قطــر الخيرية
QATAR CHARITY

Financial
Report

QATAR CHARITY 2021

Qatar Charity applies a system of accounting drawn from a comprehensive set of financial policies and regulations that are fully compliant with local and international standards, and in accordance with global best practices in non-profit, non-governmental organizations.

QATAR CHARITY ORGANIZATION
(CHARITABLE ORGANIZATION)

FINANCIAL STATEMENTS

31 DECEMBER 2021

QATAR CHARITY ORGANIZATION (CHARITABLE ORGANIZATION)
FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2021

Contents **Page (s)**

INDEPENDENT AUDITOR'S REPORT TO THE CHAIRMAN AND BOARD OF DIRECTORS OF QATAR CHARITY ORGANIZATION (CHARITABLE ORGANIZATION)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Qatar Charity Organization (the "Charity") which comprise the statement of financial position as at 31 December 2021, and the statements of activities and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Charity as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with the accounting policies and procedures adopted by the management of the Charity.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of accounting and restrictions on use and distribution

We would like to draw the attention to note No. 2 on the financial statements , which describes the basis of accounting . These financial statements are prepared according to the accounting procedures and policies adopted by the Charity as a result, the accompanying financial statements may not be suitable for another purpose. Our report on the accompanying financial statements is intended solely for assisting the Charity's management and should not be used for any other purpose. Our opinion is not modified in respect of this matter.

Other matter

The financial statements of the Charity for the year ended 31 December 2020 were audited by another auditor who expressed an unqualified opinion on those financial statements on 6 July 2021.

Responsibilities of Board of Directors

The Charity's Board of director is responsible for the preparation and fair presentation of the financial statements in accordance with significant accounting policies and procedures adopted by the management, and for such internal control as management determines 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, management is responsible for assessing the Charity'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 management either intends to liquidate the Charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

INDEPENDENT AUDITOR'S REPORT TO THE CHAIRMAN AND BOARD OF DIRECTORS OF QATAR CHARITY ORGANIZATION (CHARITABLE ORGANIZATION) (CONTINUED)

Report on the audit of the financial statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Report on other regulatory requirements

We have obtained all the information and explanations we considered necessary for the purposes of our audit. The Charity has maintained proper accounting records and its financial statements are in agreement therewith. We are not aware of any violations of the terms of the Articles of Association which might have had a material adverse effect on the Charity's financial position or performance as at and for the year ended 31 December 2021.

31/5

Tarek Mohamed Soliman
Auditor's Registration No. 355
31 May 2022
Doha, State of Qatar

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QATAR CHARITY ORGANIZATION (CHARITABLE ORGANIZATION)

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2021

(All amounts expressed in Qatari Riyal unless otherwise stated)

	Note	2021	2020
ASSETS			
Current assets			
Cash and bank balances	4	1,273,485,975	1,195,522,529
Receivables and other debit balances	5	17,952,000	31,243,240
Due from related parties	6	919,693	126,933
Balances with external offices	7	505,179,345	293,584,657
Total current assets		**1,797,537,013**	**1,520,477,359**
Non-current assets			
Property and equipment	8	94,232,742	94,626,655
Investments property at fair value	9	415,134,738	631,694,489
Granted investments property at cost	10	3,216,820	6,301,219
Endowment investments property at fair value	11	412,694,698	37,124,970
Endowment investments property at cost	12	2,886,001	2,989,806
Investment in subsidiaries	13	400,000	200,000
Financial assets at fair value through other comprehensive income	14	69,177,581	76,631,709
Total non-current assets		**997,742,580**	**849,568,848**
TOTAL ASSETS		**2,795,279,593**	**2,370,046,207**
LIABILITIES AND NET ASSETS			
Current liabilities			
Obligations under capital lease	15	-	16,675,856
Payables and other credit balances	16	552,633,523	392,213,716
Amounts due to Islamic banks	18	11,117,423	10,568,364
Notes payable		6,005,748	2,924,887
Total current liabilities		**569,756,694**	**422,382,823**
Non-current liabilities			
Employees' end of service benefits	17	21,513,258	18,713,800
Amounts due to Islamic banks	18	83,957,232	95,074,656
Total non-current liabilities		**105,470,490**	**113,788,456**
Net assets			
Net restricted assets	19	2,041,958,714	1,747,573,750
Net unrestricted assets	19	78,617,824	74,393,618
Reserve of unrealized (loss) / gain from financial assets at fair value through other comprehensive income	14	(524,129)	11,907,560
Total net assets		**2,120,052,409**	**1,833,874,928**
TOTAL LIABILITIES AND NET ASSETS		**2,795,279,593**	**2,370,046,207**

These financial statements were approved by the management and authorized to issue on 31 May 2022.

Mohamed Abdulrahman Fakhroo	**Mohamed Rashid Al Kaabi**	**Youssef Bin Ahmed Al Kuwari**
Chief Financial Officer	Deputy Chief Executive Officer of the Sector of Support Affairs and Information Technology	Chief Executive Officer

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قطر الخيرية
Qatar Charity

The accompanying notes from 1 to 38 are an integral part of these financial statements.

For 2021	Note	Restricted	Unrestricted	Reserve of unrealized losses from financial assets at fair value through other comprehensive income	Total
Donations and income					
Donations of activities and projects	20	1,308,367,111	78,400,599	-	1,386,767,710
Investments income	21	25,252,623	3,636,686	-	28,889,309
Investments income granted investment properties at cost	22	154,885	-	-	154,885
Investments income endowment investment properties at fair value	23	11,704,245	-	-	11,704,245
Investments income endowment investment properties at cost	24	237,947	-	-	237,947
Other income		-	16,591,459	-	16,591,459
Deducted for administrative and fundraising expenses	25	-	101,565,593	-	101,565,593
Total donations and income		**1,345,716,811**	**200,194,337**	**-**	**1,545,911,148**
Gain from change in fair value of investments property	33	104,872,453	8,308,708	-	113,181,161
Total donations and income after change in fair value of investments property		**1,450,589,264**	**208,503,045**	**-**	**1,659,092,309**
Administrative and fundraising expenses	26	-	(99,909,685)	-	(99,909,685)
Operating expenses of activities and projects	27	(1,142,324,389)	(81,524,379)	-	(1,223,848,768)
Investments expenses	28	(6,851,936)	(424,968)	-	(7,276,904)
Investments expenses granted investment properties at cost	29	(12,910)	-	-	(12,910)
Investments expenses endowment investment properties at fair value	30	(4,156,504)	-	-	(4,156,504)
Investments expenses endowment investment properties at cost	31	(165,391)	-	-	(165,391)
Other expenses	32	(2,693,170)	(22,419,807)	-	(25,112,977)
Total expenses		**(1,156,204,300)**	**(204,278,839)**	**-**	**(1,360,483,139)**
Surplus of activities movement during the year		**294,384,964**	**4,224,206**	**-**	**298,609,170**
Assets balance at the beginning of the period		**1,747,573,750**	**74,393,618**	**-**	**1,821,967,368**
Assets balance at the end of the period		**2,041,958,714**	**78,617,824**	**-**	**2,120,576,538**
Reserve of unrealized gain from financial assets at fair value through other comprehensive income					
Balance at the beginning of the period		-	-	11,907,560	11,907,560
Movement during the year	14	-	-	(12,431,689)	(12,431,689)
Balance at the end of the period		**-**	**-**	**(524,129)**	**(524,129)**

The accompanying notes from 1 to 38 are an integral part of these financial statements.

