

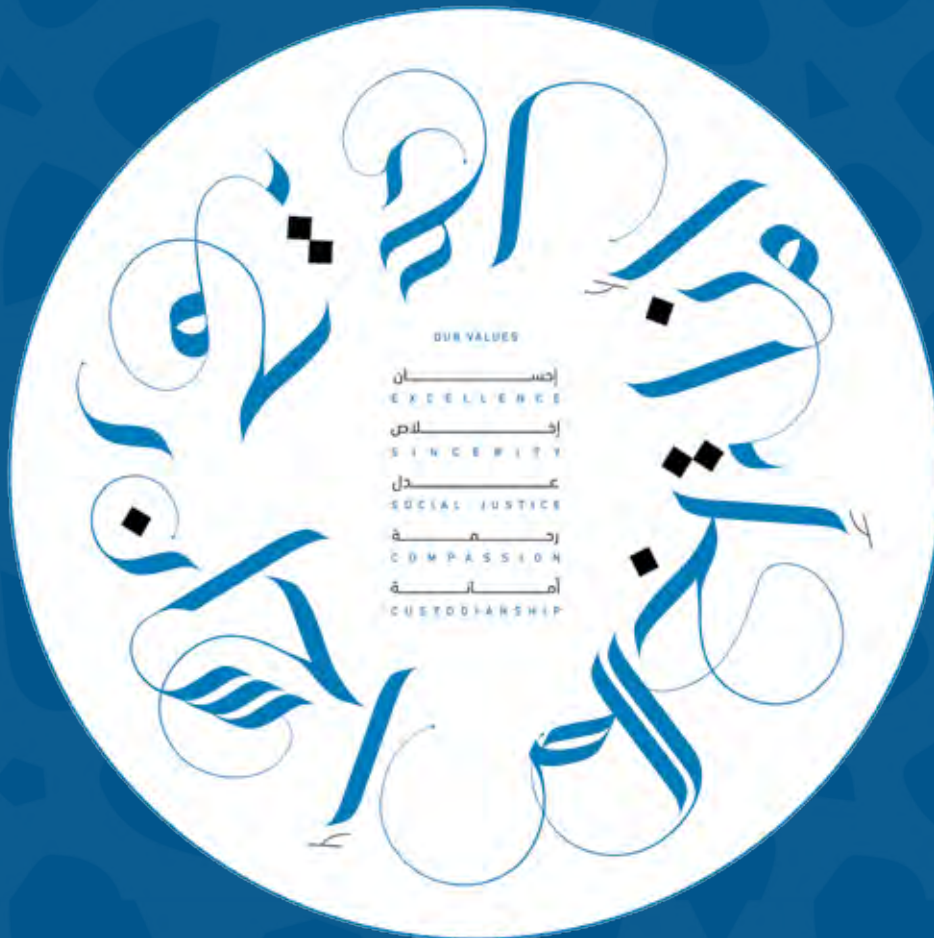


2016

Annual Report & Financial Statements

Islamic Relief South Africa

In the name of Allah, Most Merciful, Most Kind



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Message from the Board of Directors

Assalamu alaykum

Peace be upon you all

On behalf of the Board Directors of Islamic Relief South Africa (IRSA), it gives me great pleasure to pen the following message for this 2016 Annual Report publication; a reflection of the dedication and hard work invested in by our staff and volunteers to make a positive change in the lives of the rights holders whom we serve.

We welcomed new additions to our executive team and new development projects were launched which saw us extend our reach to more vulnerable communities in South Africa, Lesotho and Zimbabwe.

The highlight for Islamic Relief was the soft opening of the Nelson Mandela Children's Hospital in Johannesburg. As a global family, we invested R150 million into a state-of-the-art Oncology wing. This facility will provide the best in treatment for child cancer patients in Africa.

Our strategic partnerships with the Desmond and Leah Tutu Legacy Foundation for the Tutudesk campaign and the 2 Oceans Education Foundation ensured that we met our goal of making quality education accessible to disadvantaged youth.

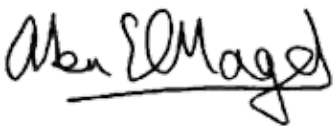
Despite the difficult economic climate, we are very pleased to note the upward trend in income. I would like to sincerely thank our loyal donors who have entrusted Islamic Relief South Africa with their charity, which is helping to transform lives.

At this juncture, I would like to thank the Executive Management team, under the leadership of Brother Yusuf Patel, who has wisely steered this organisation as Country Director since 2013. To maintain this positive trajectory, as a Board we appointed Brother Yusuf Mohamed as Chief Operating Officer to assist with operational matters.

As we look to 2017, we believe continued success will only be achieved through stability and positive performance in all areas of our work; so that we can improve our impact in serving those most in need.

May Allah (SWT) be pleased with all our efforts, Insha-Allah

Dr Mohamad Abu El Magd



Chairman
Board of Directors



Message from the Country Director

Assalamu alaykum

Peace be upon you all

The year 2016 started with renewed vigour and focus by our national team members following an intensive Islamic Relief Academy Management Development Program and the implementation of our 2016-2020 strategy. This guiding document is multi-faceted and responds to the critical development and legacy challenges faced by South Africans. It is also aligned to the emerging Islamic Relief Worldwide strategy and the South African government's National Development Plan.

In 2016, we spent R18 million on local development projects. A further US\$ 7.7 million (approximately R150 million) from the Islamic Relief global family was spent on the construction and establishment of the Oncology Centre of Excellence at the Nelson Mandela Children's Hospital in Johannesburg, which celebrated its soft opening in December.

One of our objectives this year was to make quality education accessible to as many disadvantaged youth as possible. Through our strategic partnership with the Desmond and Leah Tutu Legacy Foundation, we distributed more than 7,600 portable school desks to school learners in the Eastern Cape as part of the Tutudesk campaign.

Since 2013, we have been supporting the Leadership College in Manenberg, Cape Town. The success of this partnership was evident in the class of 2016's Grade 12 pass rate of 92%. "Project Hope" is another project, which we have embarked on with the 2 Oceans Education Foundation. Based on the same educational model of the Manenberg school, it caters for children in Khayelitsha and Mitchell's Plain in Cape Town and Ennerdale in the south of Johannesburg.

As part of our disaster risk reduction strategy, we worked with social enterprise, Lumkani, to mitigate the destruction caused by shack fires. We installed 264 early warning system devices in Khayelitsha (Cape Town); 97 devices in Mountain View (Johannesburg) and 229 devices were installed in Mayville (Durban). Most of our orphans and vulnerable child rights holders resides in these areas.

Our seasonal Ramadan and Qurbani programmes included the distribution of food hampers and meat packs in neighbouring countries i.e. Lesotho and Zimbabwe. Our intervention was driven by local community inputs.

We also contributed a total of R9.2 million to international emergency relief efforts and other development requirements in Zimbabwe, Malawi, Somalia, Mali, Yemen, Syria and Gaza.

As the humanitarian tragedy continues to unfold in Syria, Islamic Relief's response as a global family totalled £43.5 million (approximately R733 million). The Syrian crisis remains our greatest challenge as more than half of the Syrian population have fled their homes and 13.5 million people are in desperate need of humanitarian support.

The South African community contributed R3.8 million towards the Syrian crisis through this global partnership. Medical supplies worth R15 million were also distributed while an additional R2 million – of which Operation SA raised R1 million - contributed to our relief efforts in this conflict.

