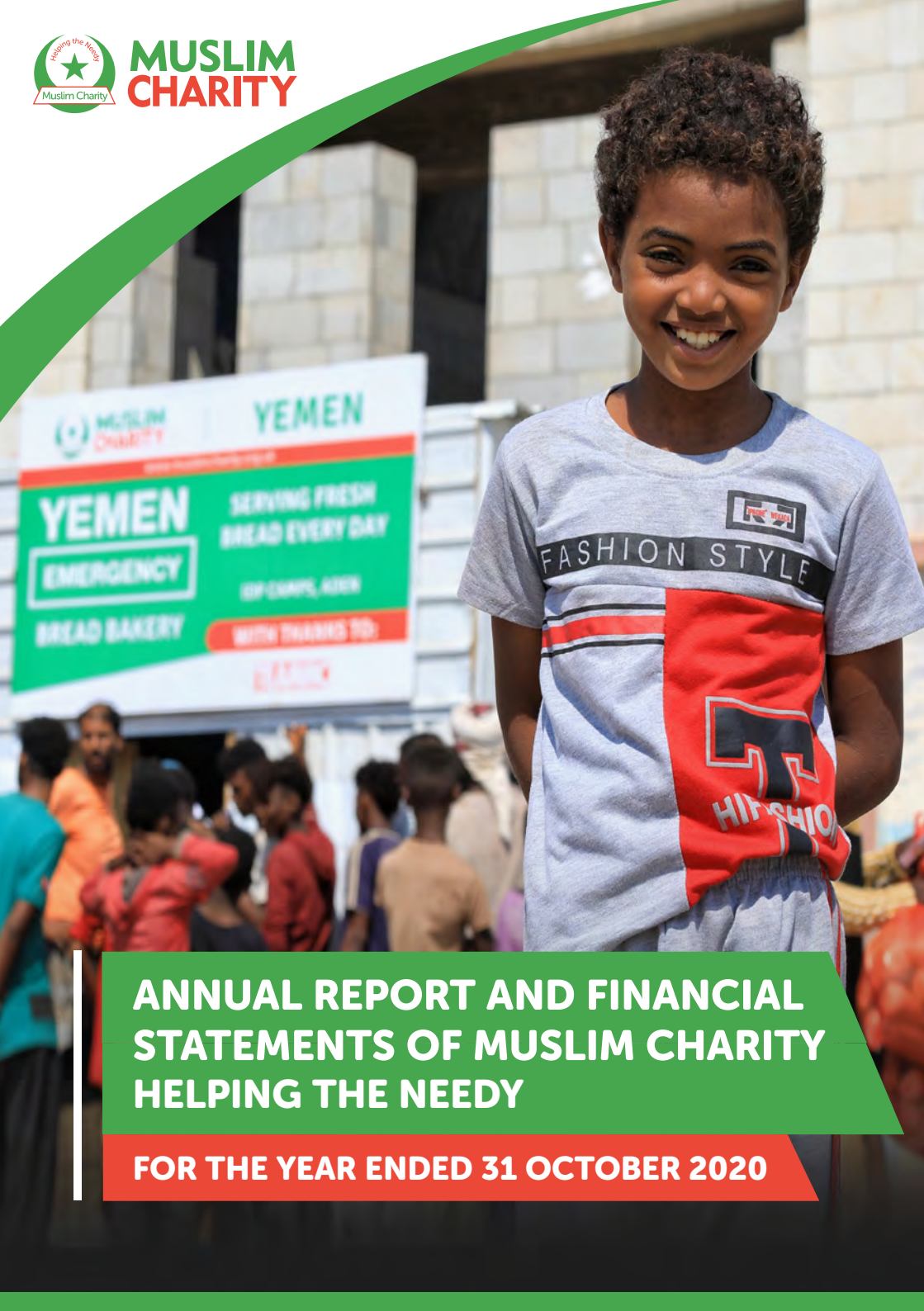




**MUSLIM
CHARITY**



ANNUAL REPORT AND FINANCIAL STATEMENTS OF MUSLIM CHARITY HELPING THE NEEDY

FOR THE YEAR ENDED 31 OCTOBER 2020

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VICE CHAIRMAN'S

MESSAGE

Dear Friends,
Assalamu Alaykum,

Each year, I am moved by your generosity and kindness towards vulnerable communities. The last year has been incredibly challenging, and hardship and loss has affected everybody. Despite this, you have been more giving than ever, and it has been an honour to facilitate your donations and uplift communities.

Together, we have supported more than 1.7 million people in need during the past year, and we are so grateful for your commitment and trust.

This annual report highlights some of our recent achievements and activities and also documents our financial statements for the year ended 31 October 2020. I hope you enjoy browsing through this brochure, bringing to light the incredible work that would not be possible without you.

Ma'as Salaam,

Bakhtyar H. Pirzada,
Vice Chairman

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 October 2020.

Charity Number: 1078488

Company Number: 03867865

Registered Office: Muslim Charity, Eaton Hall, Retford,
Nottinghamshire DN22 0PR (UK)

Trustees: Mr Muhammad Imdad Hussain Pirzada
Mr Bakhtyar Haider Pirzada
Mrs Ghulam Fatima
Mrs Aneesa Hussain
Mr Ali Qudar Raja
Mr Mohammed Yousaf

Legal Advisors: Lee Bolton Monier-Williams LLP
1 The Sanctuary, Westminster, London SW1P 3JT

Auditor: KBM UK Limited, 1 Concord Business Centre
Concord Road, London W3 0TJ

Bankers: TSB Bank
1 Carolgate, Retford DN22 6BY
HSBC
31 Carolgate, Retford DN22 6DA

STRUCTURE, GOVERNANCE AND MANAGEMENT

Board of Trustees

The Board of Trustees sets our future aims and priorities, focusing on strategic planning and governance and also evaluates our performance and progress in our work to alleviate poverty and suffering.

The Board of Trustees appraises the Senior Management Team and can make appointments to it as well as dismissals. The Board of Trustees also makes sure that we satisfy the regulatory requirements on us as a charity, and works with key stakeholders.

Recruiting and Appointing Trustees

All of our trustees are volunteers, chosen because they have the diverse range of skills, knowledge and experience that we need to respond to the challenges of today. Stakeholders and partners may nominate trustees and sometimes we will make a personal approach to potential candidates.

Key Personnel

The UK Director is accountable to the Board of Trustees and – along with other senior staff – is responsible for our day-to-day management. The UK Director chairs the Senior Management Team, which is made up of the Programmes, Fundraising and Finance Departments and all the policies are implemented through our staff and volunteers.

Governing Document

Muslim Charity Helping The Needy refers to the charity incorporated as a company limited by Guarantee in England and Wales, with a governing document known as the Memorandum and Articles of Association originally incorporated on 25 October 1999 and amended by Written Resolutions passed by the Company Members on 29 November 1999 and 15 January 2019 respectively.

Responsibilities of Directors and Trustees

The Annual Report and Financial Statements are prepared according to the relevant law and regulations and approved by the Company Directors.

The directors keep adequate accounting records and these show and explain our transactions. The records also disclose our financial position with reasonable accuracy at any time, and enable directors to ensure that the financial statements comply with the Companies Act 2006 and the Charity Commission Statement of Recommended Practice (SORP) 2015.

