

# al-mīzān

charitable trust

## **Annual Report & Accounts 2012-2013**

**2 Burlington Gardens, London, W3 6BA**

**Registered Charity No. 1135752 & Registered Company No. 7228603**

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## Legal Information

Al-Mizan Charitable Trust is governed by a Memorandum & Articles of Association, which was adopted on 1 January 2010. The organisation was incorporated on 20 April 2010 and registered with the Charity Commission on 29 April 2010.

The organisation's objects are charitable and are outlined in its governing document as follows:

*“The provision of goods, services and grants of money for any charitable purpose or purposes connected with or relating to the advancement of education, the relief of poverty, need or hardship, the preservation of health and other purposes which are charitable according to the laws of England and Wales, among the peoples of the United Kingdom mainly but not exclusively.”*

The Trustees of the Charity are also Directors of the Company. They are legally responsible for the organisation, and govern its strategic direction.

## Board of Advisors

Dr Robina Shah	Various Directorships of NHS Trusts (North-West England)
Mr Roger Chester	Head of Finance, Lion Heart Benevolent Fund
Imam Sikander Pathan	Muslim Chaplain, Feltham Young Offenders Institute
Dr Chris Hewer	Lecturer in Muslim-Christian Relations
Dr Judith Pfeiffer	Professor in Islamic History, University of Oxford

## Board of Trustees

Ali Orr	Chair	
Amina Shafi	Vice Chair	(Appointed 29 September 2012)
Afshaan Hena	Secretary	
Amir Rizwan	Treasurer	
Rukaiya Jeraj	Founding Trustee	
Syed Mohammed Musa Naqvi	Founding Trustee	
Sanjana Deen	Trustee	
Karim Farrag	Trustee	
Fatema Zehra Bandali	Trustee	
Sarfaraz Hussain	Trustee	
Masuma Rahim	Trustee	(Appointed 29 September 2012)

## Management Committee

Mohammed Sadiq Mamdani	Founder & Director	
Mohamed Mishal Mohamed	Deputy Director	
Zahra Shirzad	Grants Officer	(Appointed 14 January 2013)
Abbas Dhalla	Finance Officer	
Ali Khimji	Marketing Officer	

## Report from the Chair

Charities and welfare groups look towards the coming year with trepidation as Welfare Reform policies introduced by the coalition government come into full-swing in the coming year. No one quite knows the potential impact of these “reforms” but it is clear that reduced spending on welfare will inevitably leave many families in dire need.

From the increasing number of applications we receive, we are able to draw a picture of what poverty looks like in the UK. It is not only those entirely dependent on welfare benefits that find themselves unable to manage the cost of living, but also those on low wages and zero-hour contracts who have no reassurance of regular work. For many such people, our conversations have transformed from maintaining an adequate standard of living, to simply surviving.

Like all grant-funders, we are continually evaluating the impact of our intervention in people’s lives. It is not fair for charities to compensate for the short-comings of statutory provision and our purpose is not simply to offer one-off hand-outs or top-up inadequate benefit payments. Rather, we consider our grant-making as an investment in people’s lives with the wider social outcomes of our intervention key to the assessment process. Nevertheless, our Grants Officers find themselves in difficult positions to refuse subsistence payments in cases of abject poverty. Rejecting an application is never an easy decision.

Over the last year, I have had the privilege of attending some of the Grants Panel meetings where decisions are made on all the applications received. I have been deeply touched by the tragic stories of deprivation and suffering that are absent from the sensationalist tabloid headline that warn us of scroungers and skivers abusing the benefit system. Although many applicants are in need of much more than we can offer, reading their messages of gratitude for what is often a very small contribution to their needs, has been a humbling. I hope that many more will continue to support us in serving those in poverty, at the very heart of our communities.

On behalf of my fellow Trustees and the beneficiaries of the charity, I would like to extend my gratitude to our Director, Mohammed Mamdani, and his committed team, for their stewardship and dedication to this cause.

Ali Orr

Chair of the Board of Trustees

## Report from the Treasurer

Over the year, the charity has almost tripled its fiscal income by inaugurating a regular programme of fundraising activities and seasonal campaigns. This has included our annual Charity Cycle and Charity Walk in London, as well as our first Networking Dinner in Manchester. Throughout the year, we continue to increase the number of regular donations by direct debit, which serves the important function of helping our Grants Panel to predict available budgets in forthcoming months.