Yemen is another country facing dire food insecurity. Currently 19 million people require urgent aid to survive. We contributed R250,000 towards our global emergency response plan in Yemen, which provided food aid to 2.5 million people. Islamic Relief has been working in the region since 1998. Our success is based on the outstanding levels of access we have maintained in the most vulnerable of communities.

Meanwhile on the Gaza Strip, 30,100 students and their families benefitted from our water projects, while closer to home we continue to respond to the water crisis and the drought crisis further afield in East Africa.

Our 2016 audited results show that Islamic Relief South Africa's total donation income has increased to R62 million, up 35% from 2015.

In recounting our strategies and projects undertaken in 2016, we thank our dedicated staff; our selfless volunteers and our local and global reach of benevolent donors. Ultimately our strategy envisions a world that is more humane, less conflicted and non-violent. We pray that dignity and security prevails for all.

Yusuf Patel



Country Director
Islamic Relief South Africa



Charitable expenditure



22% Sustainable Livelihoods

- Our partnership with 2 Oceans Education Foundations continues to provide quality education to vulnerable children.
- We constructed boreholes and raised awareness about water saving measures in mosques and schools.
- Provided beneficiaries in Ennerdale with seeds and tools to start sustainable vegetable gardens.

8% Supporting Education

- **269** learners enrolled at the Leadership College in Manenberg were awarded scholarships, affording them access to holistic, quality education.
- **7,690** learners in East London, Umtata and Port Elizabeth received portable desks as part of Islamic Relief-funded Tutudesk campaign.



14% Caring for orphans and children in need

- Islamic Relief now sponsors more than **50,000** orphans globally.
- The **50,000th** orphan sponsored by IRW lives in Mitchell's Plain, Cape Town.
- Islamic Relief South Africa is supporting **2,087** children in the Gauteng, KwaZulu-Natal and the Western Cape

41% Providing access to healthcare and water

- Child cancer patients will have access to primary health services at the Islamic Relief Oncology Centre of Excellence at the Nelson Mandela Children's Hospital.
- A borehole and reitulation system was installed in Westenberg, Polokwane.
- **30,100** students benefitted from an Islamic Relief South Africa funded water project in the Gaza Strip.



50% Protecting life and dignity

- Supported families trapped in besieged Syrian towns like Madaya with emergency food assistance.
- Provided life-saving medical supplies and emergency food to survivors of the Italy earthquake.
- Delivered urgent food and water to refugees in South Sudan as the famine worsened.





Objectives and activities

We strive to achieve our vision through our relief, development and advocacy work with vulnerable communities across the globe – regardless of race, gender or belief and without expecting anything in return.

Our mission is to mobilise resources, build partnerships and develop local capacity as we aim to:

- Enable communities to mitigate the effect of disasters, prepare for their occurrence and respond by providing relief, protection and recovery.
- Promote integrated development and environmental custodianship with a focus on sustainable livelihoods.
- Support the marginalised and vulnerable to voice their needs and address the root causes of poverty.

We aim, as set out in our strategy for 2016-2020, to:

- Understand the threats to our world, and prepare people for them.
- Address the underlying causes of poverty through our programmes and policies.
- Develop a deeper faith-based framework for humanitarianism and development that offers leadership and guidance on issues affecting the developing world.

Our Strategy

Islamic Relief South Africa's 2016-2020 strategy sets out how we are putting our faith into action to achieve the greatest possible positive impact on the vulnerable people we serve.

We are guided by the timeless values and teachings of Islam, with challenging aims designed to create real change.

In addition, we are also fulfilling a set of core promises throughout our work:

- Strengthening local capacity – We empower communities to manage their own affairs and work to develop the capacity of civil society.
- Protecting children – We promote child protection and ensure that our programmes are child-focused.
- Providing Islamic perspectives – We are a policy leader on Islamic humanitarianism and develop distinctive, practical approaches to the key issues affecting our world.
- Protecting the environment – We promote initiatives to safeguard the environment from further harm and encourage climate change adaptation for communities already impacted.
- Enable communities to mitigate the effect of disasters, prepare for their occurrence and respond by providing relief, protection and recovery.
- Promote integrated development and environmental custodianship with a focus on sustainable livelihoods.
- Support the marginalised and vulnerable to voice their needs and address the root causes of poverty.

This Annual Report reflects on the progress we have made toward achieving our aims as we roll out our bold new five-year strategy.

Structure, Governance and Management



Board of Directors

The Board of Directors directs and oversees the organization, setting out our priorities and objectives, focusing on strategic planning and governance. It also evaluates our performance and the progress of our work to alleviate poverty and suffering, and approves relevant new policies and procedures.

Key personnel

The Country Director is accountable to the Board of Directors and chairs the Executive Management Team, which is made up of Heads of Department. Together, this executive structure is responsible for the day-to-day operations of the organisation. They also ensure that the policies agreed by the Board of Directors are implemented.

Remuneration policy

Our approach to remuneration is based on attracting and retaining talented individuals primarily based on their passion, commitment and values. This is balanced with the desire to give people dignified salaries so that their reasonable needs are met. As such, our remuneration principle is to be market relevant, not market driven. Our remuneration model must be cost effective and affordable, and in line with our philosophy of being lean in order to keep the amount we need to spend on administration as low as possible.

Governance

Islamic Relief South Africa is registered as a Public Benefit Organisation (PBO 930018104) in terms of Section 30 of the Income Tax Act; a Non-Profit Organisation (043-357-NPO) in terms of the Non-Profit Organisation Act; and under Section 21 for Non-Profit Companies (registration number 2004/025107/08). Islamic Relief South Africa is fully BEE compliant and we are an equal opportunities employer.

Audit and Risk Committee

Islamic Relief South Africa has adopted best practice standards to ensure consistency in our reporting. The Board of Directors has approved the establishment of an Audit Committee to strengthen oversight and governance of Islamic Relief South Africa.

Statement of Compliance

The Executive Management Team makes regular assessments of the organisations compliance with regards to good governance practices and related codes of conduct. To the best of their knowledge they are of the opinion that Islamic Relief South Africa:

1. Has complied with all relevant legislation, policies and regulations in respect of its Memorandum of Incorporation terms and conditions throughout the period applicable to this report;
2. Is in good standing with the South African Revenue Services in respect of international transfers, income tax, Pay As You Earn (PAYE), Value Added Tax (VAT) and PBO status;
3. Is compliant with the Department of Social Development's requirements and regulations in respect of our NPO status
4. Is compliant with the Labour Relations Act and all other relevant labour legislations and policies



- Islamic Relief partners
- Where we work

Islamic Relief Worldwide is based in Birmingham, UK, and are the global implementing and coordinating partner of the Islamic Relief family. Together with Islamic Relief partner offices, we raise funds and awareness of the family's work.

Registered as independent legal entities, Islamic Relief's partner offices (including South Africa) focus largely on raising funds for overseas projects and implementing domestic programmes. These partner offices include:

- Australia
- Belgium
- Canada
- Germany
- Italy
- Malaysia
- The Netherlands
- **South Africa**
- Spain
- Sweden
- Switzerland
- USA

We also have registered branches in:

- Ireland
- Mauritius

Affiliated implementing partners deliver projects on behalf of the Islamic Relief family, some of which are independent legal entities. These include:

- Islamic Relief Chechnya
- Islamic Relief India
- Islamic Relief Kenya
- Islamic Relief Pakistan

Countries in which we deliver projects through implementing country offices are:

- Afghanistan
- Albania
- Bangladesh
- Bosnia and Herzegovina
- Chad
- Ethiopia
- Haiti (left in 2015)
- Indonesia
- Iraq
- Jordan
- Kosovo
- Lebanon
- Libya
- Malawi
- Mali
- Niger
- Occupied Palestinian Territories
- The Philippines
- Russian Federation (North Caucasus)
- Somalia
- **South Africa**
- South Sudan
- Sudan
- Tunisia
- Turkey
- Yemen

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

- Central African Republic
- China
- Myanmar
- Nepal
- Sierra Leone
- Sri Lanka
- Syria





Protecting life and dignity

For the millions caught up in conflicts and natural disasters in 2016, Islamic Relief South Africa – through the Islamic Relief Worldwide global family – was a lifeline.

