



TREASURER'S REPORT

NOVEMBER 2018

OUTLINE

Compiled Financials

Zakat Collection

Zakat Utilisation

Investments & Cash Equivalents

Commentary

Areas to be Improved

2019 - Financial Projection

COMPILATION OF FINANCIALS

The Compilation is based on the following Audited Accounts.

1. Africa Chapter
2. America & Canada Chapter
3. Europe Chapter
4. Far East Chapter
5. Middle East Chapter
6. North India Chapter
7. Pakistan Chapter

- The compiled financial statements are prepared in view of Africa Chapter, Far East Chapter, North Indian Chapter and North American Chapter being separate legal entities.
- Audit of SIC financial statements could be done only after we receive the 80G Tax exemption certificate



FINANCIAL STATEMENTS SUMMARY

Statement of Financial Activities

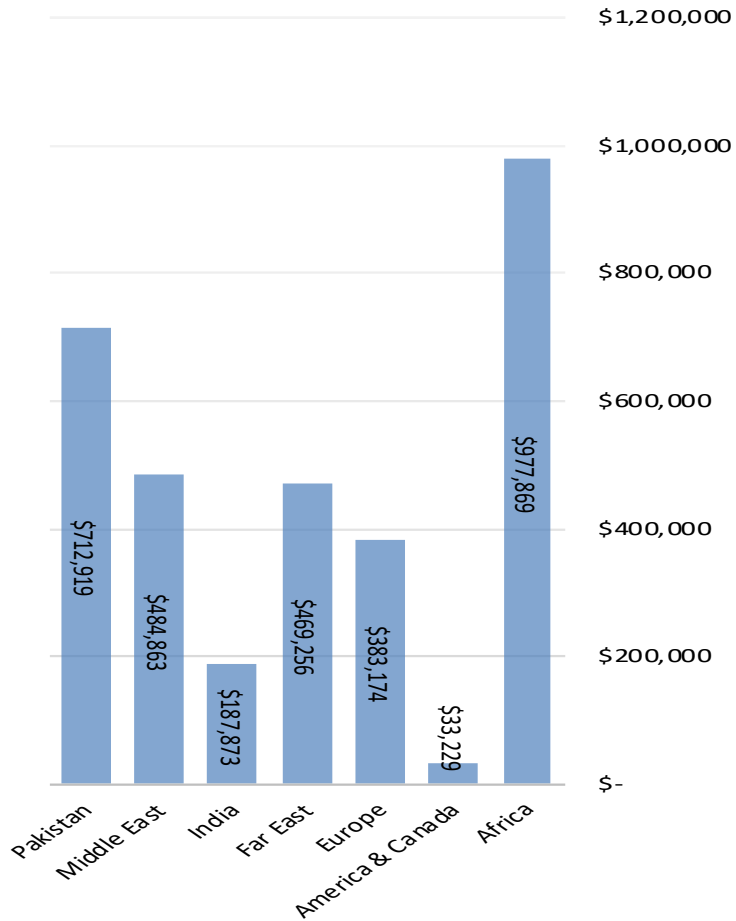
YEAR ENDED 31ST DECEMBER	2017	2016
Voluntary Income:	3,472,270	4,904,375
Activities for Generating Funds:	1,141,338	976,250
Incoming Resources from Charitable Activities	12,504	4,899
Total incoming resources	4,626,112	5,885,524
Charitable Expenditure:	3,726,323	5,577,683
Governance/Operating costs	283,312	425,811
Non-Monetary expenses	37,101	49,939
Total Expenditure	4,046,736	6,053,433
Surplus / (Deficit)	579,376	(167,909)