We maintain our adherence to a policy of no administrative cost on direct and voluntary donations from individuals. Whilst this is challenging, we recognise that this provides reassurance to many donors who are wary of charities that spend considerable funds on marketing, fundraising and consultancy. By limiting our administrative income to tax relief, sponsorship and trading, we ensure that no individual donor carries the burden of subsidising our core operating costs.

Our unrestricted reserves have dramatically increased this year, due to the generous donation of the freehold interest in a London property. This asset was valued at £128,000 although it holds no actual value until its sale. The Trustees currently have no plans to sell the freehold interest.

Amir Rizwan  
Treasurer

## Report from the Director

The last year has marked the first full year of operating our core grant-funding programme, the General Welfare Fund, which supports a broad social and demographic profile of vulnerable families across the UK with small grants and interest-free loans of up to £500.

This year, the General Welfare Fund has supported 135 vulnerable families with wide-ranging needs from essential household supplies such as a cooker to mobility equipment. Whilst a significant proportion of our funds support education, vocational training and access to employment as a means of breaking the cycle of poverty, the reality is that we are quickly drawn to support basic subsistence, such as food vouchers, with only immediate or short-term benefits. Traditionally, grant-funders have undertaken policy research and political lobbying as a means of transforming these time-limited contributions to the long-term objective of holding the state to account for the fact that an increasing number of families are dependent on hand-outs for food, clothing and basic hygiene. Ironic, in a country that is defined as a welfare state.

Whilst the Trust supports these initiatives, as a smaller charity with limited resources, we consider it our role to promote awareness and understanding of poverty at the *grassroots* of the community to complement the policy work which informs those in government. Despite such lobbying, which must continue, a more realistic assumption is that the current economic and political trends are unlikely to dramatically change in the coming years, and it is local communities that must inevitably fulfil this need. With strong links to the British Muslim community, the Trust has focused its advocacy on challenging ideas and stereotypes within this community, which despite its generosity, has focused its relief work almost entirely in the international domain, neglecting the need which persists closer to home. We have sought to achieve this advocacy through regular seasonal campaigns that combine awareness-raising, fundraising and active service. In the last year, the Trust has worked with local communities to pack and distribute food parcels during Ramadan, and Winter Warmer Packs to the homeless during the cold months of the year.

We also recognise that despite our national remit, and although our funds reach every part of the United Kingdom, without any regional bias, our donor database is very much limited to London. This year, the Trust held fundraising dinners in both London and Manchester, marking a progressive move towards greater regional presence.

Although more than half of our applicants approach us directly, we are also reliant on front-line charities to provide the community-based support which makes our grants effective in changing lives. In reverse, our financial investments also allow these charities achieve the best for their service users. In the last year, we have developed a diverse network of grassroots partnerships across the country who have assisted us in identifying needy individuals who may benefit from a grant or interest-free loan, a food parcel during Ramadan or a Winter Warmer Pack during the cold months.

Alongside grant-funding and grassroots advocacy, the Trust has initiated plans for two new, subsidiary areas of work:

## 1) Food Poverty – Sustainable Food Banks

Although food banks are common to every town and city, our research has indicated that many are unsustainable, ineffective and operate with an explicit missionary agenda. In the last quarter of the year the Trust confirmed its plan to pilot a new food bank model, with the potential of sharing good practice with other independent food banks, not only providing emergency food, but additional services that challenge the root causes of food poverty. It is simply not enough for charitable projects to restrict their impact to immediate and short-term solutions without concern for medium and long-term impact.

I am pleased that our pilot food bank, Sufra NW London will launch in the coming months funded in partnership with the Beta Charitable Trust, the Salaam Centre, My Community UK and the Islamic Unity Society. This partnership represents a new approach in financial collaboration and joint working that is unprecedented, or at least rare, in Muslim communities.

## 2) Prisoner Rehabilitation – Ex-Offender Training Fund

Investing and caring for prisoners is unfortunately a taboo and anathema for most people. The Trust recognises that this is not the most popular cause, but one that will require us to clearly communicate to our hard-pressed donors the importance of prisoner rehabilitation. The Trust is shortly to pilot a dedicated fund for prisoners and ex-offenders who need financial support in accessing training and resources for employment.

The coming year offers new opportunities and no doubt, many more challenges, but the successes of the past year place the Trust in a strong position to pursue growth and development.

None of this would have been possible without the commitment of our entirely volunteer-led team. I would like to extend my thanks to Mohamed Mishal for his personal support and guidance, Abbas Dhalla for his operational management of the Trust's finances and prompt payments to our beneficiaries, and Ali Khimji, who has always gone beyond the call of duty, and who is personally responsible for every one of the Trust's achievements and successes in the last year.

