCO ₂ e/yr)	Energy (kWh/yr)	Emissions (tCO ₂ e/yr)	Energy (kWh/yr)	Emissions (tCO ₂ e/yr)	Emission (%)
Scope 1	Natural gas	354,502	64.9	381,419	70.1	-26,917	-5.2	-1.3%
Scope 2	Grid electric	568,337	120.7	532,042	124.0	36,295	3.3	-0.9%
Scope 1	Transport (Islamic Relief owned)	641,961	151.5	542,518	125.9	99,443	25.6	6.6%
Scope 3	Transport (business travel in rented or fuel paid by Islamic Relief Worldwide to employee-owned vehicles i.e. grey mileage)	33,190	6.6	31,204	7.2	1,986	0.7	-0.2%
Scope 3	Public rail and air travel (without RF ³)		44.0		115.3		71.4	-18.4%
	Grand total	1,597,989	387.6	1,487,182	442.5	110,807	-54.9	-14.2%

* RF – Atmospheric Radiative Force

When set against the organisation's income in the year the above represents a Carbon Intensity Ratio of 2.110 tCO₂e per £1m of income.

Methodology

The methodology used was in accordance with the Government's Environmental Reporting Guidelines (March 2019). The Department for Agriculture and Rural Affairs' (DEFRA) kgCO₂e conversion factors for 2021 were used for converting energy (kWh) to tCO₂e.

The total emissions across all our operations in the UK has been taken into consideration in the calculation of our Carbon Intensity Ratio. Islamic Relief has a mixture of 20 operating sites in the UK which encompass three office blocks, 12 shops and an extensive factory unit. The energy consumption data for gas and electricity was taken from the main

billing meters across all the sites. CO₂ emissions from all modes of transport used by the charity have also been included in this exercise and cover:

- Islamic Relief owned transport (cars and vans)
- 'grey mileage' from rented cars and vans and staff using their own vehicles on organisational business
- public transport; including flights to and from the UK.

We have selected 2021 as our base year for comparison purposes because it was more representative of pre-Covid operations than 2020.

Energy management

In 2020 we implemented improvements to the boiler management controls at our Sampson Road offices in Birmingham and an LED lighting upgrade at our Lower Marsh offices in London. These energy efficiency projects are expected to deliver an estimated 20,600 kWh annual energy saving over five years, and due to the challenges of Covid-19 we have made no further capital investments made since our last SECR 2020 report. Other energy-saving technologies are being incorporated in the new Islamic Relief office.

FINANCIAL REVIEW

At the end of the financial year Islamic Relief sets out its financial performance in 2021 and the review of its position but our charitable activities do not end when the year does. We continue our ongoing programmes to support current and future rightsholders, having in the final month of 2021 secured significant contributions for the 2022 pipeline of funding for projects, achieving a high level of liquidity that has boosted our cash held.

Islamic Relief continually manages its financial risk and reserves, including assessment of going concern, to achieve its mission.

FINANCIAL PERFORMANCE

Income and fundraising

Islamic Relief generates income primarily from three sources:

- Donations, legacies and fundraising activities by members of the Islamic Relief family, resulting in restricted and unrestricted income
- Grants from institutions and other major donors from across the globe to fund specific projects. This is known as restricted funding, which can range from short-term humanitarian interventions to longer-term development programmes
- Earned income through trading subsidiaries such as TIC International, whose primary activity is generating income through clothes recycling, and investment returns generated through investments and our investment vehicle, the International Waqf Fund.

Total income in 2021 increased by 23 per cent to £183 million (2020: £149 million). This is mainly due to the generosity of our donors in the UK and globally, donating to Islamic Relief family members who in turn funded our extensive support for life-saving and life-changing projects this year. The main growth areas for income generation have been across the UK, North America, and Europe.

Grants from institutions and other major donors were consistent with prior years. This partly reflects a continuing trend towards localisation by major donors, with more direct funding going to the global south. Another major factor has been the uncertainty created by the Covid-19 pandemic, with grant makers reflecting on the number of new grants they award as the ongoing impacts of the pandemic are monitored.

Funding from Islamic Relief family members remained the largest funding stream at £123 million (2020: £91 million), with Islamic Relief member entities being in North America and Islamic Relief UK the biggest contributors.

Our UK donors continued to demonstrate their generosity in supporting vulnerable people, with committed giving and responses to appeals increasing despite the economic impacts of the pandemic. The 2021 financial year ended with Islamic Relief collaborating with fellow members of the DEC in a joint appeal for the unfolding humanitarian crisis in Afghanistan.

Expenditure

Islamic Relief's expenditure falls into three main categories:

- Charitable activities: the costs associated with implementing programmes across Asia, Africa, Middle East, Europe and other geographical regions
- Fundraising, advocacy, and communications costs: in addition to our direct support for vulnerable people, Islamic Relief invests in fundraising to support further income generation for the communities we serve and seeks to address the root causes of poverty and suffering by campaigning for positive change in alignment with the United Nations Sustainable Development Goals
- Support costs: this includes investment in ensuring that effective governance, people, policies and systems are in place to support the frontline delivery of our projects, and so we honour the donations entrusted to us with efficient and effective operations.

This year our total charitable expenditure increased to £157 million, up from £115 million in 2020. This has allowed us to reach 11.8 million vulnerable people globally. With many prolonged, complex and ongoing humanitarian disasters across the globe this year, our greatest spend was for emergency relief projects under the banner in our strategy of 'protecting lives and dignity'. Altogether, we spent £84 million on humanitarian programming (2020: £58 million), including responses to crises in Afghanistan, Myanmar, Syria and Yemen.

Islamic Relief also works for long-term change that empowers vulnerable people to be self-sufficient. A key priority continues to be 'caring for children and orphans', with Islamic Relief investing £34 million (2020: £27 million) in the flagship sponsorship programme aiming to meet the immediate and longer-term needs of vulnerable families.

Other long-term programmes aimed at achieving long-term and short-term social change included spending £18 million (2020: £14 million) to give communities 'access to healthcare and water' and investing £5 million (2020: £4 million) in 'supporting education'.

Our sustainable livelihoods work builds financial inclusion in low-income countries, enabling people to become self-sufficient. This year our microfinance programmes alone have supported 15,000 people in 10 countries, with £13 million (2020: £9 million) invested into this programme.

The expenditure detailed above has, as always, been in accordance with our donors' wishes as per the appeals they have supported. Further details are available in notes 9 and 10.

TRADING ACTIVITIES

TIC International Ltd (TIC)

TIC International Ltd (TIC) is a wholly owned subsidiary that undertakes the trading activities of clothes recycling and managing a network of charity shops.