Statement of Financial Position

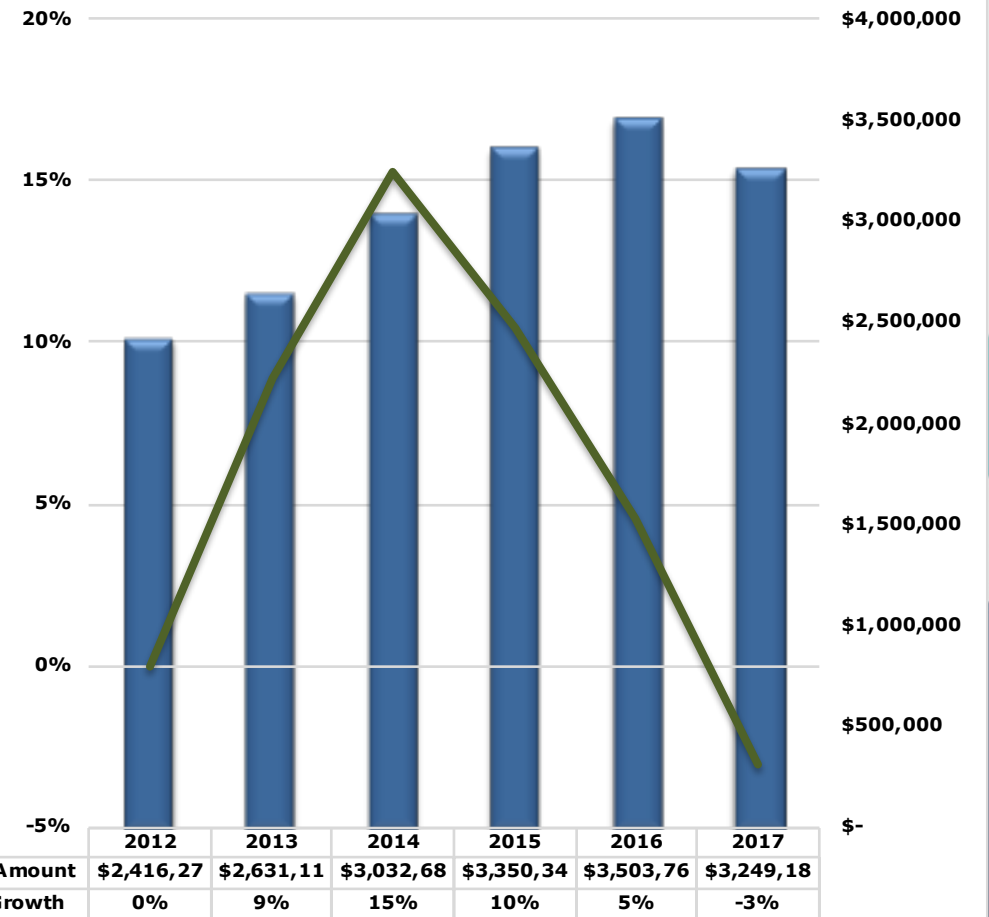
AS AT 31ST DECEMBER	2017	2016
Non Current Assets	4,040,998	4,093,211
Current Assets	4,271,013	3,947,266
<i>(Less)</i>		
Non-Current Liabilities	(28,725)	(23,810)
Current Liabilities	(183,230)	(279,051)
Total Assets	8,100,056	7,737,616
The total funds of the charity	8,141,711	7,737,616
Unrealised loss on Investments	(41,655)	-
Total Liabilities & Reserves	8,100,056	7,737,616

