AL-AYN
SOCIAL CARE FOUNDATION
CHARITABLE INCORPORATED ORGANISATION



Trustees' Report and Financial Statements

For the year ended 31 December 2025

Registered Charity No: 1163706

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The photo on the cover page is of Ali a child supported by Al-Ayn Social Care Foundation (Iraq).

AL-AYN SOCIAL CARE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Mrs Aliya Azam Dr Ahmed Alkhaja Mrs Rabab Kleit Mr Mohamad Baqer Al-Yassin Mr Mustafa Mohamed
Acting Director (unpaid)	Dr Ahmed Alkhaja
Charity Registration Number	1163706
Principal Address and Registered Office	Unit 5, Watling Gate 297 – 303 Edgware Road Colindale London NW9 6NB
Independent Auditor	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Bankers	Barclays 75 King Street Hammersmith London W6 9HY
Solicitor	Bates Wells & Braithwaite London LLP 10 Queen Street Place London EC4R 1BE

The Trustees present their report, together with the audited financial statements of Al-Ayn Social Care Foundation (the Charity) for the year ended 31 December 2025. The Trustees confirm that the report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP 2019) 'Accounting and Reporting by Charities' Second Edition applicable for accounting periods commencing on and after 1 January 2019.

Al-Ayn Social Care Foundation is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission of England & Wales on 23 September 2015.

These financial statements cover the period from 1 January 2025 to 31 December 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution
The CIO was registered on 23 September 2015, and its governing document was amended on 9 May 2017 and 7th October 2024.

Organisational structure
The Charity has a board of five Trustees (the Trustees), who meet formally on a regular basis to determine and review implementation of the Charity's strategy, identify and manage risks and administer the affairs of the Charity. The Trustees are drawn from persons of suitable experience, professional qualification or business acumen who are deemed suitable to administer the assets and the running of the Charity and are appointed by the sole member. The management of the Charity is the responsibility of the Trustees who are appointed under the terms of the constitution, with some management responsibilities delegated to the Charity's senior staff and articulated within job descriptions. This delegated authority is centred around the implementation of the policy and strategy adopted by and within a budget approved by the Trustees. The Trustees receive no remuneration or financial benefit for their role as Trustees, except as may be permitted by the Charity's constitution. They will regularly review their training needs and, if necessary, obtain training for the Trustees where appropriate. Any new Trustees would undergo an induction process which would include obtaining a copy of the Charity's constitution and minutes of meetings, declaring conflicts of interest, and attending meetings with the acting director and senior staff to be updated on the affairs of the Charity.

Al-Ayn Social Care gGmbH is a wholly owned subsidiary of the Charity and is managed by a director with the support of members of staff and volunteers. The Trustees are updated regularly on the performance of Al-Ayn Social Care gGmbH.

Al-Ayn Social Care Foundation (Iraq), a charitable organisation incorporated under the laws of Iraq and registered with the certificate number IZ 71970, is the sole member of the Charity. The relationship between the Charity and Al-Ayn Social Care Foundation (Iraq) is governed in accordance with the terms of an agreement between the parties.

Al-Ayn Social Care Foundation International is a CIO registered with the Charity Commission of England & Wales on 15 November 2021, with Charity Registration Number 1196583. It is an affiliated global umbrella membership organisation that provides strategic oversight, support and guidance to the Charity and its Trustees.

Pay and Remuneration
The Trustees review the pay and remuneration of staff on a regular basis, to ensure internal consistency and that pay is competitive within the sector. Banding of pay is reviewed on an annual basis.

Risk management
The Trustees regularly review the major business and operational risks which the Charity faces, including risks associated with the diversity of its income and application of expenditure overseas. They have agreed and implemented policies and systems to ensure appropriate steps are taken to safeguard the Charity's assets, including appropriate due diligence, monitoring and reporting on grant recipients and beneficiaries, and ensuring that grant agreements are entered into in accordance with the Charity Commission and HMRC guidance on overseas donations. Regular reports are produced for the Trustees to identify and, if necessary, manage business and operational risks. The Trustees regularly review the Charity's policies and systems and are satisfied with the policies and controls in place to manage the risks identified.

Principal funding
Funding for the activities of the Charity has been derived solely from the kind donors and supporters of the Charity, with the administrative overheads donated in the reporting period by Al-Ayn Social Care Foundation (Iraq).

Investment powers and policy
The Trustees have the powers to make investments on behalf of the Charity as they deem fit, taking account of standard investment criteria. At the moment, the Charity's risk profile indicates that investments should be held in low-risk assets. Consequently, investments are mainly held in bank account balances, with the exception of properties donated to the Charity in furtherance of its charitable objectives.

Related parties
Al-Ayn Social Care Foundation (Iraq), a charitable organisation incorporated under the laws of Iraq and registered with the certificate number IZ 71970, is the sole member of the Charity. The relationship between the Charity and Al-Ayn Social Care Foundation (Iraq) is governed in accordance with an agreement between the parties.

Ahmed Alkhaja is a director of Al-Ayn Social Care Foundation (Australia). The Charity received donations totalling £143k (2024: £7k) during the year from Al-Ayn Social Care Foundation (Australia). The relationship between the Charity and Al-Ayn Social Care Foundation (Australia) is governed in accordance with a grant agreement between the parties.

Ahmed Alkhaja is a director of Stichting Al-Ayn for Social Care (Netherlands). The Charity received donations totalling £37k (2024: £23k) during the year from Stichting Al-Ayn for Social Care (Netherlands). The relationship between the Charity and Stichting Al-Ayn for Social Care (Netherlands) is governed in accordance with a grant agreement between the parties.

Ahmed Alkhaja is a director of Al-Ayn for Social Care (Switzerland). The Charity received donations totalling £82k (2024: £38k) during the year from Al-Ayn for Social Care (Switzerland). The relationship between the Charity and Al-Ayn for Social Care (Switzerland) is governed in accordance with a grant agreement between the parties.