Grant Making Policies

We provide grants to projects if the request meets our charitable objectives and criteria. Project grant making is managed according to a designated process which is documented in our "Operational Risk-Management Framework". We aim to treat all grant applications professionally, equally and fairly. We make the final decision as to eligibility to receive a grant, at our discretion.

Public benefit

We develop strategic plans to make certain that we provide maximum public benefit and achieve our strategic objectives, which fall under purposes defined by the Charities Act 2006.

Employees

We support and develop the skills of our employees. We encourage all of our colleagues to engage with the strategy and objectives, and to give their suggestions and views on performance and strategy. We are an equal opportunities employer and are proud to recruit and promote our staff based on their aptitude and ability, without discrimination. The majority of staff benefit from policies focusing on training and career development as well as regular supervision and an annual appraisal.

Where We Work

Muslim Charity responds to humanitarian emergencies as declared by lead International humanitarian agencies and governments along with its developmental projects in countries such as Kenya, Somalia, Uganda, Occupied Palestinian Territories, Lebanon, Nepal, Bangladesh, Pakistan and India. Muslim Charity is striving to reach out to vulnerable communities in many other countries of the world as well.

OBJECTIVES AND STRATEGIC ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the charity are set out below:

1. To relieve poverty, distress and suffering amongst people in any part of the world [including starvation, sickness, or any physical disability or affliction] primarily, but not exclusively, when arising from any public calamity [including famine, earthquake, pestilence, war or civil disturbance].
2. To advance education in the United Kingdom, in particular [but not exclusively] the teaching of Islamic studies, for the benefit of the people of the Islamic faith.

Our **Vision 2023** strategic plan outlines the specific areas where we, as Muslim Charity, will focus over the coming years to contribute to our global mission. It's a bold ambition and there is much work to do. We will work alongside the families, communities, volunteers, supporters, and in partnership with others who share our ambitions, to create significant, meaningful and much-needed change. **Vision 2023** is an ambitious but realistic strategic plan which identifies five Operational Goals, defines specific objectives and outlines a set of workstreams we will undertake with our staff, supporters and partners. We want to harness the passion, commitment and talent of our trustees, staff, networks, beneficiaries and volunteers to create and define an effective way of encouraging philanthropy to support people in need within the UK and around the world.



EMERGENCIES

YEMEN

EMERGENCY

Yemen has been facing years of armed conflict and displacement. Its population is facing the worst famine in the last 100 years, and rampant disease and COVID-19 has left 22.2 million people in desperate need.

Thanks to you, we have helped over **46,000** people in Yemen this year.

We have provided:



Food to **6,000** people.



Hygiene kits to **1,050** people.



Nutritional supplements to **700** malnourished children.



Winter kits to **1,500** people.



Daily fresh bread to **200** families through our bread bakery project.



Face shields and masks to over **35,000** people during Covid-19.



Medicines to **1,000** people.



3 infant incubators to help save babies.

£25

Nutritional kit for malnourished children.



£50

Food Pack.



£100

Feed 100 families with 1,500 loaves of bread.



£500

Free medical camp for one day.





ROHINGYA EMERGENCY

In 2017, an increase in violence in the Rakhine state, Burma, forced over 870,000 Rohingyas to flee their homes, many of them women and children. Many fled to neighbouring Bangladesh to seek safety, and have since been living as refugees in overcrowded, unsanitary, temporary camps with a lack of food, clean water and healthcare.

Muslim Charity has been supporting Rohingya refugees since 2017. We have built 345 shelters for refugee families, a child-friendly centre and 65 toilets and shower rooms. We have distributed 3,256 food packs, 1,700 winter packs, 1,656 household kits and 1,120 dignity kits. We have built three large water reservoir systems, dug 28 deep water wells and provided 2 ambulances.



£50

Food Pack.



£100

Food, hygiene and survival kit.



£250

Support a child-friendly space.



£450

Shelter for a refugee family.



SYRIA

EMERGENCY

10 years of war in Syria has caused the world's largest refugee crisis. There are 1.5 million Syrian refugees in Lebanon, 88% of whom are living below the poverty line. Lebanon has been facing a deep financial crisis since 2019. This has been exacerbated by the COVID-19 pandemic and, in August 2020, the devastating explosion in the Beirut port.



We have provided:



Food to **5,322** people.



380 winter kits including mattresses, blankets, warm clothing, heaters and fuel.



200 hygiene kits.



Education kits to **50** vulnerable students



13 shelters for refugee families.



A playing hall for children in the Aarsal Camp.



£50

Food Pack.



£100

Food, hygiene
and survival kit.



£1000

Shelter for a
refugee family.



CORONAVIRUS

EMERGENCY

The COVID-19 pandemic has led to a dramatic loss of human life worldwide and presents an unprecedented challenge to public health and the economy. The virus has made those already vulnerable, even more so, and impoverished communities worldwide have struggled to access food and stay healthy.

Over a million people have died, and this number will continue to rise.

During the pandemic, Muslim Charity has supported impoverished communities with food and hygiene kits, and supported restaurants in the UK to provide food to the vulnerable.

We have helped over 57,000 people in Lebanon, Bangladesh, Yemen, Pakistan, Gaza and the UK.





£20

Hygiene Kit.



£50

Food Pack.



£250

Income
generation
support.





WINTER

EMERGENCY

For countless families living in poverty around the world, winter is nothing but a fight for survival. Without stable shelter, good food or warm clothing, countless people fear they may not survive. The lack of healthcare for impoverished people and refugees means even a cold could be fatal.

Over last winter, Muslim Charity supported 11,879 people across six countries with nutritious food, warm clothing, heating and fuel. We provided winter aid to thousands of people in Bangladesh, Pakistan, Yemen, Lebanon, Gaza and the UK.



£10

Winter Blanket.



£30

30 hot meals for
UK homeless.



£50

Food Pack.





Children
of the World



RESCUE A CHILD

There are approximately 150 million children living on the streets worldwide. They are living in fear, without protection, food or hope for their futures. They are at huge risk of exploitation, abuse and forced labour.

In Bangladesh, we rescue street children, and work to reunite them with their families. If this is not possible, we refer them to permanent shelters offering safety and protection, alongside the ability to go to school.

£100

Rescue four children from the streets.



£25

Rescue a child from the streets.



£300

Rescue a child every month.



(or £25 per month)



Similarly, in Pakistan we run child protection centers which offer safety and education, as well as working with their families.

We have rescued 1,361 street children in Bangladesh, and last year alone, 88 children were reunited with their families.

In Pakistan, we have provided informal education and psycho-social support to over 500 children. Last year alone, 69 were reunited with their families and 48 children with no traceable family were referred to government institutions.



SUPPORTING SPECIAL CHILDREN

Unfortunately, children with disabilities are more at risk of abuse, exclusion and discrimination. 150 million children worldwide suffer from a physical or mental disability and 90% of disabled children worldwide are not in school.

Disabled children from poor families are particularly vulnerable, as they lack the understanding and means to give them the care they need. They are further excluded from society.



£60

Support a child with special needs for 2 months.



£120

Support 2 children with special needs for 2 months.



£300

Support 5 children with special needs for 2 months.