Drawing on over 30 years of experience in delivering emergency humanitarian aid and assistance, we saved lives and helped protect communities from future disasters and aided in reducing the risk of disasters in informal settlements locally.

590

fire detecting devices installed to reduce shack fires in informal settlements

1,000

households in South Sudan have access to clean water, sanitation and hygiene facilities

38,500

people reached in Eastern Aleppo and Idlib with the distribution of hygiene kits, water and sanitation services.

Syria Crisis

“A lifeline for families devastated by conflict”

Civilians are continuously caught between bullets and bombs. Millions of families have been displaced without homes; those injured are in desperate need of medical support, and children are still struggling without food, let alone an education. With your continued support we were able to provide much needed food, medical care, shelter and essential daily items for these families.

The conflict affecting Syria is now entering its sixth year and the humanitarian situation in the country has continuously worsened in the past year.

Islamic Relief's Interventions inside Syria

2016 started off with Islamic Relief assisting residents in besieged towns like Madaya, who were on the brink of starvation, with food and medical supplies.

Healthcare interventions alone served more than 210,000 people across the four governates, as we equipped dialysis centres and stocked hospitals with life-saving medicines and medical disposables.

In Aleppo, prior to the mass evacuation, we stocked bakeries with flour, to ensure civilians have access to basic necessities like bread. After the mass evacuation we helped more than 38,900 civilians with temporary shelter, food and water.



Yemen Crisis

Emergency Food Distribution

Yemen has witnessed a drastic escalation in conflict since a civil war erupted in March 2015, killing more than 10,000 people. Continued armed conflict has resulted in mass internal displacement with millions of people in dire need of emergency food aid.

Islamic Relief has been responding to the growing humanitarian crisis, distributing food parcels and hygiene kits to thousands of families. We have also been working with communities to rebuild infrastructure such as schools and water systems damaged in the on-going conflict.

In 2016, Islamic Relief's Yemen operation launched an urgent appeal to fund an food distribution programme for 200 households in the Ta'az governorate. The area is a strategic point for military operations as it is a direct route to the capital Sana'a and links the north and southern parts of Yemen.

Approximately 1,400 people directly benefitted from the emergency food distribution programme, which was funded by Islamic Relief South Africa. These families have been living a life under siege with no access to food, water and basic medical services.

Current Situation

An already devastating humanitarian situation has been severely worsened by a cholera crisis that has affected over 200,000 people, with over 30 people dying every day from the disease.

Islamic Relief is currently working in 18 of the 22 governorates in Yemen, reaching many of the areas worst affected by the conflict. With your support we hope to provide additional aid in this deepening crisis.

Occupied Palestinian Territories

Improving access to water and hygiene practices for schools

The impact of occupation, blockade and recurring conflict has significantly affected local infrastructure in schools, resulting in thousands of students not having access to clean drinking water.

Islamic Relief South Africa funded desalination water units at 13 of the most damaged schools in the embattled territory. Hygiene awareness workshops were also conducted with students and their families.

We have been working in Palestine in 1994 with offices in Gaza and the West Bank.

We have delivered more than £30 million worth of emergency aid and development programmes and will continue to provide support to help save lives.



1,200

mothers attended health and hygiene awareness workshops

16,200

students benefited from the hygiene awareness workshops

12,700

students now have access to clean, safe drinking water



Italy Earthquake

On Wednesday, 24th August 2016, a devastating 6.2-magnitude earthquake struck central Italy. It was felt across a large swathe of the country, including Rome. The areas most affected include Amatrice and Accumoli. This is the worst earthquake to hit Italy since 2009.

Thousands of people were displaced, searching for refuge in the streets and awaiting the opening of shelters. Some 300 people were killed.

Islamic Relief Italy staff and volunteers were on the ground in less than 12 hours, helping those in need. More than 100 families received assistance.

The South African office supported the relief efforts by funding emergency food and water distributions.

South Sudan Famine Response

The conflict that erupted in South Sudan in 2013 displaced thousands of civilians causing an increase number of refugees to flee to neighbouring countries for protection and shelter.

With some 109,000 new arrivals recorded between January and December 2015, Sudan received the largest influx of South Sudanese refugees in the region.

In 2016, Islamic Relief South Africa provided 1,000 internally displaced persons with water, hygiene kits and other essential non-food items like material for shelter and mosquito nets.

We continue to assist families affected by the drought and famine in East Africa, through our regional office based in Nairobi, Kenya.



South Africa

Early Fire Warning System

The winter period in South Africa sees a number of deaths and suffering due to harsh conditions, with people forced into poverty being disproportionately affected. In South Africa 20% of the population live in extreme poverty and 46% of the population lives in moderate poverty (Stats SA).

A large number of these individuals are either homeless or live in informal dwellings, which are prone to shack fires. Young children are particularly vulnerable to fires, with around 1,300 children dying each year as a result of this. In addition, the impact of such fires typically result in reduced quality of life of the affected community.

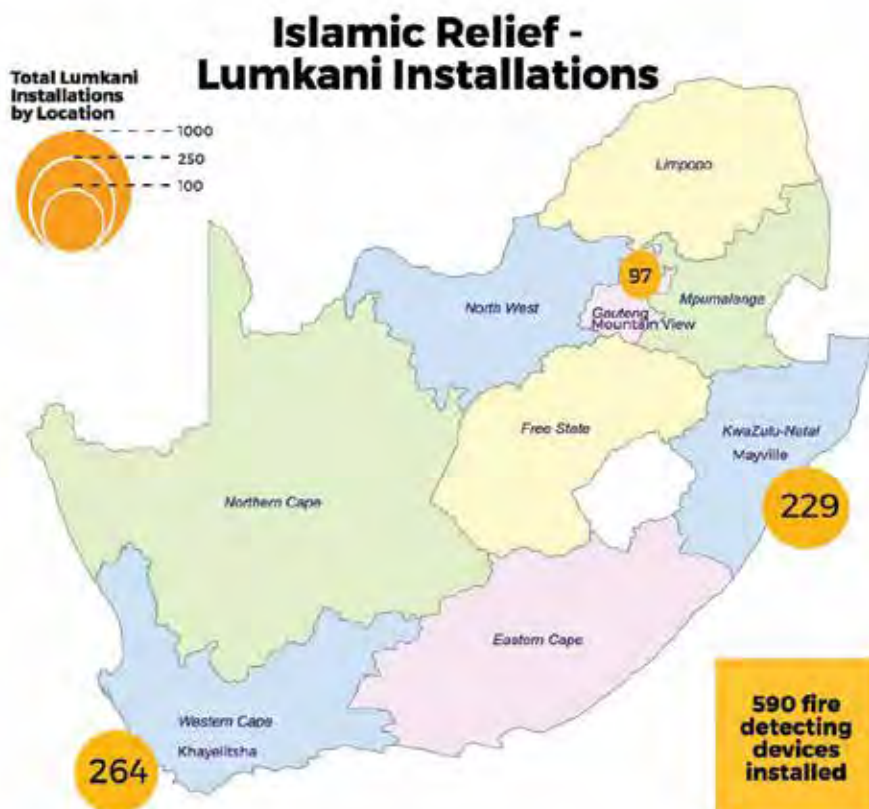
As part of Islamic Relief South Africa's Disaster Risk Reduction strategy, we partnered with social entrepreneurs, Lumkani, to install early fire



warning systems in informal settlements in Cape Town, Johannesburg and Durban.