Aliya Azam and Mustafa Mohamed are Trustees of Al-Ayn Social Care Foundation International. The Charity received donations totalling £24k (2024: £nil) during the year from Al-Ayn Social Care Foundation International. The relationship between the Charity and Al-Ayn Social Care Foundation International is governed in accordance with a grant agreement between the parties.
The Charity is the sole shareholder of Al-Ayn Social Care gGmbH, a German not-for-profit limited liability company registered in the commercial register of the local court of Berlin Charlottenburg under registration number HRB 174865 B. Further details are set out in note 7 to the accounts.

The Trustees and staff are also related parties. The Trustees are not aware of the existence of any other related parties. Please note that details of any related party transactions are set out in note 12 to the accounts.

OBJECTIVES AND ACTIVITIES

Purposes and aims
The Trustees regularly review the aims, objectives and activities of the Charity each year. This report looks at what the Charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the Charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes, as follows:

- the prevention or relief of sickness among orphans and other individuals in need, by purchasing medical equipment and/or providing grants to organisations working to prevent or relieve sickness;
- the advancement of education;
- to provide or assist in the provision of facilities, equipment and services in the interests of social welfare for recreation or other leisure time occupation for individuals who have need of such facilities, equipment or services by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life; and

- the advancement of such other charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

The Charity carried out the following main activities for the year ended 31 December 2025 in furtherance of its charitable activities for public benefit.

(1) Direct support of orphaned children

The Charity's principal activity continues to be the provision of ongoing financial support to registered families through its branches in Afghanistan and Ghana and through its grants made to Al-Ayn Social Care Foundation (Iraq). Grants made for this purpose by the Charity are comprised of a variety of donation types that are handled in accordance with all relevant requirements, including Religious Dues such as Khums and Sadaqa, and the Charity's 'Orphaned Children Fund'.

The Charity's Sadaqa Boxes, situated across thousands of homes and business across the UK, continued to raise a significant proportion of the overall Sadaqa received during the reporting period as cash donations. Supporters are able to request these boxes or a collection of their existing box through visiting one of our offices, via email, telephone, from an Al-Ayn representative at an event, via the Charity's app and its website.

The Charity's 'Orphaned Child Sponsorship Programme' continued to expand in accordance with existing trends of year-on-year steady growth in this area. This programme is a one-to-one sponsorship model that enables donors to provide ongoing monthly support to a registered child within the Charity's areas of operation. This holistic model of care provides for the immediate and long-term needs of the child, including education, financial assistance, medical care, psychological support and in-kind items. The programme is devised by specialists and experts across relevant fields and is tailored to each region to ensure that the financial assistance provided is sufficient to lift the child and their family above the poverty line, rather than simply sustaining them in their existing conditions. The level of assistance takes into account their specific circumstances, the wider context of the region, the local economy and the cost of living. This programme gives donors the opportunity to support a child directly with this all-encompassing method of care that transforms lives and lifts children and their families out of poverty.

During the reporting period, the Charity was able to expand its one-to-one child sponsorships to Afghanistan and Ghana due to an increase in the capacity of the offices, enabling them to increase the number of children receiving this holistic programme.

Supporters have the ability to fund specific areas of the work being carried out, such as medical care, which is restricted and spent in accordance with its intended purpose. During the reporting period, the Charity strategically shifted its focus to receiving unrestricted funding, increasing awareness of its work outside of Iraq and introducing the option to donate to 'any country' or toward general funds. The Charity's 'Orphaned Children Fund', which is largely promoted seasonally when significant income is raised, is a general fund that enables the Charity to have the freedom to tailor its charitable activities to where it is needed most and, on a case-by-case basis, supporting not only the orphaned children under its care, but also their guardians and siblings. The needs of each family are assessed and regularly reviewed following registration by dedicated social workers, who can recommend specific tailored care to be funded. Examples of this include funding for medical treatments, medication and operations, and housing repairs.

(2) Supporting continual charity (Sadaqa Jariya) projects

The Charity continued to fund Sadaqa Jariya projects in Iraq via Al-Ayn Social Care Foundation (Iraq) throughout the reporting period. The scale of the Sadaqa Jariya projects funded are incredibly substantial, and beyond this, their impact is significant, providing transformational care to thousands each month.

Supporters were offered a range of projects to contribute towards, including Luminous Stars Centres, which are purpose-built multi-storey buildings across provinces in Iraq that house the work of Al-Ayn Social Care Foundation (Iraq) in the region they are situated, acting as local service centres for financial and in-kind distributions, events, medical facilities for screenings and treatments and psychological support services, providing care to thousands of children and their families per month in each region.

Supporters were also given the opportunity to contribute to the construction of housing complexes and medical facilities that are built, equipped and run by Al-Ayn Social Care Foundation (Iraq).

During the reporting period, the Charity organised a number of events both in person and remotely. These included:

(1) Wills Writing Seminars: Giving supporters a legal and Islamic perspective on will-writing presented by professionals in this field, which also helped to generate future sources of funding for the Charity.

(2) Religious Dues Workshops: These were held in order to address frequently asked questions around topics and are in line with the preferences of supporters that regularly request information and further guidance on subjects such as Khums, Fidya and Kaffarah, helping them to decide how they can donate to the Charity.

(3) Volunteer Appreciation: Dedicated occasions throughout the year to recognise the efforts made from volunteers of the Charity, e.g., dinners and presentations on the impact of their work.

(4) National Fundraising Conference: This brought together fundraising teams and volunteers from across the UK for training, brainstorming sessions and alignment with fundraising strategies.

Volunteering

The Charity would like to take this opportunity to recognise the hard work, skills, and dedication of its volunteers, whose contributions it has continued to benefit from. The value of their time, commitment, and dedication cannot always be quantified with financial measures, however, they make a valuable contribution across various areas of the Charity's work. During the reporting period, volunteers supported a range of activities, such as raising awareness of its work in the community, supporting the Charity's community engagement events, fundraising, Sadaqa Box making, and ad-hoc administrative tasks.

