Docusign Envelope ID: 1D383CA4-3FDF-8FF1-834C-D94AE25159F2

Registered Company Number: 08612172
Registered Charity Number: 1162805

INTERNATIONAL WAQF FUND

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR

THE YEAR ENDED 31 DECEMBER 2025

Docusign Envelope ID: 1D383CA4-3FDF-8FF1-834C-D94AE25159F2

INTERNATIONAL WAQF FUND
(A company limited by guarantee)

COMPANY INFORMATION

Trustees	Dr Awadh Salem Awdeh Alasaime (Appointed 15/06/2019, resigned 26/06/2025) Dr Alija Avdukic (Appointed 03/04/2021) Dr Aqsa Noreen Aziz (Appointed 09/07/2023) Dr Shaher Abbas (Appointed 01/04/2025) Dr Ari Ahmed (Appointed 01/04/2025) Maqbool Ahmed (Appointed 01/04/2025) Magdalena Samsuddin (Appointed 09/07/2023)
Company registration number	08612172
Charity registration number	1162805
Registered office	22 Sampson Road North Birmingham B11 1BL
Principal office	22 Sampson Road North Birmingham B11 1BL
Independent auditor	Grant Thornton UK LLP 8 Finsbury Circus London EC2M 7EA
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE

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INTERNATIONAL WAQF FUND
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INTERNATIONAL WAQF FUND
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present their annual report and the financial statements for the year ended 31 December 2025. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution
International Waqf Fund is a company limited by guarantee by its Memorandum and Articles of Association. The company operates as a registered charity and is a subsidiary of Islamic Relief Worldwide (company number 02365572) which also operates as a registered charity. The wider Group includes TIC International Ltd and IR Mauritius. The Group is part of a wider network of affiliated but independent charitable entities around the world which share the "Islamic Relief" name.

Organisational structure
The charitable company is managed by the Board of Trustees, all of whom are Directors of the company acting in a voluntary capacity, who consider all significant matters such as strategy and major expenditure at their meetings. The Trustees are responsible for oversight of the charity delegating day-to-day operations to an Executive Director; Dr. Mohammed Alsaghir.

Recruitment and appointment of Trustees
Trustees are appointed to the Board by decision from the board of Trustees of the parent Charity Islamic Relief Worldwide.

Induction and training of Trustees
Newly appointed Trustees are introduced to the operations of the Charity by staff and Trustees. They are familiarized with the Charity's governing documents and their responsibilities as Trustees. They also benefit from a structured governance training programme developed by the Humanitarian Academy for Development (HAD).

Risks and Uncertainties
The executive management team undertakes strategic and operational reviews to evaluate performance, identify organisational risks and to develop plans to address issues identified. The Board of Trustees (BOT) reviews proposed plans and once approved they are delegated to the executive team for implementation. The executive team is responsible for implementation of the plans, with the Board of Trustees monitoring progress. To underpin the process of risk management, International Waqf Fund utilises specialist Risk Management software which is overseen by the Parent Company's Internal Audit function. The principal risks and uncertainties facing International Waqf Fund are: the risks of not being able to secure sufficient funds to meet the objectives of the organisation or to cover its operational costs and the risk of poor investment performance. The former risk has been mitigated by the formulation of a marketing plan whilst the latter has been addressed by the establishment of an Investment Committee.

Fundraising Statement

International Waqf Fund (IWF) is committed to maintaining high standards in its fundraising activities and complies with all relevant statutory regulations, including the Data Protection Act 2018 and the Charities Act 2011.
IWF is registered with the Fundraising Regulator and is committed to complying with its Code of Fundraising Practice. The organisation upholds the principles of the Fundraising Promise, ensuring transparency, integrity, and respect in all interactions with donors and supporters.
IWF primarily undertakes digital fundraising and does not engage third-party fundraising organisations or commercial participators. Internal procedures are in place to monitor fundraising activities, including regular management reviews, oversight by senior leadership, and compliance checks to ensure activities remain in line with regulatory and ethical standards.