A total of 590 devices were installed between the Taiwan settlement in Khayelitsha (Cape Town), Mountainview (Johannesburg) and Mayville (Durban).

The device gauges temperature and is connected to a mobile GPS system for easy monitoring and response. The early warning system is an innovative measure being used to keep crowded informal settlements safe in South Africa.







Empowering Communities

Transformative Development

Working in some of the poorest communities, we improved life chances through projects giving access to water, sanitation and healthcare – and enabled vulnerable people to build brighter futures through education and livelihood interventions.

6

sewing machines donated to the Amy Biehl Foundation skills development & entrepreneurship programme

269

students awarded scholarships through the Educate-A-Leader project, in partnership with the Leadership College

50,000

the number of orphans sponsored by Islamic Relief Worldwide. The 50,000th orphan lives in Mitchell's Plain, Cape Town



Osizweni Community Centre

Founded in 2008, “Osizweni” which means “Place of Hope” in isiZulu, has become a hub for the community in Ennerdale. Services offered by Islamic Relief’s trained careworkers include educational support, health screenings, lifeskills and entrepreneurship workshops.

According to Osizweni Centre manager, Letti Ngubeni, the facility primarily cares for the needs and wellbeing of 437 vulnerable children.

“We are working with orphans and vulnerable children who are living with their elderly grandparents and child-headed households to empower themselves so that they can improve their living conditions.”

“Many of the children who frequent the Osizweni Community Centre are either infected with or affected by HIV and AIDS,” Ngubeni explained. “Almost all of the

beneficiary families who uses the facilities at the Centre live below the poverty line and therefore attends workshops and school at no charge.”

Islamic Relief South Africa is currently investigating options to roll out the Osizweni Community Centre programme in the Western Cape and KwaZulu-Natal.

“I have witnessed first hand the positive impact this facility has had on the community of Ennerdale. The children whom we work with are more confident and their levels of poverty has significantly decreased through the sewing skills development programme and the gardening projects,” Ngubeni added.

“We would like to thank all the Islamic Relief South Africa donors who have generously supported our facility. Without your support, we could not achieve our objective of changing lives for the better. Thank you!”



Orphans Sponsorship Programme

There are an estimated 3.7 million orphans in South Africa. According to the United Nations Children's Fund (UNICEF), half of them have lost their parents to AIDS-related diseases. There are many more children living with sick and elderly caregivers. About 150,000 children are believed to be living in child-headed households.

In 2004, Islamic Relief launched the Al Yateem 1-to-1 Orphans Sponsorship programme in South Africa. It is currently the largest social assistance project implemented by the organisation. The program prioritises vulnerable children into the following categories:

- Young orphans, especially infants and child-headed households.
- Girl children.
- Children infected and affected by HIV/ Aids.
- Unaccompanied minor children from migrant communities.

In South Africa, Islamic Relief Worldwide supports over 2,000 orphan and vulnerable children through 700 households. The overall goal of the Orphans programme is to support orphan and vulnerable children with basic needs to prevent them from being abused or dying from exposure and hunger.

As part of the Al Yateem 1-to-1 Orphans Sponsorship programme, rights holders receive a monthly food parcel, school supplies and educational support, health screenings and medical treatment where required. In the case where shelter is required, Islamic Relief engages volunteers to assist with repairs to informal dwellings, while a long-term solution is sought through consultation with local government role-players.

Islamic Relief is contributing both directly and indirectly to the wellbeing of 2,087 children in Gauteng, KwaZulu-Natal and the Western Cape. The project aims to improve social protection of its beneficiaries through reduction of vulnerability and risks interventions.

Supporting Education

Educate-A-Leader Bursary Programme

Islamic Relief South Africa and the 2 Oceans Education Foundation in 2013 committed to provide quality education to vulnerable youth living.

The Leadership College (TLC) in Manenberg – a no-fee high school situated in one of the socio-economically challenged townships in South Africa – was identified as the pilot project.

Through the partnership, Islamic Relief South Africa awarded 269 students with full scholarships, to the value of R2 million. This investment guaranteed that these young leaders received quality education in a holistic and safe environment.

The scholarship catered to all the students' educational needs – from the salaries of teachers, to school uniforms, textbooks, stationery and extra-curricular activities.

Islamic Relief South Africa is proud of the achievements of the Leadership College's Class of 2016 – the first of our leaders whom we have supported through the Educate-A-Leader project (statistics provided are for

Project Hope - Funded by IRUSA

Through our Islamic Relief partner, IRUSA, we are helping more than 200 children in Hyde Park and Ennerdale receive free education, in a safe productive environment.

In addition to the lessons, students will receive uniforms, stationery and textbooks, and will have access to extracurricular activities.

The program also provide payment for teachers' salaries and will include constructing or renovating and furnishing classrooms and teachers' offices; establishing safe play grounds; developing proper water and sanitation systems and providing daily meals. This project also covers the cost of teacher training.

the sponsored students only):

- **TLC achieved a 92% pass rate**
- **Distinctions obtained (All Manenberg High schools): 71**
- **Distinctions obtained (TLC): 68**
- **95% of Matric Distinctions in the Manenberg area came from TLC**
- **Bachelors Pass Rate (All Manenberg High schools): 20**
- **Bachelors Pass Rate (TLC): 67%**
- **Once again one of the TLC students obtained 7 distinctions, and another student obtained 6 distinctions.**

SUCCESS STORY: DILSHAAD ADONIS



TLC's standout matriculant for 2016 was Dilshaad Adonis, a grade 12 learner who achieved 7 distinctions bachelor pass. Despite growing up in difficult circumstances, Dilshaad lives with her mother, grandmother and great grandmother. Her mother is the primary breadwinner in the household and works as a taxi driver. Dilshaad accepted a bursary from Stellenbosch University to pursue her tertiary studies in Accounting in 2017.

The TutuDesk Campaign

In South Africa, an estimated 3 million children do not have a classroom desk. This practical tool, which aids the child in their educational development, is absent from the majority of schools within rural Eastern Cape. Without a school desk, children struggle to find a solid surface on which to practice their writing and do their homework, impeding the learning process from basic literacy to class discipline.

With this in mind, the Tutudesk campaign, supported by Islamic Relief, provided 7,644 South African children with school desks. Named after Archbishop Emeritus Desmond Tutu, the portable Tutudesks provide a stable work surface for impoverished schools with little or no permanent facilities.

Mr Sishuba, Principal of Taleni Junior Secondary School, expressed his gratitude for the Tutudesks. “Thank you to Islamic Relief – you have done well because you have benefitted our community. Before this, most of the children did not have desks. Our learners will now be eager to come to school knowing that they don’t have to share a desk.”

“These children are the future of our country. As a society we need to ensure we capacitate them with the relevant resources to be able to escape poverty and build a better life for themselves. By providing this simple, proven solution, we aim to address the structural inequality latent in our education system, and provide children with an equal platform to reach their dreams,” said Head of Fund Development and Communications for Islamic Relief, Fazlin Fransman.



Nelson Mandela Children's Hospital

On December 2, the Nelson Mandela Children's Hospital in Johannesburg marked its soft opening which unveiled the Islamic Relief sponsored Oncology unit, which will provide free treatment to child cancer patients in Africa.