TIC's key role is in generating income to support Islamic Relief's programmes, and supporting our journey towards 'net zero' by providing the valuable service of recycling clothing that might otherwise be disposed of in landfill or in other ways that harm the environment.

Beyond TIC's business activities, it has played a crucial role in the Midlands region of the UK, over the past decades. As well as providing employment to local communities, it offers a support network across its workforce, resulting in long-term economic progress for whole families involved in the business – including enhanced opportunities for young people in education and employment.

In 2021, TIC converted 1,518 tonnes of unwanted clothing (2020: 1,387 tonnes) either into income through re-selling high-quality clothing in our charity shops or through recycling to generate profits. Altogether this year TIC contributed £422k (2020: £241k) to fund our vital projects. In a challenging year in which our network of shops remained closed for long periods because of the pandemic, TIC's net contribution increased markedly.

TIC staff have been crucial to its success this year, as they continue to rise to the challenging economic outlook in the UK and the subsidiary looks forward to furthering its achievements in 2022.

International Waqf Fund

We established the International Waqf Fund (IWF) to boost the long-term financial sustainability of Islamic Relief investments to generate returns for social impact, known as waqf in Islamic terminology. Waqf enables Islamic Relief to decrease its dependency on donations and grants, as the annual yield from waqf investments provides income that funds social impact programmes.

IWF seeks to generate contributions to its waqf fund towards a variety of goals set by donors and to have a continual sustainable impact into perpetuity.

The IWF Board of Trustees recognise that with all investments, there are risks that must be managed. They therefore ensure that the investment management capability, purpose of deployment and impact, alongside effective administration and investment readiness, are in place. The IWF endowments fund was £692k in 2021 (2020: £616k).

Endowments

Islamic Relief Worldwide continues to hold endowments that are invested in UK property. Returns from these investments are used for our humanitarian and development social impact programmes, as specified by our donors. The endowment fund remained constant at £8 million (2020: £8 million) due to ongoing waqf donations and investment returns.

Financial results and closing reserves

Islamic Relief reported a surplus of £9.3 million in 2021. This is made up of unrestricted reserves of £1.6 million (2020: £2.7 million) and restricted funds of £7 million (2020: £15 million), with endowment fund of £0.7 million.

Restricted reserves include funds secured for ongoing programmes into 2022 and beyond, as well as funds secured for the 2022 pipeline of programmes.

Unrestricted funds include income from our general income generation activities such as fundraising and income earned by our trading subsidiaries. This funds Islamic Relief's operating and programme support costs.

Reserves Policy

Islamic Relief's unrestricted reserves on 31 December 2021 were £14.4 million (2020: £12.4 million). These included funds that are designated to fund Islamic Relief's ongoing programmes. Our free reserves are £8.7 million (2020: £7.4 million), representing eight months of operational budget.

The purpose of holding free reserves is:

- To provide for the continuation of projects, by protecting against unforeseen project expenditure due to the inherent risk of the VUCA (volatile uncertain, complex, and ambiguous) environment in which Islamic Relief operates, managing economic and foreign exchange volatility as well as income fluctuations
- To provide working capital and manage the uneven pattern of seasonal income generation for the effective running of the charity throughout the year
- To enable Islamic Relief to invest in emerging funding and growth opportunities should the Board of Trustees approve.

The reserves policy and the target for unrestricted reserves are regularly reviewed by the Board of Trustees. Our Investment Committee is reviewing the effectiveness of how these funds are held considering liquidity, security and investment risk in 2022.

The Board considers the level of free reserves remains an appropriate target considering Islamic Relief's size, operation and the financial risks to which we are exposed.

Going concern

The Board of Trustees has assessed Islamic Relief Worldwide's ability to continue as a going concern. In forming their conclusion the trustees have considered numerous factors and key risks. These include the negative aftermath of Covid-19 pandemic; the escalating cost of living crisis; and the war on Ukraine causing food shortages in the countries in which we work.

The key risk in our financial model is from a fall in income, which negatively affects our ability to deliver charitable activities and results in lower recovery of core costs. We are mitigating the risk of lower core cost recovery through our ongoing review of our global business model with our Islamic Relief family members, and identifying initiatives to mitigate against this risk.

Core unrestricted income is funded by fundraising income and income generation activities. Despite the ongoing pandemic, our financial results do not indicate that our donors are giving cautiously. Instead, they continue to support us generously across the UK, North America and Europe. This has led to a further record £183 million raised in total income this year.

Much of our pipeline for 2022 projects is already secured and continues to be very healthy with an influx of £55 million of cash into our bank accounts from October to December 2021 for 2022. This has enabled us to plan for the coming year with more certainty and transition smoothly in sustaining project funding from one year to the next.

2022 is the year in which we embark on our new long-term strategy, supported by a financial plan to ensure that we continue to increase our effectiveness while also delivering positive impact for climate change and net-zero initiatives.

After considering these factors, the Board of Trustees has concluded that the charity remains a robust going concern and has adequate resources to continue delivering its vital work for the foreseeable future. The Board has therefore prepared the financial statements on the going concern basis.



Dr Ihab M. H. Saad

Chair of the Board of Trustees,
Islamic Relief Worldwide

9 June 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ISLAMIC RELIEF WORLDWIDE

OPINION

We have audited the financial statements of Islamic Relief Worldwide (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021, which comprise the Group Statement of Financial Activities and Income and Expenditure Account, Parent Charitable Company Statement of Financial Activities and Income and Expenditure Account, the Group and Charity Balance Sheets, the Group Cash Flow Statement and 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 group's and parent charitable company's affairs as at 31 December 2021 and of the group and parent charitable company's incoming resources and application of resources including, its income and expenditure for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006
- have been prepared in accordance with the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

BASIS FOR OPINION

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. 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 group and parent charitable company 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.

CONCLUSIONS RELATING TO GOING CONCERN

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the group's and parent charitable company's business model including effects arising from macro-economic uncertainties such as Covid-19, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the group's and parent charitable company's financial resources or ability to continue operations over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the trustees with respect to going concern are described in the 'Responsibilities of trustees for the financial statements' section of this report.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Strategic Report and the Directors' report, prepared for the purposes of company law, included in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Strategic Report and the Directors' Report included in the Annual Report have been prepared in accordance with applicable legal requirements.

MATTER ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included in the Annual Report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- proper and adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us
- the parent charitable company's financial statements are not in agreement with the accounting records and returns
- certain disclosures of trustees' remuneration specified by law are not made
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES FOR THE FINANCIAL STATEMENTS

As explained more fully in the Trustees' Responsibilities set out on page 58, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 group and the parent charitable company'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 group or parent charitable company 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.