QATAR CHARITY ORGANIZATION (CHARITABLE ORGANIZATION)

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts expressed in Qatari Riyal unless otherwise stated)

For 2020	Note	Restricted	Unrestricted	Reserve of unrealized losses from financial assets at fair value through other comprehensive income	Total
Donations and income					
Donations of activities and projects	20	1,578,847,729	84,188,031	-	1,663,035,760
Investments income	21	11,806,127	5,205,264	-	17,011,391
Investments income granted investment properties at cost	22	163,221	-	-	163,221
Investments income endowment investment properties at fair value	23	29,820,311	-	-	29,820,311
Investments income endowment investment properties at cost	24	226,372	-	-	226,372
Other income		-	20,538,212	-	20,538,212
Deducted for administrative and fundraising expenses	25	-	111,870,871	-	111,870,871
Total donations and income		**1,620,863,760**	**221,802,378**	-	**1,842,666,138**
Administrative and fundraising expenses	26	-	(96,621,298)	-	(96,621,298)
Operating expenses of activities and projects	27	(1,283,329,964)	(85,895,470)	-	(1,369,225,434)
Investments expenses	28	(6,216,443)	(476,205)	-	(6,692,648)
Investments expenses granted investment properties at cost	29	(146,056)	-	-	(146,056)
Investments expenses endowment investment properties at fair value	30	(5,124,314)	-	-	(5,124,314)
Investments expenses endowment investment properties at cost	31	(147,160)	-	-	(147,160)
Other expenses	32	(6,665,299)	(20,578,842)	-	(27,244,141)
Total expenses		**(1,301,629,236)**	**(203,571,815)**	-	**(1,505,201,051)**
Loss from change in fair value of investments property	33	(36,178,550)	(2,259,162)	-	(38,437,712)
Total expenses after change in fair value of investments property		**(1,337,807,786)**	**(205,830,977)**	-	**(1,543,638,763)**
Surplus of activities movement during the year		**283,055,974**	**15,971,401**	-	**299,027,375**
Assets balance at the beginning of the period		**1,464,517,776**	**58,422,217**	-	**1,522,939,993**
Assets balance at the end of the period		**1,747,573,750**	**74,393,618**	-	**1,821,967,368**
Reserve of unrealized gain from financial assets at fair value through other comprehensive income					
Balance at the beginning of the period		-	-	11,603,032	11,603,032
Movement during the year	14	-	-	304,528	304,528
Balance at the end of the period		-	-	**11,907,560**	**11,907,560**

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The accompanying notes from 1 to 38 are an integral part of these financial statements.

QATAR CHARITY ORGANIZATION (CHARITABLE ORGANIZATION)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021
(All amounts expressed in Qatari Riyal unless otherwise stated)

	Note	2021	2020
OPERATING ACTIVITIES			
Restricted activities surplus		294,384,964	283,055,974
Unrestricted activities surplus		4,224,206	15,971,401
Adjustments:			
(Gain) / Loss from change in fair value of investments property	33	(113,181,161)	38,437,712
Depreciation of property and equipment	8	9,340,140	7,188,835
Depreciation of granted investments property at cost	10	8,900	117,845
Depreciation of endowment investments property at cost	12	103,805	104,089
End of service benefits	17	3,962,604	2,576,960
Reversal for receivables and other doubtful receivables provision	5	(596,515)	(262,500)
Provision of receivables and other doubtful receivables	5	-	685,783
Operating profit before changes in working capital		**198,246,943**	**347,876,099**
Working capital changes:			
Receivables and other debit balances		13,291,242	(8,309,494)
Due from related parties		(792,760)	100
Balances with external offices		(211,594,688)	(60,270,925)
Payables and other credit balances		141,053,464	83,127,436
Notes payable		3,080,861	(8,038,613)
Cash generated from operating activities		**143,285,062**	**354,384,603**
End of service benefits paid	17	(1,163,146)	(1,076,753)
Net cash generated from operating activities		**142,121,916**	**353,307,850**
INVESTING ACTIVITIES			
Additions to endowment investments property	11	(7,053,974)	-
Proceeds from sale of financial assets at fair value through other comprehensive income		14,985,298	-
Purchasing of investments property	9	(35,699,346)	(266,804)
Purchasing of property and equipment	8	(8,946,227)	(12,428,246)
Investment in subsidiaries		(200,000)	-
Cash used in investing activities		**(36,914,249)**	**(12,695,050)**
FINANCING ACTIVITIES			
Net change in amounts due to Islamic banks	18	(10,568,365)	(10,046,309)
Payments of obligations under capital lease contracts	15	(16,675,856)	(16,050,485)
Cash used in financing activities		**(27,244,221)**	**(26,096,794)**
Net increase in cash and cash equivalents		77,963,446	314,516,006
Cash and cash equivalents at 1 January		1,195,522,529	881,006,523
Cash and cash equivalents at 31 December	4	**1,273,485,975**	**1,195,522,529**
Non-cash transactions			
(1) Increase / decrease in fair value of investments property	33	113,181,161	(38,437,712)
(2) Financial assets at fair value through other comprehensive income revaluation loss / gain	14	(12,431,689)	304,528
(3) Transfer of investment property to endowment		294,370,243	-
(4) Transfer of granted investment property to endowment		3,075,499	3,043,950

The accompanying notes from 1 to 38 are an integral part of these financial statements.

1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Qatar Charity Organization (the "Charity") is a charity organization registered at the Regulatory Authority for Charitable Activities. It was established in 1992 under Ministerial Decree No. 5 of 1992. The Charity is under the supervision and control of the Authority for Charitable Activities under Emiri Decree No. 43 of 2014 on the Regulatory Authority for Charitable Activities. Law No. 15 of 2014 on regulating charitable activities and its implementing decisions.

The Charity's headquarter is domiciled in Doha - State of Qatar. The Charity has the following branches:

1. Palestine
2. Tunisia
3. Sudan
4. Yemen
5. Somalia
6. Pakistan
7. Indonesia
8. Bangladesh
9. Burkina Faso
10. Albania
11. Comoros
12. Mauritania
13. Niger
14. Bosnia
15. Turkey
16. Mali
17. Kosovo
18. Djibouti
19. Kyrgyzstan
20. Kenya
21. Sri Lanka
22. Ghana
23. Nepal
24. Chad
25. Senegal
26. Morocco
27. Nigeria
28. Tanzania
29. Gambia
30. Malaysia

The accompanying financial statements comprise of assets, liabilities and results of business of above branches.

The Charity aims to support and encourage charitable and developmental and humanitarian work, enhance charitable work and strengthen the values of citizenship and human rights in the community, provide financial, in-kind and moral assistance to the needy, provide humanitarian, social, health, cultural and educational services to all communities and establish charitable projects of all kinds.

2. BASIS OF PREPARATION

a) Basis of accounting

The accompanying financial statements have been prepared in accordance with the significant accounting procedures and policies adopted by the Charity and is prepared for special purposed to support the Charity in the presentation of the financial statements in accordance with the mentioned procedures and accounting policies. Since the Charity adopts accounting measures of charitable societies, therefore, the accompanying financial statements are not prepared in accordance with International Financial Reporting Standards, as they do not necessarily show all the assets and liabilities of the Charity as at 31 December 2021.

Details of the accounting policies of the Charity are stated in below notes.

b) Basis of measurement

The financial statements have been prepared under the historical cost basis except for investments property at fair value and endowments investments property at fair value which are measured at fair value, and financial assets at fair value through other comprehensive income and other investments, which are measured at fair value.

2. BASIS OF PREPARATION (CONTINUED)

c) Functional and presentation currency

The financial statements are presented in Qatari Riyals (QR), which is the Charity's functional and presentational currency.

d) Use of estimates and judgments

The information about significant areas of estimation uncertainty and critical judgments applied in the preparation of the financial statements are disclosed in Note 37.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies of the Charity applied in the preparation of the financial statements are set out below.