ZAKAT COLLECTION

CHAPTER - ZAKAT CONTRIBUTION



Zakath Collection and Growth



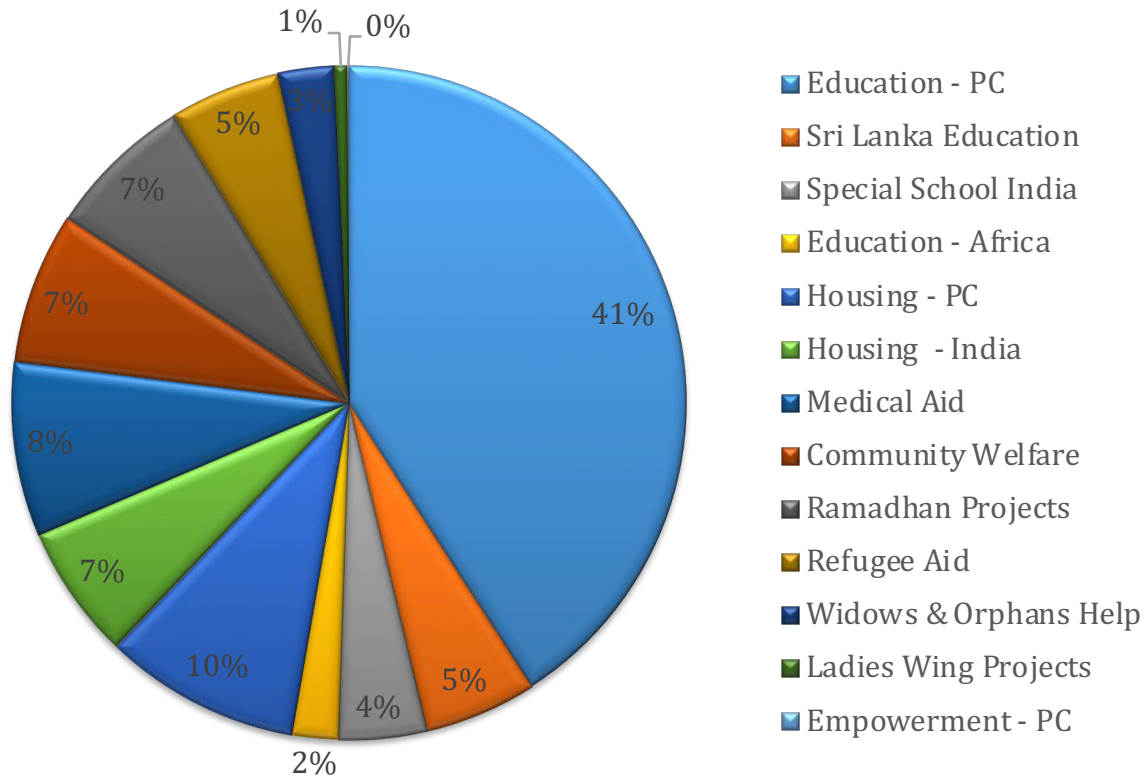
ZAKAT COMMENTARY

Zakat collections for 2017 (Approx. \$3mn) was 33% less than that of the year 2016. Due to the following;

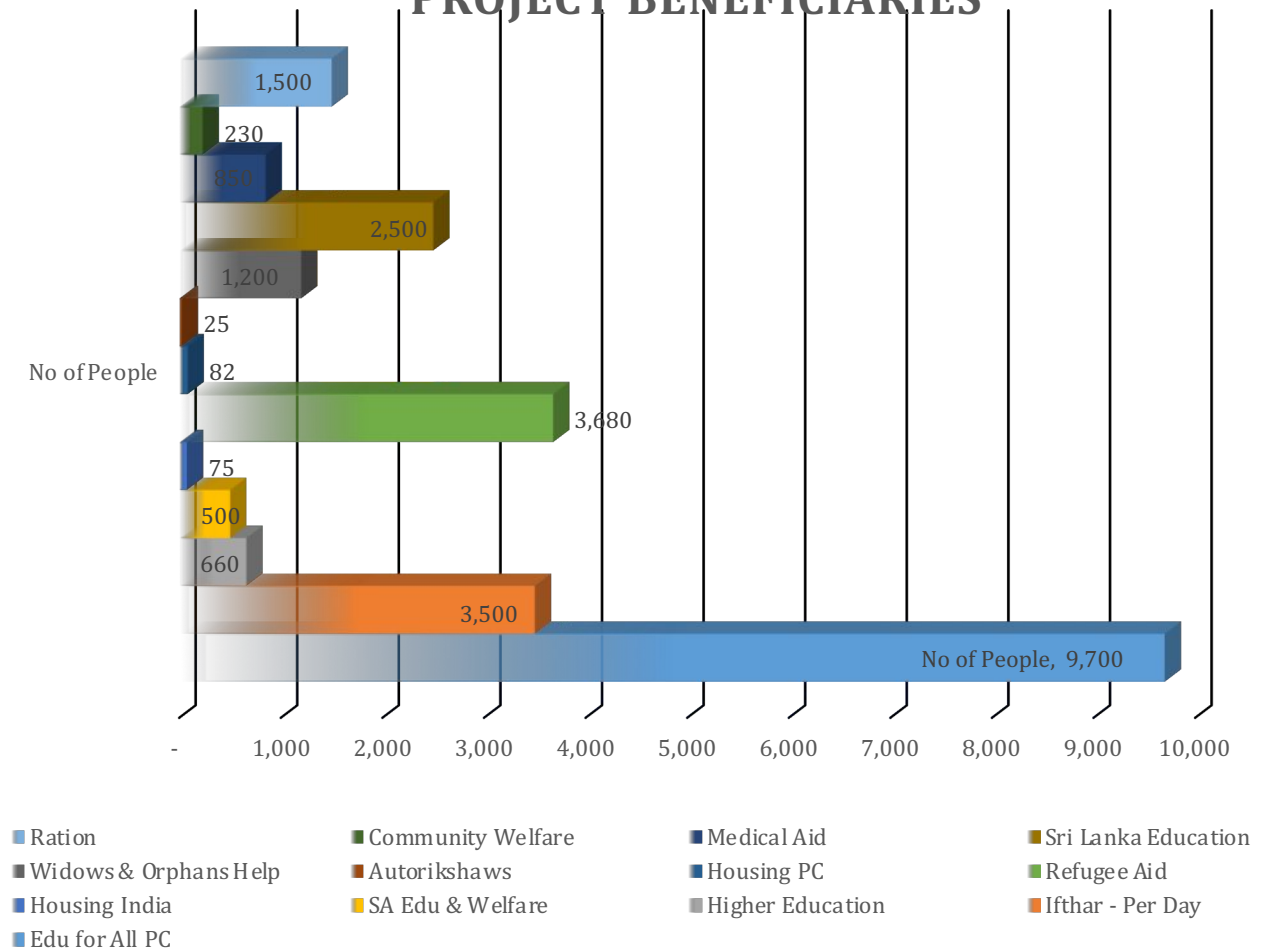
- As per the fund based accounting, the Restricted funds would only be recognized as Income or Expense at the time of its utilization. Actual is (\$3.25mn)
- North Indian Chapter collections are way lower than the previous year as expected,
- Pakistan Chapter collections fell short of 40%, due to their restrictions imposed by the regulators, as iNGOs are not allowed to collect funds locally.
- Dubai Banking restrictions
- Some of the Zakat were distributed by the donors directly to the beneficiaries or gave their zakat to the chapters in kind.