Muslim Charity supports children with special needs in Karachi and Kharian, Pakistan. We are supporting a centre for special needs children in Karachi, where 50 children have benefited from special education, medical and psycho-social rehabilitation and physiotherapy sessions. We have provided transportation to ensure that children are able to attend. In Kharian, we supported the construction of a Rehabilitation Centre and Blind School, and sponsor children on a one-to-one basis.

ORPHAN SPONSORSHIP

Losing one or both parents at a young age is difficult for any child, and especially so for those living in poverty. There are approximately 140 million orphans around the world, many of whom have had to stop going to school. Without a breadwinner, many poor families are unable to provide effectively for their children.

Our orphan sponsorship programme provides children with access to education, healthcare and a nurturing environment. Our one-to-one model gives children a sense of independence and dignity.

Since 2012, we have been sponsoring 1,244 orphans in Pakistan, Bangladesh, India, Lebanon, Gaza, Sri Lanka, Myanmar and Nepal on a one-to-one basis.

Last year alone, we have supported 282 children.

£360

Sponsor an orphan.

(or £30 per month)





Our Hafiz Sponsorship programme helps ensure children living in poverty are able to connect with their faith and memorize the holy Qur'an. Many children from poor families do not have this opportunity, and many do not go to school at all.

Our programme provides children with an ideal learning environment with qualified teachers of the Qur'an, food, health checks and clothing during their period of Hifz education.

Since 2012, we have supported 723 children memorise the Qur'an in Pakistan, Somalia, Myanmar and Nepal.

£360

Sponsor a Hafiz-e-Qur'an student for one year.



(or £30 per month)

£1080

Sponsor a Hafiz-e-Qur'an student for 3 years.



(3 years is the average time it takes a student to complete the memorisation of the holy Qur'an)



£10000

Adopt a
school.



(or £840 per month)

ADOPT A SCHOOL

Approximately 258 million young people do not go to school around the world. Many families cannot afford to send their children to school, and in many areas school structures are poor or unsafe without basic facilities, which prevents parents from enrolling their children.

Muslim Charity's Adopt a School project renovates and rebuilds public schools and madrassahs across Pakistan, Bangladesh, Nepal, Kenya, Gambia, Uganda and Somalia.

Since 2015, 21,000 children have benefited from the renovation of 87 schools and madrassahs. Last year alone, we rebuilt 4 schools in Bangladesh, 3 schools and 4 madrassahs in Kenya, 4 madrassahs in Gambia and 19 madrassahs in Somalia.

£25

School
stationary.



£180

Educate a child
for one year.



(or £15 per month)

The renovated
buildings with washrooms
provide safe, happy and
nurturing environments for all
children.



£2000

Construction
of one home.



HOMES FOR THE ZAKAT ELIGIBLE

We believe Zakat can be used for sustainable, long-lasting change for families and communities. Our Homes for the Zakat Eligible project takes Zakat one step further, and provides decent housing facilities offering protection and a safe space to call home for years to come.

The aim of this project is to support families to become self-reliant and live in security.

In the year 2020-21 we have built 16 houses for Zakat eligible families in Pakistan and Bangladesh.

ZAKAT FOR BUSINESS STARTUPS

We help vulnerable families in Pakistan, Bangladesh and Yemen establish their own businesses based on their skills and local context.

In this way, we help families create reliable income for the long-term. Over the past year, we have focused on supporting women with orphan children or disabled family members.

In the year 2020-21 we provided 12 three-wheeler vehicles in Pakistan and Bangladesh for different enterprises including pick and drop services, food trucks or used as vans for fruit-sellers. We have setup 21 grocery shops in Pakistan and Yemen, and provided 12 hand carts.

The majority of our beneficiaries in Yemen are IDPs living in camps, and this small intervention provided them enough support to become independent in their lives.



£250

Zakat for business startup.



£500

Zakat for business startup.





ZAKAT PROJECTS

At Muslim Charity, we distribute your Zakat with the utmost care and in line with Islamic guidance and principles. We are committed to serving the most needy and ensure your Zakat is distributed in line with Shariah to bring you the most reward and blessings.

Our Zakat applicable projects are all life-changing and life-saving, and tackle some major issues worldwide including vicious cycles of poverty, hunger, thirst and disease. We care for the most vulnerable including orphans, babies, the elderly, widows and those with disabilities.





£25

Rescue a child.



£50

One food pack.



£150

Water hand pump.



£150

Safe delivery of a newborn.



£300

Rescue a child every month.



(or £25 per month)

£360

Sponsor a
Hafiz-e-Quran
student.



(or £30 per month)

£360

Sponsor an
orphan.



(or £30 per month)

£2000

Construct a
home for a Zakat
eligible family.



£2500

Canteen/cart
on a rickshaw.





USE OUR ZAKAT CALCULATOR

Fulfilling the pillar of Islam, Zakat, is one of the most important things we as Muslims do each year. It is vital we understand if we need to pay Zakat, how much to pay, and where we can pay it.

Our Zakat Calculator provides a simple and easy way for you to work out how much Zakat you need to pay. All you need to do is enter your information into our calculator, and it takes away the stress and hassle and works out exactly how much you need to pay, and what great things your Zakat can achieve.

Use our online Zakat calculator:

www.muslimcharity.org.uk/zakat





SADAQAH JARIYAH

YOUR LEGACY

Through our Sadaqah Jariyah projects, we are able to support communities living in poverty in hard-to-reach areas. These projects include giving access to clean drinking water by installing hand pumps, water wells and solar water wells.

We build mosques in rural communities to enrich their deep love for Islam, and help children flourish by renovating schools.

Your Sadaqah Jariyah donations facilitate long-term change, changing the lives of communities for the better, bringing you ongoing reward in this life and the next.



£15
per month

Support
water solutions.

£100

One share in
a Masjid.

£150

Safe delivery
of a newborn.



£150

Water
hand pump.





£500

Fulfil an immediate need of a Masjid.

£750

Water well in Asia.



£2000

Community solar well.



£3000

Water well in Africa.



(or £166 per month)

£8500

Build a Masjid in Asia.





£10000

Build a Masjid
in Africa.



£10000

Medium Solar
Well (Asia).



(or £833 per month)

£15000

Large Solar
Well (Asia or
Africa).



(or £1250 per month)

£20000

Masjid and
Madrassah
Complex.



Photo: Masjid Al-Noor, located in Malindi, Kenya, which was inaugurated by Muslim Charity in March 2021. The Masjid was funded through a fundraising campaign run by the wife and children of Brother Noor who is battling cancer. The family did this in order to leave a legacy for Brother Noor through a Sadaqah Jariyah project. May Allah SWT reward all the donors and cure Brother Noor. Ameen.

Honouring Our Mothers

£150

Safe delivery of
a newborn.



SAFE DELIVERY

Worldwide, a woman dies from pregnancy-related complications or during childbirth every 2 minutes. At least 7,000 stillbirths occur every day. Most deaths of babies and mothers are due to the lack of medical support and clean environments.

Muslim Charity is supporting hospitals in Pakistan to offer safe deliveries and medical care for expectant mothers and babies.

We supported the safe delivery of 1,181 newborn babies last year, and treated a further 30,000 patients.