Property and equipment

Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognised in the statement of activities.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenses will flow to the Charity.

Depreciation

Depreciation of items of property and equipment is calculated less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the statement of activities. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Charity will obtain ownership by the end of the lease term . No depreciation is calculated on lands.
The estimated useful lives of property and equipment for current and comparative periods are as follows:

	Years
Buildings and improvements	5-20
Plant, equipment and furniture	5
Computers and software	3
Motor vehicles	5

Depreciation methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment (continued)

Capital work in progress
Capital work in progress comprises all direct and indirect expenses related to projects in progress, which are capitalized as property and equipment upon completion of these projects.

Investments property

(i) Classification

The charity management classify the investment property between four categories which are as follows: -

1- Investments property at fair value
2- Granted investments property at cost
3- Endowment investments property at fair value
4- Endowment investments property at cost

These classifications are decided based on the charity management decision.

(ii) Recognition and measurement

Investments property at fair value

Investments property are initially measured at cost, including transaction costs and loan costs that are directly related to the construction of the asset. The carrying amount includes the cost of replacing any part of the of an existing investments property at the date of incurring the cost provided that the recognition criteria are considered, and costs of investments property day-to-day services are disposed. After initial recognition, investments property is carried at fair value, which reflects market conditions at the date of the financial statements. Gains or losses arising from changes in fair values of investments property are included in the statement of activities for the year in which they arise.

Investments property are derecognized when disposed or permanently withdrawn from use and no future economic benefit is expected from disposal. Any profits or losses arising from the withdrawal or disposal of any investments property are recognized in the statement of activities in the year they are withdrawn or disposed.

Property under construction is carried at cost less impairment losses until its fair value can be reliably determined or until the construction is completed (whichever is earlier). Meanwhile, it is reclassified as investment property and the adjusted fair value is recognized in the statement of activities.

The management of the Charity recognize the fair value of investments property, in accordance with the highest market value.

Investments property at cost

Granted investments property at cost is property held either to earn rentals or for capital appreciation or both. The granted investments property at cost is stated at cost less accumulated depreciation and impairment losses, if any, investments property, other than land, are depreciated on a straight-line basis over their estimated useful lives as follows:

	Years
Buildings	5-20

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments property at cost (continued)

Cost includes expenditure that is directly attributable to the acquisition of the investments property. The cost of self-constructed investments property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investments property to a working condition for their intended use and capitalized borrowing costs.

Financial instruments

Receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Charity becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at Fair Value Through Profit or Loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial assets: Classification and subsequent measurement

On initial recognition, a financial asset is classified at:

a) Amortised cost- if it meets both of the following conditions and is not designated as at FVTPL;

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

b) Fair Value Through Other Comprehensive Income (FVTOCI) - if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

c) Fair Value Through Profit or Loss (FVTPL) - All financial assets not classified as measured at amortised cost or FVTOCI as described above.

On initial recognition, the Charity may irrecoverably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition unless the Charity changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Charity has classified on initial recognition its receivables and other debit balances, due from related parties, and cash and cash equivalents at amortised cost. The Charity does not hold any other financial assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets: Business model assessment

The Charity makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual cash flows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Charity's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Charity's continuing recognition of the assets.

Financial assets: Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Charity considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Charity considers: contingent events that would change the amount or timing of cash flows; terms that may adjust the contractual coupon rate, including variable-rate features; prepayment and

extension features; and terms that limit the Charity's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets: Subsequent measurement and gains and losses

- Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

- Financial assets FVTPL -These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. The Charity does not hold such assets.

- Debt instruments at FVTOCI - These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss. The Charity does not hold such assets.

- Equity investments at FVTOCI - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never derecognised to profit or loss. The Charity does not hold such assets.

Financial liabilities: Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Financial assets: Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired; and
- The Charity has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Charity has transferred substantially all the risks and rewards of the asset, or (b) the Charity has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Charity enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities: Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Charity currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Impairment

Non-derivative financial assets

The Charity recognises loss allowances for Expected Credit Losses (ECLs) on financial assets measured at amortised cost. The Charity does not hold debt investments measured at amortised cost.

The Charity measures loss allowance either at an amount equal to:

- lifetime ECLs, which are those ECLs that result from all possible default events over the expected life of a financial instruments; or

- 12-month ECLs, which includes the portion of ECLs that results from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Charity is exposed to credit risk.

Loss allowances for receivables and other debit balances are always measured at an amount equal to lifetime ECLs.

Loss allowances for due from related parties are measured either at an amount equal to 12-months or lifetime ECLs depending on the magnitude of increases in credit risk since the initial recognition of the assets.

Loss allowances on cash and cash equivalents are always measured at an amount equal to 12-month ECLs. The Charity considers a financial asset to be in default when customer is unlikely to pay its credit obligations to the Charity in full, without recourse by the Charity to actions such as realising security (if any is held).

The Charity considers cash and cash equivalents to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Impairment (continued)

***Non-derivative financial assets* (continued)**

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Charity is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Charity expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Charity assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes a breach of contract such as a default.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off when the Charity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Charity individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Charity expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Charity's procedures for recovery of amounts due.
Financial assets were assessed at each reporting date to determine whether there was objective evidence of impairment.

Objective evidence that financial assets were impaired includes:

- default or delinquency by a debtor.
- restructuring of an amount due to the Charity on terms that the Charity would not consider otherwise.
- indications that a debtor will enter bankruptcy; or
- observable data indicating that there is measurable decrease in expected cash flows from a Charity of financial assets.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment (continued)

Non-derivative financial assets (continued)

Financial assets measured at amortized cost

The Charity considered evidence of impairment for these assets (receivables and other debit balances, due from related parties and cash at bank) at both an individual asset and a collective level. All individually significant assets were individually assessed for impairment. Those found not to be impaired were then collectively assessed for any impairment that had been incurred but not yet individually identified. Assets that were not individually significant were collectively assessed for impairment. Collective assessment was carried out by accompanying together assets with similar risk characteristics.

In assessing collective impairment, the Charity used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

An impairment loss was calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses were recognised in profit or loss and reflected in an allowance account.

When the Charity considered that there were no realistic prospects of recovery of the asset, the relevant amounts were written off. If the amount of impairment loss subsequently decreased and the decrease was related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss was reversed through profit or loss.

Non-financial assets

At each reporting date, the Charity reviews the carrying amounts of its non-financial assets (property and equipment, but not inventories and investment property") to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (CGUs).

The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or a CGU.

An impairment loss is recognized if the carrying amount of an asset or a CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net assets

Net unrestricted assets

It represents the net assets that were used according to the donor's conditions or that had no restrictions when received, and the organization management has the right to designate these unrestricted. Unrestricted assets might be current assets, investments and financial assets, tangible, or intangible assets.

Net of restricted assets

It represents the net assets that are still subject to restrictions from the part of the donor, and those restrictions may be linked with using the assets for specific purposes (restrictions of use) or the time of this use (restrictions on time) or restrictions associated with both use and time. Restricted assets may be current assets, investments and financial assets, tangible, or intangible assets.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash and bank balances and bank deposits for the purpose of cash management in the organization without restrictions that prevent the organization from liquidating it or reducing it's the value, unrestricted balances held with banks, and highly liquid financial assets with original maturities ranging three to six months, which are subject to insignificant risk of changes in their fair value, and are used by the Charity in the management of its short-term commitments, net of outstanding bank overdrafts and restricted bank balances.

Provisions

Provisions are recognised when the Charity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognised as interest expense. Provisions are reviewed annually to reflect current best estimates of the expenditure required to settle the obligations.

