MUSLIM HANDS

England & Wales · Charity number 1105056

Details

Status	Registered
Legal form	Charitable company
Company number	05080486
Registered	2004-07-22
Register	View on the Charity Commission register

Contact

Address	Muslim Hands 148-164 Gregory Boulevard Nottingham NG7 5JE
Phone	004401159117222
Email	contact@muslimhands.org.uk
Website	www.muslimhands.org.uk

Activities

Objects: 3.1 THE RELIEF OF POVERTY AND SICKNESS ANYWHERE IN THE WORLD, AND IN PARTICULAR AMONGST THOSE AFFECTED BY NATURAL DISASTERS OR BY WARS AND OTHER CONFLICTS, BY THE PROVISION OF FINANCIAL OR OTHER ASSISTANCE, INCLUDING MEDICINES, HOSPITALS, SHELTER AND FOOD;3.2 TO ADVANCE EDUCATION AMONGST THOSE IN NEED ANYWHERE IN THE WORLD, WITH PARTICULAR REGARD TO ORPHANS; AND3.3 THE ADVANCEMENT OF ISLAMIC FAITH THROUGH EDUCATION AND THE PROMOTION OF INTERRELIGOUS HARMONY THROUGH DIALOGUE AND COOPERATION WITH OTHER FAITHS AND TRADITIONS.

Activities: International relief organisation fundraising in the UK and distributing those funds to educational and humanitarian projects worldwide.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

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Geography

- **Area of benefit:** NATIONAL AND OVERSEAS
- Afghanistan
- Bangladesh
- Ethiopia
- Guinea-bissau
- India
- Indonesia
- Jordan
- Lebanon
- Libya
- Malawi
- Mali
- Mauritania
- Mexico
- Niger
- Nigeria
- Occupied Palestinian Territories
- Pakistan
- Rwanda
- Senegal
- Somalia
- South Africa
- Spain
- Sri Lanka
- Sudan
- Syria
- The Gambia
- Turkey
- Uganda
- Yemen
- Throughout England

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Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£33,403,369	£39,405,960	£14,369,428	115
2023-12-31	£35,127,526	£32,957,641	£20,372,019	107
2022-12-31	£33,184,153	£35,349,519	£18,202,134	113
2021-12-31	£37,129,142	£33,469,865	£20,367,500	111
2020-12-31	£32,458,760	£27,653,563	£16,708,222	96

Trustees

Name	Role	Appointed
SYED LAKHTE HASSANAIN	Chair	
Iftikhar Ahmed		2023-12-11
MOHAMMAD ARSHAD JAMIL		2013-01-01
PIR MUHAMMAD AMIN-UL-HASNAT SHAH		
SAFFI ULLAH		
SAHIBZADA GHULAM JEELANI		
SAHIBZADA SHAFQAT AHMED SHAH		2025-09-23

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MUSLIM HANDS

England & Wales - Charity number 1105056

Accounts

Muslim Hands

ANNUAL REPORT 2024

ANNUAL REPORT AND FINANCIAL STATEMENTS for the year ended 31 December 2024

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Message from the Chairman

Assalamu Alaikum,
What a tumultuous year it was. The world witnessed millions of people navigating conflict, war, climate change, and food insecurity. For the past 30 years, Muslim Hands has been on the frontlines, saving lives and easing the suffering of millions, many of whom are too often unheard.

Throughout 2024, we remained on the ground in Gaza and Sudan, we provided essential food, water, shelter, and medicine. The global food crisis continued to worsen, leaving many families uncertain where their next meal would come from. Currently, 343 million people are facing acute hunger across 74 countries. Of these, 65 percent live in fragile, conflict-affected, or war-torn regions. Climate change is a leading cause of rising global hunger, destroying lives, crops, and livelihoods. In addition, slow global growth and mounting economic pressures further exacerbate food insecurity.

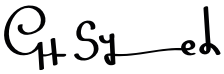
Our bread factories across Syria, Yemen, and other food insecurity projects, such as Qurbani, Iftar and Afghanistan Tandoori combated global hunger across multiple locations.

Meanwhile, people across Britain continue to feel the effects of the cost-of-living crisis. Many families are struggling with debt and are unable to feed their children. In response to these growing crises, Muslim Hands opened our third Open Kitchen in Manchester to help ease the burden and support the local communities. When we opened Nottingham Open Kitchen in 2021, we served just 50 hot meals a day . Since the cost of living, that number has grown significantly. Currently, we now serve 130 hot meals every day. The Open Kitchen has become a vital part of the community seven days a week, and we continue working tirelessly to support its most vulnerable members.

As we reflect on our achievements and our remarkable impact, we remain steadfast in our commitment throughout 2025 to support those in need, combat global hunger, and empower the next generation through our work at Muslim Hands' Schools.

None of this would be feasible without the generosity of our donors and supporters. Their continued kindness enabled us to reach millions of beneficiaries in 2024. With their unwavering support, we can expand our reach, widen our impact, and give a voice to those too often forgotten.

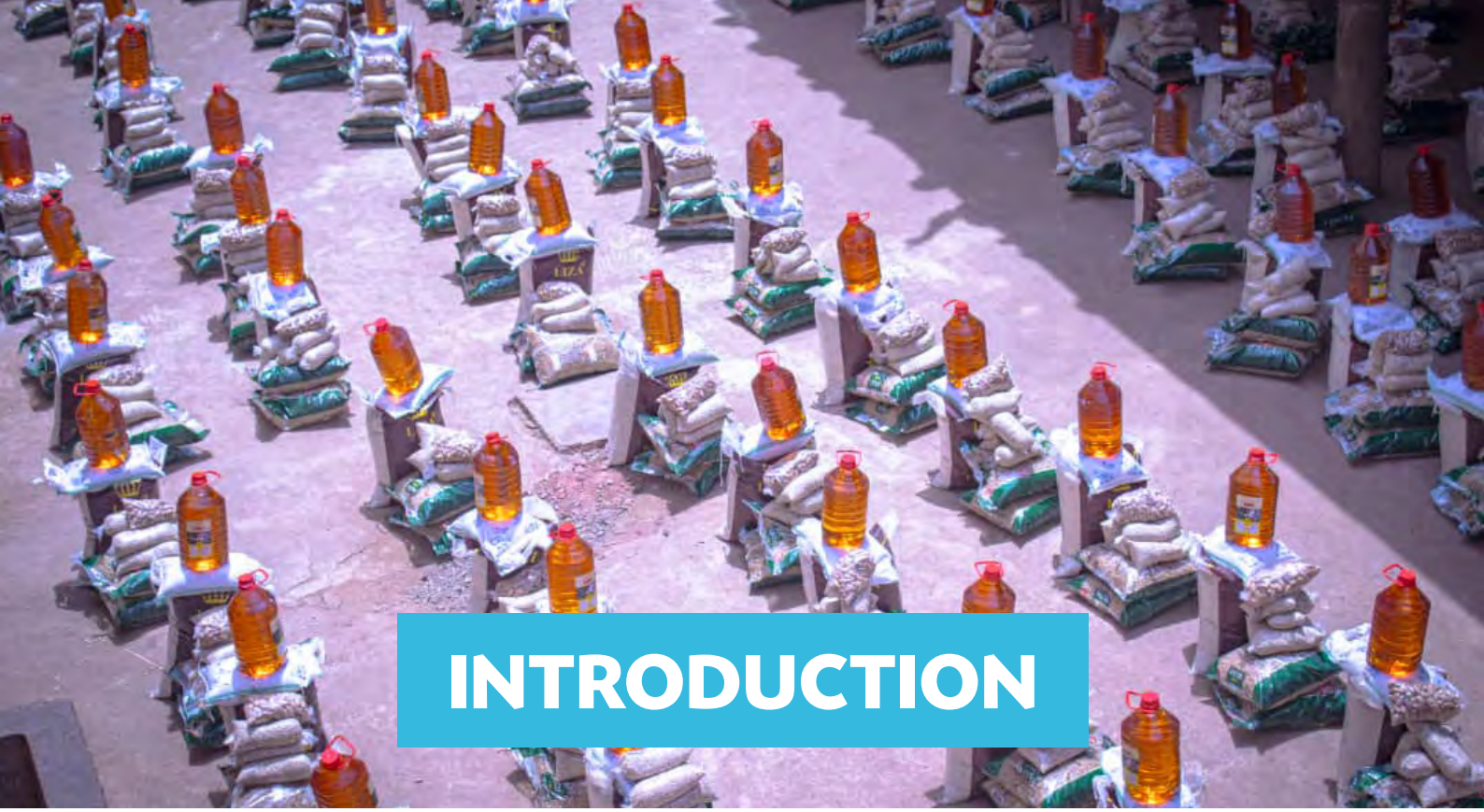
Wassalamu Alaikum,



Syed Lakthe Hassanain

Legal and Administrative Information

Trustees and statutory directors	Mohammad Amin-ul Hassanat Shah Syed Lakhte Hassanain Sahibzada Ghulam Jeelani Saffi Ullah Mohammad Arshad Jamil Abdul Qudeir Khan Iftikhar Ahmed
Sub-Committees to the Board	Programmes Committee Audit Committee Fundraising Committee Remuneration Committee Nomination Committee
Company number	05080486 (country of incorporation is England and Wales)
Charity registration number	1105056 (country of registration is England and Wales)
Registered office	148-164 Gregory Boulevard, Hyson Green, Nottingham, NG7 5JE
Company secretary	Iftikhar Ahmed
Auditor	Sayer Vincent LLP, Chartered Accountants and Statutory Auditors 110 Golden Lane, London, EC1Y 0TG
Bankers	National Westminster Bank plc, Hyson Green, Nottingham Santander UK plc, Manchester Business Centre, Manchester Al Rayyan Bank plc, Edgbaston House Birmingham Barclays Bank, Churchill Place, Leicester Crown Agents Bank
Solicitors	Freeth Cartwright LLP, Cumberland Court, Nottingham Knights PLC, 84 Friar Lane, Nottingham



INTRODUCTION

What a year it has been. The year started on a sad note; we continued to witness the destruction and heartbreak in Gaza. Millions of our brothers and sisters are continuing to be impacted by the ongoing conflict.

While Gaza continued to dominate the news, other conflicts were quietly raging around the rest of the world. Conflict in Sudan was having a devastating and detrimental impact on millions of Sudanese. The Rohingya community continued to face persecution. Meanwhile, the countries across the Sahel region were facing political instability, escalating conflict and violence, and food insecurity, with the effects of climate change further exacerbating displacement.

Throughout the last year, our teams and partners assisted beneficiaries by providing urgent humanitarian relief. As 2024 concludes, we have helped 8,156,637 beneficiaries in 21 countries, supporting them during hardship and instability and giving them much-needed respite.

703 million people in the world—almost one in ten don't have clean water close to home, while 1.5 billion people in the world—almost one in five— don't have a decent toilet. This year we have provided 1,631,307 beneficiaries with clean water and sanitation.

Muslim Hands school facilities grant children the right and opportunity to learn. Our education facilities have provided 151,244 students with free education. Our livelihood project is a way out of poverty, as it economically empowers widows, mothers, and the elderly. Our livelihoods project has supported 97,504 widows and mothers.