ZAKAT UTILISATION

WMO Projects 2017



PROJECT BENEFICIARIES



The Zakat distributions (\$2.835mn)

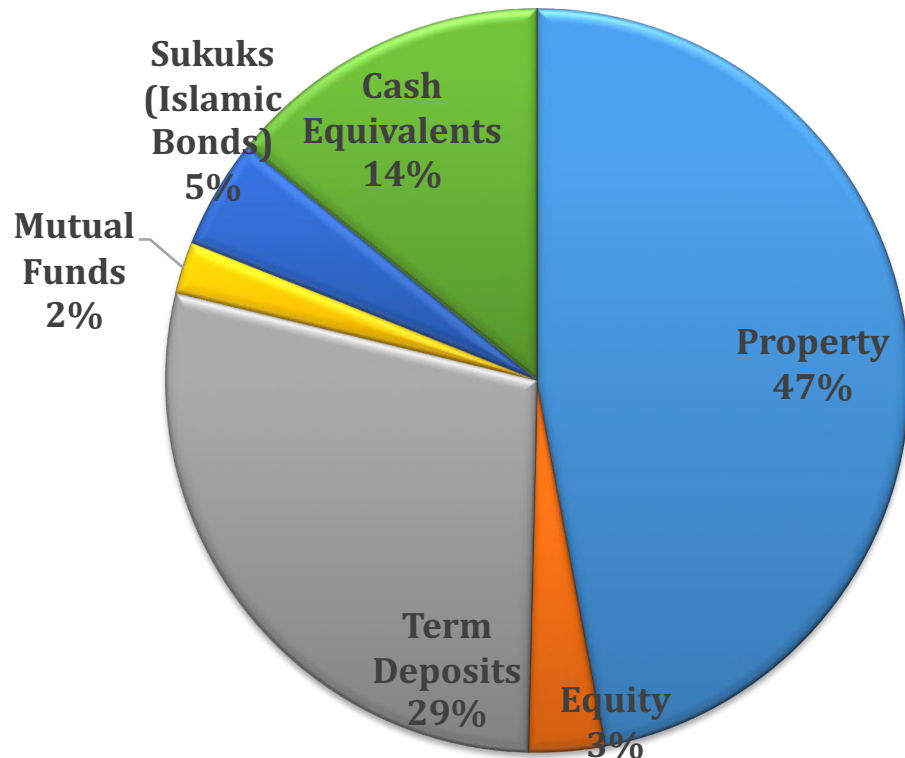
- Mainly focused on Education schemes for Pakistan and Housing for India.
- There is a major drop in the housing projects in Pakistan and India.
- The India Chapter activities were curtailed and hence impacted of zakat distribution.
- Africa Chapter have spent 75% of their collections on local projects such as Widows and Orphan Help, Education, Bursary, Medical etc..
- Middle East - local welfare projects such as loan settlements and Ramadhan Appeals.
- Far East chapter – Donated to Ummeed foundation a School for Special Children in India, after contribution for 50%.

Investments & Cash Equivalents

Cash Equivalents

Habib Bank Zurich PLC - London	310,844	\$300 Zakat Funds for PC & BRAC
Union National Bank - Dubai	773,033	Limited Banking operations
Summit Bank - Karachi	367,784	\$200k Zakat Funds
Al Baraka & HBZ Bank	244,529	\$165k Zakat Funds
Muslim Commercial Bank - Colombo	249,017	MF Receipts & Investment Proceeds
Axis Bank - Mumbai	69,978	Zakat & General Fund
US Bank - Chicago	60,574	Operating & Zakat Funds
	2,075,759	