Lastly, my gratitude to all our donors, who make this, our work, possible.

Mohammed Sadiq Mamdani  
Founder & Director



## Charitable Activities

### **General Welfare Fund** *(135 Families/373 People Supported)*

The vast proportion of our annual budget continues to fund our grant-making to vulnerable individuals in financial hardship. Over the course of the year, we made a conscious decision to transfer our application process online, in order to reduce the administrative burden of our staff. The virtual system ensures that all applications received are correctly completed and include all the information we require to make a full assessment of each case. All applicants who approach us directly will undergo a formal interview, followed by reference and security checks, before payment is issued in-kind. For applications received via trusted referral agencies, we have managed to speed up the assessment process, although we still carry out the same security checks. To facilitate quick disbursement of the grant, we have introduced direct payments to referral agencies, where appropriate.

A full breakdown and analysis of our grant-making can be found on the following pages.

### **Campaigns**

As part of our commitment to promote greater understanding of poverty in local communities, the Trust organised a series of seasonal campaigns combining awareness raising through social media and hands-on community activism.

### **Ramadan Food Parcels** *(283 Families/478 People Supported)*

During Ramadan, the Muslim month of fasting, Al-Mizan Charitable Trust launched a £10,000 appeal to distribute food parcels to poor and low-income families across the UK living in food poverty. Each parcel contained non-perishable food items to the value of £40 including staples such as pasta, rice and lentils, tinned fruit and vegetables, tea and coffee, cereals and snacks. Over 60 volunteers took part in packing the food parcels, which were distributed in partnership with 10 grassroots charities.

### **Winter Warmer Packs** *(100 People Supported)*

As snow fell during the New Year, Al-Mizan Charitable Trust launched a £5,000 appeal to distribute Winter Warmer Packs to the street homeless in London. Each pack, costing £50, included warm clothing, a blanket and sleeping bag and a pack of toiletries. Youth volunteers from Ansar Youth Project took charge of making the packs and travelled by minibus to Central London to distribute them at Children of Adam's Soup Kitchen. The young people also served a hot meal to all the homeless who had gathered on the day.

### **Mother & Baby Kits** *(under development)*

With an increasing number of expectant mothers, many of whom have suffered domestic violence, approaching the Trust for support in purchasing maternity items, we are developing a Mother & Baby

Kit containing essential supplies new mothers who cannot afford nappies, clothing and toiletries. We hope to pilot the scheme next year through our General Welfare Fund.

We are grateful to the Beta Charitable Trust for supporting all our Campaigns.

**Food Bank – Sufra NW London** (*under development*)

As part of the Trust's Strategic Plan to support sustainable efforts to combat food poverty in the community, we are pleased to have set up a unique and non-denominational partnership between 5 Muslim charities to provide core funding for a community food bank and kitchen based in the London Borough of Brent. The independent charity, Sufra NW London, is a joint effort between all the partner agencies who commit to provide at least £5,000 per annum for 3 years to support the development of the project. The pilot service aims to provide emergency food aid for up to 200 people each week, welfare surgeries and a subsidised kitchen. The Trust has pledged a contribution of £10,000 for the first year, and £5,000 for subsequent years.

**Total Number of Beneficiaries: 951 Individuals**

## Grant-Making: A Quick Summary

The General Welfare Fund is the core charitable activity of Al-Mizan Charitable Trust. Alongside the statistical data provided overleaf, we present the following summary points, demonstrating our grant-making programme in practice.