According to IRW's International Programmes Director, Waseem Ahmed, the IR global family's investment of R150 million will "provide a lifeline for children with cancer."

"This collective effort has delivered a donation of \$7.7 million from the Islamic Relief family to fund the hospital's oncology unit – including \$2.5 million from Islamic Relief UK and \$1.75 million from Islamic Relief USA, the two biggest single country donors."

"This hospital has been 11 years in the making and it's been great for me to see it taking shape," Ahmad added. "We're also privileged to be associated with such a state-of-the-art facility whose services are so badly needed, and to be part of such a fitting tribute to Nelson Mandela."

"Islamic Relief's large donation to this important project would not have been possible without the big-hearted generosity of Muslim communities around the world.

"The ethos of the hospital reflects the ethos of Islamic Relief itself – we help vulnerable people where the need is greatest, regardless of race or religion."

Islamic Relief's investment solely supports the hospital's oncology unit. It is a facility that will set the standard for modern child-centred healthcare facilities. Its features include a bone marrow transplant facilities and laboratory; intensive care and high-care beds; a dedicated pharmacy; and a radiology facility.



Amy Biehl Foundation

Skills Development & Entrepreneurship Programme

Within the NGO sector, where the competitive landscape for funding dominates discourse, a partnership of the like between Islamic Relief and the Amy Biehl Foundation has become an uncommon occurrence especially considering the current socio-religious discourse dominating international media.

After initial conversations between the organisations, Islamic Relief donated sewing machines and overlockers to the skills development and entrepreneurial programme of the Amy Biehl Foundation.

Aligned by the common goal of creating an economically vibrant youth, Islamic Relief officially handed over the sewing machines on the 7th November 2016 to the Amy Biehl Foundation at their Sybrand Park offices in Cape Town.

“By forming partnerships, we are increasing our collective development footprint. Both organization have shown an unrelenting commitment to the vision of empowering vulnerable communities to overcome their social-ills and participate fully within our economy. While we know the journey is long, this partnership highlights the commitment which exists to provide a collective solution to the challenges we face,” said Head of Fund Development and Communications, Fazlin Fransman.



Zimbabwe

Kambura Water, Sanitation & Hygiene Project

The El Niño climatic event has caused the worst drought in 35 years in Southern Africa, which has compounded existing vulnerabilities; resulting in severe food and water shortages in the region.

Islamic Relief South Africa conducted a rapid needs assessment in 10 localities in Harare, Zimbabwe and hosted consultative talks with community leaders local government officials in Harare.

The assessment found that schools and community centres do not have access to safe drinking water sources. Cases of waterborne diseases such as cholera and typhoid were also prevalent. More disturbing was the long distances women and young girls had to walk to fetch water, with no protection.

The Kambura water project included the drilling of a new borehole in the location. The new water system brought much relief for the local community as it alleviated the pressure the drought has caused on farmers who now have water to feed their animals and to irrigate their crops.







Seasonal Projects

Many of the people who receive Ramadan food parcels or meat for Qurbani also benefit from our other work, such as livelihood support projects or sponsorship for orphaned children. This ensures that as well as being able to celebrate the holy month and religious festivals without the hardship of finding food, they are also supported throughout the year.

76,527

the number of beneficiaries Islamic Relief South Africa reached through the 2016 Ramadan & Qurbani projects.

235,043

the number of foods packs distributed by Islamic Relief Worldwide in 31 countries, reaching 1.25 million people.

3.4 million

the number of beneficiaries reached through Islamic Relief's global Qurbani programme which was implemented in 30 countries.

Ramadan Programme 2016

Islamic Relief South Africa recognises the problems associated with food insecurity and malnutrition affecting families across southern Africa.

We have tried to alleviate the suffering of our domestic beneficiaries through interventions that include the distribution of monthly food hamper and preparing nutritious meals for the children at the Osizweni Community Centre.

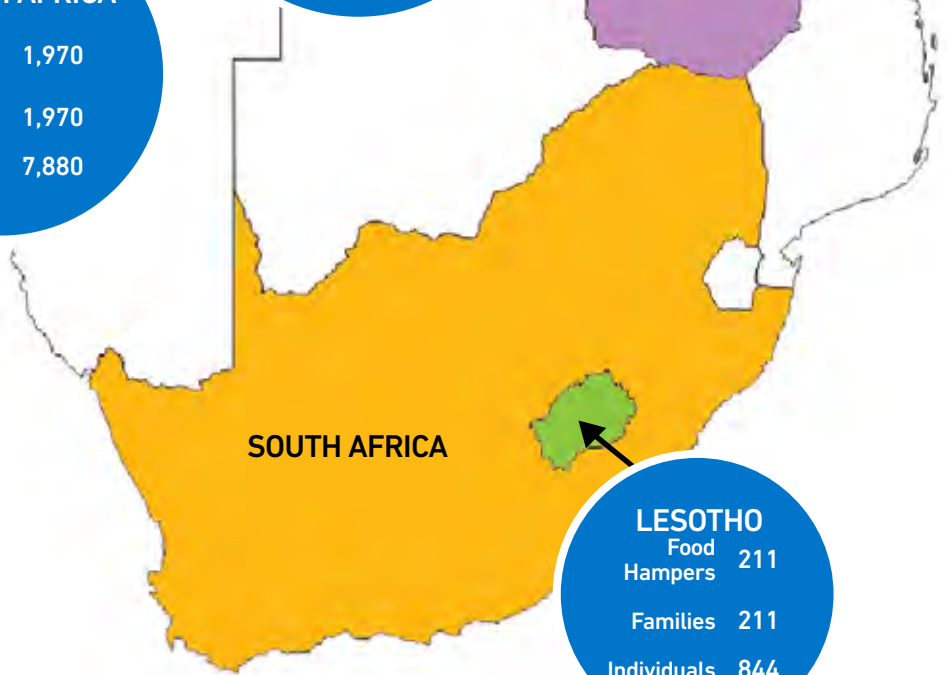
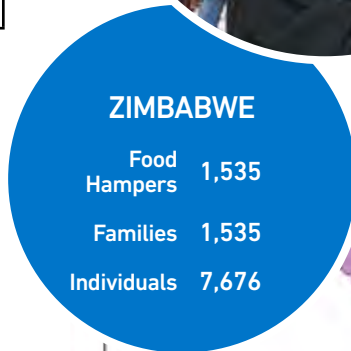
But through the annual Ramadan programme, we are able to extend our reach to access rights holders

living in abject poverty in neighbouring Lesotho and Zimbabwe.

To ensure that the most vulnerable were reached, Islamic Relief worked with local community organisations in the identified regions.

This ensured that there were no duplications in food distribution thus assisting more families during Ramadan.

TOTAL BENEFICIARIES REACHED: 16,399	
Food Hampers	3,716
Families	3,716
Individuals	16,399



Ramadan Programme 2016

"Project Rahmah"

The Islamic Relief South Africa's #BlueBrigade – comprising of staff and volunteers – travelled through some of the most impoverished areas of the Cape metropole, warming hearts during Ramadan. Dubbed "Project Rahmah," – an initiative aimed at feeding the destitute during Ramadan – the team visited areas such as Tafelsig, Bishop Lavis, Bonteheuwel and Harare in Khayelitsha, distributing hot soup and bread to the community.

"Last year (2015) we braved the winter nights after Taraweeh delivering hot boeber to the homeless," Communications Manager, Shanaaz Ebrahim-Gire explained. "This year the Programmes Department opted to reach families earlier in the day so that they would have a wholesome meal to break their fast with."