In the UK, Al-Ayn was supported by more than 40 volunteer coordinators across more than 10 cities.

One UK Al-Ayn volunteer, described his experience as follows:
"*Volunteering with Al-Ayn gives me the profound opportunity to serve orphans while working as a family unit alongside like-minded people in a multi-generational space. For me, the most valuable aspect of my role is introducing the foundation's vital work to new donors and raising awareness both nationally and internationally. This experience has massively increased my sense of pride and life satisfaction, while also greatly enhancing my teamwork skills—something I don't typically get to develop in my regular job. I feel incredibly lucky to volunteer under the Al-Ayn banner, and I look forward to continuing to deliver a unified, impactful message about our cause*."

In 2025, Al-Ayn Social Care gGmbH was supported by more than 50 dedicated volunteers and coordinators across more than 15 cities in Germany. They played an important role in promoting and supporting the charitable activities of Al-Ayn through seminars, information stalls, events, local initiatives, and engagement with different communities across Germany.

Grant making policies

The Charity continues to make international grants in accordance with its "International Grants Policy". The procedure for international grants includes identifying potential recipients, carrying out appropriate due diligence checks and risk assessments, and then entering a grant agreement with the recipient. To help the Charity assess and manage the risks of overseas grants, the Trustees require recipients to provide a monitoring report using an agreed template, as set out in the grant agreements.

The Charity makes grants primarily to Al-Ayn Social Care Foundation (Iraq), subject to the discretion of the Trustees. The Trustees closely monitor all grants made, review the supporting documentation and undertake random inspection of the various projects that are supported by the grants.

The grants are typically disbursed in instalments to ensure that agreed timings and results are being met and managed, and to enable monitoring and evaluation of progress. The nature of these activities will depend on the size and complexity of the grant and the perceived level of risk.

The Trustees have considered the Charity Commission guidance on working internationally and HMRC guidance on overseas payments and have put in place appropriate and robust arm's-length grant agreements.

ACHIEVEMENT AND PERFORMANCE

The period marked an important and confident chapter for the Charity. Al-Ayn Social Care Foundation (Iraq) approached its second decade, giving it renewed momentum and continued focus from witnessing the impact from the very first orphaned children registered after more than twenty years. Detailed information on the Charity's activities in the reporting period is available by visiting www.alayn.co.uk/activities-report.

The Trustees consider that the performance of the Charity in this financial period has been good, taking into account the following measures:

- total income received by the Charity over the period
- total number of volunteers supporting the activities of the Charity over the period;
- total number of coordinators, acting as points of contact for the Charity's supporters throughout the UK;
- total number of interns joining the Charity's new structured internship programme;
- total number of orphaned children supported through the orphaned child sponsorship scheme;
- total number of Sadaqa Boxes (collection boxes) distributed and received;
- variety of events and fundraising activities carried out by the Charity and its supporters; number of donations of property made to the Charity to financially support it; and
- overall engagement with the Charity's website and social media platforms.

A milestone of over 110,000 children under the care of Al-Ayn across its areas of operation was reached for the first time in Al-Ayn's history, highlighting the increase in the reach of its charitable activities as a result of increased overall funding, support and capacity.

During 2025, the Charity saw a continuation of its trend of steady performance. Several factors contributed positively to this performance, including:

- Successful fundraising campaigns, such as those held in Ramadan and Muharram, for which the Charity saw reach the highest levels of income and overall engagement and support in its history;
- Sustained public trust in and the positive reputation of the Charity, largely stemming from the strength of the reputation of Al-Ayn Social Care Foundation (Iraq), supported by the internal policies and controls designed to protect and maintain the Charity's reputation;
- An increased effort to showcase the scale of the Charity's work across its areas of operation through events, seminars and direct community engagement. Highlighting the unmatched scale of the Charity's work and the impact that giving through Al-Ayn can make was positively received by the public;
- 9,725 Sadaqa Boxes were distributed and 8,976 were collected – the highest in the Charity's history;
- 2,792 total number of orphaned children supported through the orphaned child sponsorship scheme from the UK;
- Steady increases in the number of volunteer coordinators in various cities;
- A new internship programme was launched and targeted university students or individuals interested in NGO work. This provided summer and flexible internships from 8-12 weeks and 3-6 months at a time within departments;

  One intern described her experience as follows: "*I have really enjoyed my summer internship gave me the opportunity to grow and develop my skills. My supervisor was welcoming, supportive, and always provided valuable guidance. The wider team was also incredibly friendly, which made the experience even more rewarding. During my internship, I was able to complete two Digital Marketing courses, which expanded my knowledge and strengthened my professional skill set*."

- One commercial property in Finland was donated to the Charity.

- Strengthened capacity of the Charity's Afghanistan and Ghana offices, enabling them to register even more children to receive ongoing support.

Through these efforts, the Charity was able to fund the construction of medical centres, housing complexes and family homes, as well as equip and run centres that provide crucial services to thousands of orphaned children each month, ranging from financial and in-kind support to medical procedures, educational support, vocational training, and psychological rehabilitation.

There were also several factors negatively affecting the performance of the objectives. In particular, the Charity operated in a challenging economic environment during the year, with continued cost-of-living pressures affecting the capacity of some supporters to contribute. This led to a growing number of cancellations to the orphaned child sponsorship programme. Despite this, the Charity maintained strong engagement across its principal fundraising campaigns and continued to develop opportunities for community-based fundraising.

In response to these conditions, the Charity will continue to diversify its fundraising activities, strengthen supporter engagement and retention, and make greater use of both digital channels and offline (in-person) activities to broaden its reach and provide supporters with accessible ways to contribute.

During the reporting period, the Trustees continued to ensure that internal controls surrounding fundraising and marketing activity that are in place to protect the Charity's reputation were reviewed and adhered to.