Employees' benefits

Contribution to Pension Fund
The Charity provides for contributions to the state-run pension fund for Qatari employees in accordance with the Retirement and Pension Law No.24 of 2002, and the resulting expense is incorporated within the cost of staff under general and administrative expenses in the statement of activities, The Charity does not have any other payment commitment s one it pays the contribution. Contributions are recognized when due.

End of service benefits
The Charity provides for employees' end of service benefits based on employees' last salary and period of employment subject to the completion of the minimum service period in accordance with the Qatar Labour Law and Qatari Human Resources Law No. 15 for the year 2016 and falls due upon resignation or termination. The expected costs of these benefits fall due during the employee's service period.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

At inception or on reassessment of an arrangement that contains a lease, the Charity separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values, If the Charity concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Charity's incremental borrowing rate.

Lease contract is classified as a capital lease contract if it resulted in substantial transfer of all the benefits and risks of ownership of the asset to the lessee and other leases are classified as operating leases.

Sales and leaseback are capitalized at the present value of the minimum lease payments at the inception of the lease. Lease payments are fragmented between financing expenses and the decrease in lease commitments in order to reach fixed return rate on the remaining balance of the commitment. Finance charges are held directly against the income.

Any increase in the selling price over the carrying value is postponed and is recognized according to the straight-line method on the term of the lease.

Leased assets

Leases of property and equipment are classified as financing leases when all substantial risks and rewards of ownership resulted from financing leases are transferred to the Charity. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Charity's statement of financial position.

Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Foreign currency transactions and balances

Transactions in foreign currencies during the year are translated into the functional currency of the Charity at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into the functional currency at the exchange rate at the reporting date. Realized and unrealized foreign currency differences are recognized in profit or loss. The Charity does not have non-monetary assets and liabilities denominated in foreign currencies at the end of the reporting period.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donations and revenue

The Charity registers donations received as unrestricted or restricted donations based on the presence or absence of restrictions by the donor and the nature of these restrictions. The services donated to the Charity are recognized at fair value as unrestricted donations only if fair value cannot be reliably measured.

The Charity recognizes donations (receipts) of activities, projects and investments as follows:

- Cash donations and annual government support are recognized upon receipt.
- Non-cash donations are recognized on a regular basis during the useful life of the asset.
- Contributions and deposits are recognized upon receipt of cash.
- Leases and returns from deposits are recognized on an accrual basis.
- Revenues from the sale of investments and property and equipment are recognized upon the transfer of ownership to the purchaser.

Expenses

Include all direct and indirect operating expenses and all kinds of investment expenses as well as administrative and fundraising expenses of the Charity. The Charity recognizes expenses as follows;

- Expenses of activities are recognized when paid.
- Expenses transferred to field offices outside Qatar are recognized upon the actual payment of the amounts abroad and not upon transfer from the headquarters in Qatar.
- Orphan sponsorships and seasonal programs that should be paid are accrued for at the end of financial year until obtaining the necessary approvals from the concerned authorities and until the bank transfer is made.
- In the case of payments for projects outside Qatar, expenses are recognized based on the actual payment.

4. CASH AND BANK BALANCES

Include cash and equivalent investment with high liquidity that can be liquated in three months or less.

	2021	**2020**
Current accounts at banks	973,401,892	895,496,288
Deposits at banks *(i)*	300,000,000	300,000,000
Cash at financial institutions	84,083	26,241
	1,273,485,975	**1,195,522,529**

(i) The term of short-term deposits ranges within three months according to the need to financial liquidity and the average return on these deposits is 2.1% during 2021 (2020: 3.65% to 4.5%).

5. RECEIVABLES AND OTHER DEBIT BALANCES

	2021	**2020**
Staff advances	8,879,617	7,380,830
Refundable deposit	3,294,722	2,687,994
Prepaid expenses	3,135,599	11,357,350
Accrued income *(i)*	2,874,519	10,544,846
Miscellaneous advances	1,308,532	865,940
Accrued rent	611,151	590,401
Notes receivable	58,500	311,513
Other debit balances	7,191,877	7,503,398
	27,354,517	**41,242,272**
Provision for due leases and other doubtful receivable balances	(9,402,517)	(9,999,032)
	17,952,000	**31,243,240**

Movement of the provision during the year was as follows:

	2021	**2020**
Balance as at 1 January	9,999,032	9,575,749
Provided during the year (Note 32)	-	685,783
Reversal during the year	(596,515)	(262,500)
Balance as at 31 December	**9,402,517**	**9,999,032**

(i) Accrued income represents amounts collected from telecommunication companies in Doha against donations via SMS and other methods used by the Charity from these companies.

6. RELATED PARTY DISCLOSURES

Related parties represent board of directors, and key management personnel of the Charity's. Pricing policies and terms of these transactions are approved by the Charity's management.

(i) Related party balances

	Relationship	Nature of transactions	2021	2020
Due from related parties				
New Resources Group for Real Estate Investment	Subsidiary	Finance	126,832	126,933
Taqat for Business Solutions	Subsidiary	Expenses paid on behalf	792,861	-
			919,693	**126,933**

7. BALANCES AT EXTERNAL OFFICES

Balances at external offices include bank balances and cash on hand at external offices that are related to the Charity which are used in establishing projects in counties of each office and due orphan sponsorship that are payable to those who deserve in counties of the offices.

The following table shows details of these balances according to each country: -

	2021	2020
Turkey	120,215,292	56,686,303
Somalia	60,089,218	7,535,163
Bangladesh	51,750,159	41,771,091
Nigeria	40,828,415	-
Kyrgyzstan	38,908,422	13,905,412
Palestine	30,799,373	14,002,408
Pakistan	28,171,523	24,366,825
Morocco	21,424,715	-
Burkina Faso	19,637,213	22,316,512
Mali	15,780,770	6,629,147
Ghana	15,142,104	14,206,957
Kenya	14,489,049	5,932,770
Tunisia	10,806,708	6,560,034
Nepal	7,806,033	10,435,419
Kosovo	7,057,732	8,095,064
Chad	5,255,964	6,474,749
Bosnia	4,086,215	6,153,483
Niger	2,923,346	9,177,724
Yemen	2,839,066	11,043,532
Djibouti	2,323,060	5,371,884
Sri Lanka	2,106,993	2,085,781
Comoros	1,395,694	2,345,886
Gambia	731,831	-
Malaysia	187,678	-
Tanzania	133,395	-
Senegal	101,897	-
Sudan	97,258	6,013,743
Mauritania	73,221	1,285,688
Albania	17,001	654,148
Indonesia	-	11,442,387
	505,179,345	**294,492,110**
Provision for impairment of balances at external offices (1)	-	(907,453)
	505,179,345	**293,584,657**

(1) The movement of provision for impairment as follows:

	2021	2020
Balance at 1 January	907,453	907,453
Reversal during the year	(907,453)	-
Balance at 31 December	-	**907,453**