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. This description forms part of our auditor's report.

EXPLANATION AS TO WHAT EXTENT THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), Charities SORP (FRS 102), the Companies Act 2006, Charities Act 2011, Charities and Trustee Investment (Scotland) Act 2005, Charities Accounts (Scotland) Regulations 2006 (as amended), Data Protection Act 2018 and The Charities (Protection and Social Investment) Act 2016.
- We understood how the group is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board and other minutes and through our legal and professional expenses review.

- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
 - challenging assumptions and judgements made by management in its significant accounting policies
 - identifying and testing journal entries, with a focus on unusual journals with specific risk characteristics and large value journals
 - identifying and testing related party transactions
 - inspecting the board and other committee minutes
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation

- knowledge of the charity sector
- understanding of the legal and regulatory requirements specific to the group including:
 - the provisions of the applicable legislation
 - guidance issued by the Charity Commission.
- The team communications in respect of potential non-compliance with relevant laws and regulations included the potential for fraud in revenue through manipulation of income and management override of controls; and
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the group's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the group's control environment, including:
 - the policies and procedures implemented by the group to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations
 - the adequacy of procedures for authorisation of transactions and review of management accounts
 - procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

William Devitt FCA

Senior Statutory Auditor for and on behalf of Grant Thornton UK
LLP Statutory Auditor, Chartered Accountants, Birmingham.

9 June 2022

Date:

FINANCIAL STATEMENTS 2021

Group statement of financial activities and income and expenditure account for the year ended 31 December 2021

	Unrestricted Funds (£m)	Restricted Funds (£m)	Endowments Funds (£m)	Total 2021 (£m)	Total 2020 (£m)	Notes
Income and endowments from:						
Donations and legacies	7.7	158.5	0.7	166.9	133.1	2
Other trading activities	3.5	-	-	3.5	2.8	3
Investments	-	-	0.5	0.5	0.5	4
Charitable activities	-	12.0	-	12.0	12.5	5a,b
Total	11.2	170.5	1.2	182.9	148.9	
Expenditure on:						
Raising funds:						
Costs of generating voluntary income	-	12.8	-	12.8	10.7	10a
Fundraising trading: cost of goods sold and other cost	3.1	-	-	3.1	2.8	10a
Investment management cost	-	-	0.5	0.5	0.5	10a
Charitable activities	6.5	150.7	-	157.2	115.4	10a
Total	9.6	163.5	0.5	173.6	129.4	
Net income (expenditure)	1.6	7.0	0.7	9.3	19.5	
Transfers between funds	0.4	-	(0.4)	-	-	26
Subsidiary funds brought forward on consolidation	0.0	-	-	0.0	(0.1)	
Net movement on funds	2.0	7.0	0.3	9.3	19.4	
Reconciliation of funds:						
Total funds brought forward	12.4	39.5	8.0	59.9	40.5	
Total funds carried forward	14.4	46.5	8.3	69.2	59.9	

Parent charitable company statement of financial activities and income and expenditure account for the year ended 31 December 2021

	Unrestricted Funds (£m)	Restricted Funds (£m)	Endowments Funds (£m)	Total 2021 (£m)	Total 2020 (£m)	Notes
Income and endowments from:						
Donations and legacies	7.7	158.5	0.0	166.2	132.1	2
Investments	-	-	0.5	0.5	0.5	4
Charitable activities	-	12.0	-	12.0	12.5	5a,b
Total	7.7	170.5	0.5	178.7	145.1	
Expenditure on:						
Raising funds:						
Costs of generating voluntary income	-	12.8	-	12.8	10.7	10a
Investment management cost	-	-	0.1	0.1	0.1	10a
Charitable activities	6.5	150.7	-	157.2	115.4	10a
Total	6.5	163.5	0.1	170.1	126.2	
Net income (expenditure)	1.2	7.0	0.4	8.6	18.9	
Subsidiary funds brought forward on consolidation	-	-	-	0.0	(0.1)	
Net movement on funds	1.2	7.0	0.4	8.6	18.8	
Reconciliation of funds:						
Total funds brought forward	11.6	39.4	8.0	59.0	40.2	
Total funds carried forward	12.8	46.4	8.4	67.6	59.0	

Group and charity balance sheets as at 31 December 2021

	2021 total funds		2020 total funds		Notes
	Group (£m)	Charity (£m)	Group (£m)	Charity (£m)	
Fixed assets					
Intangible assets	0.0	0.0	0.0	0.0	13
Tangible assets	8.2	8.0	9.6	9.4	14,15
Investments	0.2	1.0	0.2	1.0	16
Total fixed assets	8.4	9.0	9.8	10.4	
Current assets					
Stocks and work in progress	0.2	-	0.2	-	17
Debtors due within one year	7.2	6.8	7.0	6.4	18
Cash at bank and in hand	92.7	92.1	71.0	70.7	28
Total current assets	100.0	98.9	78.2	77.1	
Liabilities					
Creditors: amounts falling due within one year	35.7	36.8	24.6	25.0	19
Net current assets	64.3	62.1	53.6	52.1	
Total assets less current liabilities	72.7	71.1	63.4	62.5	
Creditors: amounts falling due after more than one year	3.5	3.5	3.5	3.5	
Total assets less total liabilities	69.2	67.6	59.9	59.0	
Total funds					
Unrestricted funds general	14.4	12.8	12.4	11.6	
Restricted income funds	46.5	46.4	39.5	39.4	25
Endowment funds	8.3	8.4	8.0	8.0	26
Total funds	69.2	67.6	59.9	59.0	



Dr Ihab M. H. Saad

Chair of the Board of Trustees,
Islamic Relief Worldwide

9 June 2022

Group cash flow statement for the year ended 31 December 2021

	2021 (£m)	2020 (£m)
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period as per the statement of financial activities (excluding cash flow from endowments)	9.0	18.8
Adjustments for:		
Depreciation	0.4	0.4
Impairment Loss	1.4	-
Amortisation	0.0	0.0
(Gains)/losses on investments	0.0	0.0
Decrease/(Increase) in stocks	0.1	0.0
Decrease/(Increase) in debtors	(0.2)	6.7
(Decrease)/Increase in creditors	11.0	11.3
(Gains)/Loss on foreign exchange	(2.6)	(2.7)
Net cash provided by (used in) operating activities	19.1	34.5
Cash flows from investing activities		
Purchase of property, plant and equipment	(0.4)	(3.8)
Proceeds from the sale of property, plant and equipment	0.0	0.0
Net cash provided by (used in) investing activities	(0.4)	(3.8)
Cash flows from financing activities		
Endowment (waqf)	0.4	0.6
Net cash provided by (used in) financing activities	0.4	0.6
Net increase/(decrease) in cash and cash equivalents	19.1	31.3
Cash and cash equivalents at the beginning of the reporting period	71.0	37.0
Change in cash and cash equivalents due to exchange rate movements	2.6	2.7
Cash and cash equivalents at the end of the reporting period	92.7	71.0
Consisting of:		
Cash at bank and in hand	92.7	71.0