FINANCIAL REVIEW

The Charity has built a strong presence amongst its core supporters and donors. The Charity also reached out to new audiences during the period. This was achieved through organising events, speaking at external events, carrying out outreach activities, digital advertising, social media engagement, and running a key supporter programme. The Charity achieved a good outcome for the period, with the necessary resources moving forward to continue to expand its activities.

As a result, income for the period was £26,011k (2024: £20.391k), arising largely from donations. Of this, £1,898k (2024: £1,719k) was received by Al-Ayn Social Care gGmbH, also largely from donations. There was unrealised currency exchange loss of £330k (2024: £132k) and losses on investment revaluation £30k (2024: zero)

Expenditure was £26,858k (2024: £18,776) of which £19.2m (2024: £13.87m) were grants made to Al-Ayn Social Care Foundation (Iraq), and £2,530k (2024: £751k) was expenditure on supporting orphaned children in Afghanistan, and £402k (2024: £314k) was expenditure on supporting orphaned children in Ghana.

Total funds carried forward at the end of the year were £1,928k (2024: £2,805k), of which £664k (2024: £640k) were in restricted funds, and the remaining balance of £1,265k (2024: £2,165k) in unrestricted funds to support future charitable expenditures. Further details are set out in note 11 to the accounts.

The Trustees are satisfied that all funds received have been applied in an effective manner.

Reserves policy

The Trustees are committed to regularly reviewing the Charity's reserves policy, to ensure that the appropriate levels of reserves are maintained, whilst prioritising the application of funds in furthering the Charity's charitable purposes. The Trustees are committed to generating sufficient reserves to support current organisational activities to meet the following requirements:

- safeguard the Charity's service commitment in the event of delays in receipt of grants or other income;
- provide a financial cushion against risk and future uncertainties; and
- resource the research and development of services and initiatives.

As such, and noting that grants made to Al-Ayn Social Care Foundation (Iraq) are made on a non-committal basis, the Charity's Group current reserves policy is to maintain an unrestricted general fund equivalent to three months of gross

expenditure, sufficient to sustain direct programme expenditure in Afghanistan, Ghana and the UK for three months during an orderly wind down, should that be required.

The Trustees have therefore set aside £1.265m of unrestricted funds as at 31 December 2025 (2024: £2.165m) which short of £236k of the reserve target needed for the year end to sustain the Charity's activities during such a period.

Going concern
After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources and reserves held at the year-end to continue in operational existence for the foreseeable future, with no material uncertainties. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

EVENTS SINCE THE END OF THE PERIOD

Since the end of the reporting period, the Trustees has been engaged in consultations and discussions regarding a proposed restructuring of the Group. As part of the discussions, consideration is being given to transferring the Group's subsidiary, Al-Ayn Social Care gGmbH, together with the Group's operations in Afghanistan and Ghana, to Al-Ayn Social Care Foundation International.

The proposed restructuring remains subject to the necessary approvals, consultations and other applicable legal and regulatory requirements. No changes will be implemented until the relevant processes have been completed.

PLANS FOR FUTURE PERIODS

The Charity will continue with its core activities of supporting orphaned children in Iraq, whilst building on the support it provides to orphaned children in Afghanistan and Ghana (either directly or by means of making grants to Al-Ayn Social Care Foundation International, should the proposed restructuring mentioned in the previous section materialise). The Charity will also work with Al-Ayn Social Care Foundation International to explore opportunities to expand its operations to other countries. The main objectives for the next financial year continue to be:

1. reaching out to wider audiences to raise awareness about the plight of orphaned children in need and the Charity's work to support them;
2. raising funds to support the work of the Charity in empowering orphaned children;
3. diversifying the sources of funding available to the Charity, and
4. engaging supporters with the Charity's work and providing services for them.

The Charity also aims to provide additional training and development for staff and volunteers through workshops. The Charity aims to increase: the number and variety of events, the number of new fundraising staff and volunteers, the number of Sadaqa Boxes distributed and collected throughout the UK, and promote further the use of technology through the mobile app for donations. The Charity also aims to expand its legacy programme, raising awareness amongst is supporters about the potential benefits of donating to charity through wills and legacies.

The Trustees remain committed to ensuring that the Charity's resources are used effectively and that the application of funds across its campaigns continues to be monitored to maximise their impact and support the Charity's objectives.

Looking ahead, the Charity plans to further strengthen and expand its organisational capacity, including developing its presence and operations in Scotland, while ensuring that its activities remain aligned with the relevant regulatory and governance requirements.

The Charity will also continue to review and enhance its policies, processes and systems in response to evolving regulatory requirements and operational needs. Greater use of automation and technology will be explored and implemented where appropriate to improve efficiency, strengthen internal processes and enable the Charity to maximise the resources available to support its work.

FUNDRAISING STATEMENT

The Charity continues to work towards diversifying its fundraising activities to enable it to raise vital funds that will create better outcomes for more orphaned children in poverty. The Trustees and broader team are committed to building trust with supporters, and in 2025 the Charity continued to build upon its internal guidance and individual agreements with each additional member of the team which stipulated the roles, procedures and expectations relating to all aspects their work, including fundraising. During this period, more opportunities were provided to staff, coordinators, volunteers and supporters to provide feedback through frequent surveys and private meetings. The Trustees also recognise the need to monitor the wider team and provide them with regular training and shadowing where needed.

The Trustees are committed to protecting vulnerable adults and children during fundraising activities, through appropriate policies and procedures. The Charity's Safeguarding Policy and Vulnerable Persons Policy details this commitment, and the Trustees regularly review the Charity's policies and procedures in line with performance.

Alongside this, the Charity's commitment to adhering to stringent procedures relating to all aspects of its work and in line with the Code of Fundraising Practice has meant that the Charity has received zero complaints (2024: zero) about activities for the purposes of fundraising during the reporting period. No professional fundraisers are used in the current and prior period.