As we wrap up 2024 and enter 2025, Muslim Hands have quite a few new and exciting projects on the horizon, which will support millions of beneficiaries.

As we enter 2025, amid the increasing frequency of climate disasters, the rise in global hunger, and ongoing conflict and war, Muslim Hands remains committed to prioritising those requiring urgent humanitarian assistance and providing vital relief where it's needed most.

This is the 2024 annual report of the Muslim Hands trustees.

It is presented together with a Trustees' Responsibilities Statement on page **42**, the Independent Auditor's Report on page **43** and the financial statements for the year ending 31 December 2024 on page **44.**

The financial statements for the year ending 31 December 2024 have been prepared in accordance with the accounting policies set out in the note to the financial statements. The financial statements comply with the Charity's Governing Document, the Charities Act 2011 and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

STRATEGIC REPORT

REVIEW OF MUSLIM HANDS' ACHIEVEMENTS AND PERFORMANCE FOR 2024

In an increasingly complex world, strategic planning and unified efforts are more crucial than ever. Muslim Hands has consistently stood at the forefront of humanitarian initiatives, navigating adversity with resilience and determination.

Over the past year, we have faced both challenges and triumphs, each experience strengthening our resolve to pursue innovative, sustainable solutions that meet the evolving needs of those we serve. As we delve into this critical review, we embrace both our successes, and the lessons learned from setbacks.

Each experience, whether a breakthrough or a roadblock, provides valuable insights to refine our strategies and maximise our impact. Our commitment to transparency and accountability drives us to continually improve, ensuring that our interventions are both effective and enduring.

The path to a brighter future requires dedication, a culture of learning, and collective action. By leveraging innovative approaches and our deep-rooted commitment to humanity, we can create a world where hope, dignity, and opportunity flourish for all. As we embark on this journey together, let us draw strength from our shared values and reaffirm our pledge to leave a lasting, positive impact on the lives of those in need.

Muslim Hands' key priorities for the organisation include the following:

- **Data-Driven Decision Making:** Implementing robust data collection and management systems to enhance impact measurement and informed decision making.
- **Digital Transformation:** Increasing online fundraising and awareness while ensuring regulatory compliance.
- **Financial Sustainability:** Improving oversight and control of MH funding through standardised in-house systems and financial reporting and enhancing financial sustainability through diversified growth strategies.

FUNDRAISING

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Muslim Hands wants to thank its generous donors and hardworking volunteers for helping us raise money for causes across the globe and at home here in the UK.

Through events, partnerships, TV appeals and direct marketing activity we've connected thousands of donors to the causes they're passionate about – from building wells in Pakistan, running lifesaving bread factories across Yemen to providing hot cooked meals in war torn Gaza.

As part of our membership with the Fundraising Regulator, we are committed to honest, transparent and respectful fundraising practices – and make sure our fundraisers, whether that be employees or volunteers, are trained on all the guidelines.

If you've donated to us recently or opted in to hearing from us at an event or via our website, you'll occasionally hear from us – this could be via email, SMS, post or sometimes through a telephone call. We respect your rights to opt out from this type of contact at any time.

Where we work

Muslim Hands partners with independent charities across the world to deliver its charitable programmes. Muslim Hands establishes its partnerships with a series of Trademark Licenses for MH branded partners and Collaboration Agreements with all partners. The partners are reviewed periodically as part of the Charity's partner Due Diligence. Their capacity is assessed to ensure they have reliable Governance arrangements, the ability to deliver programmes and to ensure that there is reliable financial management of charitable funds.

The partnerships are overseen on an ongoing basis by methods including sharing some common trustees for oversight, in-depth monitoring and evaluation to evidence the following: end use of funds, programmes quality and compliance to policy. Muslim Hands also carries out physical verification by visiting partners throughout the year. During visits Muslim Hands' teams check the existence of programmes, their delivery and completion and cross-check partners' records, reports and Photographic/ Videographic evidence submitted. During the visits, they also conduct quality checks with the support of specialists for programme quality and safety. Furthermore, Muslim Hands has an outsourced Internal Audit department which provides independent assurance on its Control Environment including the implementation of Programmes. Recent locations visited for monitoring include Afghanistan, Gambia, Indonesia, Lebanon, Mauritania, Malawi, Mali, Pakistan, Somalia, Turkey and Yemen. The partners where Muslim Hands deliver its programmes are based in the locations listed below.

Afghanistan	339,215 beneficiaries	**Niger**	48,310 beneficiaries
Bangladesh	114,866 beneficiaries	**Pakistan**	1,041,501 beneficiaries
Gambia	11, 885 beneficiaries	**Palestine**	3,029,621 beneficiaries
India	104,163 beneficiaries	**Rwanda**	2,536 beneficiaries
Indonesia	1,102 beneficiaries	**Senegal**	15,540 beneficiaries
Kashmir (India)	100,0040 beneficiaries	**Somalia**	279,760 beneficiaries
Kashmir (Pakistan)	1,409, 379 beneficiaries	**Sri Lanka**	96,028 beneficiaries
Lebanon	11,076 beneficiaries	**Sudan**	66,028 beneficiaries
Malawi	11,153 beneficiaries	**Turkey**	106,673 beneficiaries
Mali	292,559 beneficiaries	**United Kingdom**	118,989 beneficiaries
Mauritania	6,040 beneficiaries	**Yemen**	928,903 beneficiaries

EMERGENCY RESPONSE

3,358,156 – Total Emergency Aid Beneficiaries

This year, the world witnessed numerous conflicts that impacted millions of lives. While the devastation and heartbreak in Gaza grew, the ripple effects were felt in Lebanon and Yemen. Meanwhile, the people of Sudan were severely impacted by ongoing civil war.

Across the African continent, countries remained on the frontline of climate change and food insecurity, highlighting the urgent need for humanitarian assistance.

Throughout 2024, Muslim Hands and our partners provided emergency relief 3,358,156 beneficiaries. With many conflicts ongoing and millions facing the direct effects of climate change, our work is more vital than ever.

GAZA

Since the conflict broke out in 2023, Muslim Hands has been working directly with our partners on the ground, supporting those whose lives were shattered by this war.

Muslim Hands has partnered with UN agencies to fund three large desalination plants at three UN schools in Gaza City, Rafah, and Dier al Balah. The Water for Life project ensured that safe drinking water was distributed to a large number of people in the chosen areas, including the most vulnerable, such as women, children, and the elderly.

WINTER IN GAZA

With our partners on the ground, Muslim Hands distributed vital aid to protect children from the harsh cold. In Gaza, we provided clothes and footwear kits to 19,500 children (aged 0-17). The kits supported the health and wellbeing of children. Each kit distributed included the following items for each age group:

- Thermal long sleeve under shirt
- Thermal under pants
- Thermal sweater
- Socks
- Winter Shoes
- Winter Jacket
- Wool fleece pyjamas
- Thermal blankets
- Wool gloves
- Wool hat

COOKED MEALS

Muslim Hands has partnered with the World Food Programme (WFP) to provide hot and nutritious cooked meals throughout Gaza. These hot meals were provided to displaced people in informal shelters and camps, people with disabilities, women, and children. Each meal contains a minimum of 1,500 calories.

The Azabs are sheltering in the ruins of their family home. After being displaced multiple times, they finally returned here as a last resort. The sole breadwinner, Suliman, used to work at an ice cream factory, but since it was bombed the family relies solely on the bread and hot food provided by donors like you. Suliman's four children, the youngest only six years old, now spend their days waiting in line for water and food.

'There is no other choice. If they don't, we will not eat,' explains Suliman. ***The war exposed my family to the hunger and degradation that I worked my life to protect them from.'*** Muslim Hands supported Azab and his family during Ramadan, during which they received food packs.

LEBANON

Attacks on Lebanon in September 2024 displaced one million people across Lebanon.

Working with our partner on the ground, we distributed emergency kits to those who had lost their homes. Each emergency kit included food, clean water, hygiene products and blankets.

SUDAN

We were on the ground distributing humanitarian aid to families affected by the ongoing war. We have assisted 37,486 Sudanese beneficiaries, providing vital resources to the most vulnerable families.

We distributed food parcels, and non-food items in Madani locality (Al Jazeera State), Al Damar, Shandi, Atabra, and Khartoum States. Each food parcel contains 10 kg of wheat, 5 kg of sugar, 5kg of lentils, 5 kg of red beans, 5 kg of rice, 2 litres of oil, and 2 kg of salt.

AFGHANISTAN

Afghanistan is facing a severe crisis, with 23.7 million people requiring urgent humanitarian aid. The country is plagued by decades of conflict, food insecurity, economic instability and the effects of climate change. According to the World Food Programme, 12.4 million Afghans face acute food insecurity.

The Tandoor project located in Kabul and nearby localities addressed the issue of food insecurity. Beneficiaries received ten loaves of flatbread daily. In total, we distributed 2,240,000 loaves of bread.

In July 2024, intense seasonal rains, heavy windstorms and flash flooding resulted in fatalities and infrastructure damage. Our flood emergency response provided food and non-food items to 15506 beneficiaries.

Zakira was one of the beneficiaries impacted by the flooding in Ghor Province. The heavy flood in their area brought significant challenges to Zakria's life. The loss of his home and possessions, compounded by the inability to meet basic needs for his family, were primary hardships. The harsh weather conditions further exacerbated their difficulties, making survival more difficult. Additionally, the absence of financial support left them without resources for daily food consumption and other essential expenses, intensifying their struggle to rebuild and restart their lives. These combined factors created a daunting situation for Zakria and his family, requiring urgent assistance to overcome the aftermath of the devastating flood. Muslim Hands provided Zakria and his family with crucial resources, including a tent, carpet, and kitchen equipment.

These provisions offered them a sense of security and enabled them to meet their basic needs. The tent provided immediate shelter, protecting them from the harsh weather conditions and offering a semblance of privacy and normality. The carpet added a layer of comfort and warmth to their temporary living space, making it more habitable. Zakira was extremely grateful for the support he received from Muslim Hands: ***"your generous support fills us with hope during these challenging times. We are deeply grateful that you have not forgotten us in our hour of need. Your assistance is invaluable for our survival and ongoing recovery."***

CLIMATE ACTION

THIRD PHASE OF THE RESOURCE RECOVERY CENTRE IN MIRPUR

The resource recovery centre in Mirpur is one of our environmentally friendly projects. Currently, in its third phase, the Solid Waste Management project collects solid waste directly from the beneficiaries' doorsteps.

The objectives of door-to-door solid waste management services go beyond waste collection and transportation. The initiative aims to reduce waste generation, increase diversion from landfills, enhance public health, and safeguard the ecosystem. The project's main goal is to foster a cleaner, healthier, and more sustainable environment for both communities and the planet.

From a socio-economic perspective, the project generates employment, elevates public sanitation standards, increases property values, and empowers communities. Additionally, the door-to-door service aims to enhance the segregation process for compost formation, diminish greenhouse gas emissions, and follow the principles of a circular economy. The waste is collected thrice a week in summer and twice weekly in winter through specialised vehicles.

CLIMATE ACTION

DEVELOPMENT OF GREEN SOCIETY IN PAKISTAN

Our innovative, climate-friendly project aims to foster a greener society in Mirpur.