8. PROPERTY AND EQUIPMENT

	Land	Buildings and improvement*	Equipment and furniture	Computers and software	Motor vehicles	Capital work in progress	Total
Cost							
At 1 January 2020	60,888,718	24,574,207	29,834,551	18,534,163	10,646,339	4,035,864	148,513,842
Additions	-	29,210	3,475,617	4,814,616	1,744,420	2,364,383	12,428,246
Transferred to property and equipment	-	-	228,000	638,727	-	(866,727)	-
At 31 December 2020	60,888,718	24,603,417	33,538,168	23,987,506	12,390,759	5,533,520	160,942,088
Additions	-	325,645	1,954,447	3,262,599	2,046,122	1,357,414	8,946,227
Transferred to property and equipment	-	543,200	20,000	5,066,215	-	(5,629,415)	-
At 31 December 2021	60,888,718	25,472,262	35,512,615	32,316,320	14,436,881	1,261,519	169,888,315
Accumulated depreciation							
At 1 January 2020	-	12,683,977	24,636,450	14,803,457	7,002,714	-	59,126,598
Charge for the year	-	907,556	2,350,843	2,748,806	1,181,630	-	7,188,835
At 31 December 2020	-	13,591,533	26,987,293	17,552,263	8,184,344	-	66,315,433
Charge for the year	-	934,967	2,281,794	4,953,107	1,170,272	-	9,340,140
At 31 December 2021	-	14,526,500	29,269,087	22,505,370	9,354,616	-	75,655,573
Net carrying amount							
At 31 December 2021	**60,888,718**	**10,945,762**	**6,243,528**	**9,810,950**	**5,082,265**	**1,261,519**	**94,232,742**
At 31 December 2020	**60,888,718**	**11,011,884**	**6,550,875**	**6,435,243**	**4,206,415**	**5,533,520**	**94,626,655**

* During 1993, the Charity rented a piece of land from the Ministry of Municipality and Urban Planning (8500 m2) in the industrial area for 30 years with an amount of QR 4,250 annually provided that construction work should be finalized within 12 months. The Charity has built the warehouse and the construction has been completed within the specified period. The full cost of construction was included under buildings and improvements with a carrying value of QR 1,807,847 (2020:1,911,276).

9. INVESTMENTS PROPERTY AT FAIR VALUE

	Investment property	Work in progress	Total
2021			
Balance as at 1 January	630,499,989	1,194,500	631,694,489
Additions (i)	507,954	35,191,389	35,699,346
Transferred to endowment investment property (ii)	(294,370,243)	-	(294,370,243)
Increase in fair value of investments property during the year (Note 33)	42,111,149	-	42,111,146
Balance as at 31 December	**378,748,849**	**36,385,889**	**415,134,738**
2020			
Balance as at 1 January	668,730,897	1,134,500	669,865,397
Additions	206,804	60,000	266,804
Decrease in fair value of investments property during the year	(38,437,712)	-	(38,437,712)
Balance as at 31 December	**630,499,989**	**1,194,500**	**631,694,489**

Investments property are stated at fair value, which has been determined based on valuation performed by accredited independent valuers as at 31 December 2021 and 2020. The valuer is an accredited independent valuer with a recognized and relevant professional qualification and with recent experience in the location and category of those investment property being valued. In arriving at estimated market values, the valuers have used their market knowledge and professional judgment and not only relied on historical transactions.

(i) The additions represent developments of new investments property, Lusail marina property, Yasmine property and old airport compound.

(ii) The transfer from investment properties at fair value to endowment investment properties at fair value is based on the Charity management decision.

(iii) During the year the Charity management change the policy of the accounting treatment for investments property valuation to record the highest fair value.
The change was reflected prospectively since it was not practical as per IAS 8 to record the change retrospectively.

(iv) Investments property include a property that was owned by a local Islamic bank against a contract of sale and leaseback, where the ownership of the land on which the property was built was in the name of the local bank until July 2021 after which ownership was transferred to the Charity.

Valuation Process

The Charity's management determines the valuation policies and procedures for property valuations. Each year, the management, after approval of the management, appoints the external valuers responsible for the valuations of the Charity's investment property. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The management engages independent and competent third-party valuation experts to countercheck the appropriateness of the methodologies used and appropriateness of the assumptions used; and to help them identify if there is any contradictory information and to reduce the estimation uncertainty involved in the estimation process.

9. INVESTMENTS PROPERTY AT FAIR VALUE (CONTINUED)

The management decides after discussion with the external valuers:

• The valuation method to be applied for each property (the methods that are applied for fair value measurements for fair value measurements in Level 2 of the fair value hierarchy, the market comparison approach is used).

Description of valuation techniques used by the Charity and key inputs to valuation of the investment property are disclosed in Note 36.

Market approach

Market approach or direct comparison method is based on comparing the subject asset with identical or similar assets (or liabilities) for which price information is available, such as a comparison with market transactions in the same, or closely similar (i.e. similar properties that have actually been sold in arms'-length transactions or are offered for sale), type of asset (or liability) within an appropriate time horizon. This approach demonstrates what buyers have historically been willing to pay (and sellers willing to accept) for similar assets (or liabilities) in an open and competitive market.
Generally, the opinion on value is based on evidence of open market transactions in similar property with adjustments of the comparable to differentiate the differences between the subject property and the comparable.

10. GRANTED INVESTMENTS PROPERTY AT COST

	2021	2020
Granted investments property at 1 January	6,301,219	9,512,959
Transferred to endowment investments property (1)	(3,075,499)	(3,093,895)
Building depreciation (Note 29)	(8,900)	(117,845)
Balance as at 31 December	**3,216,820**	**6,301,219**

The fair value of granted investments property at the date of the preparation of the financial statements amounted to QR 3,073,925 (2020: QR 5,047,033).

(1) During the year, a balance was transferred to endowment investments property at fair value, which were included in the balance of investments property presented as a granted, and they were presented under the item of endowment investments to be presented in accordance with the nature of these investments and based on the Charity management decision. The fair value of the transferred investments property at 31 December 2021 amounted to QR 3,118,590.

11. ENDOWMENT INVESTMENTS PROPERTY AT FAIR VALUE

	2021	2020
Endowment investments property at 1 January	37,124,970	37,124,970
Additions	7,053,974	-
Transferred from investments property (ii)	294,370,243	-
Transferred from granted investment property (ii)	3,075,499	-
Increase in fair value of investments property during the year (Note 33)	71,070,012	-
Balance as at 31 December	**412,694,698**	**37,124,970**

(i) The fair value of endowment investments property at 31 December 2021 amounted to QR 412,694,698 (2020: QR 50,173,870).

(ii) During the year the Charity management change certain investment properties at cost to fair value, The management reflected this change prospectively in accordance with IAS 8 as it is was not practical to record the change retrospectively.

12. ENDOWMENT INVESTMENTS PROPERTY AT COST

	2021	2020
Endowment investments property at 1 January	2,989,806	-
Transferred from granted investment property	-	3,093,895
Building depreciation (Note 31)	(103,805)	(104,089)
Balance as at 31 December	**2,886,001**	**2,989,806**

The fair value of endowment investments property at 31 December 2021 amounted to QR 5,386,788 (2020: QR 5,189,033).

13. INVESTMENT IN SUBSIDIARIES

	2021	2020
Balance as at 1 January	1,532,776	1,532,776
Impairment provision of investment in subsidiary	(1,332,776)	(1,332,776)
	200,000	200,000
Additions (ii)	200,000	-
Balance as at 31 December	**400,000**	**200,000**

	Shareholding percentage	2021	2020
New Resources Group for Real Estate Investment (i)	**100%**	200,000	200,000
Taqat for Business Solutions (ii)	**100%**	200,000	-
		400,000	**200,000**

(i) The Charity has invested 100% in the shares of New Resources Group for Real Estate Investment S.P.C. Since there is no commercial license issued for the company and it did not make any activity during the year, there are no financial statements for the investee at the date of the financial statements.

(ii) The charity has invested 100% of Taqat for Business Solutions during the year.