WMO Investment Portfolio



COMMENTARY

- The collection of Trustee fee during the year 2017, has almost doubled when compared to 2016,
 - number of WMO Trustees stands at 50.
 - We could also see an increase in membership fee by three folds during the year, due to the year 2017 being an election year and also the
 - increase in membership is by 200 during the year. **(Total Members 1212)**
- Auditors of Dubai and Pakistan have accepted the fair valuation of the investment properties done by a third party as of April 2015
- Investment and other Income have increased - new investments and the receipt of sponsorships for the events.
- African chapter is continuing to make investments in the equity market selectively within the permissible territory utilizing the Trustee Funds. The total cost of the investments up to December 2017 was US\$ 220,837

AREAS TO BE IMPROVED

- The attention paid by the Regional Treasurers and the RMC towards Management Accounts needs improvement.
 - We hope the RMC officials would consider this and monitor the Management reports in the future.
- The implementation of WMO Policies was not followed by any chapters during the year except for limited implementation by Pakistan chapter;
- One of the chapters are yet to continue the usage of Sage accounting platform as this was curtailed during the year, due to various regional restrictions.
- The Financial Audits have to be completed by all the chapters within six months of the financial year end.
 - Next year our target is to Complete by April

PROJECTIONS FOR 2018/2019

ASSUMPTIONS

- Fund Based Accounting
- 8 Active chapter's actual numbers upto 3rd Qtr 2018 is used to arrive at the projections for 2018
- 8-9 Trustees will be paying there annual instalments
- Cost for AGAM projected to be at \$20k
- Dubai Property to be impaired by \$50,000
- Rental income based on the current rentals
- MITI to receive Institutional grants equivalent to year 2018
- MITI Tuition fees projected to be increased to \$100k with the commencement of Diploma courses
- Deposit income is as per the returns for MH Omar fund for FC
- Assumed that the Rohingya refugee aid project to be contributed by WMO
- Salaries budgeted with an increment of 10%
- The Actual data for 2018, projected on the 2 year avg trend

Income

	2016	2017	2018	2019
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>
INCOMING RESOURCES				
Incoming resources from generated funds:				
<i>Voluntary income:</i>				
General Donations	508,593	51,881	300,000	330,000
Specific Donations	-	331,098	400,000	500,000
Zakat - General Fund	2,012,571	499,750	1,250,000	1,375,000
Zakat Education fund	1,120,680	1,882,158	1,500,000	1,650,000
Specific Zakat (MITI, Rehab & Other)	1,075,369	661,697	900,000	1,000,000
Trustee Fee	116,744	217,505	140,000	150,000
Fees and subscription from members	70,418	273,182	250,000	275,000
MITI Project Income	584,421	745,884	750,000	825,000
Investment and other income	158,207	157,495	170,000	175,000
Income from Properties	233,622	237,959	240,000	240,000
Youth & Ladies Wing Fund	4,899	12,504	15,000	25,000
Total incoming resources	5,885,524	5,071,112	5,915,000	6,545,000

Expenses

RESOURCES EXPENDED				
Charitable expenditure:				
Educational Assistance	1,453,290	2,210,748	1,950,000	2,145,000
Housing Assistance/Community Rehab	1,906,657	491,019	1,250,000	1,375,000
Distribution of Motor Rickshaws	78,085	2,952	46,000	75,000
Other Specific Zakath Projects	820,877	478,689	700,000	850,000
MITI Project Expenses	776,227	782,391	850,000	935,000
Refugee Aid	88,646	98,541	250,000	200,000
Donation to MMI & KMSO	19,048	39,091	20,000	20,000
General Welfare - Non Zakat	420,087	45,905	350,000	400,000
Ladies/Youth wing Programs	14,766	21,987	25,000	25,000
Total Charitable expenditure	5,577,683	4,171,323	5,441,000	6,025,000
	307,841	899,789	474,000	520,000

2019 - Financial Projection Summary

YEAR ENDED 31ST DECEMBER	2016	2017	2018	2019
Voluntary Income:	4,904,375	3,472,270	4,350,000	4,855,000
Activities for Generating Funds:	976,250	1,141,338	1,550,000	1,665,000
Incoming Resources from Charitable Activities	4,899	12,504	15,000	25,000
<u>Total incoming resources</u>	5,885,524	4,626,112	5,915,000	6,545,000
Charitable Expenditure:	5,577,683	3,726,323	5,441,000	6,025,000
Governance/Operating costs	425,811	283,312	402,000	432,800
Non-Monetary expenses	49,939	37,101	72,000	87,200
<u>Total Expenditure</u>	6,053,433	4,046,736	5,915,000	6,545,000
Surplus / (Deficit)	(167,909)	579,376	\$ -	\$ -

THANK YOU

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WASSALAM