A photograph showing several infant incubators in a hospital setting. Two incubators in the foreground contain newborn babies. The incubators are white with clear plastic viewing windows and circular access ports. A control panel with various buttons and lights is visible on the right incubator. A purple banner is overlaid on the bottom left of the image.

£2500

Infant
incubator.



(or £210 per month)

INFANT INCUBATORS

Every year, 15 million babies are born premature, and over 1 million do not survive. 75% of these deaths are preventable with simple cost-effective interventions.

Since 2013, we have worked with hospitals across the most vulnerable areas of Pakistan, Bangladesh, India, Lebanon, Kenya and Yemen and provided 147 neonatal incubators helping save the lives of approximately 7,000 premature babies each year.

Last year alone we delivered 19 incubators.



AMBULANCES

In times of need, ambulances can save lives. They help ensure those in need of medical attention reach hospital quickly, and this can truly save lives. However, this is often only a dream in many impoverished communities, and many people have lost loved ones, when this could have been easily prevented.

Over the past few years, we have provided 26 ambulances across Pakistan, Bangladesh and Somalia. Each ambulance is fully equipped and comes with ventilation equipment, fixed and portable oxygen apparatus, obstetrical kits, immobilisation devices (such as wheelchairs and stretchers), bandages and emergency kits as well as the standard equipment needed for a trained paramedic.

Our ambulances have helped 9,000 people last year.



£500

One share
towards an
ambulance.

(or £42 per month)

£12000

One fully-
equipped
ambulance.

(or £1000 per month)





SAFE WATER



SAFE WATER

790 million people lack access to clean drinking water. Millions are forced to drink dirty, unsafe water that could kill them. Women and children are forced to walk miles each day on dangerous terrain to fetch clean water. This denies children access to education and affects the entire family.

Our water projects are designed to provide solutions to water shortages and give communities clean water for years to come. We also work to improve hygiene and sanitation, and educate communities on best health and hygiene practices.

WATER HAND PUMPS

A hand pump is a small but efficient mechanism which can support a household or a small communal area with access to clean drinking water. Currently we are supporting the installation of water hand pumps in Pakistan and Bangladesh. Hand pumps provide households with as much water as they need each day for drinking, cleaning and cooking.

So far, we have installed 15,000 water hand pumps, benefiting 443,960 vulnerable people.



£150

Water hand pump.



WATER WELLS

Water wells can support entire communities as they can extract large volumes of water over a long period of time.

Currently we are supporting the installation of water wells in Pakistan and Bangladesh and in Africa we support the installation of water wells in communities in Kenya and Somalia.

So far, Muslim Charity has facilitated the installation of 979 water wells, benefiting an estimated 235,780 beneficiaries and counting. Last year we built 82 water wells.

£750

Water well in
Pakistan or
Bangladesh.

(or £65 per month)



£3000

Water well
in Africa.

(or £250 per month)



WATER TANKERS

Disasters such as earthquakes can destroy or contaminate water supplies, leaving people in urgent need of clean drinking water. Similarly, war can force people to flee their homes into camps without water supply systems. In these cases, water tankers are the best way for people to access water.

In Gaza less than 4% of fresh water is drinkable and decades of war has left people displaced and without income. Many are forced to drink the contaminated water.

We are distributing water in water tankers to people in the IDP camps in Yemen, refugees in Gaza, and people living in the desert regions of Somalia.

Last year, we provided 10,000 displaced Yemenis with clean water. We have supplied clean drinking water to households, schools and hospitals in Gaza, reaching approximately 10,000 people.

£45

Safe water for a family for one month.



£300

One water tanker.



(or £25 per month)



SOLAR WATER WELLS

In areas facing drought and extreme water scarcity, environmentally-friendly and sustainable solar powered electric pumps provide a great long-term solution. They have minimum running costs after installation, which means they are able to provide communities with clean water for generations to come.

Installing a Solar Water Well is a fantastic Sadaqah Jariyah, providing ongoing reward for you, and providing an entire community with a regular and large supply of clean water for all their needs, harvesting and animals.

£500

One share towards
a solar water well.

(or £42 per month)

£2000

Community
solar well.

(or £166 per month)

£10000

Medium solar
well (Asia).

(or £833 per month)

£15000

Large solar
well (Asia or
Africa).

(or £1250 per month)





MASJID CONSTRUCTION

A Masjid is the heart of any Muslim community. It allows people to gather for prayer and come together in celebration and mourning. It is a centre of learning for people of all ages.

In deprived communities these communal centres, due to their very limited resources are often non-existent or built from a temporary structure with little protection from the scorching sun.



£100

One prayer
area (Masalla)
for a Masjid.

£500

Fulfil an
immediate need
of a Masjid.

We construct Masjids to allow Muslims to worship and flourish as well as to promote education and progress.

We have helped construct 72 Masjids in Pakistan, Somalia, Kenya, Malawi and Gambia. Last year alone, we built 3 Masjids in Gambia, 3 in Kenya, and there are 13 currently under construction in Somalia.



£4000

Renovate
an existing
Masjid.



(or £333 per month)

£8500

Small Masjid
in Asia.



(or £710 per month)

£10000

Small Masjid
in Africa.



(or £840 per month)

£20000

Masjid and
Madrasah Complex
in Asia or Africa.



(or £1666 per month)



£30 30 hot meals.

£60 Two winter kits.

UK HOMELESS COMMUNITY

It is estimated that approximately 219,000 people are homeless in the UK, and this figure rises each year. During the COVID-19 pandemic, the homeless community has been at greater risk than ever, and unemployment and lockdown has forced more people into poverty and homelessness.

Through our homeless project, we have been supporting people living on the streets in Manchester city with warm clothing, cooked meals, hot drinks and sleeping bags. Since 2018, we have helped 1,250 vulnerable people through this project.



GIFTS

Gifts are a great way to show somebody that you care. Through our Gifts campaign, you can give a gift to a person living in poverty, on behalf of yourself or a loved one.

Giving a gift to a person in need on behalf of a loved one makes the ideal gift for somebody you care for too. Not only do you show them you care, but you are giving them the ability to help someone break out of poverty, generate their own income and live a better life.



You can gift somebody a wheelchair and help them become independent, or give someone a sewing machine so they can open their own tailoring business from home.

Order your gift today:

www.muslimcharity.org.uk/gifts



ISLAMIC WILLS

Prophet Muhammad (saw) said, **"It is not permissible for any Muslim who has something to will to stay for two nights without having his last will and testament written and kept ready with him."** (Bukhari)

As a Muslim, you must distribute your wealth after you die according to the Shariah (Islamic law). If you live in the UK, then having a Will is a must. This is because if you die without one, your assets will be distributed according to domestic law, not Islamic law.



This is also a great opportunity to leave a legacy in your name. As a Muslim you can allocate up to one third of your estate towards a Sadaqah Jariyah (continuing charity) that will benefit you in the next life. Just as Prophet Muhammad (saw) said, "When a person dies, his deeds come to an end except for three: Sadaqah Jariyah (a continuous charity), or knowledge from which benefit is gained, or a righteous child who prays for him." (Muslim)

You need to have a Will that complies with both English law and Islamic law in order for it to be both valid in the UK and in accordance with Islam.