NOTES TO THE FINANCIAL STATEMENTS

COMPANY STATUS

Islamic Relief Worldwide is a charitable company limited by guarantee, without share capital and governed by its Memorandum and Articles originally dated 14 March 1989 and amended as a Memorandum of Association on 9 August 2010 and the Objects amended on 16 March 2020. The company was registered as a charity with the Charity Commission on 6 April 1989. The Principal Address and Registered Office is 19 Rea Street South, Birmingham, B5 6LB. Islamic Relief Worldwide is considered to be a public benefit entity.

1. PRINCIPAL ACCOUNTING POLICIES

a. Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Charities SORP 2019 FRS 102 applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies

Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended 2014).

b. Going concern

The Trustees consider that there are no material uncertainties about the

charitable company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Financial Review. Assessments for Going Concern include long term cash flow forecasts and scenario planning.

c. Consolidation and group financial statements

The group financial statements consolidate those of Islamic Relief Worldwide, its trading subsidiary TIC International Limited, registered in England and Wales (company registration number: 2796175, 100 per cent shareholding) and the charity International Waqf Fund, a limited company by guarantee (company

registration number: 8612172, registered charity number: 1162805). The results of TIC International Limited and International Waqf Fund have been incorporated on a line-by-line basis, in accordance with current legislation.

Islamic Relief Worldwide also controls Islamic Relief UK (company registration number: 5483053). It is registered in England and Wales and during the year the company remained dormant.

Note 7 gives the full details of the income and expenditure of the trading subsidiaries.

d. Fund accounting Unrestricted funds:

All donations are considered unrestricted unless specifically stated by the donor. Unrestricted funds comprise the accumulated surplus or deficit on the statement of financial activities which are available for use at the discretion of the trustees of Islamic Relief Worldwide in furtherance of the objectives of the charity.

Restricted funds: These are assigned by the donor, or the terms of the appeal, specified by a particular country or project. The donation and income deriving from them will be used in accordance with the specific purposes.

Endowment (waqf) funds: These are funds that have been given to Islamic Relief Worldwide subject to the restriction that they are to be held as capital or spent on a long-term charitable asset. Waqf is employed to generate a return while the original investment remains intact. Waqf returns are used to cater for long-term projects. Waqf is the Islamic equivalent of endowments.

e. Incoming resources and investment income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and that the amount can be measured reliably.

Donations: This comprises all incoming resources from donations and income from fundraising partners on the basis of that which is remitted to Islamic Relief Worldwide in the UK.

Charitable income: Where related to performance and specific deliverables these are accounted for as the charity earns the right to consideration by its performance.

Other trading activities: This comprises income generated by TIC International Limited from its trading activities, its charity shops and the sale of merchandise.

Investment income: This comprises income generated by Waqf investment and rents receivable Income generated from Waqf forms part of the endowment funds.

f. Resources expended

All expenditure is accounted for on an accruals basis and is recognised where there is a legal or constructive obligation to pay. Expenditure has been classified under headings that aggregate all costs related to that category.

Costs of generating funds: These are costs incurred in attracting voluntary income and those as stated below under the headings 'Costs of generating voluntary income' and 'Fundraising trading'.

Costs of generating voluntary income: The costs incurred in seeking voluntary contributions.

Fundraising trading: This comprises the group's trading activities, namely the costs associated with the trading activities of TIC International Limited.

Charitable activities: These are costs associated with the provision of humanitarian relief and development programmes as elaborated on in the trustees' report section, 'Our global reach.' These include both the direct costs and support costs relating to these activities.

Governance costs: These are costs associated with the governance arrangements of Islamic Relief Worldwide. Included within this category are strategic costs as opposed to the day-to-day management of Islamic Relief Worldwide's activities.

Support costs: Support costs for a single activity are allocated directly to that activity. Where support costs relate to several activities, support costs have been allocated to each of the activities

(stated in Note 10) on the basis of the number of direct staff supported during the period in the relevant activity.

Governance support costs are allocated on the basis of support activities provided on clearly interpreted governance matters.

Investment management cost: This incorporates costs related to the administration of waqf and costs relating to the promotion of the concept of waqf from unrestricted funds; therefore, this element is not charged to capital.

g. Operating leases

Rentals paid under operating leases are charged to income as incurred.

h. Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate ruling at the balance sheet date, and the gains or losses are included in the income and expenditure account. Foreign exchange gains and losses incurred in respect of humanitarian projects overseas are included in the charitable activities expenditure.

The company's functional and presentational currency is GBP.

i. Fixed assets and depreciation.

Except for items costing below £500, which are expensed on acquisition, all expenditure of a capital nature is capitalised.

Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight-line basis.

The expected useful lives of the assets to the business are reassessed periodically in the light of experience.

- Freehold buildings over 50 years straight-line basis
- Fixtures and fittings over four years straight-line basis
- Office equipment over four years straight-line basis
- Motor vehicles over five years straight-line basis
- Plant and machinery over eight years straight-line basis • Depreciation is not charged on land

j. Intangibles

Intangible assets represent the organisation's registered trademarks. They are stated at cost, less any impairment loss. The useful life of the trademark is estimated to be 10 years. They are amortised and tested for impairment annually where indicators of impairment are identified.

k. Cash and cash equivalents

Cash at bank and cash in hand includes non-interest-bearing accounts held at call with banks, and cash at hand. Cash equivalents includes monies deposited for less than 120 days or available within a 120-day notice period, without interest penalty.

Much of our pipeline for 2022 projects is already secured and continues to be very healthy with an influx of £55 million of cash into our bank accounts from October to December 2021 for 2022.

l. Stocks

Stocks and Inventories are stated at the lower of cost and estimated selling price less costs to sell. In respect of work in progress and finished goods, cost includes a relevant proportion of overheads according to the state of completion.

m. Investments

Investments consist of unlisted investments, subsidiary undertakings, and property. Investments in shares are included at fair value. Investment property is included at market fair value. Gains are recognised in the income statement. Deferred taxation is not provided for in these gains at the rate expected to apply when the property is sold.

n. Financial instruments

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.

o. Debtors

Debtors are measured at the settlement amount after any trade discount offered.