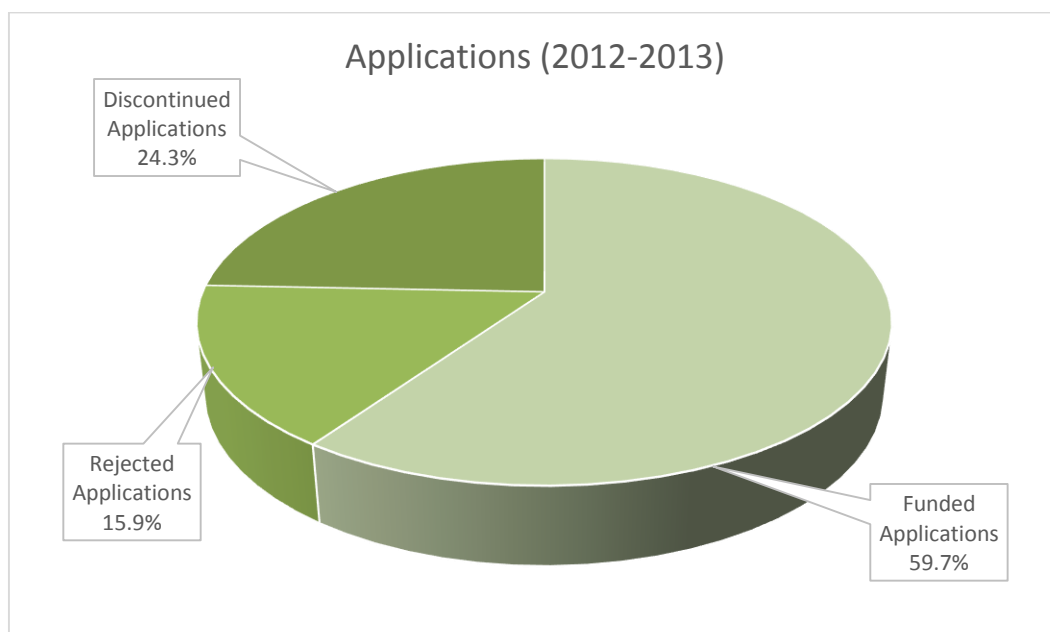
In comparison with last year, there has been a 52.7% increase in the number of applications. The percentage of funded applications remains broadly the same as the previous year.

- The size of grants ranged from £23.60 to £500, with the average grant size £271.53.
- The General Welfare Fund continues to support wide-ranging beneficiaries for all social groups. The top social groups represented were Single Parents, the Disabled/Terminally Ill and Victims of Violence & Abuse (normally Domestic Violence). In comparison to last year, the Trust has improved on the number of Older People accessing the Fund.
- The largest proportion of funded applications paid for household items and white goods (32.6%), followed by education and vocational training costs (27.4%). Alongside applications supporting employment and enterprise (11.1%), access to skills and career development accounted for more than a third of funded applications (38.5%). The Trust generally avoids funding subsistence costs, but where an applicant is in considerable need, we may occasionally provide food vouchers or help with rent payments from the General Welfare Fund. However, this represents a very small fraction of funded applications (11.1%).
- The number of funded applications in each social category broadly reflects the actual amount of money spent. Funded applications providing education and vocational training represented 27.4% of total applications and 25.4% of the General Welfare Fund budget.
- Almost three-quarters of applicants (74.8%) were from ethnic minority groups with the largest number of applications, apart from those of White British & White Other backgrounds, received from applicants of Black African background (21.5%). This result reflects the strong partnerships between the Trust and grassroots charities that support refugees and asylum seekers, as well as the fact that most applicants live inner-city suburbs with high ethnic minority populations.
- The number of applicants described themselves as Christian (34.1%), marginally higher than those who described themselves as Muslim (33.3%). This was followed by those of no faith (25.9%), with the remaining applicants represented the diversity of other faith groups in the UK. Although the Trust is largely funded by the British Muslim community, two-thirds of applications were received from applicants who described their faith as other than Islam. The Trust, remains committed to ensuring that we are supporting all people, regardless of faith, and that each application is solely assessed based on need.

# Grant-Making: Statistics

## 1. Numbers of Applications

Category	2012-2013		2011-2012	
	Number	Percentage	Number	Percentage
Funded Applications	135	59.7%	90	61%
Rejected Applications	36	15.9%	38	26%
Discontinued Applications	55	24.3%	20	13%
Total Number of Applications	226	100%	148	100%



## 2. Grant/Loan Size

Smallest Grant	Largest Grant	Average Grant
£23.60	£500.00	£271.53

### 3. Social Groups

Category	All Applications		Funded Applications	
	Number	Percentage	Number	Percentage
Orphans	4	1.8%	1	0.7%
Children & Young People	27	11.9%	15	11.1%
Disabled or Terminally Ill	48	21.2%	27	20.0%
Single Parents	64	28.3%	42	31.1%
Older People	14	6.2%	9	6.7%
Prisoners & Ex-Offenders	42	18.6%	25	18.5%
History of Substance Abuse	2	0.9%	2	1.5%
Victim of Violence	47	20.8%	27	20.0%
Victim of Crime or Terrorism	13	5.8%	8	5.9%
Other	49	21.7%	27	20.0%