Get your FREE Islamic Will by visiting:

wills.muslimcharity.org.uk



DATES FOR PALESTINE

This year, make your Ramadan extra special by buying your Medjoul Dates from Muslim Charity, from Palestine, for Palestine. Each date box provides school meals to Palestinian children, so while you eat the delicious dates, you will also help ensure Palestinian children don't go hungry in schools.

These date boxes make the perfect gift, and will also provide the ideal Iftar time staple, in line with the beautiful sunnah of our Prophet Muhammad (peace be upon him).

Order your dates today for only £10 a box:

www.muslimcharity.org.uk/dates



QURBANI

Each year, Muslims celebrate Eid-ul-Adha by sacrificing halal animals, commemorating the virtuous sacrifice of Prophet Ibrahim. Muslim Charity has been doing Qurbani on behalf of its donors for more than two decades whereby the meat from the sacrificed animals is distributed to poor and needy communities worldwide.

Last year we implemented 18,931 Qurbanis which fed approximately 336,450 individuals in 16 countries around the world. For many of these people, this is the only meat they have eaten all year.



AQIQAH AND ANIMAL SACRIFICE

Muslim Charity can support donors to offer their animal sacrifices, whether that is in the form Aqiqah (sacrifice in gratitude on the birth of a child) or Sadaqah.

Once the goat or sheep has been sacrificed, the meat is distributed amongst poor and vulnerable community members, where they get an opportunity to cook nutritional meals for their families.

Last year, we facilitated 443 animal sacrifices in Pakistan and Somalia benefiting an estimated 10,632 people.

ANIMAL AND A



£60

Animal sacrifice
(goat in Somalia).

£135

Animal sacrifice
(goat in Pakistan).

FIDYAH AND KAFFARAH

Fidyah

There are many reasons why a Muslim worshipper might be unable to fast during the month of Ramadan; they may be unwell, pregnant or travelling. In these cases they must compensate by feeding a poor person for each day of fasting that they missed throughout the month of Ramadan. This practice is known as Fidyah and is calculated according to the average cost of two meals a day.

In the United Kingdom, Fidyah is calculated at £5 per day (£150 for the full month of Ramadan).

Kaffarah

If someone intentionally misses or breaks a fast with no valid reason then they must compensate for this in one of two ways. They must either fast for 60 days or, if they are unable to do so, they should feed 60 poor people with two meals for one day. This practice is known as Kaffarah and is calculated according to the average cost of two meals a day.

In the United Kingdom, we have estimated the total cost of Kaffarah to be £300 per missed fast.





£5

Fidyah per day
of Ramadan.

£150

Fidyah for full
month of Ramadan
(30 days).

£300

Kaffarah per fast
that is intentionally
missed or broken.



NEWS

Muslim Charity supported Amateur boxer, Saud Hafiz, to set up a boxing club to bring people together and tackle knife crime. The boxing club is in Watford (UK), an area ranking second highest in its county, Hertfordshire, for violent crime. The new boxing club has become a safe space for people to enjoy themselves and have fun, and at the same time learn useful life skills and thereby help reduce the rates of delinquency and violent crime in the area.



Muslim Charity is working with Pakistan's forgotten children: the children of sex workers who have been manipulated and isolated. Through the project Apni Taleem, we work with our partner organisation to provide education and psycho-social support to children of sex workers who are at increased risk of neglect and abuse. We offer support to help them integrate into society and mainstream education.



Muslim Charity has delivered a new infant incubator to Aden General Hospital and two incubators to Al-Gamhori Hospital, in war-torn Yemen to help increase the survival rate of expectant mothers and babies amidst famine, pandemic and conflict.

Muslim Charity partnered with BCB International Ltd (a manufacturer of life-saving specialist equipment based in Cardiff) to ship 25,000 face masks and 10,000 full-face protective shields to Yemen in order to support key medical staff and health professionals in war-torn Yemen as part of COVID-19 relief efforts.



Muslim Charity along with the Government of Punjab, Child Protection & Welfare Bureau and Search for Justice held a consultation workshop in Lahore, Punjab, Pakistan, to identify the gaps and develop complimentary interventions for the Prevention of Child Violence and Sexual Abuse. The workshop was attended by the Department of Police, Social Welfare, Judiciary along with representatives from UNICEF, UNFPA, Pakistan Red Crescent, Child Protection & Welfare Bureau along with civil society organisations based in Lahore and Punjab.

Way Forward to Address the Issue of Child Sexual Abuse





Muslim charity fundraisers are commended on their excellent efforts in raising funds for the vulnerable people of Palestine. A ventilator has been handed over to Jerusalem Hospital, where it will help save the lives of countless Palestinians in need.

TEAMMC



TEAMMC

TEAMMC is our family of volunteers, without them the work we do would not be possible.

Our volunteers are passionate about helping the needy and willing to do all they can to transform lives around the world.

They inspire us through the events and challenges they get involved in from skydiving from 13,000 feet to cycling endless miles in the UK and abroad and from running marathons to driving rickshaws across rural parts of developing countries.

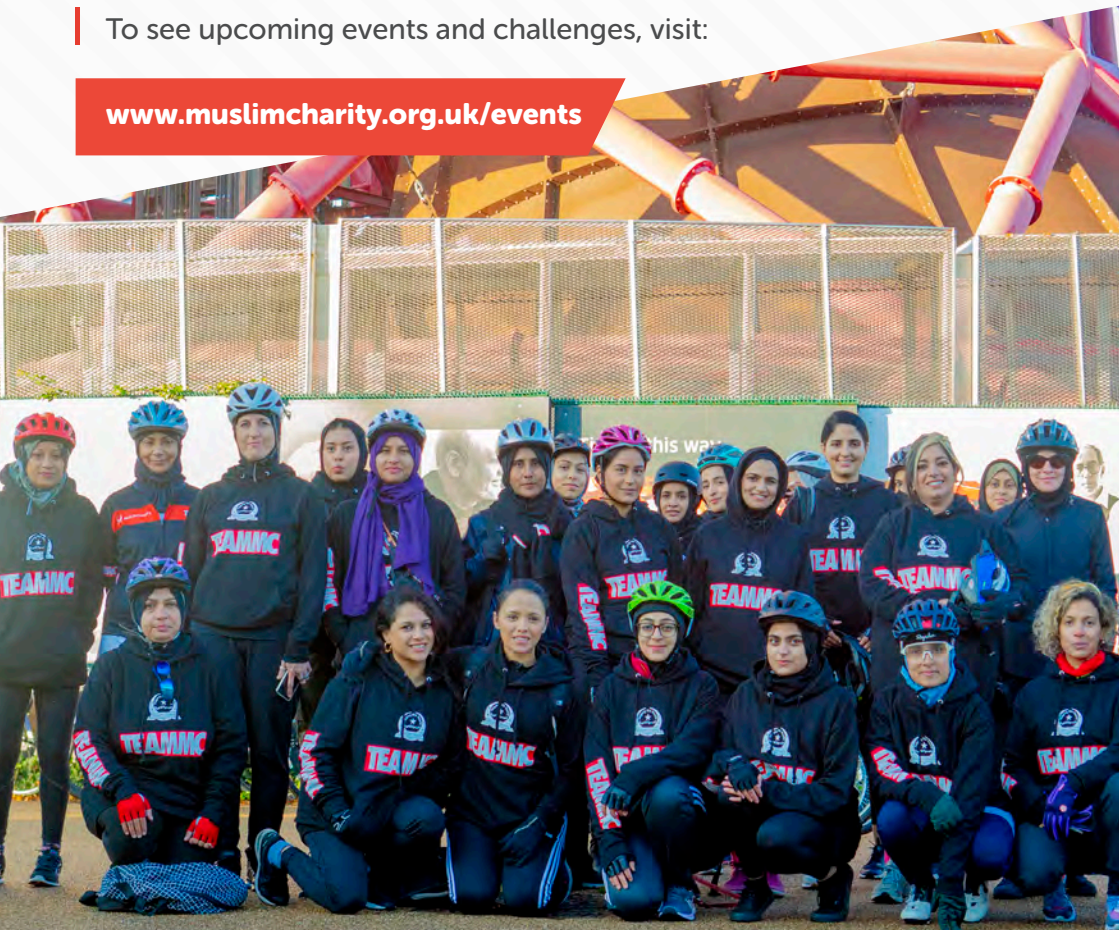
They organise fundraising and awareness-creating activities amongst friends, families and communities and are a voice for those in need.