PUBLIC BENEFIT STATEMENT

In deciding the Charity's objectives and planning its activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the prevention or relief of poverty and its supplementary public benefit guidance on the advancement of health or the saving of lives in accordance with the requirement of section 17(5) of the Charities Act 2011. The Trustees always ensure that the Charity's activities are undertaken in line with its charitable objects and aims.

Further details on the activities carried out in the reporting period to deliver public benefit are outlined above.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees 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).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable incorporated organisation will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with charity law. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information.

This report was approved by the Trustees on the 29th of October 2026 and signed on their behalf by:

Ahmed Alkhaja

…….

Dr Ahmed Alkhaja
Trustee

Opinion

We have audited the financial statements of Al-Ayn Social Care Foundation for the year ended 31 December 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows 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:

- are a true and fair view of the group's and the parent charitable company's affairs as at 31 December 2025 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

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 Group'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 Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity;
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees for the financial statements
As explained more fully in the Trustees' responsibilities statement, set out on page 9, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to charity law and employment law and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charities Act 2011, payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in preparing the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees 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 charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

HaysMac LLP

For and on behalf of HaysMac LLP, Statutory Auditors
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 30 October 2026

HaysMac LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

AL-AYN SOCIAL CARE FOUNDATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

INCOME AND EXPENDITURE	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	2	16,965,789	9,045,281	26,011,070	20,390,918
Total Income		16,965,789	9,045,281	26,011,070	20,390,918
Expenditure on:	3				
Raising funds		951,248	-	951,248	1,109,359
Charitable activities		16,555,025	9,021,594	25,576,619	17,646,472
Other -unrealised Forex (gains)/losses		329,818	-	329,818	132,098
Total Expenditure		17,836,087	9,021,594	26,857,685	18,887,929
Net income/ (expenditure)		(870,302)	23,687	(846,615)	1,502,989
Gains/(loss) on Investment revaluation	6a	(30,000)	-	(30,000)	-
Net movement in funds		(900,302)	23,687	(876,615)	1,502,989
Total funds brought forward		2,164,802	640,242	2,805,044	1,302,055
Total funds carried forward		1,264,500	663,929	1,928,429	2,805,044

All recognised gains and losses are included in the Statement of Financial Activities.

All the Charity's activities are classified as continuing.

The accompanying notes form an integral part of these financial statements.

AL-AYN SOCIAL CARE FOUNDATION

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed Assets					
Tangible fixed assets	6		685,098		785,374
Investment property	6a		349,591		301,140
			1,034,689		1,068,514
Current Assets					
Debtors	8	363,691		854,769	
Cash at bank and in hand		5,758,590		2,450,609	
		6,122,282		3,305,378	
Creditors: amounts falling due within one year	9	(5,228,542)		(1,586,848)	
Net Current Assets			893,740		1,718,530
Net Assets			1,928,429		2,805,044
Represented by:					
Unrestricted funds			1,264,500		2,164,802
Restricted funds	11		663,929		640,242
TOTAL FUNDS			1,928,429		2,805,044

The financial statements were approved by the board and authorised for issue on the 29th of October 2026 and signed on its behalf by:

Ahmed Alkhaja

…….
Dr Ahmed Alkhaja
Trustee

The accompanying notes form an integral part of these financial statements.

AL-AYN SOCIAL CARE FOUNDATION

CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed Assets					
Tangible fixed assets	6		676,682		747,101
Investment in subsidiary	7		-		21,988
Investment property	6a		349,591		301,140
			1,026,273		1,070,229
Current Assets					
Debtors	8	217,476		730,195	
Cash at bank and in hand		5,285,306		2,189,723	
		5,502,782		2,919,918	
Creditors: amounts falling due within one year	9	(4,592,263)		(1,187,261)	
Net Current Assets			910,519		1,732,657
Net Assets			1,936,792		2,802,886
Represented by:					
Unrestricted funds			1,272,863		2,162,644
Restricted funds	11		663,929		640,242
TOTAL FUNDS			1,936,792		2,802,886

A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented. Parent-charity net assets decreased to £1,937k, a negative movement of £866k (2024: £1,505k positive net asset movement).

The financial statements were approved by the board and authorised for issue on the 29th of October 2026 and signed on its behalf by:

Ahmed Alkhaja

…….

Dr Ahmed Alkhaja
Trustee

The accompanying notes form an integral part of these financial statements.

AL-AYN SOCIAL CARE FOUNDATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 £	2024 £
Cash provided by operating activities (a)	3,660,531	613,413
Cash flows from investing activities		
Purchase of tangible fixed assets	(6,495)	(26,927)
Purchase of investment-property improvements	(16,237)	-
Cash (used in) investing activities	(22,732)	(26,927)
Increase/(decrease) in cash and cash equivalents in the period	3,637,799	586,486
Cash and cash equivalents at the beginning of the period	2,450,609	1,996,221
Change in cash due to ex rate movements	(329,818)	(132,098)
Total cash and cash equivalents at period end	5,758,590	2,450,609

Analysis of Cash and Cash Equivalents

	2025 £	2024 £
Cash and cash equivalents	5,758,590	2,450,609
	5,758,590	2,450,609

(a) Reconciliation of net movement in funds to net cash inflow from operating activities

	2025 £	2024 £
Net movement in funds	(876,615)	1,502,989
Adjustments for:		
Add back depreciation charge	84,783	152,430
Decrease in debtors	491,078	64,689
(Decrease)/increase in creditors	3,641,694	(944,699)
Foreign exchange losses	329,818	132,098
Loss on disposable of fixed asset	21,988	5,906
Investment property revaluation	30,000	-
Donations of investment property	(62,214)	(300,000)
Net cash provided by operating activities	3,660,531	613,413

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1. Basis of accounting

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

Al-Ayn Social Care Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The financial statements have therefore been prepared on a going concern basis.