This initiative uses the Miyawaki method to regenerate the area, a technique that involves planting native species that naturally occur in the region to create a diverse forest ecosystem. The project will increase vegetation cover by planting fruit bearing trees such as sweet lime, lemon, plum, and persimmon.

Ansar is one of the beneficiaries supported by this project. He told our team.

"Our family can now access to fresh, nutritious produce. Planting the fruit trees has significantly improved our diet, ensuring we receive essential vitamins and minerals for optimal health. The fruit harvest has also reduced our reliance on purchased groceries, saving us valuable resources. Moreover, this project has opened up new economic opportunities. We can now sell our excess produce at local markets, generating a steady income stream. This has enabled us to break the cycle of poverty, invest in our children's education, and improve our overall well-being."

BEEKEEPING FOR WOMEN IN SYRIA

Bees play a crucial role in pollinating over 70% of crops, making them an integral part of Earth's ecosystems. With global bee populations threatened by unethical farming practices, climate change and excessive use of agrochemicals, this beekeeping project ensures bees are protected while providing communities with livelihood opportunities.

Through this project, three families were provided with beekeeping kits, with each family receiving 13 beehives, 1,500 bees, two beekeeping suits, and two smokers. The beneficiaries were selected based on a set of criteria developed by the monitoring and evaluation team. We prioritised the poorest families, those affected by the earthquake and living in camps, those with previous experience in beekeeping, and those headed by women.

The project was implemented in the Darkush area in Idlib, one of the mountainous areas where the temperature is moderate and suitable for beekeeping. The selected beneficiaries already had experience in beekeeping, but because of the earthquake in Syria in February 2023, they lost their bees after their homes and everything they owned were destroyed. Since then, they have had no source of income to support themselves. Thanks to this intervention, they can get back on their feet by continuing with their livelihood.

"We give so much gratitude to the donor for this project. This was our main business before the earthquake however we then lost it all. But the donor has now come and compensated the loss. May Allah reward you." - Beneficiary

BACK TO CONTENTS

SUPPORTING SOMALI FARMERS

We are working with local communities in Somalia that have been directly impacted by drought. The project aims to facilitate the resettlement and rehabilitation of displaced Somalis by restoring their livelihoods, enhancing resilience to future environmental challenges, and promoting self-sufficiency.

This project comprises of two main components: restocking and resettling. Restocking involves providing livestock to help communities rebuild their herds, while resettling focuses on relocating communities to areas with better access to essential resources. These approaches are designed to combat food insecurity, increase income and strengthen resilience in the face of both environmental and social challenges.

The drought has had a devastating impact on Aamina's life: ***We lost the farm, nearly 40 camels, and 200 shoats," she recalls. With so much gone, the family's livelihood has been severely impacted, leaving them to rely on whatever small resources they can manage. Aamina shares that they moved from place to place, always searching for better pastures and water. They also use underground water reservoirs to store water, but these reserves don't last long, especially during extreme drought. "We have nothing," Aamina says. "With the children and their father unwell, support from Muslim Hands was greatly appreciated. The project has offered much-needed respite."***

FISHING PROJECT IN SRI LANKA

Our fishing project in Sri Lanka has provided 50 fishermen in the Kuchchaweli and Muthur regions of the Trincomalee district with modern canoes and fishing nets.

Fishing is a primary source of income, and many of these fishermen have outdated and unsafe boating equipment. By supplying new, high-quality fishing gear, the project aims to enhance their fishing productivity and support economic stability.

Fuwath, 37, is a dedicated fisherman belonging to a family with generations of experience in the fishing industry. In the 1990s, during the civil war, his family lost many assets, severely impacting their financial stability. Just as they were recovering, the 2004 tsunami struck, causing further devastation and destroying their boats, fishing gear, and other economic resources.

Tragedy struck again when he suffered an accident that resulted in a broken hand, leaving him unable to work and pushing his family into financial uncertainty. Receiving a canoe from Muslim Hands has been life-changing for him. Before Muslim Hands' intervention, he struggled to support his family. Now that he has received the canoe, he can go to sea and catch fish, which he can consume and sell on the markets: ***"I am deeply grateful to the donors and Muslim Hands for their generous provision of the canoe, which has significantly improved my ability to support the family."***

FOOD INSECURITY

We helped 917,980 food insecure beneficiaries

SUPPORTING BENEFICIARIES DURING RAMADAN

During Ramadan 2024; we witnessed millions around the world being impacted by war and destruction while others navigated food insecurity, climate disaster, and economic instability.

Our donors supported the distribution of 6,121,398 meals to beneficiaries across 21 countries, including 2,662,650 meals to beneficiaries in Gaza. During the Holy Month, our local teams worked around the clock to ensure families received the food parcels and cooked meals on time; their hard work made this campaign an astounding success. During Ramadan, we partnered with the World Food Programme to provide one million hot meals to beneficiaries in Gaza. We held our first Open Iftar event in collaboration with Notts County Foundation. The event aimed to unite people of different backgrounds and celebrate the diversity of our local communities.

Majida and her family reside in Camp 8E in the Rohingya refugee camp, Cox's Bazar, a place where poverty and hardship are constant companions. The family living conditions are dire, with their small shelter providing little protection, as the cramped quarters make it difficult for the family to find any privacy or comfort. During Ramadan, the family finds having a decent Suhoor and Iftar challenging. Thousands of widows like Majida reside in Cox's Bazar, one of the world's largest refugee settlements; it is estimated that 1.24 million people are cramped into makeshift settlements. Necessities like food and clean water are scarce, and the lack of proper healthcare exacerbates their precarious situation. Majida's children suffer from various diseases, but they are unable to receive adequate medical treatment. With no source of income and being a widow, Majida struggles to provide for her children. Majida feels hopeless and frustrated about her situation; like many Rohingya, she feels abandoned by their government and the international community, as their plight often goes under the radar. She fears for their safety, security, and the uncertainty of their future. Majida wishes she could enjoy social and economic freedoms without fear of persecution or discrimination; ***"I would be able to live with dignity and security, providing for myself and my children without relying on aid or facing the daily hardships of life in a refugee camp." She is eternally thankful for Muslim Hands' dedication to the Rohingya community, "we are deeply grateful to the generous donors for their support and assistance. Your kindness gives us hope for a better future and the opportunity to rebuild our lives. May Allah bless you abundantly for your compassion and generosity."***

DISTRIBUTING HIGH QUALITY QURBANI MEAT

Muslim Hands distributed Qurbani meat in 25 locations, prioritising orphans and widows. For our UK Qurbani, we continued our partnership with Hill Farm Finest, giving donors the option of enjoying organic grass-fed meat from their own sacrifice whilst also supporting disadvantaged people using our Open Kitchens.

SUPPORTING THE SUDANESE COMMUNITY WITH QURBANI

Since the conflict began in 2023, Aldaiya and her family have faced constant upheaval. They fled Khartoum after armed militia forcefully began occupying their property. Leaving their house and abandoning everything they held dear was one of the toughest decisions they had to make. Their journey in search of safety was perilous, crossing numerous checkpoints and encountering abuse along the way; the young children were terrified. Like so many across Sudan, the ongoing conflict put an end to Aldaiya's livelihood. She sold perfumes at the local market and earned enough to support her family. But now, sadly, she is struggling to feed her family, often going to bed on an empty stomach.

"We are unable to purchase food and medication, and we cannot even send our children to school. Our biggest worry is the ongoing conflict and the consequence it may have on our children. The last time the family consumed meat was about a month ago, and as they do not have the means to purchase meat daily, during this Holy Month. "We are thankful for Muslim Hands intervention, as we now can eat meat for the first time in over a month."

MUSLIM HANDS BREAD FACTORY

In Ramadan 2020, we campaigned to open our first-ever Yemen Bread Factory to tackle hunger and malnutrition in the war-torn country. We opened our first premises in Aden in September of that year.

.We now operate five bread factories in Yemen, located in South Aden, North Aden, North Ma'rib, South Ma'rib, and Seiyun. These factories support 25,000 widows, orphans, and people with disabilities. The bread is distributed through school feeding programmes and camps for internally displaced people. Each bread factory ca produces 10,000 loaves daily, with every beneficiary receiving two loaves weighing 60 grams each. Muslim Hands' vision is to ensure that food reaches vulnerable populations when and where it is needed most.

SYRIA

Our donors continued to support a mega bread factory in Afrin producing over 100,000 loaves and feeding 50,000 people daily.

Khansa, 40, is a widow living in Idlib camp with her family for the last three years. Five people, including four girls, live in this small tent. One of her children has epilepsy. She used to work as a tailor; however, as no electricity is available in the camp, she cannot work and earn an income to support her family. She is thankful for the bread they receive and expresses her gratitude to the kind-hearted donors. She believes that this project has elevated some of the worries that her family was facing.

PROVIDING EDUCATION

151,244 children received education

MUSLIM HANDS' SCHOOL OF EXCELLENCE

Our Muslim Hands Schools of Excellence and Model Schools have provided free education to 151,244 students this year. At Muslim Hands, we strongly emphasise the importance of the Sustainable Development Goals, which advocate for "inclusive and equitable quality education and lifelong learning opportunities for all." Offering free education is crucial as many parents around the world lack the means to pay for their children's schooling, and often, children work from a young age to contribute to household income.

Our educational facilities across Asia, Africa, and the Middle East support disadvantaged children, inspiring them to pursue their dreams and ambitions. We recognise that free, accessible education is a fundamental human right, and the generosity of our donors is making this a reality for some of the most disadvantaged families around the globe.

Elias, 12, is a student at Muslim Hands' School of Excellence Aden, Yemen. His family lives in a displacement camp called Al Shadadi. Their tent is basic, consisting of two small rooms and a single bathroom. The family's financial situation is dire. Elias' father works as a guard, earning just $10 a month. This is their only source of income, barely covering their most basic needs.

The family struggles to afford essentials like clothing, medicine, and, most importantly, food. Attending the School of Excellence has removed some of the worries that they face daily. Not only has attending our school given Elias hopes to succeed in his education, but his family knows thathe will eat a nutritious school meal every day. Elias loves to draw and wants to become a famous painter in the future.

SUPPORTING THE NEXT GENERATION OF HIFZ STUDENTS

We run Hifz sponsorship projects in Somalia, Pakistan and Bangladesh that support Hifz students. Our sponsors ensure that Hifz students receive quality care while they learn and memorise the Holy Quran; this allows children from financially deprived families to complete the memorisation. All our sponsored Hifz students receive:

- Free of cos informal education
- Accommodation (for boarder students only)
- Nutritious meals each day
- Muhammed is one of our Hifz students in Pakistan

Muhammed aspires to become a religious scholar – yet financial constraints have prohibited him from achieving his dreams. Despite the loss of his father, Muhammed, an orphan, has shown remarkable resilience in navigating life's challenges.

The absence of paternal support and guidance has not deterred him from his dream. However, the family's financial situation, living in a rented single-room house with basic amenities, adds to their struggles. Muhammed H has a strong passion for Islamic studies and dreams of deepening his knowledge and understanding of the faith. His ultimate goal is to serve the community and inspire the next generation to pursue religious education.