If you want to join the TEAMMC movement, please sign up here:

www.muslimcharity.org.uk/TeamMC

To see upcoming events and challenges, visit:

www.muslimcharity.org.uk/events



DONATION FORM

Your Details:

Name: Mr / Mrs / Ms

Address:

Postcode:

Phone:

Email:

We'd like to keep you updated about our projects and fundraising activities. Please advise whether you are happy to be contacted by ticking the relevant boxes:

☐ Email

☐ SMS

☐ Phone

Single Donation:

Amount: £

Towards Project:

☐

Where Most Needed

☐

Other:

☐

Zakat

☐

Sadaqah

☐

Lillah

☐

Fidya

☐

Fitrana

Payment Method:

☐

Credit/Debit Card

☐

Cheque (payable to Muslim Charity)

Card Number:

Expiry Date:

Security Code (last 3 digits on back of card):

Gift Aid It:

☐

Yes

☐

No

Date:

If you are a UK taxpayer we can increase your donation **by 25%** under the Gift Aid scheme at no extra cost to you. Simply tick the yes box.

I would like Muslim Charity to treat all donations I have made in the past, this donation and all my future donations until I notify otherwise as Gift Aid donations. I am a UK taxpayer and understand that if I pay less Income Tax and/or Capital Gains Tax than the amount of Gift Aid claimed on all my donations in that tax year it is my responsibility to pay any difference. Please inform Muslim Charity if you want to cancel the declaration, change your name or address or no longer pay sufficient tax.

Regular Donation by Direct Debit

Amount:

☐

£10

☐

£30

Other: £

On the:

☐

1st of the month

☐

15th of the month

Name(s) of

Account Holder(s):

Account Number:

Sort Code:

Signature(s):

Date:

Instruction to your Bank or Building Society

Please pay CAF re Muslim Charity Org UK Direct Debits from the account detailed in this instruction subject to the safeguards assured by the Direct Debit Guarantee. I understand that this instruction may remain with CAF re Muslim Charity Org UK and if so, details will be passed electronically to my Bank/Building Society.



Service User Number

The Direct Debit Guarantee:

This guarantee is offered by all Banks and Building Societies that accept instructions to pay Direct Debits. If there are any changes to the amount, date or frequency of your Direct Debit, CAF re Muslim Charity Org UK will notify you ten working days in advance of your account being debited or as otherwise agreed. If you request CAF re Muslim Charity Org UK to collect a payment, confirmation of the amount and date will be given to you at the time of the request. If an error is made in the payment of your Direct Debit, by CAF re Muslim Charity Org UK or your Bank or Building Society, you are entitled to a full and immediate refund of the amount paid from your Bank or Building Society - If you receive a refund you are not entitled to, you must pay it back when CAF re Muslim Charity Org UK asks you to. You can cancel a Direct Debit at any time by writing to your Bank or Building Society. Written confirmation may be required. Please also send a copy of your letter to us.

Bank Donations:

To donate via bank, please leave your Donor ID as reference, and pay into following account:
Muslim Charity (HSBC), Sort Code: 40-38-11, Account Number: 41369989

OTHER WAYS TO DONATE



To make a credit/debit card donation over the telephone please call us on **03000 111 786** or **0207 100 4930**



You can donate online using our mobile-friendly website quickly and securely by visiting **www.muslimcharity.org.uk**



Complete the donation form on the previous page and send it to us: **Muslim Charity, Eaton Hall, Retford, Nottinghamshire, DN22 0PR (UK)**



You can send us a cheque making it payable to "Muslim Charity" and sending to the above-mentioned address



You can send money directly into the Muslim Charity bank account:

Bank Name: HSBC
Account Name: Muslim Charity
Account Number: 41369989
Sort Code: 40-38-11
IBAN: GB68 HBUK 403811 41369989
SWIFT/BIC: HBUKGB4151E

If you make a bank transfer please remember to call us on **0207 100 4930** and inform us so we can send you a receipt and allocate your donation to the correct project.

PLANS FOR THE FUTURE

In the years ahead, we aim to continue the organisation's growth and impact by focusing the key operational goals that are outlined in our Vision 2023 strategic plan:

Operational Goal 1: Investing in People

We depend on our trustees, staff and volunteers and we must value, understand and inspire them. For people to be able to deliver the **Vision 2023** strategic plan, Muslim Charity will be an agile, flexible organisation with skilled and motivated trustees, staff and volunteers.

Operational Goal 2: Strengthening Accountability

Muslim Charity's **Vision 2023** will best be realised by being more accountable in the ways we govern ourselves and treat each other. Accountability, both to the communities living in poverty and to our supporters, donors and other external stakeholders, is an ethical and effective basis for our relationships and will contribute significantly to greater organisational impact and trust.

Operational Goal 3: Income Strategy

There is huge potential for fundraising success in the short and long terms if we build on the success of our brand identity and remain honest and true to our values. This will require entry to new markets, increased networking and innovation with affiliates and encouraging and empowering our volunteer groups in order to create a bigger impact to the lives of the needy that we serve. This will secure more and larger revenues from institutional donors and greater net income from individual supporters; and will strengthen individual affiliates and provide the right balance of flexible resources required to achieve our organisational objectives.

Operational Goal 4: Improved Governance and Development of Operational Structure

The implementation of **Vision 2023** requires provision of adequate resources, vertical and horizontal approaches to coordinate and bridge the departments along with building alliances with external stakeholders.

Operational Goal 5: Improved Process and Systems

Through our **Vision 2023** strategic plan we aim to build strong financial, administration, risk management and IT systems in order to bring about positive change and make a greater impact to the people and communities we serve around the world.



FINANCIAL REVIEW

The financial statements are prepared in accordance with accounting policies as set out in the financial statements.

No material uncertainties that may cast a doubt on the ability of the charity to continue as a going concern have been identified by the trustees.

Income

The total income for the year was £4.09 million. This is an increase of around £1.59 million from the previous year's income of £2.50 million. The increased donations from our supporters reflects our unshakeable commitment to supporting vulnerable and needy communities around the world and the trust placed in us by our supporters and donors.