1.3. Basis of Consolidation

The financial statements consolidate the results of the Charity and its wholly owned subsidiary, Al-Ayn Social Care gGmbH, on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented, net movement in funds for the parent charity has been disclosed as a footnote on page 16.

1.4. Income

All income is included in the Statement of Financial Activities when the Charity is legally entitled to the income, there is probability of receipt and the amount can be quantified with reasonable accuracy.

Gifts in kind represent assets donated for distribution or use by the Charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the Charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the Charity would otherwise have paid for the assets.

No amounts are included in the financial statements for services donated by volunteers.

Income from investments is included in the Statement of Financial Activities in the year in which it is receivable.

1.5. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Support costs which cannot be directly attributed to particular activities are apportioned based on estimated usage. Governance costs, which form part of support costs include expenditure on the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Charitable expenditure consists of all expenditure relating to the objects of the Charity. All costs are directly attributable to the activities under which they have been analysed.

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1. ACCOUNTING POLICIES (continued)

1.6. Fixed assets

Fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses.

Depreciation is calculated to write off the costs of the fixed asset by equal instalments as follows:

Leasehold land	Not depreciated
Leasehold property	50 years straight line
Office equipment	4 years straight line
Furniture and fittings	4 years straight line
Vehicles	5 years straight line
Software	5 years straight line

1.7. Investments

Investments are non-listed investments held at historic cost in the financial statements.

Investment property is included in the financial statements at market value.

1.8. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

1.10. Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.11. Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

1.12. Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity. Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor. The purposes and uses of the restricted funds are set out in the notes to the accounts.

2. DONATIONS AND LEGACIES

	2025 £	2024 £
Donations including gift aid receipts	26,011,070	20,390,918

3. EXPENDITURE

	Donations and grants £	Staff costs £	Support costs Governance £	Support costs Other £	2025 £	2024 £
Raising funds						
Fundraising activities	-	521,562	-	429,686	951,248	1,109,359
Charitable activity: The Prevention or relief of poverty and financial hardship among orphaned children.	22,667,872	1,909,050	99,614	900,083	25,576,619	17,646,472
Other-forex losses	-	-	-	329,818	329,818	132,098
Total	22,667,872	2,430,612	99,614	1,659,587	26,857,685	18,887,929

	Donations and grants £	Staff costs £	Support costs Governance £	Support costs Other £	2024 £
Raising funds					
Fundraising activities	-	575,995	-	533,364	1,109,359
Charitable activity: The Prevention or relief of poverty and financial hardship among orphaned children.	14,814,769	1,724,875	94,942	1,011,886	17,646,472
Other-forex losses	-	-	-	132,098	132,098
Total	14,814,769	2,300,870	94,942	1,677,348	18,887,929

	2025 £	2024 £
Net income is stated after charging:		
Auditor's remuneration – audit	29,568	20,570
Auditor's remuneration – other	2,100	-
Depreciation	84,783	152,430

Grants payable to institutions totalled £19.2m (2024: £13.87m). All grants were made to Al-Ayn Social Care Foundation (Iraq), a related party, in furtherance of the Charity's charitable activities. Details of the grants made are set out in note 12

4. TRUSTEES

None of the Trustees (or any persons connected with them) received any reimbursement of expenses, remuneration or benefits from the Charity during the period.

5. STAFF COSTS

	2025 £	2024 £
Wages and salaries	2,173,250	2,063,737
Social security costs	226,590	204,246
Pension costs	30,772	32,887
	2,430,612	2,300,870

During the reporting period, redundancy and termination payments totalling £13,214 (2024: £nil) were paid.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025 No.	2024 No.
£60,000 - £69,999	2	2
£70,000 - £79,999	1	-

The role of key management personnel was undertaken by the Trustees during the period for which they received no remuneration (2024: no remuneration) from the Charity.

The average monthly employee headcount during the period was as follows:

	2025 No.	2024 No.
Al-Ayn Social Care Foundation – UK Staff	54	54
Al-Ayn Social Care Foundation - Afghanistan	26	16
Al-Ayn Social Care gGmbH- Germany staff	15	14
Al-Ayn Social Care Foundation - Ghana	10	11

6. TANGIBLE FIXED ASSETS

GROUP	Leasehold property	Office equipment	Furniture & fittings	Software	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
As at 1 January 2025	744,080	249,502	21,204	72,544	66,421	1,153,751
Additions/revaluation	-	4,100	168	-	2,227	6,495
Disposal		(21,988)	-	-		(21,988)
At 31 December 2025	744,080	231,614	21,372	72,544	68,648	1,138,258
Depreciation						
As at 1 January 2025	108,764	159,301	19,244	44,277	36,791	368,377
Charge for the year	13,900	38,983	1,815	14,927	15,158	84,783
At 31 December 2025	122,664	198,284	21,059	59,204	51,949	453,160
Net book value						
At 31 December 2025	621,416	33,330	313	13,340	16,699	685,098
At 31 December 2024	635,316	90,201	1,960	28,267	29,630	785,374

6. TANGIBLE FIXED ASSETS (continued)

CHARITY	Leasehold property	Office equipment	Furniture & fittings	Software	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
As at 1 January 2025	744,080	205,773	21,204	72,544	35,440	1,079,041
Additions	-	3,791	168	-	1,786	5,745
Disposal	-	-	-	-		
At 31 December 2025	744,080	209,564	21,372	72,544	37,226	1,084,786
Depreciation						
As at 1 January 2025	108,764	141,188	19,244	44,277	18,467	331,940
Charge for the year	13,900	37,178	1,815	14,927	8,344	76,164
At 31 December 2025	122,664	178,366	21,059	59,204	26,811	408,104
Net book value						
At 31 December 2025	621,416	31,198	313	13,340	10,415	676,682
At 31 December 2024	635,316	64,585	1,960	28,267	16,973	747,101