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2021	2020
Balance as at 1 January	95,047,593	94,743,065
Additions	68,199,948	-
Disposals	(63,222,387)	-
Change in fair value of financial assets at fair value through other comprehensive income	(12,431,689)	304,528
	87,593,465	**95,047,593**
Impairment provision of financial assets at fair value through other comprehensive income *(i)*	(18,415,884)	(18,415,884)
Balance as at 31 December	**69,177,581**	**76,631,709**

Movement in reserve of re-evaluation of investments during the year was:

	2021	2020
Balance as at 1 January	11,907,560	11,603,032
Change in fair value of financial assets at fair value through other comprehensive income	(12,431,689)	304,528
Balance as at 31 December	**(524,129)**	**11,907,560**

*(i)*Movement in impairment of investments during the year was:

Balance as at 1 January	18,415,884	18,415,884
Balance as at 31 December	**18,415,884**	**18,415,884**

15. OBLIGATIONS UNDER CAPITAL LEASE ARRANGEMENT AND DEFERRED GAINS ON SALE AND LEASEBACK TRANSACTIONS

During 2013, the Charity sold a property to a local bank at an amount of QR 303 million through sale and leaseback agreements, which include the re-purchase option at the end of the lease term. The bank undertook to transfer ownership of the property at the end of the contract term to the Charity free of charge. The Charity paid an advance payment amounts to QR 187 million at the beginning of the contract. The are no future lease payments and finance expense related to the leaseback transaction as it has been paid-off last payment on 1 July 2021.

Total deferred gains from sale and leaseback transactions:

	2021	2020
Total capital lease contract	-	303,000,000
Net carrying amount of sold assets	-	(303,000,000)
	-	-

Total remaining future payments under capital lease contract:

	2021	2020
Total future payments under capital lease contract	-	17,073,820
Less: deferred expenses	-	(397,964)
Current value of future payments under capital lease contract	-	**16,675,856**
Obligations under capital lease contract - current portion	-	16,675,856
Obligations under capital lease contract -non-current portion	-	-
	-	**16,675,856**

16. PAYABLES AND OTHER CREDIT BALANCES

	2021	2020
Accrued expenses *(i)*	541,415,877	379,977,482
Payable from charitable organizations *(ii)*	929,949	6,491,319
Insurances received from others	775,000	678,396
Deferred revenue	-	45,500
Other payables	9,512,697	5,021,019
	552,633,523	**392,213,716**

Movement in accrued expenses during the year was:

	2021	2020
Balance as at 1 January	379,977,482	291,298,118
Provided during the year	643,626754	463,271,587
Paid during the year	(482,188,359)	(374,592,223)
Balance as at 31 December	**541,415,877**	**379,977,482**

(i) Accrued expenses represent amounts payable at the date of the financial statements and these amounts are pending approval of the concerned authorities to enable the Charity to transfer the funds to its beneficiaries. Most of which are payments for certain projects and supporting orphans abroad.
(ii) During 2017, some of the donations received from other charitable organizations has been transferred to this account so that the Charity can use these donations for its normal activity. The Charity has recorded the donations as payable from charitable organizations in the financial statements of the charity.

17. EMPLOYEES' END OF SERVICE BENEFITS

	2021	2020
Balance at 1 January	18,713,800	17,213,593
Provided during the year	3,962,604	2,576,960
Paid during the year	(1,163,146)	(1,076,753)
Balance at 31 December	**21,513,258**	**18,713,800**

18. AMOUNTS DUE TO ISLAMIC BANKS

During 2015 the Charity obtained Islamic financing (Musawama) amounting to QR 10,410,894 from the Qatar International Islamic Bank that includes financing profits of QR 2,330,894. The Charity paid the net amount of funding amounting to QR 8,080,000 as advance-payment in lstisnaa contract amounting to QR 20,805,148 to build a property. The rest of the contract value amounting to QR 12,725,148 has been paid in one instalment on 4 October 2017. The profit rate on the Islamic financing (Musawama) is approximately 3.75% and is repayable in monthly instalments starting from 22 September 2017 until 22 August 2027.

During 2017 the Charity had agreement with Qatar International Islamic bank to settle the second payment of lstisnaa contract which is mentioned above by obtaining a finance lease agreement with a granting promise amounting of QR 12,725,148. The profit percentage of Islamic finance agreement (ljarah) is 3.75% and the monthly premiums has been paid starting of 4 November 2017 and it will end on 4 November 2027.

During the year 2018, the association obtained Islamic financing (rent in conjunction with the promise to sell) in the amount of 102,000,000 Qatari riyals, the amount includes financing profits in the amount of 29,059,560 Qatari riyals, and the percentage of profit on Islamic financing (rent) ranges from 4.95% and is paid in monthly installments starting from August 29, 2019 until July 29, 2027.

	2021	2020
Current portion	11,117,423	10,568,364
Non-current portion	83,957,232	95,074,656
	95,074,655	**105,643,020**

19. NET ASSETS

Net unrestricted assets

Net unrestricted assets represent the net result of activity carried forward from previous years, which is not restricted from donors and beneficiaries.

Net of restricted assets

Net restricted assets represent temporarily unused donations that have been received from donors for specific purposes or activities by donors and cannot be used in the operating activities of the Charity.

20. DONATIONS OF ACTIVITIES AND PROJECTS

	2021	2020
Social welfare projects	539,399,929	543,206,461
Charity and zakat	189,718,187	216,069,382
Humanitarian projects	171,232,594	389,490,170
Education and culture projects	129,477,250	144,526,696
Water and sanitation projects	115,934,002	104,744,578
Food security projects	68,189,151	67,694,914
Construction projects and social housing	63,520,919	70,368,326
Health and nutrition projects	25,643,288	30,322,701
Economic empowerment projects	20,026,732	22,031,951
Deducted for operating expenses (Note 25)	63,625,658	74,580,581
	1,386,767,710	**1,663,035,760**

21. INVESTMENTS INCOME

	2021	2020
Investments property at fair value revenues- rents	12,717,785	14,684,747
Net profit from sale of financial assets at fair value	14,285,798	-
Dividends income (i)	1,885,726	2,326,644
	28,889,309	**17,011,391**

(i) The Charity generated dividend income from the equity investments, the quoted shares are the Charity equity investment that are designated by the Charity as FVOCI.

22. INVESTMENTS INCOME GRANTED INVESTMENT PROPERTIES AT COST

	2021	2020
Rental income of Al Rayyan property	81,297	99,125
Rental income of foreign properties	73,588	36,901
Other	-	27,195
	154,885	**163,221**

23.INVESTMENTS INCOME ENDOWMENT INVESTMENT PROPERTIES AT FAIR VALUE

	2021	2020
Rental income of Al Sad property	3,993,304	21,139,614
Rental income of Elhitmi property	2,912,206	3,889,526
Rental income of Bin Dirham 4 property	2,570,478	2,231,061
Rental income of Muntazah property	1,721,680	1,846,863
Rental income of Abu Sidra property	330,680	592,892
Rental income of Umm Salal property	129,993	120,355
Rental income of Al Ain Khalid property	24,253	-
Rental income of Al Thumamah property	21,651	-
	11,704,245	**29,820,311**

24. INVESTMENTS INCOME ENDOWMENT INVESTMENT PROPERTIES AT COST

	2021	2020
Rental income of Muaither property	166,950	167,028
Rental income of Al Khor property	70,997	59,344
	237,947	**226,372**

25. DEDUCTED FOR ADMINISTRATIVE AND OPERATING EXPENSES

A percentage ranging from 0-12.50% is deducted from total receipts and revenue items, which will be divided as follows:

The allocation of administrative and operating expenses 60% (2020:50%) for administrative and fundraising expenses, 24% (2020:30%) for indirect operating expenses, and 16% (2020:20%) for direct operating and monitoring, evaluation, accountability, and learning (MEAL) expenses, based on changing the basis of cost distribution from the Charity's management and the corresponding redistribution of the Charity's deducted percentage of donation.