Compliance Statement

There have been no known instances of non-compliance with the Code of Fundraising Practice during the reporting period.

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Complaints Handling

No complaints relating to fundraising activities have been received during the year. A complaints policy is in place should any arise in the future, ensuring prompt and fair resolution.

Protection of Vulnerable People

IWF has policies and procedures to safeguard vulnerable individuals, including guidelines on respectful communication, data protection, and safeguarding practices. Staff and volunteers receive relevant training and are instructed to identify and appropriately manage interactions involving potentially vulnerable persons.

Objectives and activities

The purpose of the Charity is to operate under Waqf (endowment) principles, whereby donor funds are invested and the returns generated are applied towards charitable activities. This model ensures the preservation of capital while creating a sustainable source of income to support long-term charitable impact.

Strategic Approach
The Charity's strategy is to:

- Grow and preserve Waqf capital through prudent, Sharia-compliant investment
- Allocate investment returns efficiently to priority charitable programmes
- Work with delivery partners, including group organisations, to implement projects on the ground
- Ensure funds are deployed in a timely manner, typically within a defined investment and allocation cycle
- Maintain strong governance, oversight, and monitoring of both investments and charitable expenditure

Charitable Objectives and Activities
The Charity's activities during the year continued to focus on the following objectives:

1. Advancement of Education
This objective is achieved through funding educational initiatives, including schools, training programmes, and access to learning resources. Activities include the provision of scholarships, educational materials, and support for educational infrastructure and training centres.

2. Relief and Prevention of Poverty
The Charity supports programmes aimed at alleviating poverty, including emergency humanitarian assistance, food distribution, and initiatives that promote sustainable livelihoods. This includes funding small-scale enterprise and income-generating activities to support long-term financial independence.

3. Promotion of Health and Well-being
The Charity contributes to projects that improve health outcomes, including access to clean water, sanitation, and healthcare support. Activities also include support for vulnerable groups, particularly children and orphans.

4. Advancement of Sustainable Development
The Charity supports environmentally and socially sustainable initiatives, including resource management, community development, and economic regeneration projects designed to improve living conditions in disadvantaged communities.

5. Strengthening of the Third Sector
The Charity works to enhance the effectiveness of charitable and voluntary organisations by providing financial and strategic support to partner organisations delivering charitable programmes.

6. Other Charitable Purposes
The Trustees retain discretion to support other charitable purposes in line with the Charity's overall mission.
Significant Activities in the Year

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During the year, the Charity:

- Received and pooled Waqf donations which were subsequently invested in line with its investment policy
- Monitored investment performance and generated returns to fund charitable activities
- Allocated funds to partner organisations to deliver programmes aligned with the Charity's objectives
- Maintained oversight of fund utilisation through reporting and monitoring processes

Measuring Success
The Charity assesses its performance through:

- The level of Waqf funds raised and successfully invested
- The timeliness of deploying funds into investments and subsequently into charitable activities
- Investment returns generated and available for charitable use
- The scale and reach of programmes funded through those returns
- Ongoing monitoring and reporting from delivery partners to ensure funds are used in line with intended purposes

Public Benefit

The Trustees approve strategic plans to deliver maximum public benefit and achieve the 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 objectives and planning activities.

ACHIEVEMENTS, PERFORMANCE AND STRATEGY

Review of activities

During 2025, International Waqf Fund continued to pursue its charitable objectives by funding projects aimed at relieving poverty, advancing education, supporting health and wellbeing, and improving the living conditions of vulnerable communities. In doing so, the Charity delivered public benefit through targeted humanitarian, livelihood, orphan support and community development interventions.
During the year, the Charity supported 13 projects across 14 countries: Afghanistan, Bosnia, Gaza, Iraq, Jordan, Mali, Niger, North Macedonia, Pakistan, Somalia, Sudan, Syria, the United Kingdom and Yemen. These activities reflect the Charity's commitment to supporting vulnerable beneficiaries through both emergency response and longer-term development initiatives.
The Charity's programme activity during the year included:

- emergency and humanitarian relief in Gaza, Pakistan and Sudan;
- orphan sponsorship in Gaza and Niger;
- water, sanitation and rehabilitation support in Iraq and Mali;
- primary healthcare support in Yemen;
- livelihood and empowerment projects for vulnerable households in Afghanistan, Jordan, Bosnia and North Macedonia;
- food security and seasonal distribution projects in Niger, Somalia and Yemen; and
- community support in the United Kingdom through provision of minibuses for the UK Muslim Scout Foundation.