In terms of our annual fundraising calendar, we received increased activity and donations during the periods of Ramadan and almost doubled the levels of income during our hugely successful Qurbani campaign prior to Eid-ul-Adha in 2020. The increased resources enabled us to make a positive difference to the lives of more needy families and communities than the year before.

In comparison to the year before, we have observed changing trends in donor behavior particularly in relation to mediums of donating, such as the reduction of donations being received by traditional forms such as cheque and telephone donations to an increase in donations received through our website and online mediums.

The trust we have established with our donors and the feedback we provide to them (both customized individual feedback for specific tangible projects such as our Safe Water programme and collective general feedback) has meant that we have seen repeat donations and new donors come forward to support our interventions for the needy.

Expenditure

Muslim Charity has undertaken a number of measures to improve the productivity of its charitable activities over the years. The most significant shift in this regard was implementing charitable projects through establishing partnerships with bona fide partner organisations. This transition in our project implementation approach has drastically improved the productivity of our charitable activities and at the same time has helped us to bring our overhead costs down. The process we adopt in identifying and working with partner organisations is established in detail in our "Operational Risk-Management Framework".

The charitable activities undertaken during the year were £3.26 million, which was more than the previous year figure of £3.10 million, revealing our firm and unshakeable commitment of ensuring the end users and beneficiaries benefit from our work thereby causing a greater positive impact in their lives.

Reserve Policy

The Trustees recognise the need to hold sufficient reserves to allow protection of core activities in the event of any income shortfalls. The policy aims to have sufficient free reserves to enable Muslim Charity to withstand any unexpected drop in donations and hold at least the equivalent of six months headquarters and other fixed operating costs. The Trustees are pleased they have met their reserve policy and will review it again during 2021.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees (who are also the directors of Muslim Charity: Helping the Needy for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period.

In preparing these financial statements, the trustees are required to:

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

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

AUDITOR

KBM UK Ltd are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Registered office:

Muslim Charity

Eaton Hall,

Retford

Nottinghamshire

DN22 0PR

(United Kingdom)

Signed on behalf of the trustees:



Mr M. I. H. Pirzada

Chairman & Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSLIM CHARITY

We have audited the financial statements of MUSLIM CHARITY: HELPING THE NEEDY (the 'charity') for the year ended 31 October 2020 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 October 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial

statements are prepared is consistent with the financial statements; and

- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and

maintain professional scepticism 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 those charged with governance regarding, among other matters, 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.



Mr. Mohammed Afzaal Bhatti

(Senior Statutory Auditor)

For and on behalf of:

KBM UK Limited

1 Concord Business Centre

Chartered Certified Accountants & Statutory Auditor

Concord Road

London

W3 0TJ

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

STATEMENT OF FINANCIAL ACTIVITIES

(including income and expenditure account)

		2020			2019
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	978,954	3,112,289	4,091,244	2,499,038
Investment income	6	1,414	-	1,414	521
Other income	7	24,210	-	24,210	-
Total income		1,004,578	3,112,289	4,116,868	2,499,559
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	8	214,839	-	214,839	218,643
Expenditure on charitable activities	9, 10	-	3,264,179	3,264,179	3,107,735
Governance cost	11	125,992	-	125,992	151,797
Total expenditure		340,831	3,264,179	3,605,011	3,478,175
Net income/(expenditure)		663,747	(151,890)	511,857	(978,616)
Transfers between funds		(741,325)	741,325	-	-
Realised gain on investments property					245,360
Net movement in funds		(77,578)	589,435	511,857	(733,256)
Reconciliation of funds					
Total funds brought forward		258,311	186,332	444,642	1,177,899
Total funds carried forward		180,732	775,767	956,499	444,643

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

STATEMENT OF FINANCIAL POSITION

31 OCTOBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	16	9,680	13,390
Current assets			
Debtors	17	29,857	47,288
Cash at bank and in hand		1,377,788	474,402
		1,407,645	521,690
Creditors: amounts falling due within one year	18	460,826	90,437
Net current assets		946,819	431,253
Total assets less current liabilities		956,499	444,643
Net assets		956,499	444,643
Funds of the charity			
Restricted funds		775,767	186,332
Unrestricted funds		180,732	258,311
Total charity funds	20	956,499	444,643

These financial statements were approved by the board of trustees and authorised for issue on 19 July 2021, and are signed on behalf of the board by:



Mr M. I. H. Pirzada
Chairman & Trustee

STATEMENT OF CASH FLOWS

	2020 £	2019 £
Cash flows from operating activities		
Net income/(expenditure)	511,857	(733,256)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	3,950	5,550
Government grant income	(39,973)	–
Other interest receivable and similar income	(1,414)	(521)
Online donation processing fees	27,409	22,154
Gains on disposal of tangible fixed assets	–	(245,360)
Accrued income	(18)	–
Changes in:		
Trade and other debtors	17,431	213,830
Trade and other creditors	370,407	32,070
Cash generated from operations	889,649	(705,533)
Online donation processing fees	(27,409)	(22,154)
Interest received	1,414	521
Net cash from/(used in) operating activities	863,654	(727,166)
Cash flows from investing activities		
Purchase of tangible assets	(240)	(5,919)
Proceeds from sale of tangible assets	–	517,841
Net cash (used in)/from investing activities	(240)	511,922
Cash flows from financing activities		
Government grant income	39,973	–
Net cash (used in)/from investing activities	39,973	–
Net increase/(decrease) in cash and cash equivalents	903,387	(215,243)
Cash and cash equivalents at beginning of year	474,402	689,645
Cash and cash equivalents at end of year	1,377,788	474,402

Notes to the Financial Statements

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Eaton Hall, Retford, Nottinghamshire, DN22 0PR.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

Incoming resources

Voluntary income is derived by way of donations and gifts and is included in full in the Statement of Financial Activities when Muslim Charity: Helping The Needy is entitled to the receipt and the amount can be measured with reasonable certainty. Gifts in Kind which Muslim Charity: Helping The Needy accepts full responsibility for distribution are included in income at their market value when it is distributed and under Charitable Activities at the same value and time. The value of services provided by volunteers has not been included.

Resources expended

Resources expended are recognised in the year in which they are incurred.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Governance costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold Property - 1% straight line
Fixtures and Fittings - 20% reducing balance
Motor Vehicles - 25% reducing balance
Equipment - 33% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to

satisfying the revenue recognition criteria, they are recognised as a liability.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up the liability in respect of the guarantee is limited to £10 per member of the charity.