Ebrahim-Gire recalls one of the more memorable distributions in Tafelsig.

"The distribution was planned for Masjidul Amiena from after Jumuah prayers. By the time we arrived at the mosque precinct, a fairly large number of people had already congregated for the distribution. Community members and especially the children excitedly helped us set up the distribution points."

"Suddenly the skies opened up and we found ourselves in the middle of a rain and hailstorm... But the people stayed and we continued to dish out soup and bread, making sure that every man, woman and child received their fair share."



Ramadan Programme 2016 Fitrah Distribution with Operation Open Hearts

Operation Open Hearts SA teamed up with Islamic Relief South Africa's Cape Town team to distribute Fitrah hampers to the community of Chatsworth on the West Coast and in Tafelsig, Mitchell's Plain.

Operation Open Hearts is an initiative started in 2010 by a group of avid motorcyclists and philanthropists. The initiative focuses on reaching out and making a difference in the lives of the less fortunate, particularly during the holy month of Ramadan.

According to the club's Shafiek Tassiem, the initiative focuses on reaching out and making a difference in the lives of the less fortunate.

"Our Motto is: Live simply so that others may simply live. Every year we come together to make up food hampers consisting of staple items and a few luxuries. We then go out on our motorcycles to deliver the food hampers, which never fails to put a smile on the faces of children and adults alike."

Tassiem explained that distribution areas are identified with the assistance of Islamic Relief. "Over the past three years the Lost City community is just one area that has been serviced through this initiative. We hope to continue expanding our reach to more families in need."

"We would like to sincerely thank each and every member of the motorcycling club and their extended networks for their generosity."



Ramadan Programme 2016

Case Study: Aisha Phiri

Aisha Phiri, 27, is a mother of two children who lives in Hatcliffe Extension, Harare. She is a qualified Islamic studies teacher, but has been unemployed for more than year. She lives in a house, which she inherited from her late grandmother but lives on less than \$20 a month.

"Our house has no electricity so I have to use candles and cook on fire. We have a water well on the property that is shared with my neighbours. From the \$20 that my mother sends me every month, I have to budget for rent, food, medical, etc. I have to use less than \$1 a day."

While her day is spent looking after her children and doing house chores, she enjoys reading the Quran, which is her favourite pastime.

"Jazakallah-Khair for bringing food, most people are starving. May Allah reward you well and increase your wealth so that you can help many more people."



Ramadan in Lebanon

Case Study: Zakareya Ali

Zakareya Ali is a Syrian refugee who left Syria in 2012 after the bombardment has intensified near his home in Al-Raqqah. He left with his wife and 13 children and sought refuge in one of the refugee's camps in Bekaa. Before the crisis, he was self-employed, living a happy and peaceful life with his family.

"We were happy, we had everything we need and life was different there. Ramadan was different too. Everyone used to go to their jobs in the morning and return back afternoon. We pray and read Quran then we start preparing for Iftar. All the family members used to help each other...we lived peacefully."

In Lebanon, Zakareya explained, they now live in extremem poverty. " I can barely provide my 13 children with food. If we are not getting aid from

organizations we wouldn't survive. I can't find a job here and everything is expensive...We are refugees living under plastic sheets; we don't feel the blessings of Ramadan anymore."

Zakareya's family received a food package during Ramadan to help them prepare meals for at least 15 days of the holy month.

"Today Islamic Relief came and provided us with a blessed food pack. The kids were so happy... Now we can save some money which can be used towards another expense."

"May Allah bless those who sent us this help, it means a lot to us and we will keep them in our Duaa". Zakareya added.

Qurbani Programme 2016

Every Eid-al-Adha, Islamic Relief provides the best possible Qurbani meat to poor people, in line with Shariah requirements. We prioritise the most vulnerable families through our rigorous selection criteria.

We also ensure that animals are transported and slaughtered humanely by managing the whole transportation and logistics network. Strict hygiene standards cover the handling, packing and distribution of all meat.



2016 marked the most successful year for Islamic Relief's annual Qurbani programme; with a total budget spend of R162 million.

A first for the South African office was implementing the Qurbani programme in neighbouring Lesotho, which benefited 1,187 families.

Islamic Relief South Africa Qurbani 2016 - Operations Summary

NUMBER OF BENEFICIARIES REACHED			
Country	Number of Animals	No of Families Reached	Total number of Individuals
Lesotho	105	1,187	15,440
South Africa	645	2,673	
Zimbabwe	2,150	7,448	44,688
TOTAL	2,900	11,308	60,128

QURBANI IN IRAQ

Islamic Relief South Africa's Programmes Manager, Mohammad Shakil Dauhoo, visited Erbil, Iraq where he was monitoring and evaluating the Islamic Relief Iraq office's Qurbani operations. He filed this report.

The Internally Displaced Persons (IDP) camp in Erbil, Kurdistan Region of Iraq host more than 1,600 individuals in tents since October 2014. Fierce fighting in the Ninewa, Mosul and Baghdad region has displaced these individuals. These governorates has for years been the scene of some of the worst atrocities against civilians the world has witnessed.

Since mid 2016, more than 250,000 IDP's and more than 120,000 Syrian refugees have sought refuge in the camps after fleeing violence in their respective regions. More than 38% of these individuals are under 14 years of age, as reported by the Erbil Governorate.

Nawal Essa Jassem Atta'ee is 78 years old and originally from Mosul. She fled her house when the Daesh suddenly started bombing her region. She told me that the situation was chaotic and in the mayhem she got separated from her children.

She has been living in the Harshm camp in Erbil since 2014, whilst her 9 children are in Iran. She has not heard from them since June 2015 but she has not lost hope that one day she will be reunited with them.

Nawal further reports that life in the camp is becoming more difficult as she grows older, as she does not have any form of social protection to provide for her basic needs. She relies solely on humanitarian aid for survival.

"As an elderly that relies on a walking aid I am most vulnerable as often thieves in the camp try to steal the little food we receive from the camp manager."

Other IDP's and refugees expressed to me during our interactions that they have not had peace in their lives in more than 3 decades, given the different conflicts that this country has encountered.

Furthermore, they consider themselves as 'dead people' who are waiting in the Alame-Barzakh for the day of judgement, which they pray will happen soon.

The refugees and displaced families were thankful to Islamic Relief and its donors who continuously provide support to the camp. Without this support, they fear that all the children would have suffered from malnutrition and their health would have deteriorated.







Campaigning for Change

A force for positive change

Our extensive research, advocacy and campaigning once more targeted the root causes of poverty and suffering in 2016. Alongside our work in vulnerable communities, we took on climate change; gender based violence and campaigned for female hygiene products for the girl child.

Islamic Relief hosted a workshop for faith leaders on climate change.

A partnership with World Vision was established to develop a toolkit and facilitate workshops for Muslim faith leaders on gender equality.

Islamic Relief South Africa is now part of the We Will Speak Out Coalition - an interfaith coalition of faith leaders and NGOs working to address Gender Based Violence in South Africa.

12-for-1 Sanitary Pad Campaign

On national Women's Day, 9 August 2016, Islamic Relief South Africa took a bold step by standing up for gender justice with the launch of the 12 for 1 campaign. The project was aimed at rallying the community to donate sanitary pads that were handed out to schoolgirls and young women.

"Our research indicated that thousands - if not millions - of young girls miss a week of school every month because they do not have sanitary pads," Head of Fundraising and Communications, Fazlin Fransman said.