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 after allowing for any trade discounts due.

q. Taxation

As a registered charity, the company is exempt from taxation of its income and gains to the extent they fall within the charity exemptions in the Corporation Taxes Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992.

The company is unable to recover Value Added Taxation charged on its purchases which is included in the related expense or asset in the accounts.

r. Volunteers

Islamic Relief Worldwide appreciates the hard work and dedication of its volunteers across the world. Almost 1,000 volunteers engaged in a number of activities including campaigning and domestic programmes. The contribution of volunteers is not recognised in the accounts as it is impractical to value given the absence of a reliable measurement basis.

s. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates.

Significant judgements: There are no significant judgements having a material effect on the financial statements.

Significant estimates: There are no significant estimates having a material effect on the financial statements.

Non-exchange transaction

The trading subsidiary's (TIC International) donated goods for sale in the shops and in the recycling operation are measured at sales prices when sold.

Estimating the fair value of donated goods for resale is considered impractical because of the volume of low value items received, the absence of detailed stock control systems in the shops and market factors.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. Donations and legacies

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2021 £'000	Total 2020 £'000	Notes
Donations, appeals and fundraising events						
United Kingdom*	6,883	30,472	228	37,583	36,314	
Islamic Relief members	516	122,170	-	122,686	90,766	6
International fundraising**	278	4,951	472	5,701	5,047	
Disasters Emergency Committee***	-	923	-	923	1,030	
Total	7,677	158,516	700	166,893	133,157	

* Figure includes:

£781,087 of Aid Match funding from the Foreign, Commonwealth & Development Office (FCDO), the final payments towards an integrated development project in Sudan. The project aims were to reduce hunger and vulnerability through the redevelopment of rural villages in Blue Nile and Greater Kordofan, providing water and sanitation, healthcare, education and livelihoods.

Gift Aid tax recovered on donations made by UK taxpayers.

** International fundraising includes countries in the Middle East and Emerging Markets in which Islamic Relief does not have a permanent presence.

***The Disasters Emergency Committee (DEC) is an umbrella organisation of 15 humanitarian aid agencies, including Islamic Relief, that work together in times of crisis. For further information, visit: www.dec.org.uk

3. Other trading activities

	Total 2021 £'000	Total 2020 £'000
Trading subsidiaries		
TIC		
Income from charitable shops	960	718
Clothes recycling income	2,558	2,131
Subtotal	3,518	2,849

4. Investments

	Total 2021 £'000	Total 2020 £'000
Return on waqf	536	511
Total	536	511

5a. Charitable income by institution – non Middle East and Emerging Markets

	Protecting life and dignity 2021 £'000	Empowering communities 2021 £'000	Total 2021 £'000	Total 2020 £'000
Institutions				
Islamic Relief Netherlands	1,786	2,771	4,557	3,980
Islamic Relief Belgium	583	1,750	2,333	1,134
United Nations OCHA	402	770	1,172	1,727
United Nations Development Programme	-	1,003	1,003	928
Save the Children	429	-	429	1,021
United Nations Children Fund (UNICEF)	21	347	368	218
Stichting Zoa	-	120	120	275
Catholic Agency for Overseas Development	99	-	99	229
Swiss federal department for foreign affairs	-	96	96	-
World Vision Germany	46	44	90	264
Danish Refugee Council (DRC)	87	-	87	78
U.S. Agency for International Development	57	-	57	164
United Nations Office for Project Services	-	20	20	-
United Nations Joint Programme on HIV/AIDS	19	-	19	50
Finn Church Aid	18	-	18	68
Catholic Relief Services (CRS)	1	-	1	8
Care International UK	-	-	-	339
CARE Deutschland (CARE Germany)	-	-	-	126
Charity Commission	-	-	-	98
Trocaire	-	-	-	46
Oxfam	-	-	-	6
Swedish International Development Agency	-	-	-	3
Total	3,548	6,921	10,469	10,762

5b. Charitable income by institution – Middle East and Emerging Markets

	Protecting life and dignity 2021 £'000	Empowering communities 2021 £'000	Total 2021 £'000	Total 2020 £'000
Name				
Islamic Development Bank	54	420	474	23
Sheikh Abdullah Al Nouri Charity – Kuwait	110	103	213	171
Arab Fund for Economic and Social Development	-	165	165	68
Kuwait Zakat House	35	104	139	126
Qatar Charity	137	-	137	665
Qawafil for Relief & Development	5	51	56	18
International Islamic Charitable Organisation Kuwait	18	-	18	622
Salam Organisation for Humanitarian & Charitable Activities	14	-	14	-
Hufadh Association Charity	-	-	-	17
Subtotal	373	843	1216	1,710
In-kind donations				
Qatar Charity	308	-	308	-
Total in-kind donations	308	-	308	-
Subtotal (including In-kind donations)	681	843	1,524	1,710
Total all institutions	4,229	7,764	11,993	12,472

6. Donations disclosure by member

	Protecting life and dignity 2021	Empowering communities 2021	Total 2021	Total 2020
Name	£'000	£'000	£'000	£'000
Islamic Relief USA	21,998	32,390	54,388	38,148
Islamic Relief Canada	10,689	19,144	29,833	19,914
Islamic Relief Sweden	6,292	7,732	14,024	11,494
Islamic Relief Germany	6,180	5,047	11,227	10,265
Islamic Relief Switzerland	2,028	2,674	4,702	3,602
Islamic Relief South Africa	2,339	1,013	3,352	2,727
Islamic Relief Australia	512	843	1,355	1,353
Islamic Relief Mauritius*	325	737	1,062	998
Islamic Relief Malaysia	515	243	758	1,171
Islamic Relief Ireland	230	385	615	365
Islamic Relief Bosnia and Herzegovina	513	18	531	292
Islamic Relief Spain	159	208	367	206
Islamic Relief Italy	264	52	316	193
Islamic Relief Norway	88	68	156	38
Total	52,132	70,554	122,686	90,766

All members are separate legal entities reporting locally in their respective countries. These amounts represent those transmitted to Islamic Relief Worldwide to be applied to Islamic Relief Worldwide projects.

* Islamic Relief Mauritius is incorporated as a branch of Islamic Relief Worldwide with local directors appointed to oversee operations, and its transactions and balances are included within the accounts of Islamic Relief Worldwide.