Muhammad expresses his gratitude to the generous donor for providing him with the opportunity to memorise the Holy Quran: ***"I am sincerely grateful for your generous contribution. Your support has allowed me to embark on this journey of memorising the Holy Quran, and I am truly thankful for this precious opportunity."***

PROVIDING A STREET CHILD WITH LEGAL PROTECTION

Currently, an estimated 166 million children under 5 remain unregistered across the world. They are denied even the most basic human rights, depriving them of healthcare and education. This project aims to provide thousands of street-connected children across Pakistan, Bangladesh, Mali, Niger and Sri Lanka with legal identification, giving them access to the most basic rights currently denied to them.

HEALTH PROJECTS

998,161 – Total health projects beneficiaries

MOTHERKIND CLINIC – HELPING MOTHERS AND BABIES IN SOMALIA AND AFGHANISTAN

In 2020, the World Health Organisation estimated that around 287000 women died during and following pregnancy and childbirth. On average, a woman dies from pregnancy/childbirth every two minutes. Most maternal fatalities are preventable if mothers have access to basic healthcare and knowledge.

The Motherkind Clinics are combatting these issues head-on. In Afghanistan and Somalia, which have some of the highest maternal mortality rates in the world, our centres are strategically located, providing medical assistance to thousands of IDPs and vulnerable women each month. This year, our donors have supported 75,420 beneficiaries at the MKC Afghanistan, while our Clinic in Somalia has supported 29,500 beneficiaries.

Halimo is one of our patients at our Motherkind Clinic in Somalia. Halimo describes the clinic as a blessing for the community.

"Muslim Hands donors haves supported us during an extremely tough time. Our village has no health facilities; the Motherkind Clinic is a lifeline for us. Not only does the clinic treat the sick and the unwell, including our children, but it also holds awareness sessions. These sessions are vital for us as they educate us on how to keep ourselves and our families healthy."

AFGHANISTAN EYE CAMP

According to the World Health Organisation, Afghanistan has a massive backlog of cataract operations, especially in rural villages. Our cataract operation in Afghanistan provides surgeries and eye care services to those in need in Herat Province. The project focuses on delivering high-quality health services, including cataract surgeries for 200 patients in Afghanistan, while ensuring that vulnerable individuals receive the necessary care. The project involves screening patients, conducting surgeries, and providing post-operative care to ensure successful outcomes.

PROVIDING URGENT MEDICAL CARE WITH MOBILE HEALTH CLINIC

To provide urgent medical care, Muslim Hands has set up mobile clinics across remote villages in Pakistan. Our professional medical staff have been going out in vans stocked with essential medicine and equipment to support and target vulnerable members of isolated communities. The mobile clinic has become a lifeline for many.

Shazia Bibi and her family have been struggling with untreated health issues and inadequate medical care. Kal Sar, District Neelum, Azad Jammu and Kashmi, faced considerable healthcare challenges due to its remote location, limited access to medical facilities, and economic hardships.

Shazia explained to us the daily challenges they faced without medical care, ***"In case of any illness in our families, we have to travel for a long to get treatment while the cost of traveling is more than the cost of treatment."***

Shazia hopes donors and Muslim Hands understand the profound impact of their support has had in the community and why it is important to address how vital it is on critical healthcare to those who desperately need it.

1,631,307 safe water beneficiaries

Approximately two billion people lack access to safe drinking water, and about half of the world's population experiences severe water scarcity for at least part of the year. Water scarcity can have severe consequences on the vulnerable, including food insecurity, health issues, and economic losses. Climate change is intensifying the problem, making it more challenging to address the issue of water scarcity.

In 2024, Muslim Hands has been providing clean water to 1,631,307 communities affected by water scarcity.

SAFE WATER FOR REMOTE VILLAGES IN SOMALIA

Feysal is one of the beneficiaries that Muslim Hands has supported through the Rehabilitation water well project in Baidoa. His family was directly impacted by drought, losing most of their livestock and experiencing crop failure. To survive, Feysal had to leave for Baidoa in search of humanitarian assistance.

Conflict, economic instability and climate shocks are exacerbating the humanitarian crisis in Somalia, with 6.9 million people in need of humanitarian assistance and 3.8 million people internally displaced.

Watching his family struggle is unbearable for Feysel, ***"We reside in makeshift rooms that are vulnerable to flooding, sandstorms and even strong winds that can easily blow them away. I want a steady income to give my family the stability they need."***

Now that most of the nearby wells have dried up, Faysel spends on average six hours fetching water. This includes walking the distance and standing in a queue to collect the water. The long waiting time is causing fatigue among the women and elderly people in the community, causing tension around the water wells and leading to fights among the community.

Feysal is grateful for Muslim Hands and the donors, "***seeing my family struggling to access humanitarian assistance worried me daily. We had to walking long distances to fetch water since the water points nearby are often crowded and take long hours to get 20 litres of water. But with the Rehabilitation of the water well, all the hardship we encountered has disappeared. I would like to express my gratitude for supporting us and proving us with ulean water."***

TWO LARGE BOREHOLES IN YEMEN

The primary objective of this large-scale water project is to strengthen the water supply system in Ma'rib City by drilling two additional boreholes. Muslim Hands launched this project to mitigate the acute water shortages, enhance the system's resilience, and ensure safe and adequate access to drinking water for the city's rapidly growing population of people displaced by conflict in other areas of the country.

Muslim Hands had previously constructed a 2,000 cubic meter water reservoir, which became the central storage facility for water distribution in Ma'rib City.

The drilling of these new boreholes was designed as a complementary intervention to reinforce water sources and ensure a more sustainable supply of potable water. The reservoir and boreholes have significantly improved access to safe water for both IDPs and host communities, reducing residents' struggle to secure water and contributing to improved public health.

The intervention will lead to a more sustainable water supply and increase available water quantity, ensuring that people have improved access to safe drinking water, reducing health risks, and promoting better hygiene practices.

CONSTRUCTION OF WATER PONDS IN PAKISTAN

Muslim Hands has constructed water ponds to address food insecurity, water scarcity, support sustainable water management, restore ecosystems, and enhance climate resilience in the arid regions of District D.I Khan, Khyber Pakhtunkhwa. The project includes constructing water ponds to meet domestic, agricultural and livestock needs, delivering health and hygiene sessions, raising climate awareness, and plantation around the ponds to conserve water and improve the environment. These integrated actions aim to strengthen community adaptation to climate challenges.

Building the capacity of local communities involved training programmes on efficient water use and conservation techniques. These efforts improve water access, ensure resource sustainability and equip communities to adapt to water scarcity challenges. Active community engagement ensures residents play a vital role in decision-making and project implementation. This approach fosters ownership, builds trust, and enables tailored solutions that empower communities to manage resources effectively and address challenges. Sustainable practices focus on raising climate awareness and promoting water conservation through methods like efficient irrigation and rainwater harvesting. These measures are designed to safeguard natural resources, enhance sustainability, and build resilience to the impacts of climate change.

RELIGIOUS EDUCATION

BUILDING MOSQUES

Muslim Hands constructs mosques in remote villages around the world, including Sri Lanka, Niger and Pakistan. The project aims to provide the beneficiaries with a clean space for prayer and worship. The mosques serve as pivotal centres where isolated communities gather for communal activities. They also fulfil essential roles, such as offering Quranic teachings and providing crucial services like marriage and funeral arrangements.

UK PROGRAMMES
OPEN KITCHENS

The Open Kitchen is a hub for local communities. It is a place where people can receive a hot meal seven days a week and a safe and welcoming space where they can find friendship and support.

This project aims to tackle food insecurity and other issues affecting the most vulnerable people in Britain. Our first Open Kitchen was opened in 2018 in response to growing food insecurity in London and in December 2021, we set up our second kitchen in Nottingham. In August 2024, we opened our third Open Kitchen in Manchester.

In the past year, we have witnessed a substantial increase in beneficiaries visiting our centre – and we have heard many distressing stories of families trying to survive the cost-of-living crisis. Visitors constantly stress the pressure they face - we hear heartbreaking stories from individuals who don't know when their next meal will be or if they can afford their heating bills.

Many of our beneficiaries have undiagnosed mental health conditions, which have been exacerbated by their unstable living condition. The Open Kitchen has become a lifeline for many throughout this crisis.

We provide daily hot meals, including vegetarian options. Each meal includes one bottle of water and two snacks. We also provide toys and clothes for children, sleeping bags during our winter campaign, baby milk and sanitary products. Our Open Kitchen offers advice on mental health, employment and housing support.

Our beneficiaries are from all walks of life, including homeless individuals, low-income families and refugees.

UK PROGRAMMES

EMPOWERING CHILDREN WITH CREATIVE WRITING

Supporting aspiring authors and journalists

Since 2006, the Young Muslim Writers Awards have inspired young people from ages 5 to 16 across the UK to explore and excel in creative writing. This annual competition encourages participants to submit various creative pieces, including short stories, poems, screenplays, and journalism.

The submission is judged by respected figures from the arts and media industries. In 2024, we had 432 eligible entries from 385 individual entrants, and we shortlisted 50 entries across 11 categories. We also host writing workshops throughout the year. These workshops allow children to meet authors, receive guidance on honing their writing skills and foster a love for creative expression. This year, we held seven workshops and one assembly.

YOUNG MUSLIM WRITERS AWARDS

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Sustainable Development Goals

WHAT ARE SUSTAINABLE DEVELOPMENT GOALS?

The Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Led by the United Nations Development Programme, this set of 17 goals imagines a future free from poverty and hunger and safe from the worst effects of climate change.

WHAT DO THEY MEAN FOR OUR WORK?

Muslim Hands aim to ensure that the work we do is targeting these goals as part of a united global effort. Our approach is to work in line with the SDGs, while putting a special focus on children who are suffering from poverty, conflict and disaster.

Financial Review

This year, Muslim Hands raised £33.4m – the sum of £21.9m was donated for non-emergencies, £7.3m for emergencies and £4.2m coming from Gift Aid. The total income received in 2024 was down from the level of income raised in the previous year (£35.1m).

	2024	2023	2022
Donations from Supporters	£m	£m	£m
Donations for Non-Emergencies	21.9	23.4	22.6
Donations for Emergencies	7.3	7.9	6.3
Gift Aid	4.2	3.8	4.2
Total Income	33.4	35.1	33.1

The charity invested £4.4m to generate £33.4m. The net return was £29m.

The charity invested 13.2% to generate a return of 86.8%.

The charity aims for an investment target of 10% in the current year.

This is further broken down into 1/2 unrestricted/ restricted ratio respectively.

Financial Review

During the year Muslim Hands spent over £39.4m. This helped us reach a larger number of beneficiaries particularly in areas affected by conflict or natural disasters. The funds used included appeal funds raised in prior years.

	2024	2023	2022
	£m	£m	£m
Cost of generating funds	4.4	3.9	3.7
Charitable Activities	29.7	24.3	26.7
Where Most Needed	1.3	0.8	1.4
Orphans	2.3	2.2	3.1
Education	5.6	4.5	4.5
Health	1.2	1.3	0.8
Emergency	9.3	6.0	5.0
WASH	3.4	3.3	6.2
Food	5.4	4.9	4.1
Masjids	1.2	1.3	1.6
Support Costs and Staff	5.4	4.8	5.0
Total Resources Expended	39.4	33.0	35.4

Expenditure

The management of the charity is undertaken responsibly to safeguard and protect the funds the charity is entrusted with from loss, corruption, fraud and the charity has invested in the strength of its systems, offices and people. Therefore, £5.4m was invested in the organisation allowing the charity to effectively use the funds and operate with accountability.