6A. INVESTMENT PROPERTY

	Residential Property	Commercial Property	Total
	£	£	£
As January 2025			
Brought forward	301,140	-	301,140
Additions	16,237	62,214	78,451
At 31 December 2025	317,377	62,214	379,591
Revaluation			
As January 2025	-	-	-
Revaluation gain/ (loss)	(30,000)		(30,000)
At 31 December 2025	(30,000)	-	(30,000)
Net book value			
At 31 December 2025	287,377	62,214	349,591
At 31 December 2024	301,140	-	301,140

The commercial property located in Finland was valued at EUR 75k. The commercial property was valued by Real Estate Appraiser Approved by the Finland Chamber of Commerce (KHK). YKV, LKV, LVV, KiAT, YAT, MBA, Engineer. Official certifier of real estate transactions. The residential property was valued at £300k by Templewhite Ltd, qualified surveyors – RICS Number 5018355, in November 2024 on an open market valuation basis. The valuation as at 31 December 2025 is based on the Trustees assessment of market value.

7. INVESTMENTS

Al-Ayn Social Care Foundation owns the entire share capital of Al-Ayn Social Care gGmbH, a German charitable limited liability company registered in the commercial register of the local court of Berlin Charlottenburg under the registration number HRB 174865 B. A summarised income statement and balance sheet for Al-Ayn Social care gGmbH are set out below.

	2025 £	2024 £
Income	1,897,521	1,719,303
Expenditure	(1,901,585)	(1,728,228)
Net movement of funds	(4,064)	(8,925)

Balance Sheet	2025 £	2024 £
Fixtures and equipment	2,131	3,627
Motor Vehicle	6,284	12,393
Cash at bank	473,284	260,884
Debtors	146,215	124,574
Creditors and accruals	(636,279)	(405,718)
Net assets	(8,365)	(4,240)
Share capital	22,000	22,000

8. DEBTORS

	Group		Parent	
	2025 £	2024 £	2025 £	2024 £
Other debtors and prepayments	8,663	21,437	2,211	15,075
Accrued income	355,028	833,332	215,265	715,120
	363,691	854,769	217,476	730,195

9. CREDITORS: amounts falling due within one year

	Group		Parent	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	24,328	154,583	10,962	136,260
Other creditors and accruals	5,204,213	1,432,265	4,581,301	1,051,001
	5,228,542	1,586,848	4,592,263	1,187,261

10a	**ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**	**Unrestricted funds £**	**Restricted funds £**	**Total funds £**
	Fund balances at 31 December 2025 as represented by:			
	Fixed assets	58,756	626,342	685,098
	Investment property	349,591	-	349,591
	Current assets	6,084,695	37,587	6,122,282
	Current liabilities	(5,228,542)	-	(5,228,542)
		1,264,500	663,929	1,928,429

10b	**ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**	**Unrestricted funds £**	**Restricted funds £**	**Total funds £**
	Fund balances at 31 December 2024 as represented by:			
	Tangible fixed assets	145,132	640,242	785,374
	Investment property	301,140	-	301,140
	Current assets	3,305,378	-	3,305,378
	Current liabilities	1,586,848	-	(1,586,848)
		2,164,802	640,242	2,805,044

10c	**ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS**	**Unrestricted funds £**	**Restricted funds £**	**Total funds £**
	Fund balances at 31 December 2025 as represented by:			
	Fixed assets	50,340	626,342	676,682
	Investment in subsidiary	-	-	-
	Investment property	349,591	-	349,591
	Current assets	5,465,195	37,587	5,502,782
	Current liabilities	4,592,263	-	(4,592,263)
		1,272,863	663,929	1,936,792

10d	**ANALYSIS OF CHARITY NET ASSETS BETWEEN FUNDS**	**Unrestricted funds £**	**Restricted funds £**	**Total funds £**
	Fund balances at 31 December 2024 as represented by:			
	Fixed assets	106,859	640,242	747,101
	Investment in subsidiary	21,988	-	21,988
	Investment property	301,140	-	301,140
	Current assets	2,919,918	-	2,919,918
	Current liabilities	(1,187,261)	-	(1,187,261)
		2,162,644	640,242	2,802,886

11. RESTRICTED FUNDS (GROUP)

	At 1 January 2025	Income	Expenditure	At 31 December 2025
		£	£	£
Private Sponsorship	-	2,404,834	(2,404,834)	-
Religious Dues	-	1,685,768	(1,685,768)	-
Al-Ayn Social Care Foundation (USA)	-	337,952	(337,952)	-
Al-Ayn for Social Care (Sweden)	-	740,998	(740,998)	-
Al-Ayn Social Care Foundation (Australia)	-	142,789	(142,789)	-
Al-Ayn for Social Care (Norway)	-	17,498	(17,498)	-
Al-Ayn for Social Care (Switzerland)	-	82,204	(82,204)	-
Al-Ayn Social Care gGmbH (Germany)	-	78,441	(78,441)	-
Stichting Al-Ayn for Social Care (Netherlands)	-	37,433	(37,433)	-
Al-Ayn Almennyttig Fond (Denmark)	-	12,642	(12,642)	-
Al-Ayn Social Care (France)	-	6,731	(6,731)	-
Sadaqa Jariya	-	618,412	(618,412)	-
Specified donations	-	2,879,579	(2,841,992)	37,587
Building fund	640,242	-	(13,900)	626,342
	640,242	9,045,281	(9,021,594)	663,929

	At 1 January 2024	Income	Expenditure	At 31 December 2024
	£	£	£	£
Private Sponsorship	-	2,259,435	(2.259,435)	-
Religious Dues	-	1,641,913	(1,641,913)	-
Al-Ayn Social Care Foundation (USA)	-	259,498	(259,498)	-
Al-Ayn for Social Care (International)	-	2,440	(2,440)	
Al-Ayn for Social Care (Sweden)	-	617,864	(617,864)	
Al-Ayn Social Care Foundation (Australia)	-	7,024	(7,024)	
Al-Ayn for Social Care (Norway)	-	10,688	(10,688)	
Al-Ayn for Social Care (Switzerland)	-	37,583	(37,583)	
Al-Ayn Social Care gGmbH (Germany)	-	17,595	(17,583)	
Stichting Al-Ayn for Social Care (Netherlands)	-	22,769	(22,769)	
Sadaqa Jariya	-	389,831	(389,831)	
Specified donations	-	1,204,502	(1,204,502)	
Building fund	673,757	-	(33,515)	640,242
	673,757	6,471,142	(6,504,657)	640,242

Private Sponsorship: Donations towards providing financial assistance for named orphaned children, in line with the Charity's Private Sponsorship scheme.