5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Donations	588,002	3,112,289	3,700,292
Gifts			
Gift Aid	350,979	–	350,979
Grants			
Government grant income	39,973	–	39,973
	978,954	3,112,289	4,091,244
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	323,877	1,965,554	2,289,431
Gifts			
Gift Aid	209,607	–	209,607
Grants			
Government grant income	–	–	–
	533,484	1,965,554	2,499,038

6. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Restricted Funds £	Total Funds 2019 £
Bank interest receivable	1,414	1,414	521	521

7. Other income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Rental Income	24,210	24,210	–	–

8. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds 2019 £	Total Funds 2019 £
Printing and Stationery	1,622	1,622	879	879
Advertising	4,125	4,125	8,417	8,417
Motor and Travel	3,475	3,475	9,257	9,257
Consultancy Fees	7,529	7,529	18,776	18,776
Other office costs	17,613	17,613	16,875	16,875
Postage costs	–	–	1,068	1,068
Support Costs (note 10)	180,474	180,474	163,371	163,371
	214,839	214,839	218,643	218,643

9. Expenditure on charitable activities by fund type

	Restricted Funds £	Support Cost 2020 £	Total Funds 2020 £	Total Funds 2019 £
Qurbani	490,557	17,410	507,967	300,726
Orphans	719,725	25,544	745,269	726,608
Masjid	312,148	11,078	323,226	357,854
Water	325,296	11,545	336,841	285,051
Iftar/Food	51,611	1,832	53,443	82,212
Emergency	448,513	15,918	464,432	265,565
Health	143,118	5,079	148,197	263,564
Education	614,183	21,798	635,981	813,419
Livelihood	47,150	1,673	48,823	12,737
	3,152,301	111,879	3,264,179	3,107,735

10. Expenditure on charitable activities by activity type

	Fundraising Activity £	Charitable Activity £	Governance Activity £	Total Support Cost 2020 £	Total Support Cost 2019 £
Salaries and wages	109,093	54,547	54,547	218,186	211,084
Postage & stationery	1,694	145	97	1,936	2,505
Telephone	5,262	3,683	1,579	10,524	11,750
Repairs and renewals	1,724	575	575	2,873	11,074
Operating lease – P&M	1,515	216	433	2,165	3,326
IT & computer expenses	13,705	8,223	5,482	27,402	22,154
Light and heat	913	548	365	1,826	3,408
Rates	481	–	120	601	442
Online donation processing fees	35,519	42,954	4,128	82,600	40,907
Depreciation	2,766	988	198	3,952	5,550
Amortisation	–	–	–	–	–
Food & entertainment	713	–	384	1,097	–
Subscription	5,495	–	10,667	16,162	1,331
Sundry expenses	1,595	–	3,078	4,672	10,340
	180,474	111,879	81,651	374,004	329,146

11. Governance Cost

	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Legal & professional fee	10,567	10,567	14,645
Insurance	5,748	5,748	8,453
Accountancy fee	40,830	40,830	43,900
Audit fee	4,320	4,320	4,320
Foreign exchange loss	(17,124)	(17,124)	4,647
Support Cost (note 10)	81,651	81,651	75,832
	125,992	125,992	151,797

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Gain (Losses) on disposal of tangible fixed assets for charity's own use	–	–	(245,360)	(245,360)

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):	2020	2019
	£	£
Depreciation of tangible fixed assets	3,950	5,550
Gains on disposal of tangible fixed assets	—	(245,360)
Operating lease rentals	2,165	3,326

13. Auditors remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	4,320	4,320

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	218,186	211,084

The average head count of employees during the year was Nil (2019: 11). The average number of full-time equivalent employees during the year is analysed as follows:

	2020	2019
	£	£
Number of staff	11	11

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

15. Trustee remuneration and expenses

The Trustees received no remuneration or expenses for acting as trustees. During the year the total of expense reimbursed to the trustees, incurred in the course of acting as members of the charity, amounted to £Nil.

16. Tangible fixed assets

	Fixtures and fittings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 November 2019	19,077	6,250	82,255	107,582
Additions	—	—	240	240
At 31 October 2020	19,077	6,250	82,495	107,822
Depreciation				
At 1 November 2019	16,495	3,613	74,084	94,192
Charge for the year	516	659	2,775	3,950
At 31 October 2020	17,011	4,272	76,859	98,142
Carrying amount				
At 31 October 2020	2,066	1,978	5,636	9,680
At 31 October 2019	2,582	2,637	8,171	13,390

17. Debtors

	2020 £	2019 £
Prepayments and accrued income	9,957	13,388
Other debtors	19,900	33,900
	29,857	47,288

18. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	20,603	25,030
Accruals and deferred income	6,872	6,890
Social security and other taxes	1,351	1,517
Qard-e-Hasanah for the Eaton Girls School Project	432,000	57,000
	460,826	90,437

19. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020 £	2019 £
Recognised in income from donations and legacies:		
Government grants income	39,973	—

20. Analysis of charitable funds

Restricted funds

	At 1 Nov 2019 £	Incoming resources £	Transfer £	Outgoing resources £	At 31 Oct 2020 £
Qurbani	-	507,134	833	507,967	-
Orphans	125,057	1,032,791	-	745,269	412,580
Mosques	7,753	219,923	95,550	323,226	-
Water	16,685	439,749	-	336,841	119,592
Food	135	118,423	-	53,443	65,115
Emergency	36,702	606,209	-	464,432	178,480
Health	-	92,356	55,841	148,197	-
Education	-	76,879	559,102	635,981	-
Livelihood	-	18,825	29,998	48,823	-
	186,332	3,112,289	741,325	3,264,179	775,767

- Restricted funds represent donation received and held in trust for a particular purpose and must be applied to object specified by the donor. Charity has designed and implemented necessary checks and control system to ensure that funds received for any particular purpose applied correctly and in line with terms of the trust. Charity has developed a robust monitoring mechanism to ensure effective and efficient implementation of various charitable projects to reduce poverty and suffering.
- Grant making procedures involve selecting reputable and well-known overseas charitable organisations to form a partnership with an aim to deliver effective and speedy relief work to those in need. Charity management continuously monitors the work of each partner organisations on various stages of project implementation and only release allocated funds where partner organisation demonstrates effective implementation of agreed charitable objectives.
- Donation received into emergency fund is mainly utilized to provide relief work in the events of natural calamity, war or famine. Any surplus donation after delivering the necessary relief work against the intended purpose is than applied to other charitable projects.

Unrestricted funds

	At 1 Nov 2019 £	Incoming resources £	Transfer £	Outgoing resources £	At 31 Oct 2020 £
General donation	258,311	1,004,578	(741,325)	(340,831)	180,732

21. Analysis of changes in net debt

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Tangible fixed assets	9,680	–	9,680	13,390
Current assets	631,878	775,767	1,407,645	521,690
Creditors less than 1 year	(460,826)	–	(460,826)	(90,437)
Net assets	180,732	775,767	956,499	(444,643)

21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2020 £	2019 £
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	1,377,788	474,402
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	19,900	33,900
Financial liabilities measured at fair value through income and expenditure		
Financial liabilities measured at fair value through income and expenditure	460,826	90,437

22. Related parties

Muslim Charity: Helping The Needy has an established charitable trust under the name of Muslim Charity, registered in Pakistan, registration number RJSC/JG/280. The results of the charitable trust registered in Pakistan have been incorporated in these accounts.

Muslim Charity: Helping The Needy has an established charitable trust under the name of Muslim Charity, registered in South Africa registration number is 1468/2010/PMB. The results of the charitable trust registered in South Africa have been incorporated in these accounts.

The UK Director of Muslim Charity: Helping the Needy, Mr M. G. Pirzada, was paid a remuneration of £21,000 in the current year. Mr M. G. Pirzada is the son of Mr M. I. H. Pirzada who is a Trustee, and brother of Mr B. H. Pirzada who is also a Trustee. The appointment of Mr M. G. Pirzada has been taken with the written consent of the Charity Commission.



Muslim Charity : Helping The Needy



**HELPING
THE NEEDY**
SINCE 1999

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