In 2024 the charitable activities expended were £29.7 m.

The following table provides some details of the various programmes we implement, the number of beneficiaries supported and achievements in respect of each project category: -

During programmes implementation there are several factors that can affect whether a project achieves its targets. This includes availability of funding, socio-economic conditions of the donors or target beneficiaries and interventions by the respective government institutions, UN Agencies and the other humanitarian actors focusing on the same areas. Muslim Hands is always committed to the poor and marginalised and vulnerable segments of society irrespective of race, religion and gender. Most of our implementation is ongoing, so if targets are not met, we continue to work with the same communities the following year. Our partnerships, networking, policy level advocacy and lobbying components of the program also support the target beneficiaries.

THEMATIC	FIGURES	DETAILS
Emergency	3,212,095	Projects include our Syria housing project and Yemen Bread factory. We also provided emergency intervention in Afghanistan and India Kashmir.
Education	157,864	Our MH School of Excellence, Model School, religious educational and orphans programmes.
WASH	1,624,005	Tube wells, boreholes, water filtration units, rain harvesting and Girl-friendly toilet.
Health	998,161	Our Motherkind Clinic in Afghanistan and Somalia. Basic health units, Cataract Eye Surgery and Covid intervention in India.
Food	1,314,285	Qurbani and Ramadan. Our Open Kitchen in Nottingham and Hounslow.
Livelihoods	26,200	Sewing Machine, Hope shop Project and chicken farming project.

PRINCIPAL SOURCES OF FUNDING

The principal source of funding is from individual donors from within the UK who respond to appeals via mail, email, social media, website or other forms of fundraising through the radio or television.

RESERVES

From its inception, Muslim Hands has raised funds for specific projects (restricted funds) and funds which are not specified for a particular project (unrestricted funds) which would be utilised where most needed and applied at the discretion of the trustees to further the charity's purposes.

Over recent years, Muslim Hands voluntary income has seen steady growth. A significant proportion of this income is restricted funds for specific projects the majority of which is short-term aid responding to the basic needs (including food, water, clothing, shelter and basic education) of beneficiaries in areas blighted by conflict and areas that have suffered natural disasters. Given the charity's present level and nature of activities the unrestricted funds not committed or invested in tangible and intangible fixed assets ("the free reserves") held by the charity should not be less than £600,000. At this level the Trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. Muslim Hands have addressed the shortfall in this through new budgets and systems to limit variances. Muslim Hands depends on unrestricted funds to fund its long-term developmental programmes particularly in regions which have not received media coverage in recent months and years which has led to increased demand on unrestricted funds. In light of this and the donor giving patterns of recent years Muslim Hands has continued with its plan initiated to: -

1. **Increase capacity to work in emergency zones**
2. **Simultaneously consolidate the geographical and thematic spread of long-term projects and projects offices**
3. **Developing closer working relationships with grass root organisations in countries where we carry out projects**
4. **Diversifying the donor base**

These measures, will bring further efficiencies and savings but still allow MH to increase the reach to beneficiaries, and it will also be instrumental to the success of the strategy.

The reserves position at present offers the Trustees assurance that the charity is able to continue its current activities. The Charity needs to continue to be able to respond quickly to appeals for the relief of suffering in varied communities around the world. The Charity is presently achieving this aim and further aims to increase its unrestricted reserves position year on year.

NATURE OF FUNDS

The trustees confirm that, on a fund-by-fund basis, the assets are available and are adequate to fulfil the obligations of the charity.

GRANT MAKING POLICY

During the period the Charity awarded grants totalling £26.7m (2021: £26.2m).

The Charity's policy is to make gifts of this nature to individuals and organisations which further the objectives of the Charity. The majority of the grants are to other Muslim Hands entities in various countries around the world who implement projects on behalf of the Charity thereby assisting the Charity in fulfilling its objectives.

Muslim Hands invites proposals from existing partners. The applications received are scrutinised to ensure they meet MH criteria with respect to its objectives and monitorable results. Programmes monitoring and evaluation is carried out by MH staff to ensure adherence to MH objectives, programmes quality and financial sustainability. The trustees further obtain assurance by making visits to the programmes. The partners provide quarterly narrative and financial reports with explanations for variances.

INVESTMENT POLICY

Surplus funds are usually kept in a Al Rayyan Deposit account to ensure the best return for the Charity.

GOING CONCERN

As a response to the financial risks posed by the Cost of Living Crisis MH began to scenario plan it's cashflow and the variation in impact of increased and reduced cash scenarios.

Furthermore, the charity increased it's rolling cashflow projections from 12 months to 24 months to better understand the going concern status of the charity. The scenario planning showed that the charity will continue and the surge in funds in 2024 supports this projection. It further allowed the charity to consider the impact of a shortage in funding and the potential mitigators that would be required. With the success of fundraising this year the charity is confident of its continuation as a going concern.

Structure, Governance and Management

Muslim Hands was legally established as an international NGO in 1993 by a trust deed and registered with the Charity Commission under registration number 1029742 on 6 December 1993.

In 2004, Muslim Hands changed its structure, registering as a company limited by guarantee at Companies House in England on 22 March 2004 and with the Charity Commission on 22 July 2004 under registration number 1105056. The funds in the original trust were transferred to the newly incorporated company and thereafter, the original trust was de-registered on 8 November 2006. Muslim Hands has been operating under the company structure to this day.

As the charity is constituted as a company limited by guarantee, it is therefore governed by a memorandum and articles of association. Eligibility for membership of the charity and membership of the Board of Trustees is governed by the memorandum and articles of association. Currently, all of the members of the charity also serve as directors of the company who are the trustees of the charity. The charity is not a member of a wider network or umbrella group, save for being the founding entity for other legal entities established in other jurisdictions and who operate under the name and logo of Muslim Hands.

The trustees are legally responsible for the charity and set the strategic direction with operational matters delegated to the Senior Management Team. The Senior Management Team are supported by dedicated staff. The current Senior Management Team comprises of Syed Lakhte Hassanain as CEO with Shahid Bashir, Tariq Nasir, Yasrab Shah, Munawar Patel, Umer Bhatti, Arslan Nusrat and Syed Ali Haider as Executive Directors. The trustees set the salaries for the CEO and the Senior Management Team's salaries are set by the CEO. The salaries are benchmarked according to similar roles in the sector based on research conducted internally. Furthermore, they are adjusted according to the prevailing rate of inflation at the time.

The process of recruiting trustees involves determining the optimum skills, knowledge and experience mix for the current operational climate and needs. Identifying potential trustees, promoting and explaining the activities of the Board to potential trustees and the decision to appoint new trustees is then taken by the Board of Trustees.

The induction of new trustees would include an explanation of the function of the Board of Trustees and appointing a mentor for the new board member. An overview of the organisation and its activities is also provided. The board has commenced a process of giving short training sessions for trustees at their meetings.

The charity trustees have now established a Programmes Committee, an Audit Committee, Remuneration Committee, a Nomination Committee and a Fundraising committee for better control and governance. The Programmes Committee is a sub-committee of the board and provides assurance to the board that Muslim Hands has an effective programmes strategy in place with appropriate systems that will ensure the delivery of the strategic aims.

The Audit Committee's general objectives are to review the audited financial statements of Muslim Hands and recommend them to the board. In addition, to review Muslim Hands risk register and reports on internal controls and its compliance.

The Fundraising Committee provides expert insight and assurance to the Board that Muslim Hands has an effective Fundraising Strategy in place with appropriate risk management.

The committees are formed of two external members and one MHUK trustee who is also the Committee Chair. Muslim Hands has been dependant on volunteer support in order to fulfil its objectives, vision and mission and to carry out its activities. The trustees would like to thank all those who have volunteered their time to Muslim Hands.

OBJECTIVES, VISION AND MISSION

MUSLIM HAND'S OBJECTIVES ARE:

The relief of poverty and sickness anywhere in the world and in particular, amongst those affected by natural disasters or by wars and other conflicts, by the provision of financial or other assistance including medicines, hospitals, shelter and food.

To advance education amongst those in need anywhere in the world, with particular regard to orphans.

The advancement of Islamic faith through education and the promotion of interreligious harmony through dialogue and cooperation with other faiths and traditions.

The fulfilment of the above objectives is enshrined in our mission statement:

"To be at the forefront in delivering relief from poverty, sickness and the provision of education worldwide. To provide an ethical service for the collection and distribution of funds in an effective, efficient, transparent and wholly accountable manner".

Our vision is:

'Inspired by the values of our faith, Muslim Hands is working towards tackling the root causes of poverty and creating a fairer world for everyone. We believe that every human being has the right to an education, access to clean water and food and the means to support themselves, their family and their community. themselves, their family and their community'.

Our aims and objectives are a reflection of our beliefs. At Muslim Hands, we believe that:

- **Everyone, irrespective of race, colour or faith has the fundamental right to a life of dignity, free of poverty and oppression.**
- **Poverty can and must be eradicated, as it exists primarily due to the unjust distribution of resources.**
- **By working directly with disadvantaged communities, we can bring about positive changes from within those communities.**
- **Literacy, education and job-skills training are fundamental to the development of disadvantaged communities and are the most effective tools for empowering people to break out of poverty.**
- **It is our duty to assist vulnerable people in times of crisis, such as war or natural disaster.**

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

Public Benefit Statement

All our charitable activities focus on furthering our charitable objectives for the public benefit. The section of this report entitled Objectives, Vision and Mission sets out the aims and charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. The trustees have concluded that: charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trustees have concluded that:

- **The aims of the charity continue to be charitable.**
- **The charity serves individuals and communities in need.**
- **The aims and work done give identifiable benefits to the charitable sector both directly and indirectly.**
- **The benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay.**
- **There is no detriment or harm arising from the aims or activities.**

Principal Risks and Uncertainties

The trustees have, during the year, considered the material risks facing the charity and have put in place mitigating controls to address those risks.

The continuing success of the charity is dependent on continuing to receive sufficient support and donations from the community. Trustees mitigate this risk by ensuring that income and expenditure are closely monitored and reviewed.