Religious Dues: Khums donations which are used for the poor and the needy. These are distributed as part of monthly financial allowances to orphaned children.

11. RESTRICTED FUNDS (CONTINUED)

Al-Ayn Social Care Foundation (Australia): Relates to the movement on donations received from Al-Ayn Social Care Foundation (Australia), to support the different schemes and projects supported by the Charity, under an agreement dated 11 May 2018, with its terms to be reviewed annually.

Al-Ayn Social Care Foundation (Switzerland): Relates to the movement on donations received from Al-Ayn Social Care Foundation (Switzerland), to support the different schemes and projects supported by the Charity, under an agreement dated 11 September 2021, with its terms to be reviewed annually.

Al-Ayn for Social Care (Sweden): Relates to the movement on donations received from Al-Ayn for Social Care Sweden, to support the different schemes and projects supported by the Charity, under an agreement dated 27 June 2019, with its terms to be reviewed annually.

Al-Ayn Social Care Foundation (Norway): Relates to the movement on donations received from Al-Ayn Social Care Foundation (Norway), to support the different schemes and projects supported by the Charity, under an agreement dated 27 June 2022, with its terms to be reviewed annually.

Al-Ayn Social Care Foundation (USA): Relates to the movement on donations received from Al-Ayn Social Care Foundation (USA), to support the different schemes and projects supported by the Charity, under an agreement dated 22 September 2022, with its terms to be reviewed annually.

Al-Ayn Social Care gGmbH (Germany): Relates to the movement on donations received from Al-Ayn Social Care gGmbH (Germany), to support the different schemes and projects supported by the Charity, under an agreement dated 20 September 2021, with its terms to be reviewed annually.

Stichting Al-Ayn for Social Care (Netherlands): Relates to the movement on donations received from Stichting Al-Ayn for Social Care (Netherlands), to support the different schemes and projects supported by the Charity, under an agreement dated 28 June 2022, with its terms to be reviewed annually.

Al-Ayn Social Care Foundation (International): Relates to the movement on donations received from Al-Ayn Social Care Foundation (International), to support the different schemes and projects supported by the Charity, under an agreement dated 19 January 2023, with its terms to be reviewed annually.

Almennyttig Al Ayn Social Care (Denmark): Relates to the movement on donations received from Al-Ayn Almennyttig Fond Social Care (Denmark), to support the different schemes and projects supported by the Charity, under an agreement dated 11th September 2021, with its terms to be reviewed annually.

Al-Ayn Social Care (France): Relates to the movement on donations received from Al-Ayn Social Foundation (France), to support the different schemes and projects supported by the Charity, under an agreement dated 28th June 2025, with its terms to be reviewed annually.

Sadaqa Jariya: Donations received for the construction of projects in Iraq that provide services to orphaned children, including housing complexes, vocational training centres, and personal development centres.

Specified donations incorporates various smaller restricted funds to support specific needs of orphaned children and their families, including medical, educational, psychological and housing needs.

Building Fund: Grant received from Al-Ayn Social Care Foundation (Iraq) for the purchase of the Charity's premises lease.

12. RELATED PARTIES

The following related party transactions took place in 2025:

- The Charity made donations and grants of £19.2m (2024: £13.87m) to Al-Ayn Social Care Foundation (Iraq), the sole member of the Charity, in accordance with a Grant Agreement between the two parties.

- The Charity recognised donations in the sum of £2.5m (2024: £2.6m) from Al-Ayn Social Care Foundation (Iraq), the sole member of the Charity, to cover staff and support costs of the Charity.
- The Charity received donations total £143k (2024: £7k) during the year from Al-Ayn Social Care Foundation (Australia). Ahmed Alkhaja is a Director of Al-Ayn Social Care Foundation (Australia).
- The Charity received donations total £37k (2024: £23k) during the year from Stichting Al-Ayn for Social Care (Netherlands). Ahmed Alkhaja is a Director of Stichting Al-Ayn for Social Care (Netherlands).
- The Charity received donations total £82k (2024: £38k) during the year from Al-Ayn for Social Care (Switzerland). Ahmed Alkhaja is a Director of Al-Ayn for Social Care (Switzerland)
- The aggregate value of donations from Trustees and their related parties made in the year was £39k (2024: £37k).
- Aliya Azam and Mustafa Mohamed are Trustees of Al-Ayn Social Care Foundation International. The Charity received donations totalling £24k (2024: £nil) during the year from Al-Ayn Social Care Foundation International.

13. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

INCOME AND EXPENDITURE	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and endowments from:				
Donations and legacies	2	13,919,776	6,471,142	20,390,918
Total Income		13,919,776	6,471,142	20,390,918
Expenditure on:	3			
Raising funds		1,109,359	-	1,109,359
Charitable activities		11,141,815	6,504,657	17,646,472
Other -unrealised Forex (gains)/losses		132,098	-	132,098
Total Expenditure		12,383,272	6,504,657	18,887,929
Net movement in funds		1,536,504	(33,515)	1,502,989
Total funds brought forward		628,298	673,757	1,302,055
Total funds carried forward		2,164,802	640,242	2,805,044