These projects were designed to respond to identified needs within local communities and to provide practical support to beneficiaries including orphaned families, widows, vulnerable households and communities affected by conflict, poverty and displacement. The Trustees are satisfied that the Charity has continued to deliver effectively against its objectives during the year.

Performance and achievements
The Trustees assess performance through both financial and non-financial key performance indicators, including total income, number of projects delivered, geographic reach, and the level of funds applied to charitable activities.
In 2025, the successful delivery of 13 projects across 14 countries, alongside continued support for orphan sponsorship, healthcare, and livelihood initiatives, represents strong performance against the Charity's objectives. The Charity maintained its ability to operate in both emergency and development contexts, ensuring that funds were deployed in line with donor intent and organisational priorities.
The Trustees continue to monitor programme delivery through implementing partners and internal review processes to ensure that funds are used effectively and that projects achieve their intended outcomes.

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Fundraising performance

The Charity's fundraising activities primarily comprise donations received directly and funding from Islamic Relief Worldwide. During the year, total income amounted to £879k (2024: £260k), reflecting continued donor support and strong collaboration within the wider Islamic Relief group.

The Trustees monitor fundraising performance against expected income levels and assess the sustainability of funding sources. While the Charity remains reliant on a combination of group funding and direct donations, the level of income received during the year is considered sufficient to support planned charitable activities and demonstrates continued donor confidence.

Principal activities

The principal projects supported during the year were:

- Gaza Emergency Project
- Improving Education Access through WASH Services and Essential Rehabilitation in Iraq
- Strengthening Primary Health Care Services in two health units in Az Zaydiah District, Hodeida Governorate, Yemen
- Minibuses for UK Muslim Scout Foundation
- Delivering Reliable Opportunities for Potable Water (DROP) in Circle of Kati and Sub-urban of Bamako, Mali
- Home Comfort for Orphan Families in North Macedonia
- Women's Initiative for Self-reliance and Empowerment for Widows in Jordan
- Orphan Sponsorship in Niger and Gaza
- Improve Food Security through Integrated Agriculture Activity Supported with Small-Scale Irrigation in Niger
- Qurbani Meat Distribution in Somalia and Niger
- Ramadan Food Distribution in Yemen
- Enhancing Livelihoods and Vocational Skills of Orphaned Families in Afghanistan
- Emergency Flood Relief Pakistan
- Golo Emergency Response Project (GERP), Sudan

Plans for future periods

The Trustees intend to continue delivering programmes aligned to the Charity's core objectives of poverty relief, education, health and community development. In 2026, the Charity plans to maintain its focus on a balanced portfolio of emergency response and longer-term development projects, with continued support for orphan sponsorship, livelihood initiatives and essential services such as healthcare, water and food security.

The Trustees will continue to prioritise the effective deployment of funds, ensuring that resources are directed to areas of greatest need and that projects deliver measurable benefit to beneficiaries. The Charity will also seek to maintain and strengthen its funding base through ongoing collaboration with Islamic Relief Worldwide and by sustaining direct donor engagement.

In addition, the Trustees will continue to monitor risks relating to funding levels and operating environments and will adapt programme delivery as necessary to ensure that the Charity remains responsive, sustainable and aligned with its charitable objectives.

Remuneration Policy

Pay and remuneration of International Waqf Fund's key management personnel is set by reference to sector benchmarks. The Charity aims to keep staff pay within the median quartile of benchmarking exercises.

Financial Review

This was the sixth year of operation of the Charity, and the Trustees are satisfied with its financial performance during the year.