During 2024, the trustees identified the following key risks and the measures taken to address them:

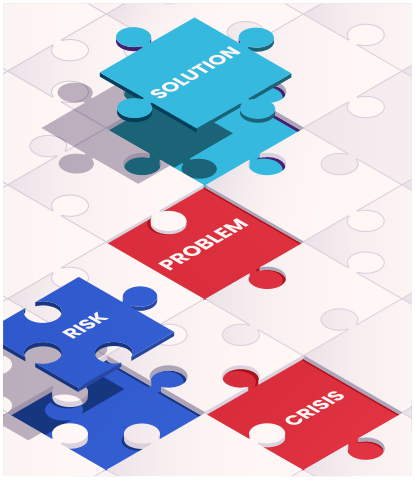
Risk	Management Actions
Programmes not delivered as expected by MH standards	• Due Diligence Famework. • Staff member trained to do due diligence checks. • Director of Governance signs off of all Due Diligence checks. • Board sign off of any Due Diligence checks escalated by Director of Governance. • Monthly Review meetings reassess Partner RAG ratings. Partners may be put 'on hold' • Legal counsel and Programme Finance team review and approve the funding agreements. • Muslim Hands Policies are shared with Partners. • Education and training of partners regarding expectations. • Field monitoring visits are regularly undertaken to verify the delivery of aid.
Violation or abuse of beneficiaries and safeguarding	• Muslim Hands' safeguarding policies for children and vulnerable adults and safeguarding code of conduct. • Safeguarding Code of Conduct • Muslim Hands are part of 'Keep Children Safe Network', provider of online training facilities. • Partner office staff complete 'Keep Children Safe Network' training. • Muslim Hands Whistleblowing policy in place. • Programme Quality Framework includes a complaint programme which involves interviews with beneficiaries. • Programme Quality Framework includes safeguarding spot checks. • Reporting of Safeguarding issues to Management and Board.
Cashflow to meet charitable and operational commitments due to emerging cost of living crisis	• Board oversight of spending in advance of approval. of fundraising budget and targets. • Board oversight of performance and likely year end position. • Reporting of scenarios and the impact on cash flow. • Periodic review of Financial Sustainability. • Budget Re-forecasting to ensure changing financial conditions are well managed.
Cyber Security	• GDPR policies including Data Breach Action Plan, data breach form in place. • Monitoring GDPR compliance. • Outsourced DPO service by Bulletproof Ltd. • Single Sign On and Multi Factor Authentication with controlled conditional access. • Enabled Encryptions deployed over SCCM. • Maintaining third-party cyber security defence and anti-virus software. • Timely patches for server and desktop systems. • Monitoring of IT controls. • Robust IT Policies. • Adopting VLAN. • Encryption-in-transit protects both systems and data. • Procedures for penetration testing and system security checks. • Business Continuity and Disaster Recovery Planning.
Strategic Alignment of Programmes	• Project Toolkit checklist • Partner office carries out a Project Needs and Beneficiary Selection Assessment • Scoring requirement inbuilt into Projects System • Programmes Director reports quarterly to the Programmes Committee on progress with implementation of the corporate strategy • Project Risk Management undertaken for all projects

Internal Audit and Risk Assurance

The MH Board of Trustees is advised by an Audit Committee comprising trustees and independent members who bring a broad range of expertise. The Committee meets three times a year, and its terms of reference include scrutiny and oversight of MH's risk management..

The Internal Audit function reports to the Audit Committee and is delivered by MH's Internal Audit Department, staffed by qualified auditors.

The Department primarily conducts programme-focused audits across MH's overseas charitable expenditure, supports the maintenance of the risk register, and delivers a risk-based audit programme under an audit plan. Internal Audit shares its findings with the Audit Committee and senior management for review and action, with management responsible for implementing agreed actions and progress tracked back to the Committee.



Plans for the Future

INCOME DIVERSIFICATION

Muslim Hands has continued to grow steadily since its inception, reaching an increasing number of disadvantaged communities year after year.

To continue the mission of aiding more people as effectively and efficiently as possible, Muslim Hands will be focusing on organisational restructure and internal development, stronger emphasis on forming partnerships with grass-roots level delivery partners overseas and at home and increasing our income from trusts and institutional funders. Muslim Hands' educational and training projects are a long standing and recognised strength, and they will be the primary area of focus going forward.

INHOUSE SYSTEMS

Muslim Hands is continuing the development of the next generation, web-based CRM, financial management and programmes systems to add to the level of data processing and reporting of impact on its activities, encouraging better collaboration and increased learning and oversight with our partners.

NEW STRATEGY

Muslim Hands has begun its new strategy following the success of its previous strategy.

The strategy has focused on continuing the success story of Muslim Hands as it embarks on its next phase of growth in serving those in need both abroad and here in the UK.

UK PROGRAMMES

Muslim Hands is planning to expand its UK Open Kitchen programme to more towns and cities over the next three years.

The interest that our kitchens have generated from supporters and the impact they have had on the local communities they serve has demonstrated their value.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Muslim Hands for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards FRS 102.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the stated year. In preparing those 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 judgements and estimates that are responsible and prudent.**
- **State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.**
- **Prepare the financial statements on the going-concern basis unless it is not appropriate to presume that the charity will continue in business.**

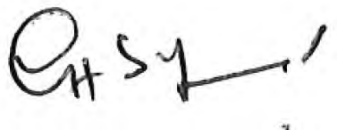
The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps towards the prevention and detection of fraud and other irregularities.

In so far as the trustees, individually, are aware:

- **There is no relevant audit information of which the charity's auditor is unaware.**
- **The trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.**

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Annual Report, which includes the strategic report, has been approved by the trustees on 25/09/2025 and signed on their behalf by



Syed Lakhte Hassanain.
Trustee and Chairman

Independent Auditor's Report

OPINION

We have audited the financial statements of Muslim Hands (the 'charitable company') for the year ended 31 December 2024. which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2024 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Muslim Hands' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements;**

  and

- **The trustees' annual report, including the strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified

material misstatements in the trustees' annual report including the strategic 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 statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- **We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:**
- **Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;**
- **Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;**
- **The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.**
- **We inspected the minutes of meetings of those charged with governance.**
- **We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.**
- **We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.**
- **We reviewed any reports made to regulators.**
- **We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.**
- **We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.**
- **In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.**

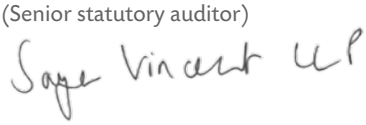
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard
(Senior statutory auditor)



26 September 2025

for and on behalf of
Sayer Vincent LLP, Statutory Auditor

110 Golden Lane,
LONDON, EC1Y 0TG

Statement of Financial Activities

Muslim Hands

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2024

	Note	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Income from:							
Donations		13,689,087	19,643,576	**33,332,663**	12,970,455	22,072,739	35,043,194
Bank Interest		70,706	–	**70,706**	84,332	–	84,332
Total income		13,759,793	19,643,576	**33,403,369**	13,054,787	22,072,739	35,127,526
Expenditure on:							
Raising funds	3	4,381,199	–	**4,381,199**	3,903,430	–	3,903,430
Charitable activities							
Grants payable and operational	3	6,995,271	28,029,490	**35,024,761**	5,500,710	23,553,501	29,054,211
Total expenditure		11,376,470	28,029,490	**39,405,960**	9,404,140	23,553,501	32,957,641
Net income / (expenditure) before net gains / (losses) on investments		2,383,323	(8,385,914)	**(6,002,591)**	3,650,647	(1,480,762)	2,169,885
Net gains / (losses) on investments		–	–	–	–	–	–
Net income / (expenditure) for the year	4	2,383,323	(8,385,914)	**(6,002,591)**	3,650,647	(1,480,762)	2,169,885
Transfers between funds	12	(3,501,680)	3,501,680	–	(4,981,853)	4,981,853	–
Net income / (expenditure) before other recognised gains and losses		(1,118,357)	(4,884,234)	**(6,002,591)**	(1,331,206)	3,501,091	2,169,885
Gains / (losses) on revaluation of fixed assets			–	–	–	–	–
Actuarial gains / (losses) on defined benefit		–	–	–	–	–	–
Other gains / (losses)		–	–	–	–	–	–
Net movement in funds		(1,118,357)	(4,884,234)	**(6,002,591)**	(1,331,206)	3,501,091	2,169,885
Reconciliation of funds:							
Total funds brought forward		4,356,063	16,015,956	**20,372,019**	5,687,269	12,514,865	18,202,134
Total funds carried forward		3,237,706	11,131,722	**14,369,428**	4,356,063	16,015,956	20,372,019

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

Balance Sheet

Muslim Hands

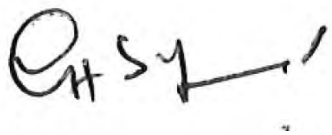
Balance sheet

Company no. 05080486

As at 31 December 2024

	Note	£	2024 £	£	2023 £
Fixed assets:					
Tangible assets	7		**1,207,607**		1,234,874
			1,207,607		1,234,874
Current assets:					
Debtors	8	**4,293,875**		4,339,499	
Short-term Deposits		**-**		2,891,122	
Cash at bank and in hand		**11,082,350**		13,951,791	
		15,376,225		21,182,412	
Liabilities:					
Creditors: amounts falling due within one year	9	**(2,214,404)**		(2,045,267)	
Net current assets			**13,161,821**		19,137,145
Total assets less current liabilities			**14,369,428**		20,372,019
			14,369,428		20,372,019
The funds of the charity:	10				
Restricted income funds			**11,131,722**		16,015,956
Unrestricted income funds			**3,237,706**		4,356,063
Total charity funds			**14,369,428**		20,372,019

Approved by the trustees on 25 September 2025 and signed on their behalf by



Syed Lakhte Hassanain
Trustee

Statement of Cash Flows

Muslim Hands

Statement of cash flows

For the year ended 31 December 2024

	Note	2024 £	£	2023 £	£
Cash flows from operating activities	13				
Net cash provided by / (used in) operating activities			(5,695,242)		(320,462)
Cash flows from investing activities:					
Purchase of fixed assets		(65,321)		(56,593)	
Net cash provided by / (used in) investing activities			(65,321)		(56,593)
Cash flows from financing activities:					
Repayments of borrowing		–		–	
Net cash provided by / (used in) financing activities			–		–
Change in cash and cash equivalents in the year			(5,760,563)		(377,056)
Cash and cash equivalents at the beginning of the year			16,842,913		17,219,969
Cash and cash equivalents at the end of the year	14		11,082,350		16,842,913

Notes to the Financial Statements

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2024

1 Accounting policies

a) Statutory Information

Muslim Hands is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 148 - 164 Gregory Boulevard, Nottingham, NG7 5JE.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.
Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes grants payable to deliver operational programmes furthering the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the overhead costs of the central function is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity. The salaries for this are classified within charitable giving.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Fundraising 17%
- Direct Charitable 83%

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Fundraising 54%
- Direct Charitable 45%
- Governance Costs 1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Grants Payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

1 Accounting policies (continued)

n) Tangible fixed assets (continued)

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold Property	2% straight line
● Computer and Office Equipment	25% straight line
● Fixtures and Fittings	15% reducing balance

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Creditors and provisions

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

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2024

2 Grants payable and operational programmes

Current year	Unrestricted funds £	Restricted funds £	Total 2024 £
General	1,676,562	(1,457,935)	218,627
Children	–	125,179	125,179
Education	–	5,608,612	5,608,612
Elderly	–	11,696	11,696
Emergency Aid	–	9,317,750	9,317,750
Environment	–	6,765	6,765
Food	–	5,338,743	5,338,743
Health	–	1,161,503	1,161,503
Livelihoods	–	811,322	811,322
Masjid	–	1,235,438	1,235,438
Orphans	–	2,310,294	2,310,294
Shelter	–	140,817	140,817
Safe Water	–	3,419,306	3,419,306
Grant payable	1,676,562	28,029,490	29,706,052
Wages and salaries	802,632	–	802,632
Other costs including salaries	3,843,435	–	3,843,435
Governance costs (note 3)	672,641	–	672,641
	6,995,271	**28,029,490**	**35,024,761**