7. Results from trading subsidiaries

	TIC International Limited £'000	International Waqf Fund £'000	Total 2021 £'000	Tic International Limited £'000	International Waqf Fund £'000	Total 2020 £'000
Subsidiary trading income	2,558	764	3,322	2,131	1,012	3,143
Income from charitable shops managed by TIC International Limited	960	-	960	718	-	718
Total	3,518	764	4,282	2,849	1,012	3,861
Operating and administrative costs	3,096	368	3,464	2,800	408	3,208
Net profit/(loss) for the year	422	396	818	49	604	653
Amounts gift aided to Islamic Relief Worldwide	78	-	78	241	-	241
Retained in subsidiary	344	396	740	-	604	604
The assets and liabilities of the subsidiaries were:						
Fixed assets	174	3	177	215	2	271
Current assets	1,313	1,110	2,423	926	651	1,577
Current liabilities	(176)	(14)	(190)	(173)	(49)	(222)
Total net assets	1,311	1,099	2,410	968	604	1,572
Aggregate share capital and reserves	1,311	1,099	2,410	968	604	1,572

In 2021 a Gift Aid payment of £78,459 (2020: £241,285) was received from TIC International Ltd representing the taxable profits generated by the Company in 2020.

8. Governance

	Activities undertaken directly 2021 £'000	Activities undertaken directly 2020 £'000
External audit and statutory accounts*	98	92
Legal and consultancy	177	224
Trustee expenses and board meeting costs	7	29
Internal audit	330	268
Total	612	613

* Please refer to Note 11

9. Trustees' remuneration

	2021 £'000	2020 £'000
Trustee expenses and board meeting costs		
Meetings	1	18
Travel	6	11
Telecommunications	0	0
Total	7	29
The number of Trustees claiming expenses	7	7

Apart from expenses, trustees are not remunerated. Neither the trustees, nor any persons connected with them, have received any remuneration, either in the current year or the prior year.

10a. Total resources expended

	Total support costs 2021 £'000	Activities undertaken directly 2021 £'000	Total 2021 £'000	Total 2020 £'000
Costs of generating funds				
Fundraising and publicity costs	2,899	8,281	11,180	9,738
Campaigns and events costs:				
Protecting life and dignity	249	1,208	1,457	927
Empowering communities	18	86	104	67
Campaigning for change	2	10	12	8
Islamic Relief Mauritius	-	17	17	8
Total costs of generating voluntary income	3,168	9,602	12,770	10,748
Fundraising trading – subsidiary costs	290	2,805	3,095	2,800
Investment management costs	88	368	456	488
Total	3,546	12,775	16,321	14,036
Cost of charitable activities				
Campaigning for change	413	1,601	2,014	1,903
Protecting life and dignity	344	83,677	84,021	58,733
Empowering communities				
- Access to healthcare and water	993	17,298	18,291	14,390
- Caring for orphans and children	271	34,212	34,483	27,154
- Supporting education	497	4,431	4,928	4,249
- Sustainable livelihoods	500	12,979	13,479	9,026
Total	3,018	154,198	157,216	115,455
Total resources expended	6,564	166,973	173,537	129,491

Costs for campaigns, events and generating funds relate both to the UK and to support for the operations of international family members and emerging geographical markets in these areas. There is a collaborative approach to supporting family members, coordinating with them to ensure cost effectiveness globally. In this context the activities covered include media relations and social media engagement, stakeholder communications, advocacy campaigns, fundraising appeal preparation and communication costs. In 2021, the total cost of this activity by Islamic Relief Worldwide for its own purposes and to support the global family was £16 million (2020: £14 million).

10b. Support costs

	Costs of generating voluntary income £'000	Fundraising trading subsidiary costs £'000	Investment management costs £'000	Cost of charitable activities £'000	Total costs 2021 £'000	Total costs 2020 £'000
Costs of generating funds						
Subsidiary	-	290	-	-	290	334
Management and administration	787	-	21	750	1,558	1,605
Finance	276	-	8	263	547	536
Human resources	278	-	8	265	551	497
Information technology	595	-	17	566	1,178	1,097
Facilities	1,232	-	34	1,174	2,440	1,016
Total	3,168	290	88	3,018	6,564	5,085

Support costs have been allocated to each of the above activities on the basis of the number of direct staff supported during the period in the relevant activity. Governance support costs are allocated on the basis of support activities provided on clearly interpreted governance matters.

11. Net incoming resources

	2021 £'000	2020 £'000
This is stated after charging/(crediting):		
Auditors' remuneration including non-audit services	98	92
Depreciation	361	397
Operating leases rental other than plant and machinery	295	264
Exchange (gain)/loss	2,640	753
	2021 £'000	2020 £'000
Fees payable to company's auditors for the audit of the company's annual accounts	72	68
Fees payable to company's auditors for the audit of the company's subsidiaries pursuant to legislation	13	11
Tax compliance/advisory	13	13
Total fees	98	92

12. Staff costs and emoluments

	Group 2021 £'000	Group 2020 £'000
Gross Salaries	12,958	13,036
Employer's National Insurance	1,041	987
Employer's pension	734	561
Total	14,732	14,584

	Group 2021 Number	Group 2020 Number
Average number of employees		
Engaged in raising funds	224	234
Engaged in charitable activities	124	128
Engaged in support activities	100	103
Total	448	465

Employee numbers do not include trustees as they are not paid employees, and also do not include staff employed by Islamic Relief affiliates.

	2021	2020
The number of employees with emoluments between £60,000 to £70,000 per annum	3	2
The number of employees with emoluments between £70,000 to £80,000 per annum	2	4
The number of employees with emoluments between £80,000 to £90,000 per annum	3	3
The number of employees with emoluments between £90,000 to £100,000 per annum	1	1
The number of employees with emoluments between £100,000 to £110,000 per annum	0	0

Total redundancies for the year ended 31 December 2021: Nil (2020: £38,550)

Key management remuneration

Executive management team remuneration during the year totalled £839,205 (2020: £935,768)

Chief Executive Officer remuneration during the year totalled £97,982 (2020: £90,628).

Aggregate pension contribution included in total remuneration figure £64,114 (2020: 55,974).

Chief Executive Officer aggregate pension contribution included in Chief Executive Officer remuneration figure £9,359 (2020: £7,260).

	Gross Salaries £'000	Employer's National Insurance £'000	Employer's Pension £'000
Analysis of key management remuneration			
2021	693,750	81,341	64,114
2020	785,869	93,925	55,974

The key management personnel consist of the CEO and 9 executive directors in 2020

The key management personnel consist of the CEO and 11 executive directors in 2021. This reflects starters and leavers in the year, there are 7 executive roles.