Please note: Most beneficiaries will fit into multiple social groups

**4. Social Outcomes**

<b>Category</b>	<b>All Applications</b>		<b>Funded Applications</b>	
	<b>Number</b>	<b>Percentage</b>	<b>Number</b>	<b>Percentage</b>
Education & Vocational Training	64	28.3%	37	27.4%
Employment & Enterprise	28	12.4%	15	11.1%
Household Items	65	28.8%	44	32.6%
Housing	6	2.7%	4	3.0%
Medical & Mobility	11	4.9%	10	7.4%
Subsistence	32	14.2%	15	11.1%
Mother & Baby Items	9	4.0%	7	5.2%
Other	11	4.9%	3	2.2%
<b>Total</b>	<b>226</b>	<b>100%</b>	<b>135</b>	<b>100%</b>

**5. Expenditure vs. Social Outcomes**

<b>Social Outcome</b>	<b>Funded Applications</b>		<b>Funding Proportions</b>	
	<b>Number of Applications</b>	<b>Percentage of Total Applications</b>	<b>Amount Expended per Social Outcome</b>	<b>Percentage of Funding Expended on Each Social Outcome</b>
Education & Vocational Training	37	27.4%	£9,165.33	25.4%
Employment & Enterprise	15	11.1%	£3,118.79	8.6%
Household Items	44	32.6%	£12,314.23	34.1%
Housing	4	3.0%	£1,266.17	3.5%
Medical & Mobility	10	7.4%	£3,208.64	8.9%
Subsistence	15	11.1%	£4,821.56	13.4%
Mother & Baby Items	7	5.2%	£1,367.60	3.8%
Other	3	2.2%	£850.60	2.4%
<b>Total</b>	<b>135</b>	<b>100%</b>	<b>£36,112.92</b>	<b>100%</b>

**6. Demography of Funded Applications**

<b>Ethnicity</b>	<b>Number of Applications</b>	<b>Percentage of Applications</b>
Arab	7	5.2%
Asian – Bangladeshi	2	1.5%
Asian – Indian	3	2.2%
Asian – Pakistani	11	8.1%
Asian Other	10	7.4%
Black – African	29	21.5%
Black – Caribbean	12	8.9%
Black Other	4	3.0%
Mixed – Black & White	4	3.0%
Mixed Other	3	2.2%
White – British	30	22.2%
White – Other	4	3.0%
Other	6	4.4%
N/A	10	7.4%
<b>Total</b>	<b>135</b>	<b>100%</b>

<b>Faith</b>	<b>Number of Applications</b>	<b>Percentage of Applications</b>
Buddhism	1	0.7%
Christianity	46	34.1%
Hinduism	2	1.5%
Islam	45	33.3%
Judaism	0	0%
Sikhism	1	0.7%
Other Faith	2	1.5%
No Faith	35	25.9%
N/A	3	2.2%
<b>Total</b>	<b>135</b>	<b>100%</b>



## Sample Case-Studies & Beneficiaries

### Disability

Andrew is 31 years old and suffers from Asperger's Syndrome. He had previously been living with his mother, and but since she died, he has been transferred into independent accommodation. The flat is entirely unfurnished and he would like a fridge-freezer.

*The Grants Panel awarded Andrew a grant of £220 towards a fridge-freezer.*

### Access to Employment

Demetrius is 36 years old and has struggled to find stable employment over the years. After being introduced to a security firm by his friend, he used all of his saving to complete a security course and gain his license. He has now been offered work on a self-employed basis, but he needs to supply his own stab vest. He wrote to us saying that without this equipment, he would not be able to take on the full-time job he has been offered.

*The Grants Panel awarded Demetrius a grant of £150 towards the cost of a stab vest.*

### Domestic Violence

Layla is 64 years old, and has suffered domestic violence for decades. She was regularly threatened by her husband, and after she ended up in hospital she decided to leave her home. She currently lives in a refuge and is applying for benefits as well as permanent accommodation. She has no money for toiletries and clothes because she had to leave everything behind when she left her husband.

*The Grants Panel awarded Layla a grant of £100 towards clothing and toiletries.*

### Education & Vocational Training

Dynasty is 31 years old and 6-months pregnant, currently living in temporary accommodation. She has been working part-time in Boots whilst attending a secretarial course at Orpington College, to improve her employment prospects. Whilst she used to walk to college, she is now struggling because she is heavily pregnant. However, she is determined to complete her course, and requested funding towards travel expenses for the last month of her course.