Prior year	Unrestricted funds £	Restricted funds £	Total 2023 £
General			
Children	760,540	(692,187)	68,354
Education	–	77,720	77,720
Elderly	–	4,533,020	4,533,020
Emergency Aid	–	19,710	19,710
Environment	–	5,956,433	5,956,433
Food	–	157,641	157,641
Health	–	4,943,783	4,943,783
Livelihoods	–	1,278,505	1,278,505
Masjid	–	480,934	480,934
Orphans	–	1,329,169	1,329,169
Shelter	–	2,200,879	2,200,879
Safe Water	–	4,676	4,676
	–	3,263,218	3,263,218
Grant payable	760,540	23,553,501	24,314,041
Wages and salaries	809,395	–	809,395
Other costs including salaries	3,330,417	–	3,330,417
Governance costs (note 3)	600,358	–	600,358
	5,500,711	**23,553,501**	**29,054,211**

2 Grants payable and operational programmes (continued)

	2024	2023
Cost	**£**	£
Muslim Hands Partners (Related Parties)		
Pakistan	5,449,149	4,557,513
Sudan	828,300	881,825
Bangladesh	356,810	231,428
Niger	1,113,227	961,055
Afghanistan	1,846,882	1,013,049
Gambia	316,329	315,567
Sri Lanka	609,449	534,519
Indonesia	1,015	76,901
Mauritania	169,310	321,609
Senegal	175,398	223,275
Somalia	702,687	797,369
Mali	2,358,667	2,727,792
Malawi	282,833	283,684
Yemen	2,720,019	1,276,430
Kashmir (Pakistan)	1,183,371	807,406
	18,113,445	15,009,423
Non Muslim Hands Partners		
Lebanon	148,635	208,200
Syria	113,480	–
Kashmir (India)	305,557	487,091
Palestine	6,608,916	4,025,181
Turkey	725,558	1,608,245
	7,902,146	6,328,717
	26,015,591	21,338,140
Other grants less than £50,000 in the year	3,690,461	2,975,901
At the end of the year	**29,706,052**	24,314,041

A full list of individual grants and the projects that are funded is available from our principal office.

All of the "Muslim Hands" overseas charity operations are controlled at a local level and have not been consolidated into these financial statements. In a number of cases, one or more UK Trustees sit on the local boards but the overseas operations have local registration. All country level operations are treated as independent partners. There is no intention on behalf of the UK board to control any country level entities even where there are common Board members, they are related parties.

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2024

2 Grants payable and operational programmes

Current year	Unrestricted funds £	Restricted funds £	Total 2024 £
General	1,676,562	(1,457,935)	218,627
Children	–	125,179	125,179
Education	–	5,608,612	5,608,612
Elderly	–	11,696	11,696
Emergency Aid	–	9,317,750	9,317,750
Environment	–	6,765	6,765
Food	–	5,338,743	5,338,743
Health	–	1,161,503	1,161,503
Livelihoods	–	811,322	811,322
Masjid	–	1,235,438	1,235,438
Orphans	–	2,310,294	2,310,294
Shelter	–	140,817	140,817
Safe Water	–	3,419,306	3,419,306
Grant payable	1,676,562	28,029,490	29,706,052
Wages and salaries	802,632	–	802,632
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Health	–	4,943,783	4,943,783
Livelihoods	–	1,278,505	1,278,505
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Other costs including salaries	3,330,417	–	3,330,417
Governance costs (note 3)	600,358	–	600,358
	5,500,711	**23,553,501**	**29,054,211**

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2024

3a Analysis of expenditure (current year)

	Cost of raising funds £	Grants payable and operational programmes £	Governance costs £	**2024 Total £**	2023 Total £
Grants payable (Note 2)	–	29,706,052	–	**29,706,052**	24,314,041
Staff costs (Note 5)	1,289,998	2,028,565	541,026	**3,859,590**	3,753,300
Premises costs	12,264	220,750	12,264	**245,278**	246,106
Office costs	95,856	1,725,399	90,606	**1,911,861**	1,683,717
Professional fees	37,297	671,353	37,297	**745,948**	427,694
Publications, advertising and postage	2,910,382	–	–	**2,910,382**	2,510,724
Audit and accountancy	–	–	21,600	**21,600**	22,060
Trustees expenses	–	–	5,250	**5,250**	–
	4,345,797	34,352,120	708,043	39,405,960	32,957,641
Governance costs	35,402	672,641	(708,043)	**–**	–
Total expenditure 2024	**4,381,199**	**35,024,761**		**39,405,960**	
Total expenditure 2023	**3,903,430**	**29,054,211**	**–**	**–**	**32,957,641**

Costs allocation includes an element of judgement and the Charity had had to consider the cost benefit of detailed calculations and record keeping. All categories have been allocated on a basis consistent with the use of resources.

3b Analysis of expenditure (prior year)

	Cost of raising funds £	Grants payable and operational programmes £	Governance costs £	**2023 Total £**	2022 Total £
Grants payable (Note 2)	–	24,314,041	–	**24,314,041**	27,366,694
Staff costs (Note 5)	1,243,232	2,018,048	492,020	**3,753,300**	3,639,293
Premises costs	12,305	221,496	12,305	**246,106**	178,939
Office costs	84,186	1,515,345	84,186	**1,683,717**	1,216,445
Professional fees	21,385	384,924	21,385	**427,694**	538,248
Publications, advertising and postage	2,510,724	–	–	**2,510,724**	2,379,109
Audit and accountancy	–	–	22,060	**22,060**	26,409
Trustees expenses	–	–	–	**–**	4,380
	3,871,832	28,453,853	631,956	32,957,641	35,349,517
Governance costs	31,598	600,358	(631,955)	**–**	–
Total expenditure 2023	**3,903,430**	**29,054,211**		**32,957,641**	
Total expenditure 2022	**3,746,356**	**31,603,161**	**–**	**–**	**35,349,517**

Notes to the financial statements

For the year ended 31 December 2024

4 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2024	2023
	£	£
Auditors' remuneration (excluding VAT):		
Audit	21,600	22,060
Under-provision in the prior year	-	-
Depreciation of tangible fixed assets	92,589	87,883

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	3,389,104	3,311,176
Social security costs	346,999	332,062
Employer's pension contributions to defined contribution scheme	123,487	110,061
	3,859,590	3,753,299

The average number of employees (on a head count basis) analysed by function was:

	2024	2023
	No.	No.
Direct charitable operations	50	55
Fundraising and publicity	56	43
Management and administration of the Charity	9	9
	115	107

The charity operates a defined contribution pension scheme: 2024 £123,487 (2023: £110,061) has been charged in the Statement of Financial Activities during the year in relation to this pension scheme.

The total employee benefits including pension contributions and national insurance of the key management personnel were £681,240 (2023: £822,586).

Emoluments between:
£60,000-£69,999 - Two (Five in 2023).
£70,000 - £79,999 - Six (Five in 2023).

Emolument for seven key management personnel totalled £601,458 (£579, 958 in 2023)
During the period, Syed Lakhte Hassanain, a Trustee of the Charity, was paid £71,872 (2023: £76,539) for his services to the charity as an employee. These payments are approved by the Charity Commission.

At the year end the Charity was owed £0 (2023: £1,120) by Syed Lakhte Hassanain.

During the year £5,025 (2023 £4,582) of expenses for reimbursement of travel and subsistence in connection with the Charity's business were paid to 4 Trustees (2023: 4 Trustees).

6 Taxation

No corporation tax has been provided in the financial statements as Muslim Hands is a registered charity and is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

Notes to the financial statements

For the year ended 31 December 2024

7 Tangible fixed assets

	Freehold land & buildings £	Computer & office equipment £	Fixtures and fittings £	Motor Vehicles	**Total £**
Cost					
At 1 January 2024	1,418,683	223,422	156,014	-	**1,798,119**
Additions in year	-	56,114	9,207	-	**65,321**
Disposals in year	-		-	-	
At 31 December 2024	1,418,683	279,536	165,221	-	**1,863,440**
Accumulated depreciation					
At 1 January 2024	352,282	125,462	85,501	-	**563,245**
Charge for the year	28,374	49,461	14,754	-	**92,589**
Eliminated on disposal	-		-	-	
At 31 December 2024	380,656	174,923	100,255	-	**655,834**
Net book value					
At 31 December 2024	1,038,027	104,614	64,966	-	**1,207,607**
At 31 December 2023	1,066,401	97,961	70,513	-	1,234,874

Included in the net book value of freehold land and buildings of £1,094,772 (2023: £1,123,146) is £nil relating to non-depreciated land.

8 Debtors

	2024 £	2023 £
Other debtors	**4,268,860**	4,293,776
Prepayments and accured income	**25,015**	45,723
	4,293,875	4,339,499

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in notes 10 and 11 below.

9 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	**678,046**	376,220
Other Creditors - Grant Payable	**1,347,435**	1,590,144
Accruals and deferred income	**144,521**	125,110
Other creditors	**44,402**	(46,207)
	2,214,404	2,045,272

The bank loan is secured by a legal charge over the freehold property to which it relates. The loan is repayable in monthly instalments and bears interest at 2.5% over base rate.

10 Analysis of net assets between funds 2024

	General unrestricted £	Restricted £	**Total funds £**
Tangible fixed assets	1,207,607	–	**1,207,607**
Net current assets	2,030,099	11,131,722	**13,161,821**
Net assets at 31 December 2024	**3,237,706**	**11,131,722**	**14,369,428**

Analysis of net assets between funds 2023

	General unrestricted £	Restricted £	**Total funds £**
Tangible fixed assets	1,234,874	–	**1,234,874**
Net current assets	3,121,189	16,015,956	**19,137,145**
Net assets at 31 December 2023	**4,356,063**	**16,015,956**	**20,372,019**

Notes to the Financial Statements

Notes to the financial statements

For the year ended 31 December 2024

11a Movements in funds 2024

Theme	Opening Balance	Incoming Funds		Original Expenditure		Transfers	Closing Balance
	£	£		£	£	£	£
Children	28,253	15,319	–	125,179	–	88,452	**6,845**
Education	915	422,900	–	5,608,612	–	5,286,315	**101,518**
Elderly	44,980	20,291	–	11,696	–	–	**53,575**
Emergency	5,320,487	6,331,966	–	9,317,757	–	– 941,792	**1,392,904**
Environment	1,092,870	148,182	–	6,765	–	–	**1,234,287**
Food	46,197	2,925,181	–	5,338,743	–	2,393,168	**25,803**
General	3,633,503	1,527,204		1,448,309	–	– 2,848,477	**3,760,539**
Health	875	392,425	–	1,161,503	–	846,713	**78,510**
Livelihoods	7,507	144,244	–	811,322	–	685,064	**25,493**
Mosques	2,633,844	975,840	–	1,225,813	–	187,041	**2,570,912**
Orphans	234,838	3,487,225	–	2,310,294	–	– 1,551,146	**(139,377)**
Shelter	1,502,413	130,773	–	140,817	–	39,441	**1,531,810**
WASH	1,469,280	3,122,029	–	3,419,306	–	– 683,100	**488,903**
Grand Total	**16,015,963**	**19,643,578**		**(28,029,498)**	**–**	**3,501,680**	**11,131,722**
Unrestricted Reserves	**4,356,056**	**13,759,793**		**(11,376,463)**	**–**	**(3,501,680)**	**3,237,706**
Total	**20,372,019**	**33,403,371**		**(39,405,962)**	**–**	**–**	**14,369,428**