"The 12 for 1 campaign is our humble attempt at addressing the inequities based on gender, which deprive women of human dignity."

Responding to the call for sanitary pad donations for young girls who miss a week of school every month, was the Natural Health Ladies group, who donated more than 1,000 packs of sanitary pads for the campaign.

"We are humbled by the amount of support we have received for this campaign. Sometimes the simplest solutions, like providing a girl with sanitary towels, makes the world of a difference in her reality. Don't underestimate the simplest of acts," Orphans Officer Razaan Dadabhay said.

284 learners from Bonteheuwel High School benefited from the project, each receiving a year's supply of sanitary pads.



Mandela Day

As a country, we cannot deny the contribution made by former President Nelson Mandela. He dedicated 67 years of his life to our struggle for freedom and democracy. To honour his legacy of servant leadership, our volunteers, donors and staff came together on Mandela Day on the 18th July, to prepare wholesome sandwiches for schools that do not have any feedings schemes.

“Our target was to make 670 sandwiches in just 67 minutes. We were overwhelmed by the response to the call to partake in the exercise,” Head of Fund Development and Communications, Fazlin Fransman said.

“We received so much in-kind donations of bread, sandwich toppings and packaging, Alhamdulillah. The atmosphere was electric and teams worked in unison to exceed our target in record-breaking time. The final tally of sandwiches was 3,163, enabling us feed more than 3,000 school children on Mandela Day.”

Further recognition is given to Quality Beverages who ensured the children had a drink to accompany their sandwiches; to Mafia Media who donated their services to document the day by creating our Mandela Day video.



Channels of Hope for Gender Adaptation

Islamic Relief South Africa partnered with World Vision to deliver the Channels of Hope approach to gender equality in Muslim communities across the World.

In September we were part of a workshop in central Cape Town that aimed to mobilise around 20 pastors and other church leaders from Atlantis, Cape Town and from the Democratic Republic of Congo.

The 4-day workshop used an innovative approach to exploring gender identities, norms and values from a faith perspective, by challenging the delegates to acknowledge and act upon gender injustices in their communities, as these are realities in many parts of

Cape Town.

The workshop was followed by a full-day meeting, which launched the IRSA programme. The 5 month process will use the existing mobilisation methodology to develop a Muslim appropriate approach to addressing issues related to gender and gender based violence which are rife in many Muslim communities.

The workshop material will be piloted in South Africa and subsequently rolled out in other parts of the world.



50000



Alhamdulillah! Eight-year-old Ismail* from Cape Town, South Africa is the 50,000th orphan currently sponsored by Islamic Relief Worldwide. Islamic Relief's sponsorship scheme has been building a brighter future for orphans across the globe since 1986.

* Name changed for protection purposes





Support for our Programmes

After months of planning, 2016 was the year that the newly structured Fund Development and Communications Department implemented its integrated strategy aimed at exploring new opportunities for Islamic Relief South Africa.

Community resource mobilization remained our main source of revenue, with a host of events being held across in aid of local and international emergencies and development projects. Notable mentions include the Evening of Inspiration nasheed concert tour with Zain Bhikha and friends and sporting events such as the Durban Peace Walk and a Dragon Boat challenge held in Cape Town.

Mosques and partnerships with local community organisations were integral in us meeting our fundraising and project goals, especially during the blessed month of Ramadan. We hope to strengthen these relationships with mosque bodies and Ulama bodies in each region so that we can together improve the quality of lives of the vulnerable and indigent.

Community Fundraising Initiatives

Evening of Inspiration shows

Islamic Relief South Africa hosted the Evening of Inspiration concert series in 2013, 2015 and 2016 in association with Zain Bhikha Studios. More than R4 million was raised at three national EOI events to assist local and international relief programmes. The shows were a huge success and many hearts were touched by amazing performances the artists.

Ramadan Street Collections

In 2016, youth social club 'Food for Soul' partnered with Islamic Relief South Africa and held five street collections on Saturdays during Ramadan. Areas targeted for the street collections included Lenasia, Laudium, Mayfair, Vryburg in the Gauteng region and Cape Town. More than R420,000 was raised by the volunteer teams which went towards supporting our Countries in Conflict campaign (Syria and Palestine) and our work locally benefiting orphans and vulnerable children.

TV Appeals

One of our primary fundraising initiatives – especially during Ramadan – are TV appeals on ITV Network (DSTV channel 347).

This year, Islamic Relief hosted a TV pledge on the 27th night of Ramadan (June) - which could possibly have been Laylatul Qadr - the Night of Power. In December, we partnered with #OperationSA for the #SAveSyria humanitarian campaign which raised over R14 million in pledges on the night. Six charities including Islamic Relief received a donation of up to R1 million which went towards our on-going relief efforts in Syria.



Volunteer Mobilisation

In our moments of frustration, by our inability to solve the big problems, we miss the beautiful opportunity to do the small things – which have a great impact. Volunteer Mobilisation forms a critical part of getting the community engaged in delivering on our collective mandate to better the lives of those less fortunate.

It is imperative for organizations; specifically NGO's to create the space for volunteerism to flourish. Every individual – rich or poor – is a prospective volunteer, because every person has something to give.

As an organisation we realised that we needed to create a space in which volunteers can express themselves and their passions through volunteerism. As such Islamic Relief created this space for volunteers and have seen great success thus far.

An example is a group of volunteers who recently organized and hosted a cake sale among many other events, in aid of the Islamic Relief Oncology Centre of Excellence at the Nelson Mandela Children's Hospital. These volunteers used their own networks to get the cakes donated, and then executed the Cake Sale with finesse and ease, raising a substantial amount for the Oncology ward.

In 2016, we also revived the IR Challenges - crowdfunding initiatives spearheaded by volunteers to raise funds for a cause.

Earlier this year, we hosted events such as the inaugural dragonboat challenge in Cape Town and also supported marathon runners and avid cyclists in their endeavour to raise funds for Islamic Relief through their participation in national sporting events such as the 2 Oceans marathon in Cape Town.







Financial Review



Grant Thornton

An instinct for growth™

Chartered Accountants (SA)

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Independent Auditor's Report To the Directors of Islamic Relief South Africa NPC

Qualified opinion

We have audited the financial statements of Islamic Relief South Africa NPC set out on pages 7 to 16, which comprise the statement of financial position as at 31 December 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effect of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Islamic Relief South Africa NPC as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa.

Basis for qualified opinion

Cash donations are a significant source of fundraising revenue for Islamic Relief South Africa NPC. The directors have determined that it is impracticable to establish internal controls over the collection of cash donations prior to the initial entry into its financial records. We were therefore unable to confirm whether all cash donations were recorded.

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 company in accordance with the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants* (Parts A and B). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Companies Act of South Africa. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or 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, 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.

Directors
M.H. Abbas
K.M. Bowman
S.F. Cillit
D. Fortuit
M. Fourie
J.G. Glas
M. Hareton (PE)
I. Hatim
D. Hooibab (FE)
B. Jackson
H.C. Kilian (PE)
B.J. Lodewyk
F. Mohamed
J.M. Nield
F. Rhoda
H.J. Salmon
I.M. Smit (Managing)
N. I. Sibyha
B. van der Walt
Y. Waver-Saetan
M.S. Willemitt (PE)

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the Companies Act of South Africa, and for such internal control as the directors 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 directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

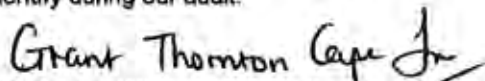
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



GRANT THORNTON CAPE INC.