The Charity generated a surplus of £1k (2024: -£351k) on unrestricted funds and a surplus of £388k (2024: £330k) on endowment funds. As at the year-end, the accumulated balance on unrestricted funds was £230k (2024: £234k), while endowment funds totalled £2.4m (2024: £2m). The Trustees remain grateful to donors for their continued generosity and continue to identify suitable Sharia-compliant investment opportunities to ensure the effective deployment of endowment funds and the generation of sustainable returns.

The Trustees have also considered the Charity's financial position in the context of its ability to continue as a going concern. This assessment included consideration of the Charity's reliance on donor income, the level and sustainability of funding from Islamic Relief Worldwide, and the potential impact of the broader economic environment on future income streams. While these factors may present uncertainties, the Trustees are satisfied that the Charity has adequate resources to continue in operational existence for the foreseeable future. This conclusion is supported by the level of unrestricted reserves held, the strength and stability of the endowment fund, and the Charity's established operational model.

In addition, the Trustees note that the Charity is a subsidiary of Islamic Relief Worldwide and, if required, is able to draw upon the support and resources of the parent organisation. This provides further assurance in respect of the Charity's financial resilience.

On this basis, the Trustees consider it appropriate to prepare the financial statements on a going concern basis.

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Reserves Policy

The Trustees have established a reserves policy to ensure that the Charity can continue to operate effectively and fulfil its objectives in the event of unforeseen financial challenges. The policy is to maintain **free reserves** at a level equivalent to approximately six months of core operating expenditure, currently estimated at £250k.

For the purposes of this policy, free reserves are defined as unrestricted funds excluding those funds tied up in fixed assets or otherwise not readily available for use.

As at 31 December 2025, the Charity's total funds amounted to £2.6m (2024: £2.2m), comprising £230k (2024: £234k) of unrestricted funds and £2.4m (2024: £2m) of endowment funds. After deducting tangible fixed assets of £3,317, free reserves are calculated at **£227k**.

At the year end, free reserves were **£23k below** the Trustees' target level of £250k. The Trustees consider this shortfall to be modest and reflective of the Charity's continued investment in developing its activities and supporting its long-term strategic objectives during the year.

The Trustees expect free reserves to return to the target level during 2026 through the continued generation of unrestricted income, including the implementation of the agreed funding arrangements with Islamic Relief Worldwide and ongoing prudent management of operating expenditure. The Trustees will continue to monitor the level of free reserves regularly to ensure they remain appropriate in light of the Charity's operational requirements, future plans and risk profile.

Strategy

The Charity has a marketing strategy to maximize donations and explores investment opportunities that provide the best returns given the risk appetite of the organization.

Looking ahead, International Waqf Fund aims to enhance its impact by focusing on sustainable and Sharia-compliant investment opportunities to maximize returns on donations. This includes implementing a more integrated financial management system, allowing for better tracking of donations and investment returns. Furthermore, International Waqf fund plans to strengthen community engagement and expand partnerships to diversify funding streams, ensuring long-term sustainability

Statement of trustees' responsibilities

The Trustees (who are also directors of International Waqf Fund for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to ensure that:

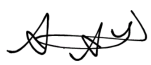
- suitable accounting policies are adopted and applied consistently.
- methods and principles of the Charities SORP are followed.
- judgments and accounting estimates are reasonable and prudent.
- that applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- the financial statements are prepared on a going concern basis.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

As far as the trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report was approved by the Trustees on 23rd July 2026 and signed on their behalf by -



Dr Aqsa Noreen Aziz
Chair of the Board of Trustee

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INTERNATIONAL WAQF FUND
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF INTERNATIONAL WAQF FUND

Opinion

We have audited the financial statements of International WAQF Fund (the 'charitable company') for the year ended 31 December 2025, which comprise the Statement of Financial Activities and Income & Expenditure, Balance Sheet and Cashflow 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 charitable company's affairs as at 31 December 2025 and of its 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 including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: Accounting and Reporting by Charities, 2019 Edition; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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 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 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 company to cease to continue as a going concern.
In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as the ongoing conflicts in the middle east and Europe, and rising gas and energy costs, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.
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.
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 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.
Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Annual Report and Financial Statements. 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. 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 themselves. 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 Trustee's Report, prepared for the purposes of company law, included in the Annual Report and Financial Statements for the financial year for which the financial statements are prepared is consistent with the financial statements.