	2021	2020
Deducted for administrative and fundraising expenses	101,565,593	111,870,871
Deducted for operating and MEAL expenses (Note 20)	63,625,658	74,580,581
Total deductions against expenses	**165,191,251**	**186,451,452**

26. ADMINISTRATIVE AND FUNDRAISING EXPENSES

* Analysis of administrative and fundraising expenses during the year based on the nature of expenses as follow:

	2021	2020
Salaries and wages	83,073,579	80,078,376
Advertising	6,006,020	5,406,069
Rents	5,256,052	5,197,186
Maintenance	1,556,298	1,146,234
Post, phone, and fax	1,371,939	2,264,232
Stationery and publications	567,857	554,732
Cleaning	445,363	484,543
Training and development	278,489	192,444
Fees	271,564	218,522
Temporary labor	237,545	270,562
Hospitality	220,627	231,511
Travel and missions	170,713	107,430
Guard costs	143,042	251,585
Professional and technical fees	112,871	74,124
Fuels	106,594	77,311
Insurance expenses	57,098	49,074
Translation	29,562	8,811
Miscellaneous expenses	4,472	8,552
	99,909,685	**96,621,298**

27. OPERATING EXPENSES OF ACTIVITY AND PROJECTS

	2021	2020
Social Welfare Projects	614,274,076	579,227,558
Humanitarian projects	184,667,021	330,823,726
Education and Culture Projects	128,291,416	128,749,843
Water and sanitation projects	76,314,120	77,917,456
Food Security Projects	55,687,949	60,175,444
Construction projects and social housing	38,234,590	60,880,298
Health and Nutrition Projects	25,118,258	26,507,264
Economic Empowerment Projects	18,139,266	18,650,112
Charity and Zakat	8,758,275	5,995,354
Indirect operating expenses	74,363,797	80,298,379
	1,223,848,768	**1,369,225,434**

* Analysis of operating and MEAL expenses during the year based on the nature of expenses as follows;

	2021	2020
Expenses of employee salaries, wages and benefits	41,782,225	45,184,968
Expenses of external offices	32,581,572	35,113,411
	74,363,797	**80,298,379**

28. INVESTMENTS EXPENSES

	2021	2020
Investment property expenses -rents	**7,276,904**	**6,692,648**

29. INVESTMENTS EXPENSES GRANTED INVESTMENT PROPERTIES AT COST

	2021	2020
Maintenance and management expenses of Al Rayyan property	4,010	28,211
Depreciation (Note 10)	8,900	117,845
	12,910	**146,056**

30. INVESTMENTS EXPENSES ENDOWMENT INVESTMENT PROPERTIES AT FAIR VALUE

	2021	2020
Maintenance and management expenses of Al Sad property	1,444,485	660,647
Financing expenses of Elhitmi property	637,236	723,981
Financing expenses of Al Sad property	613,028	1,238,399
Maintenance and management expenses of Elhitmi property	493,962	398,683
Maintenance and management expenses of Bin Dirham 4 property	415,046	390,684
Maintenance and management expenses of Muntazah property	411,633	431,954
Maintenance and management expenses of Abu Sidra property	90,632	103,526
Maintenance and management expenses of Umm Salal property	27,279	15,835
Maintenance and management expenses of Thumamah property	11,763	-
Maintenance and management expenses of Ain Khalid property	11,440	-
Others	-	1,160,605
	4,156,504	**5,124,314**

31. INVESTMENTS EXPENSES ENDOWMENT INVESTMENT PROPERTIES AT COST

	2021	**2020**
Maintenance and management of Muaither property	41,944	35,714
Maintenance and management expenses of Al Khor property	19,642	7,357
Depreciation (Note 12)	103,805	104,089
	165,391	**147,160**

32. OTHER EXPENSES

	2021	**2020**
Bank commission of financial institutions	13,166,569	13,400,768
Foreign currency exchange loss	2,693,170	5,979,516
Provision for impairment loss made during the year (Note 5)	-	685,783
Depreciation	9,253,238	7,178,074
	25,112,977	**27,244,141**

33. GAIN / LOSS FROM CHANGE IN FAIR VALUE OF INVESTMENT PROPERTY

	2021	**2020**
Investment property (Note 9)	42,111,149	(38,437,712)
Endowment investment property at fair value (Note 11)	71,070,012	-
	113,181,161	**(38,437,712)**

34. RECLASSIFICATION

Certain changes in the classification of accounts and accordingly, to the supporting note disclosures have been made to the previous year's financial statements to conform to the current year's financial statement presentation.

The table below shows the summary of the impact of reclassification in the Company's financial statements as at 31 December 2020.

	As previously reported 31 December 2020	Reclassification	As reclassified 31 December 2020
Statement of financial position			
ASSET (i)			
Endowment investments property at fair value	40,114,776	(2,989,806)	37,124,970
Endowment investments property at cost	-	2,989,806	2,989,806
NET ASSETS (ii)			
Net restricted assets	1,783,806,761	(36,233,011)	1,747,573,750
Net unrestricted assets	25,304,990	49,088,628	74,393,618
Reserve of unrealized gain from investments property	12,855,617	(12,855,617)	-
STATEMENT OF ACTIVITIES (iii)			
Donations of activities and projects	1,681,544,903	(18,509,144)	1,663,035,759
Investments income	42,228,929	(25,217,538)	17,011,391
Investments income granted investment properties at cost	283,576	(120,355)	163,221
Investments income endowment investment properties at fair value	4,708,791	25,111,520	29,820,311
Investments income endowment investment properties at cost	-	226,372	226,372
Deducted for administrative and fundraising expenses	93,361,727	18,509,144	111,870,871
Administrative and fundraising expenses	(76,538,769)	(20,082,529)	(96,621,298)
Operating expenses of activities and projects	(1,396,486,037)	27,260,603	(1,369,225,434)
Investments expenses	(9,522,882)	2,830,234	(6,692,648)
Investments expenses granted investment properties at cost	(157,905)	11,849	(146,056)
Investments expenses endowment investment properties at fair value	(2,429,390)	(2,694,924)	(5,124,314)
Investments expenses endowment investment properties at cost	-	(147,160)	(147,160)
Other expenses	(20,066,068)	(7,178,073)	(27,244,141)

(i) Represents reclassification from endowment investments property to granted endowment investments property which the endowment investments property following the fair value model and granted endowment investments property is following cost model.

(ii) As result of reclassification between restricted and unrestricted properties and reclassification between reserve of unrealized gain from investments property to the change in fair value of investments properties.

34. RECLASIFICATION (CONTINUED)

(iii) Changing the basis of cost distribution from the Charity's management and the corresponding redistribution of the Charity's deducted percentage of donation.

35. FINANCIAL RISKS AND CAPITAL MANAGEMENT

Financial risks

The risk management function within the Charity is carried out in respect of financial risks.

Financial risks are risks arising from financial instruments to which the Charity is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Charity's income or the value of its holdings of financial assets. The objective of market risks management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Charity has a set of acceptable parameters, based on value at risk, that may be accepted and which is monitored on a regular basis.

(i) Currency risk

Currency risk is the risk that the value of a financial assets will fluctuate due to a change in foreign exchange rates. The Charity is exposed to foreign currency risk on its imports. However, the outstanding payments are designated in US Dollar. As the Qatari Riyals is pegged to the US Dollar, balances in US Dollar are not considered to represent a significant currency risk.

(ii) Interest rate risk

At the reporting date, the interest rate profile of the Charity's interest-bearing financial instruments is:

	2021	2020
Floating interest rate instruments:		
Financial liabilities	**95,074,655**	**105,643,020**

The following table demonstrates the sensitivity of the statement of comprehensive income to reasonably possible changes in interest rates by 25 basis points, with all other variables held constant. The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates for one year, based on the floating rate financial liabilities held at the reporting date.