Chartered Accountants
Registered Auditors

Per I Hashim
Chartered Accountant (SA)
Registered Auditor

Cape Town

13 June 2017

Islamic Relief South Africa NPC

(Registration number 2004/025107/08)

Financial Statements for the year ended 31 December 2016

Directors' Responsibilities and Approval

The directors are required by the Companies Act 71 of 2008, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the year to 31 December 2017 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditor's and their report is presented on page 3 - 5.

The financial statements set out on pages 6 to 16, which have been prepared on the going concern basis, were approved by the board of directors on 13 June 2017 and were signed on its behalf by:

Abu - El - Magd Mohamed Ali (Canada) Chairman
Cape Town

El - Bendary Ahmad Esmat

13 June 2017

Summarised Audited Financial Statements

Balance Sheet

BALANCE SHEET AS AT	31-Dec-16 R R'000	31-Dec-15 R R'000
ASSETS		
Non-Current Assets	719	534
Land and Buildings	315	315
Equipment	404	219
Current Assets	10 100	5 817
Cash and Cash Equivalents	9 431	5 489
Trade and Other Receivables	669	328
Total Assets	10 819	6 351
Reserves and Liabilities	10 819	6 351
Accumulated Funds (Inclusive of funds allocated to projects)	8 246	5 195
Current Liabilities	2 573	1 156
Accounts Payable	2 498	1 090
Provisions	75	66
TOTAL RESERVES AND LIABILITIES	10 819	6 351

Income Statement

FOR YEAR ENDING	31-Dec-16 R R'000	31-Dec-15 R R'000
INCOME		
Resticted	37 724	32 176
Unrestricted	7 898	7 250
In Kind Donation	16 609	6 730
Other	85	50
TOTAL INCOME	62 316	46 206
Expenditure		
Project/Programme Distribution (South Africa)	18 148	22 845
Project/Programme Distribution (International)	9 216	6 627
In Kind Donation	16 609	6 730
Programme expenses	1 474	1 144
Operational Costs	13 819	12 101
TOTAL EXPENDITURE	59 266	49 447
SURPLUS/(DEFICIT) FOR THE YEAR	3 050	-3 241

Statement of Cash Flows

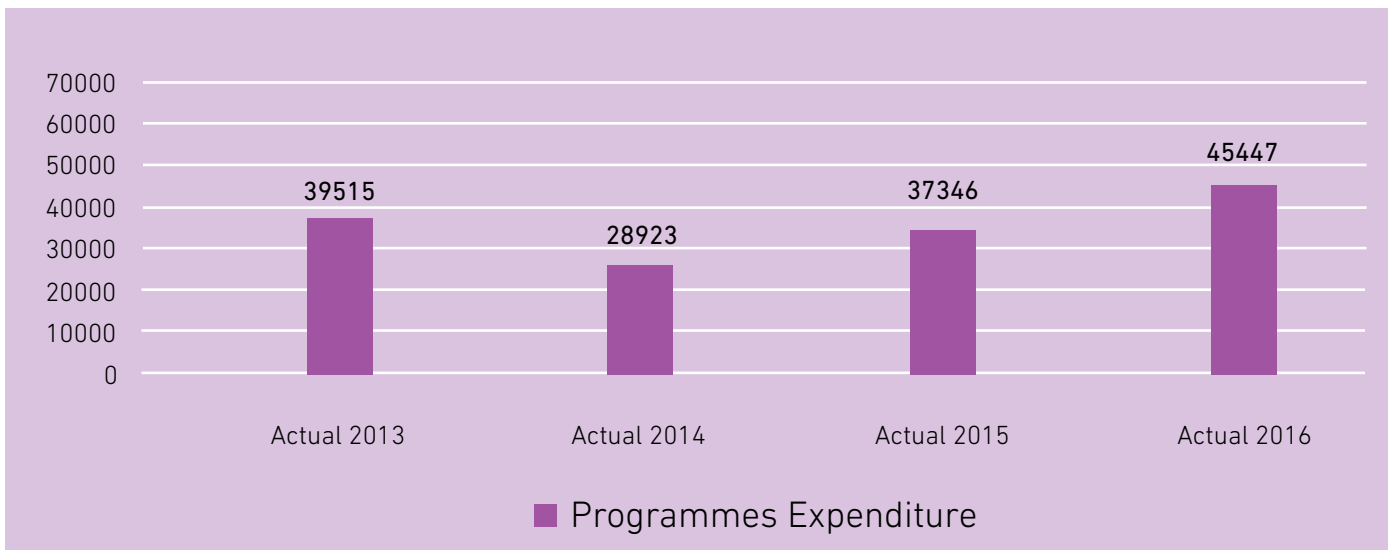
STATEMENT OF CASH FLOW FOR Y/E	31-Dec-16 R R'000	31-Dec-15 R R'000
Cash Flow from operating activities	-	-
Cash used in operations	4 208	-900
Profit Share	84	50
Net Cash from Operations	4 292	-850
Cash flows from investing activities		
Purchase of property, plant and equipment	-350	-269
Total cash movement for the year	3 942	-1 119
Cash at the beginning of the year	5 489	6 608
Cash at the end of the year	9 431	5 489

Income vs Programmes Expenditure

**Income
R '000**



**Programmes Expenditure
R '000**

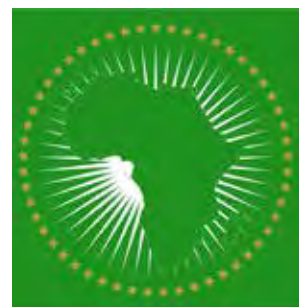


Strategic Partnerships

Greater capacity to help

We increased our impact on the ground by continuing to improve our efficiency and effectiveness, with good governance and a rigorous focus on accountability and transparency. Collaboration with other humanitarian actors was a key strategy toward securing real change.

Thank you to all our partners for your continued support.



Plans for 2017

Our 2016-20 Strategy proposes some important new directions for the years ahead:

- **DEVELOPING OUR THEMATIC EXPERTISE**

As a global family, Islamic Relief has accrued significant experience in our decades of work in the humanitarian sector. We will further deepen our knowledge and practice in thematic areas that are important to our work, including climate change adaptation and resilience building.

- **BOOSTING FUNDING FOR LONG-TERM PROGRAMMES**

We will unlock more funding for longer-term development programmes that create lasting change in poor communities. We will create exciting new ways for donors to support our work, and bolstering engagement with bi-lateral and multi-lateral donors will be key.

- **SUPPORTING A STRONGER CIVIL SOCIETY**

Our capacity-building work will broaden as we support more NGOs in meeting emerging challenges and improving their ability to respond effectively. By strengthening civil society, we will maximise the impact of humanitarian aid and development interventions.

- **INTEGRATING ADVOCACY THROUGHOUT OUR WORK**

We will strengthen our humanitarian advocacy at programme and national levels, capitalising on the unique understanding of our field teams to do more than ever before to ensure that the communities we serve have their voices heard.

- **DEVELOPING DOMESTIC PROGRAMMES**

Islamic Relief partners have significantly increased their implementation of programmes, such as relief for families affected by natural disasters in East Africa, conflict in the Middle East and poverty alleviation in South Africa. We plan to further increase and improve domestic programmes.

- **BUILDING ACCEPTANCE AND ALLIANCES**

Social alienation and poor understanding of Islam are contributing to deepening divisions and tensions. Islamic Relief has been at the forefront of building mutual empathy, trust, and understanding – and seek to add to this by increasing our alliances with partner organisations, governments and leading institutions.





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Registration Number: 2004/025107/08

NPO Number: 043-357-NPO