- the Trustee's Report included in the Annual Report and Financial Statements 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 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 and Financial Statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit, or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement 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 charitable company's ability to continue as a

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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 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.
- Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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 framework that are applicable to the charitable company 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), Charites SORP (FRS 102), the Companies Act 2006, Charities Act 2011, Data Protection Act 2018 and The Charites (Protection and Social Investment) Act 2016;
- We understood how the charitable company 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 charitable company'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 and implementation effectiveness of certain controls management have 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
  - 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. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as 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 by the engagement partner 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

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  - Knowledge of the charity sector
  - Understanding of the legal and regulatory requirements specific to the charitable company
- 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 charitable company's 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.
  - 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.

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.

Stephen Dean

Stephen Dean
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
23 July 2026

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INTERNATIONAL WAQF FUND
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES AND INCOME & EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted Funds	Endowment Funds	Total 2025 YTD	Total 2024
		£	£	£	£
Charitable Activities	3	491,056	387,942	878,998	360,014
Total Income		491,056	387,942	878,998	360,014
Fundraising Expenditure	4	351,838	0	351,838	244,692
Charitable Expenditure	4	141,109	0	141,109	136,261
Total Expenditure		492,947	0	492,947	380,953
Net Exchange Gain/Loss		(2,529)	0	(2,529)	0
Surplus/(Deficit) on Activities		638	387,942	388,580	(20,938)
Movement of Funds					
Funds Brought Forward		233,546	2,029,906	2,263,452	2,284,390
Prior Year Adjustments		(4,267)	0	(4,267)	0
Adjusted Opening Funds		229,279	2,029,906	2,259,185	2,284,390
Surplus/(deficit) on activities		638	387,942	388,580	(20,938)
Funds Carried Forward		229,917	2,417,848	2,647,765	2,263,452

The notes on pages 16 to 24 form part of these financial statements.

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INTERNATIONAL WAQF FUND
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BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025		2024	
Fixed assets					
Tangible assets	8		3,317		1,476
Investment Property	9		331,988		0
Total Fixed Assets			335,305		1476
Current assets					
Debtors: amounts falling due within one year	10	575,775		52,879	
Cash at bank and in hand		1,759,663		2,229,128	
		2,335,438		2,282,007	
Creditors: amounts falling due within one year	11	(22,978)		(20,030)	
Net current assets			2,312,460		2,261,976
Total assets less current liabilities			2,647,765		2,263,452
Net assets			2,647,765		2,263,452
Funds					
Unrestricted			229,917		233,546
Endowment			2,417,848		2,029,906
			2,647,765		2,263,452

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 July 2026.

Dr Aqsa Noreen Aziz
Chair of the Board of Trustee

The notes on pages 16 to 24 form part of these financial statements.

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INTERNATIONAL WAQF FUND
(A company limited by guarantee)

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

Reconciliation of net income/ expenditure to net cash flow from operating activities:

	2025	2024
	£	£
Net income for the reporting period per the SOFA	388,580	(20,939)
Adjustments for:		
Depreciation	1,348	1,123
(Increase)/ Decrease in debtors	(522,896)	1,981,980
Increase/ (Decrease) in creditors	(2,948)	5,469
Prior year Adjustment	(4,267)	0
Net cash generated by operating activities	(134,287)	1,967,632
Cash flows from investing activities:		
Purchase of property, plant, and equipment	(3,189)	0
Investment Property	(331,988)	0
Net increase/ (decrease) in cash and cash equivalents	(469,464)	1,967,632
Cash and cash equivalents at the beginning of the period	2,229,128	261,496
Cash and cash equivalents at the end of the period	1,759,663	2,229,128
Consisting of:		
Cash at bank and in hand	1,759,663	2,229,218

The notes on pages 16 to 24 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2025

1. Company information

International Waqf Fund is a charitable company limited by guarantee, without share capital and governed by its Memorandum and Articles originally dated 16 July 2013 and amended by Special Resolution on 21 July 2015. Originally called Islamic Relief Waqf; the company changed its name to International Waqf Fund on 25 February 2019.