**There were no Other Benefits received by key management and no salary for any individual exceeded £100,000 in 2021.

13. Intangible assets: Group and Charity

	2021 £'000
Group trademarks	
Cost	
At 1 January 2021	188
At 31 December 2021	188
Accumulated amortisation	
At 1 January 2021	(179)
Charge for the year	-
At 31 December 2021	(179)
Net book value	
At 31 December 2021	9
At 31 December 2020	9

Trademarks are depreciated over their economic life of 10 years.

14. Group tangible assets

Group	Freehold land & buildings £'000	Plant and machinery £'000	Fixtures, fittings and office equipment £'000	Motor vehicles £'000	Total £'000
Cost					
At 1 January 2021	11,313	617	4,231	239	16,400
Additions	131	7	242	11	391
Disposals	-	-	(46)	(5)	(51)
At 31 December 2021	11,444	624	4,427	245	16,740
Accumulated depreciation					
At 1 January 2021	2,212	586	3,782	220	6,800
Charge for the year	157	22	173	8	360
Disposals	-	-	(23)	-	(23)
Impairment	1,430	-	-	-	1,430
At 31 December 2021	3,799	608	3,932	228	8,567
Net book value					
At 31 December 2021	7,645	16	495	17	8,173
At 31 December 2020	9,101	31	449	19	9,600

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

The impairment relates to an overvaluation by a Quantity Surveyor on building works. An independent valuation has been undertaken and actions initiated to recover the amount.

15. Charity tangible assets

Charity	Freehold land and buildings £'000	Fixtures, fittings and office equipment £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 January 2021	11,093	4,064	124	15,281
Additions	131	239	11	381
Disposals	-	(46)	-	(46)
At 31 December 2021	11,224	4,257	135	15,616
Accumulated depreciation				
At 1 January 2021	2,078	3,698	123	5,899
Charge for the year	143	171	2	316
Disposals	-	(23)	-	(23)
Impairment	1,430	-	-	1,430
At 31 December 2021	3,651	3,846	125	7,622
Net book value				
At 31 December 2021	7,573	411	10	7,994
At 31 December 2020	9,015	366	1	9,382

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

16. Investments

	Total Group £'000	Total Charity £'000
As at 1 January 2021	169	1,045
Increase/(decrease) in value	-	-
As at 31 December 2021	169	1,045

The above note includes the following significant investments:

An investment in Islamic Relief Worldwide's subsidiary TIC International Limited (£860,309), which provides clothes recycling services. TIC International Limited is incorporated in the United Kingdom.

An investment property located in Bradford, UK, which was kindly gifted to Islamic Relief. The property's value is included in the valuation at the time of the donation (£62,000). The trustees are satisfied that the current value of the Bradford property represents market value.

An investment property located in Arbroath, UK, which was kindly gifted to Islamic Relief. The property's value is included in the valuation at the time of the donation (£55,000). The trustees are satisfied that the current value of the Arbroath property represents market value.

17. Stocks and work in progress

	Group 2021 £'000	Group 2020 £'000
Donated clothing	127	185

18. Debtors

	Group 2021 £'000	Charity 2021 £'000	Group 2020 £'000	Charity 2020 £'000
Trade debtors	587	65	364	37
Amounts owed from group undertakings	-	234	-	47
Prepayments and accrued income	590	590	908	908
Other debtors	6,022	5,891	5,681	5,472
Total	7,199	6,780	6,963	6,464

19. Creditors

	Group 2021 £'000	Charity 2021 £'000	Group 2020 £'000	Charity 2020 £'000
Creditors: amounts falling due within one year				
Trade creditors	3,213	3,107	1,095	989
Amounts owed to group undertakings	-	1,243	-	645
Accruals and deferred income*	17,526	17,526	18,128	18,128
Tax and social security	274	254	261	230
Other creditors**	14,507	14,536	5,038	4,953
Unpaid pension contributions	89	89	82	82
Total	35,609	36,755	24,604	25,027

Creditors: amounts falling due after more than one year

Bank loan > 1 year ***	3,500	3,500	3,500	3,500
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	Balance as at 1 January 2021 £'000	Deferred £'000	Released £'000	Balance as at 31 December 2021 £'000
Deferred income				
Islamic Relief members	17,732	17,258	(17,732)	17,258
International fundraising	308	172	(308)	172
Total	18,040	17,430	(18,040)	17,430

*Deferred income comprises income received in advance that the donor has specified must be used in future accounting periods.

**Other creditors represents amounts due to Islamic Relief independent implementing partners for projects committed to and implemented during 2021.

*** This is a Shariah compliant 'murabaha' facility with Al-Rayan Bank. As security for its obligations to the Bank under the terms of the facility, Islamic Relief Worldwide has provided a charge over its offices at 16 Lower Marsh St, London.

20. Financial instruments

	2021 £'000	2020 £'000
Financial assets measured at amortised cost		
Debtors	6,610	6,054
Cash	92,687	71,018
Total	99,297	77,072
Financial liabilities measured at amortised cost		
Creditors	21,251	9,652
Accruals	96	89
Total	21,347	9,741

21. Commitments

	Group 2021 £'000	Charity 2021 £'000	Group 2020 £'000	Charity 2020 £'000
Operating leases other than plant and machinery				
Less than one year	295	295	294	294
Between 2–5 years	925	925	989	989
More than 5 years	1,103	1,103	1,311	1,311
Total	2,323	2,323	2,594	2,594

As at 31 December 2021, the group had no capital commitments (2020: £nil).

22. Pension costs

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

23. Analysis of assets and liabilities representing funds

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
At 31 December 2021				
Group				
Tangible and intangible fixed assets	-	-	8,347	8,347
Current assets	35,252	64,718	45	100,015
Liabilities	(20,881)	(18,228)	-	(39,109)
Total	14,371	46,490	8,392	69,253

	Unrestricted Funds £'000	Restricted Funds £'000	Endowment Funds £'000	Total £'000
At 31 December 2020				
Group				
Tangible and intangible fixed assets	1,735	-	8,040	9,775
Current assets	38,110	40,053	-	78,163
Liabilities	(27,483)	(620)	-	(28,103)
Total	12,362	39,433	8,040	59,835

24. Unrestricted funds

	General reserve 2021 £'000	General reserve 2020 £'000
Balance as at 1 January 2021	12,362	9,394
Net incoming resources	1,569	2,703
Subsidiary Funds bought forward on consolidation	10	(144)
Movement from endowment funds*	429	409
Balance as at 31 December 2021	14,370	12,362

*This is a movement of the returns generated to unrestricted funds for humanitarian projects.