*The Grants Panel awarded Dynasty a grant of £100 towards travel expenses.*

### Ex-Offenders

Nabil is 47 years old and has recently been released from prison after completing a sentence of 4 and a half years. During his incarceration his wife has stood by him, although he has been ostracised by the local community. He has two children, aged 8 and 15 years. Nabil completed an electrician course in

college and would like to show his children that is able to be a positive role model and fulfil his duties as a father. With a criminal record he is likely to find it difficult to find a normal job, and would like to work as a self-employed electrician. He contact us requesting funding towards various tools that he would need to work as an electrician.

*The Grants Panel awarded Nabil with a grant of £250 towards tools. His application was match-funded by another charitable trust.*

## **Mental Health**

Adriana is 29 years old and lives in a hostel in Southwark. She has bipolar affective disorder and has been hospitalised twice in the last 2 years. Although she was married, her husband could not cope with her mental illness and left her to survive alone. She has no family to support her and she struggles to buy food, toiletries and clothes. Her Support Worker contacted us and said that regular sport would help her manage her mental wellbeing and since Adriana has keen interest in swimming, she would like funding towards swimming lessons and a swimming costume.

*The Grants Panel awarded Adriana a grant of £200 towards swimming lessons.*

## **Asylum Seekers**

Simba is a 66-year-old asylum seeker who suffers from diabetes and also abdominal and back pain as a result of several traumatic experiences in her home country. She has no recourse to public funds and is entirely reliant on charities for accommodation, food and clothing. Simba's GP contacted us requesting funding towards incontinence pads so that she feels able to maintain her dignity.

*The Grants Panel awarded Simba with a grant of £50 towards the cost of incontinence pads.*

## **Long-Term Illness**

Karen is 53 years old and currently resides in private rented accommodation with her teenage daughter. Her daughter is currently undertaking her GCSEs and has applied to Sixth Form College. Karen has a complex medical history and takes thirteen different types of medication. She suffers from diabetes, psychosis and fibre axonal neuropathy, possibly due to the glucose intolerance, causing pain in her left arm. Last year, she also suffered a heart attack. Due to difficulties with finances, she has struggled to purchase groceries and is reliant on hand-outs from Church, where individuals give her bags of rice. Her Support Worker said that when she met with her, she noticed that Karen's stomach is always rumbling because she is so hungry. Her housing situation is also causing her significant distress. In her 2-bedroom flat, she is unable to use one of the rooms due to the significant amount of mould and damp. Karen therefore sleeps on a makeshift couch in her living room, and has been doing so for several years. Due to her mobility issues, her Support Worker requested funding for a sofa bed or futon to sleep in the living room.

*The Grants Panel awarded Karen a grant of £300 towards a sofa bed.*

## Accounts

	Unrestricted	Restricted	Total (2013)	Total (2012)
<b>Incoming Resources</b>				
<i>Incoming Resources from Generated Funds</i>				
Voluntary Income	£147,914	£53,155	£201,069	£34,055
Activities for Generating Funds	£7,563	£0	£7,563	£2,012
Investment Income	£56	£0	£56	£33
<b>Total Incoming Resources</b>	£155,532	£53,155	£208,687	£36,100
<b>Resources Expended</b>				
<i>Cost of Generating Funds</i>				
Cost of Generating Voluntary Income	£9,328	£1,151	£10,469	£433
Fundraising and Trading Costs	£7,733	£0	£7,733	£2,094
Charitable Activities	£9,668	£50,651	£60,319	£22,148
Governance Costs	£589	£0	£589	£0
<b>Total Resources Expended</b>	£27,318	£51,803	£79,120	£24,674
<i>Net Movement in Funds</i>	£128,214	£1,353	£129,567	£11,425
<b>Total Funds Brought Forward</b>	£11,646	-£194	£0	£11,452
<b>Total Funds Carried Forward</b>	£139,860*	£1,159	£141,019	£0

\* £128,000 relates to the donation of a freehold interest which is an illiquid asset

# Acknowledgements

**With thanks to the following organisations for their support over the last year:**

Ansar Youth Project

Association of Charitable Foundations

Association of Charity Officers

Beta Charitable Centre

Children of Adam

Domestic Violence & Sexual Abuse Counselling Centre

EMEL Muslim Lifestyle Magazine

Family Action

FAST London UK

Islamic Centre England

Islamic Unity Society

JRS UK

Lion Heart Benevolent Fund

Look Ahead Housing & Care

Migrant Refugee & Community Forum

Muslim Cultural & Heritage Centre

Passion Islam

Pharmaco

Rumi's Cave

Stanmore Islamic Centre

Streatham Islamic Centre

Street Hands

Waterloo Action Centre

Vodafone Charitable Foundation