The Principal Address and Registered Office is 22 Sampson Road North, Birmingham B11 1BL.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements of the Charity have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)) and the Charities Act 2011.

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

The financial statements are prepared on a going concern basis under the historical cost convention and are presented in pounds sterling (£), which is the functional currency of the Charity.

2.2 Going concern

When preparing these financial statements, the Trustees have assessed the Charity's ability to continue as a going concern for a period of at least 12 months from the date of approval of the accounts.
As part of this assessment, the Trustees have reviewed detailed financial forecasts, including cash flow projections, which take into account expected levels of donation income, grant funding, and planned expenditure. The base case forecasts indicate that the Charity will maintain sufficient liquidity throughout the assessment period.

The Trustees have also performed sensitivity analysis on the forecasts to assess the impact of adverse but plausible scenarios. These sensitivities included reductions in donor income and delays or decreases in grant funding from Islamic Relief Worldwide, as well as increases in operational costs. Under these scenarios, mitigating actions within the Trustees' control, such as adjusting the timing and level of discretionary expenditure, were considered.

The results of this analysis demonstrate that, even under reasonably possible downside scenarios, the Charity is expected to retain sufficient cash reserves and does not forecast a position in which it would be unable to meet its liabilities as they fall due.

In making this assessment, the Trustees considered key risks including the Charity's reliance on donor income and the broader economic environment which could impact fundraising levels, as well as the potential variability in grant funding. While these factors present potential risks to financial sustainability, the Trustees have concluded that they do not cast significant doubt on the Charity's ability to continue as a going concern.

This conclusion is supported by the Charity's healthy unrestricted reserves, the strength of its endowment fund, and its track record of operational efficiency. The Trustees also note that the Charity is a subsidiary of Islamic Relief Worldwide and can, if necessary, call upon the support and resources of that organisation. This relationship provides an additional layer of financial resilience and was a key factor in the Trustees' judgement that the Charity remains a going concern.

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2.3 Incoming resources

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

The principal sources of income for the charity are:

- **Donations and Legacies**: Income from donations is recognised when received or when the charity becomes entitled to it, and receipt is probable. Where donations are given for specific purposes (restricted funds), they are recognised as such in the accounts.
- **Grants**: Grant income is recognised when the charity has confirmation of entitlement, the income is probable, and the amount can be measured reliably. Where grants are performance-related or subject to conditions, income is deferred until those conditions are met.
- **Endowment Income**: Income from endowment fund investments is recognised when earned, in accordance with the investment terms, and allocated appropriately between income and capital as per the terms of the endowment.
- **Other Income**: Includes any other sources such as fundraising events or consultancy, recognised on an accruals basis when the income is earned.

2.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

2.5 Cash and cash equivalents

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

2.6 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 IWF in furtherance of the objectives of the charity.

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.

2.7 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and impairment charges.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method unless otherwise stated.

Depreciation is provided on the following basis:

Computer Equipment straight line	- 4 years
Fixtures & fittings straight line	- 4 years

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2.8 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.

Debtors are measured at the amount expected to be received, net of any trade discounts offered. Where material, balances are reviewed for **impairment** at each reporting date. An **impairment loss** is recognised in the Statement of Financial Activities if there is objective evidence that the charity will not be able to recover all amounts due in accordance with the original terms. The amount of the loss is the difference between the asset's carrying amount and the present value of the expected future cash flows, discounted if material.

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.

2.9 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.