The effect of the decreases in interest rates is expected to be equal and opposite to the effect of the increases shown:

	Change in basis points	Effect on profit
2021		
Floating interest rate instruments	+25	(237,687)
	-25	237,687
2020		
Floating interest rate instruments	+25	(264,108)
	-25	264,108

35. FINANCIAL RISKS AND CAPITAL MANAGEMENT (CONTINUED)

Financial risks (continued)

b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Charity's exposure to credit risk is as indicated by the carrying amount of its assets which consist principally of accounts receivables, other receivables, due from related parties and bank balances. The Charity seeks to limit its credit risk with respect to customers by setting credit limits for individual customers and monitoring outstanding receivables.

Credit evaluations are performed on all customers requiring credit and are approved by the Charity's management. The Charity maintains a provision for doubtful accounts receivable; the estimation of such provision is reviewed periodically and established on a case by case basis.

Below table summarises the maximum exposure of the Charity equal to the carrying amounts of these financial assets are as follows:

	2021	2020
Banks balances	1,273,485,975	1,195,522,529
Receivables and other debit balances	7,250,377	7,814,911
	1,280,736,352	**1,203,337,440**

c) Liquidity risk

Liquidity risk is the risk that the Charity will not be able to meet financial obligations as they fall due. The Charity's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Charity's reputation and is to maintain a balance between continuity of funding and flexibility through the use of bank loans.

The table summarises the maturity profile of the Charity's undiscounted financial liabilities at 31 December based on contractual payment dates and current market profit.

	2021			
	Less than 1 year	**1-2 years**	**2-5 years**	**Total**
Payables and other credit balances	551,858,523	-	-	551,858,523
Amount due to Islamic Banks	11,117,423		83,957,232	95,074,655
	562,975,946	**-**	**83,957,232**	**646,933,178**

	2020			
	Less than 1 year	**1-2 years**	**2-5 years**	**Total**
Payables and other credit balances	391,489,820	-	-	391,489,820
Amount due to Islamic Banks	10,568,364	-	95,074,656	105,643,020
Obligations under capital lease	16,675,856	-	-	16,675,856
	418,734,040	**-**	**95,074,656**	**513,808,696**

36. FAIR VALUE MEASUREMENT

FINANCIAL INSTRUMENTS

Accounting classification and fair values
The following table shows the carrying amounts and fair values of financials assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount		*Fair Values*			
	FVOCI – Equity investment	*Amortized cost*	*Level 1*	*Level 2*	*Level 3*	*Total*
As at 31 December 2021						
Financial assets measured at fair value and amortized cost						
Equity investments	69,177,581	-	69,177,581	-	-	69,177,581
Financial assets not measured at fair value						
Receivables and other debit balances	-	17,951,998	-	-	-	-
Cash and bank balances	-	1,273,485,975	-	-	-	-
Financial liabilities measured at amortized cost						
Amounts due to Islamic banks	-	95,074,655	-	-	-	-
Payables and other credit balances	-	552,633,523	-	-	-	-

	Carrying amount		*Fair Values*			
	FVOCI – Equity investment	*Amortized cost*	*Level 1*	*Level 2*	*Level 3*	*Total*
As at 31 December 2020						
Financial assets measured at fair value and amortized cost						
Equity investments	76,631,709	-	76,631,709	-	-	76,631,709
Financial assets not measured at fair value						
Receivables and other debit balances	-	31,243,240	-	-	-	-
Cash and bank balances	-	1,195,522,529	-	-	-	-
Financial liabilities measured at amortized cost						
Amounts due to Islamic banks	-	105,643,020	-	-	-	-
Payables and other credit balances	-	392,213,716	-	-	-	-

36. FAIR VALUE MEASUREMENT (CONTINUED)

INVESTMENT PROPERTIES

The fair value hierarchy of the Company's investment properties is as follows:

	Carrying amount		*Fair Values*			
	Investments property at fair value	***Investments property at cost***	***Quoted prices in active markets (Level 1)***	***Significant observable inputs (Level 2)***	***Significant unobservable inputs (Level 3)***	***Total***
As at 31 December 2021						
Investments property at fair value	415,134,738	-	-	415,134,738	-	415,134,738
Endowment investments property at fair value	412,694,698	-	-	412,694,698	-	412,694,698
Granted investments property at cost	-	3,216,820	-	3,073,925	-	3,073,925
Endowment investments property at cost	-	2,886,001	-	5,386,788	-	5,386,788

	Carrying amount		*Fair Values*			
	Investments property at fair value	***Investments property at cost***	***Quoted prices in active markets (Level 1)***	***Significant observable inputs (Level 2)***	***Significant unobservable inputs (Level 3)***	***Total***
As at 31 December 2020						
Investments property at fair value	631,694,489	-	-	631,694,489	-	631,694,489
Endowment investments property at fair value	37,124,970	-	-	37,124,970	-	37,124,970
Granted investments property at cost	-	6,301,219	-	5,047,033	-	5,047,033
Endowment investments property at cost	-	2,989,806	-	5,189,033	-	5,189,033

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

36. FAIR VALUE MEASUREMENT (CONTINUED)

INVESTMENT PROPERTIES (CONTINOUED)

Valuation techniques

The following table shows the valuation techniques used in measuring Level 2 fair values at 31 December 2021 and 2020: -

Type	*Valuation technique*	*Significant unobservable inputs*	*Inter-relationship between significant unobservable inputs and fair value measurement*
Investment property – completed properties– State of Qatar	Market comparison technique: The fair values are calculated as derived from the current market prices available for the properties or nearby / adjacent properties adjusted for any differences with the comparable properties.	Not applicable	Not applicable

37. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about significant areas that involve higher degree of judgment or complexity, or areas where assumptions or estimates have a significant risk of resulting in a material adjustment to the amounts recognised in the financial statements are as follows:

Useful lives of property and equipment

The Charity's management determines the estimated useful lives of its property and equipment in order to calculate the depreciation. This estimate is determined after considering the expected usage of the asset and intangibles, physical wear and tear, technical or commercial obsolescence. The Charity's management reviews the residual value and useful lives annually and future depreciation and amortization charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impairment of non-financial assets

The carrying amounts of the Charity's non-financial assets (property and equipment) are reviewed at each reporting date to determine whether there is any indication of impairment. The determination of what can be considered impaired requires significant judgement. As at the reporting date, management did not identify any evidence from internal reporting indicating impairment of an asset or class of assets.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Charity determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This is assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how the managers of the assets are compensated. The Charity monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of Charity's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes required during the year.

Impairment of receivables

The expected credit loss (ECL) impairment model requires forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. It also requires management to assign probability of default to various categories of receivables. Probability of default constitutes a key input in measuring an ECL and entails considerable judgement; it is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

37. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

Provision for employees' end of service benefits

Management has measured the Charity's obligation for the post-employment benefits of its employees based on the provisions of the Qatar Labour Law No. 14 of 2004. Management does not perform an actuarial valuation as required by International Accounting Standard 19 "Employee Benefits" as it estimates that such valuation does not result to a significantly different level of provision.

The calculation of the provision is performed by management at the end of each year, and any change to the projected benefit obligation at the year-end is adjusted in the provision for employees' end of service benefits in the profit or loss.

Other provisions and liabilities

Other provisions and liabilities are recognized in the period only to the extent management considers it probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the actual cash outflows can take place in subsequent years, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances. A change in estimate of a recognized provision or liability would result in a charge or credit to profit or loss in the period in which the change occurs.

Going concern

The Charity's management has made an assessment of the Charity's ability to continue as a going concern and is satisfied that the Charity has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Charity's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

38. SUBSEQUENT EVENTS

There were no significant subsequent events which have a bearing on the understanding of these financial statements.