25. Restricted income funds

	Opening balance £'000	Income £'000	Expenditure £'000	Total 2021 £'000	Total 2020 £'000
Appeal funds					
Protecting life and dignity	16,956	88,903	88,794	17,065	16,956
Caring for orphans and children in need	2,212	33,935	35,287	860	2,212
Supporting education	2,923	5,454	4,767	3,610	2,923
Providing access to healthcare and water	13,041	17,267	19,113	11,195	13,041
Sustainable livelihoods	4,301	24,952	15,495	13,758	4,301
Total	39,433	170,511	163,456	46,488	39,433

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

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

26. Endowment funds

	Balance as at 1 January 2021 £'000	Total incoming resources £'000	Return on investments £'000	Total available resources £'000	Total resources expended £'000	Transfer £'000	Balance as at 31 December 2021 £'000	Balance as at 31 December 2020 £'000
Endowment funds								
Protecting life and dignity	342	0	0	342	2	19	321	342
Empowering communities	7,698	700	536	8,934	454	410	8,070	7,698
Total	8,040	700	536	9,276	456	429	8,391	8,040

Waqf funds are permanent endowment funds that are held within the charity to generate further funds. These are currently invested in the properties of Islamic Relief Worldwide.

Waqf investments give a seven per cent (notional and internally allocated) annual return on capital, from which projects are implemented for the purpose of waqf shares. A proportion of the return is also added back to the capital to ensure growth for reinvestment in future years.

In 2021, income from these waqf investments amounting to £536,199 will finance future long-term sustainable humanitarian development projects. Of this, £428,959 has been transferred to unrestricted funds to finance future humanitarian development projects.

27. Related parties

Some of the Trustees of Islamic Relief Worldwide were also Trustees of the following Islamic Relief Members in the period; Islamic Relief Australia, Islamic Relief Canada, Islamic Relief Malaysia, Islamic Relief South Africa, Islamic Relief Sweden, Islamic Relief Switzerland and Islamic Relief USA. The income from these related parties in 2021 is given in note 6. The amounts due from these related parties as at 31 December 2021 were as follows - Islamic Relief Australia £518,560, Islamic Relief Canada £1,699,830, Islamic Relief Malaysia £65,926, Islamic Relief South Africa £229,580, Islamic Relief Sweden £223,526, Islamic Relief Switzerland £Nil and Islamic Relief USA £1,465,986.

In 2021 a Gift Aid payment of £78,459 (2020: £241,285) was received from TIC International Ltd representing the taxable profits generated by the Company in 2020

28. Analysis of changes in debt

	At the start of the year £'000	Cash-flows £'000	Foreign Exchange movements £'000	Other non- cash changes £'000	At the end of the year £'000
Cash	71,018	24,367	(2,640)	-	92,745
Loans falling due after more than one year	(3,500)	-	-	-	(3,500)
Total	67,518	24,367	(2,640)	-	89,245

Much of our pipeline for 2022 projects is already secured and continues to be very healthy with an influx of £55 million of cash into our bank accounts from October to December 2021 for 2022.

29. Statement of financial activities and income and expenditure account comparatives for prior year

	Unrestricted funds £m	Restricted funds £m	Endowment funds £m	Total 2020 £m	Notes
Income and endowments from:					
Donations and legacies	16.0	116.1	1.0	133.1	2
Other trading activities	2.8	-	-	2.8	3
Investments	-	-	0.5	0.5	4
Charitable activities	-	12.5	-	12.5	5a, b
Total	18.8	128.6	1.5	148.9	
Expenditure on:					
Raising funds					
Costs of generating voluntary income	-	10.7	-	10.7	10a
Fundraising trading: cost of goods sold and other costs	2.8	-	-	2.8	10a
Investment management cost	-	-	0.5	0.5	10a
Charitable activities	13.3	102.1	-	115.4	10a
Total	16.1	112.8	0.5	129.4	
Net income (expenditure)	2.7	15.8	1.0	19.5	
Transfers between funds	0.4	-	(0.4)	-	
Subsidiary funds brought forward on consolidation	(0.1)	-	-	(0.1)	
Net movement on funds	3.0	15.8	0.6	19.4	
Reconciliation of funds:					
Total funds brought forward	9.4	23.7	7.4	40.5	
Total funds carried forward	12.4	39.5	8.0	59.9	

Boys in Lebanon with a blanket distributed by Islamic Relief in one of our winter interventions. This year 175,000 people received items such as warm bedding, food, and plastic sheeting to help them get through the harsh winter conditions.

CORPORATE DIRECTORY

ENGLAND AND WALES CHARITY REGISTRATION NUMBER
328158

SCOTLAND CHARITY REGISTRATION NUMBER
SC042020

COMPANY REGISTRATION NUMBER
02365572

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19 Rea Street South, Birmingham B5 6LB

BOARD OF TRUSTEES

Dr Ihab Mohammad Hamdy Saad Chair of Board of Trustees

Mrs Nurhayati Binti Hassan Vice Chair

Dr Aarif Ahmed Pathan

Mr Haroun Atallah

Dr Muhammad Osman

Dr Nora Shikeen Amath

Ms Samaa Sarsour (appointed 26 June 2021)

COMPANY SECRETARY

Dr Ihab Mohammad Hamdy Saad (appointed 11 June 2021)

Mr Khaleel Desai (resigned 12 May 2021)

EXECUTIVE MANAGEMENT TEAM

Mr Waseem Ahmad Chief Executive Officer (appointed 17 May 2021)

Mr Adnan Hafiz Interim Director Network and Resources Development Division (appointed 8 October 2021)

Mr Affan Cheema Director of International Programmes Division (appointed 1 November 2021)

Dr Hossam Said Managing Director of Humanitarian Academy for Development

Mr Javed Akhtar Director of Finance and Corporate Services (appointed 18 October 2021)

Mr Martin Cottingham Director of External Relations and Advocacy

Mr Tufail Hussain Islamic Relief UK Director

Dr Ahmed Nasr Interim Director of International Programmes Division (resigned 31 October 2021)

Mr Khaleel Desai Head of Governance (resigned 12 May 2021)

Mr Naser Haghamed Chief Executive Officer (resigned 29 January 2021)

Mr Sultan Hussain Interim Director of Finance and Corporate Services (resigned 29 October 2021)

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**“Whoever saves a life,
saves the whole of mankind”**

Qur'an, 5:32



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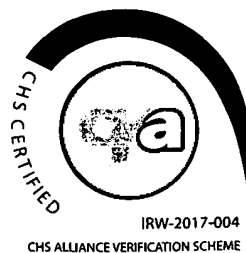
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Registered Charity No. 328158

Registered Company No. 02365572



**CELEBRATING
FIVE YEARS OF OUR
CERTIFICATION IN 2022**