2.10 Judgments in applying accounting policies and key sources for estimation of uncertainty:

Preparation of the financial statements requires management to make some judgments and estimates. The items where these judgments and estimates have been made include:

Provision for doubtful debts

Debtor balances outstanding at the year end and not received at the date of signing have been considered on a case-by-case basis regarding their recoverability.

2.11 Investment Property

Investment property comprises property held to earn rental income and/or for capital appreciation, rather than for use in the delivery of charitable activities or for administrative purposes.

Investment property is initially recognised at cost, including any directly attributable expenditure.

Subsequently, investment property is measured at fair value at each reporting date, with any changes in fair value recognised in the Statement of Financial Activities in the year in which they arise.

No depreciation is charged on investment property.

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3. Income from charitable activities

	2025 £	2024 £
Donations and legacies	428,998	360,014
Parent company grant	450,000	-
	878,998	360,014

4. Support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include management, administration, governance, and facilities costs. They are incurred directly in support of expenditure on the objects of the Charity. Where support costs cannot be directly attributed to particular headings, they have been allocated to costs of raising funds and expenditure on charitable activities on a basis consistent with the use of the resources.

	Total Support Costs £	Activities Undertaken Directly £	Total 2025 £	Total 2024 (Restated) £
Fundraising	158,302	193,536	351,838	244,692
Charitable activities	136,493	4,615	141,109	136,261
	294,795	198,152	492,947	380,953

Prior year restatement

The comparative figures for 2024 have been restated to correct the allocation of support costs between fundraising and charitable activities. In the prior year financial statements, the allocation of support costs disclosed in the notes was not consistent with the underlying apportionment methodology.

This has been corrected in the current year to reflect the appropriate allocation basis. The restatement has resulted in an increase in fundraising costs and a corresponding decrease in charitable activities within the comparative note disclosure.

There is no impact on total expenditure, net income, or fund balances as previously reported.

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Support Costs by Nature

Category	2025 (£)	2024 (£)
Wages	247,144	202,460
Travel	6,720	10,889
Professional fees	2,937	6,300
Charges	2,159	7,150
Facility costs	12,595	9,509
Office expenditure	2,706	8,778
Training	148	74
Membership fees	1,945	1,865
Governance	11,210	6,739
Other	7,229	5,658
Total support costs	**294,795**	**259,422**

5. Governance

	2025 £	2024 £
Auditor's remuneration (audit)	9,750	6,300
Legal costs	113	40
Trustees' expenses	1,347	399
	11,210	6,739

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include professional fees and costs linked to the strategic management of the Charity.

6. Trustees' expenses

	2025 £	2024 £
Travel expenses (flights)	717	399
Travel expenses - Local Transport	8	-
Accommodation	330	-
Meeting hospitality/meals	292	-
	1,347	399

Trustees can claim expenses but are not remunerated.

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7. Staff costs and emoluments

	2025 £	2024 £
Gross salaries	217,301	176,917
Employer's National Insurance	16,212	18,650
Employer's Pension	13,556	6,880
	247,069	202,447

The average monthly number of employees during the year was 5 (2024: 4).

One employee received remuneration in the band £70,000–£80,000 (2024: one in the band £70,000–£80,000).

Key management remuneration amounted to £79,858 band 70k to 80k (2024: £77,532), including pension costs of £3,071 (2024: £2,982).

The total remuneration paid to the Director during the year was £79,858 (2024: £77,532), including employer pension contributions of £3,071 (2024: £2,982).

8. Tangible fixed assets

	Computer Equipment £	Fixtures & Fittings £	Total £
Cost			
At 1 January 2025	10,377.25	2,991.98	13,369.23
Additions	3,189.11	-	3,189.11
Disposals	-	-	-
At 31 December 2025	13,556.36	2,991.98	16,558.34
Depreciation			
At 1 January 2025	(9,245.69)	(2,647.79)	(11,893.48)
Charge for the year	(1,200.68)	(147.48)	(1,348.16)
At 31 December 2025	(10,446.37)	(2,795.27)	(13,241.64)
Net book value			
At 31 December 2025	3,119.99	196.71	3,316.70
At 31 December 2024	1,132	344	1,476

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9. Investment Property

	£
At 1 January 2025	–
Additions	331,988
Fair value movement	–
At 31 December 2025	331,988

The investment property was acquired in August 2025 and is held for investment purposes. In accordance with FRS 102 Section 16, investment property is measured at fair value at each reporting date.

As the acquisition occurred close to the year-end, the Trustees consider the purchase price to be the best evidence of fair value at 31 December 2025. The property is currently undergoing refurbishment and is not yet income-generating.

No independent external valuation has been obtained at the reporting date. The Trustees have assessed that there are no indicators of impairment or material change in fair value since acquisition.

The fair value of the investment property at 31 December 2025 is therefore considered to be £331,988, which is consistent with its carrying value in the financial statements.

The valuation of investment property involves judgement and is based on market conditions, transaction data, and the specific characteristics of the asset.

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10. Debtors

	2025 £	2024 £
Owed by group undertakings	521,533	40,832
Prepayment and accrued income	19,330	4,200
Other debtors	34,912	7,846
	575,775	52,878

11. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	13,500	5,930
Other taxation and social security	9,581	6,389
Other creditors	46	1,071
Accruals and deferred income	150	6,640
	22,978	20,030

12. Movement in funds

Unrestricted Funds	2025 £	2024 £
Brought forward	233,546	584,102
Incoming resources	491,056	30,396
Resources expended	(492,947)	(380,953)
Balance carried forward	236,155	233,546

Endowment Funds	2025 £	2024 £
Brought forward	2,029,906	1,700,288
Incoming resources	387,942	329,618
Resources expended	-	-
Balance carried forward	2,417,848	2,029,906

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13. Analysis of assets and liabilities representing funds

	Unrestricted 2025 £	Endowment 2025 £	Total 2025 £	Total 2024 £
Fixed assets	3,317	331,988	335,305	1,475
Current assets	249,578	2,085,860	2,335,438	2,282,007
Creditors due within one year	(22,978)	-	(22,978)	(20,030)
	229,917	2,417,848	2,647,765	2,263,452

14. Controlling party

The ultimate parent company is Islamic Relief Worldwide, a charitable company registered in England and Wales, which is based at 19 Rea Street South, Birmingham, B5 6LB.

Islamic Relief Worldwide (IRW), the parent company of IWF, is dedicated to humanitarian aid and community development on a global scale. Its principal activities include:

1. **Humanitarian Assistance:** Providing relief in response to natural disasters, conflicts, and crises, including major programmes in Gaza, Sudan, Türkiye, Syria, and Yemen.
2. **Community Empowerment:** Supporting sustainable development through healthcare, water provision, education, and livelihood initiatives, promoting long-term social change.
3. **Child Welfare:** Operating the flagship **Orphan Sponsorship Programme**, aimed at improving the lives of vulnerable children and families.
4. **Financial Inclusion:** Enhancing sustainable livelihoods through microfinance, fostering self-sufficiency in low-income communities.

Islamic Relief Worldwide has the right to appoint and remove the trustees of International Waqf Fund.

Consolidated financial statements can be obtained from the Islamic Relief Worldwide website. www.Islamic-relief.com.

15. Related Parties

International Waqf Fund is a subsidiary undertaking of Islamic Relief Worldwide ("IRW"). IRW has the right to appoint and remove the Trustees of the Charity. During the year, there was also overlap in trusteeship between the Charity and IRW.

During the year, the Charity recognised income from IRW totalling **£591,158**, comprising grants of **£450,000** and donations of **£141,158**. This represents income received from IRW only and excludes income received directly by the Charity.

The Charity also incurred **£21,857** of expenses/recharges payable to IRW.
At 31 December 2025, amounts owed by group undertakings, principally IRW and Islamic Relief UK, totalled **£521,533** (2024: £40,832). There were no amounts owed to group undertakings at the year end.
Transactions with related parties were undertaken in the normal course of business and on an arm's length basis.