Notes to the Financial Statements

Notes to the financial statements

For the year ended 31 December 2024

11b Movements in funds 2023

Theme	Opening Balance £	Incoming Funds £	Original Expenditure £	Wages £	Transfers £	Closing Balance £
Children	35,698	23,634	- 77,720	-	46,641	**28,253**
Education	96,065	401,986	- 4,533,020	-	4,035,885	**915**
Elderly	39,151	25,539	- 19,710	-	-	**44,980**
Emergency	4,959,698	7,092,222	- 5,956,433	-	- 775,000	**5,320,487**
Environment	1,009,542	157,762	- 157,641	-	83,208	**1,092,870**
Food	118,079	2,352,054	- 4,943,783	-	2,519,848	**46,197**
General	1,763,024	1,118,079	692,187	-	60,214	**3,633,503**
Health	- 61,225	466,019	- 1,278,505	-	874,586	**875**
Livelihoods	30,276	235,410	- 480,934	-	222,755	**7,507**
Mosques	2,031,673	1,778,676	- 1,329,169	-	152,663	**2,633,844**
Orphans	249,910	4,141,652	- 2,200,879	-	- 1,955,846	**234,838**
Shelter	1,256,209	250,880	- 4,676	-	-	**1,502,413**
WASH	986,771	4,028,829	- 3,263,220	-	- 283,100	**1,469,280**
Grand Total	**12,514,871**	**22,072,741**	**(23,553,503)**	**-**	**4,981,853**	**16,015,963**
Unrestricted Reserves	**5,687,263**	**13,054,787**	**(9,404,140)**	**-**	**(4,981,853)**	**4,356,057**
Total	**18,202,134**	**35,127,528**	**(32,957,643)**	**-**	**-**	**20,372,019**

Purposes of restricted funds

The Restricted Fund contains funds restricted to a particular location and a group of up to thirteen funds restricted to each location. These funds include Emergencies, Orphans, Education, Elderly, Livelihoods, Food, Health, Safe Water, Shelter, Field, Mosque and Environment.

The Restricted Funds received by donors are used on charitable projects within the restrictions provided by the donors. These funds are utilised within the year they are received for projects within the location and theme restricted by donors.

In delivering on our charitable objectives, we have continued to respond to the evolving needs of our beneficiaries and offices we support. A key aspect of this work has been the ability to commit resources early in the lifecycle of projects by transfer of funds – often before dedicated donations are secured.

12 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2024 £	2023 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	**(6,002,591)**	2,169,885
Depreciation charges	**92,589**	87,883
(Increase)/decrease in debtors	**45,624**	(3,437,026)
Increase/(decrease) in creditors	**169,137**	858,796
Net cash provided by / (used in) operating activities	**(5,695,242)**	(320,462)

Notes to the financial statements

For the year ended 31 December 2024

13 Analysis of cash and cash equivalents

	At 1 January 2023 £	Cash flows £	Other changes £	At 31 December 2024 £
Cash at bank and in hand	13,951,791	(2,869,441)	-	**11,082,350**
Short term deposits	2,891,122	(2,891,122)	-	**-**
Total cash and cash equivalents	16,842,913	(5,760,563)	-	**11,082,350**

14 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property **2024** **£**	2023 £
Less than one year	51,333	65,000
One to five years	-	65,000
Over five years (Cancellable)	**-**	-
	51,333	130,000

15 Related party transactions

The Charity works in close co-operation with other Muslim Hands charities worldwide. The relationship of these charities to Muslim Hands in the UK is described in Note 2.

Muslim Hands in the UK has common trustees with Muslim Hands Pakistan, Bangladesh and Yemen. Muslim Hands in the UK also has 2 common trustees with Muslim Hands Niger, Mali, Mauritania, Malawi, Sri Lanka, Indonesia, Afghanistan, Somalia, and Nigeria. Muslim Hands in the UK also has one common trustee with Muslim Hands France, South Africa, USA and Canada. Grants made to these charities during the year are disclosed in note 2 of these accounts.

M N Syed the son of Syed Lakhte Hassanain, a Trustee of the Charity, is employed by Muslim Hands and was paid a salary of £35,919 for the period (2023: £33,417). The Chairman's son also employed was MH Syed - paid £12,695 (2023: £4,729)

Tariq Nasir is a governor of Figtree Primary School which receives a total grant of £34,000 for the year.

A donation of £19,190 was made to Karimia Institute in 2024, Tariq Nasir is a Trustee at Karimia Institute.
A payment of £14,000 was made to Radio Dawn in 2024 - Saffi Ullah, a Trustee of MH, is a director at Radio Dawn
A payment of £350 was made to Third Sector Governance Assist Ltd - Abdul Qudeir Khan is a Trustee of the Charity and his nephew is the director of Third Sector
There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

16 Ultimate controlling party

The trustees do not consider there to be an ultimate controlling party.

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

MUSLIM HANDS

England & Wales - Charity number 1105056

Accounts

Muslim Hands

ANNUAL REPORT 2023

ANNUAL REPORT AND FINANCIAL STATEMENTS for the year ended 31 December 2023

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Message from the Chairman

Assalamu Alaikum,
For over thirty years, Muslim Hands has remained at the forefront of addressing major humanitarian crises and engaging in development work. All our efforts over the last three decades, from providing emergency relief to running schools, sponsorships, and other long-term projects, have only been possible thanks to the generosity of our donors and the dedication of our teams.

In 2023, Muslim Hands responded to new and ongoing emergencies across the world. When a powerful earthquake hit Morocco, devastating floods struck Libya, and the conflict in Gaza escalated, we were on the ground providing essential aid to those affected.

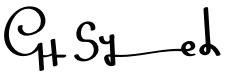
Muslim Hands has also continued to address ongoing emergencies in Somalia, Yemen, and Afghanistan through a range of interventions, which this report will detail.

Through our two Open Kitchens in London and Nottingham, we supported the most vulnerable communities in the UK by providing cooked meals and other services to hundreds of families and individuals. Over the past year, we have delivered more than a million meals through a wide network of partner organisations.

Our development work, encompassing education, orphan sponsorship, WASH (Water, Sanitation, and Hygiene), income generation, and healthcare, has in 2023 directly benefited 9,872,661 individuals.

We are extremely grateful for the overwhelming support we have received, despite the difficult economic circumstances faced by our donors. The trust placed in Muslim Hands by our generous supporters has enabled us to respond effectively to emergencies and continue our ongoing development work. By the grace of Allah, your support has helped millions of people, and we look forward to continuing our work together to tackle the root causes of poverty and injustice in the years to come, in sha Allah..

Wassalamu Alaikum,



Syed Lakthe Hassanain

Legal and Administrative Information

Trustees and statutory directors	Dr Musharraf Hussain (Resigned 04 January 2023) Muhammad Amin-ul Hasnat Shah Syed Lakhte Hassanain Sahibzada Ghulam Jeelani Saffi Ullah Mohammad Arshad Jamil Abdul Qudeir Khan Iftikhar Ahmed (appointed 11 December 2023)
Sub-Committees to the Board	Programmes Committee Audit Committee Fundraising Committee
Company number	05080486 (country of incorporation is England and Wales)
Charity registration number	1105056 (country of registration is England and Wales)
Registered office	148-164 Gregory Boulevard, Hyson Green, Nottingham, NG7 5JE
Company secretary	Abdul Qudeir Khan
Auditor	Sayer Vincent LLP, Chartered Accountants and Statutory Auditors 110 Golden Lane, London, EC1Y 0TG
Bankers	National Westminster Bank plc, Hyson Green, Nottingham Santander UK plc, Manchester Business Centre, Manchester Al Rayyan Bank plc, Edgbaston House Birmingham Barclays Bank, Churchill Place, Leicester
Solicitors	Freeth Cartwright LLP, Cumberland Court, Nottingham Knights PLC, 84 Friar Lane, Nottingham Mills and Reeves Solicitors, One Centenary Way, Birmingham, B3 3AY

INTRODUCTION

This year, countless individuals around the world have faced the devastating impacts of natural disasters, conflict, and economic instability.

Muslim Hands was on the ground, providing urgent relief to earthquake victims in Türkiye, Afghanistan, and Morocco, many of whom have endured immense tragedy. Thanks to the unwavering support of our dedicated donors, we have continued to help communities rebuild through our livelihood projects across multiple locations.

These initiatives empower beneficiaries to start their own businesses, enabling them to support themselves and their families.

The Muslim School of Excellence has remained committed to offering free, accessible education to the next generation. Our educational facilities across Asia, the Middle East, and Africa have inspired children to pursue further education, encouraging them to follow their dreams and aspirations.

For the past three decades, Muslim Hands has been dedicated to alleviating hardship for communities worldwide. In the face of ongoing conflicts, our mission is more critical than ever, as many communities urgently need our support.

This is the 2023 annual report of the Muslim Hands trustees.

It is presented together with a Trustees' Responsibilities Statement on page **[page 58]**., the Independent Auditor's Report on pages **page 56** and the financial statements for the year ending 31 December 2023 on pages **page 62**

The financial statements for the year ending 31 December 2023 have been prepared in accordance with the accounting policies set out in the note to the financial statements. The financial statements comply with the Charity's Governing Document, the Charities Act 2011 and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

In 2023, Muslim Hands made significant progress in implementing robust systems to support its five-year strategy, provide ongoing capacity building support to its charitable partners and foster improved accountability through effective evidence and information management.

This was made achievable by monitoring and evaluation of the strategy's implementation, ensuring alignment with organisational objectives. Furthermore, efforts were made to empower partner offices to effectively cascade and integrate the organisational strategy, to improve the precision in targeting beneficiaries needs. This year, Muslim Hands successfully laid the foundation for a data-driven approach, strengthening its partners' ability to deliver impactful programmes, foster growth and enhance overall organisational performance.

Muslim Hands implemented a comprehensive, tailor-made capacity building programme for its partners, aimed at enhancing their capabilities and enabling effective implementation of the strategy the benefits of this include improving oversight and control of funding through standardisation of MH grant management systems, financial reporting and compliance.

Muslim Hands also went through the development and implementation of a highly sophisticated Strategy Tracker, which serves as a comprehensive tool to monitor the progress of programmes across partner offices. Muslim Hands firmly believes that the Strategy Tracker represents a significant leap forward for the organisation, empowering us to establish and monitor results, track progress, and make informed decisions more effectively for optimal resource allocation.

Throughout 2023, the Strategy Tracker played a pivotal role in providing Muslim Hands, its partners and trustees with real-time access to essential information and a holistic view of progress across all stakeholders. This centralised platform facilitated streamlined communication and enabled all parties to have instant access to vital data from a single, easily accessible location. Looking ahead, Muslim Hands is committed to further enhancing the Strategy Tracker by incorporating additional features. By integrating additional elements, the Strategy Tracker will remain a dynamic tool that continues to evolve and adapt to meet the emerging needs of the charity, manage risks, safeguard beneficiaries and improve the charities learning process.

Muslim Hands acknowledges the significance of research and development in guiding the organisation towards a learning culture that prioritises evidence-based practices and an impact-oriented approach. With the introduction of the new MEAL framework, a "Results Monitoring" mechanism was piloted and scaled up to assist in evaluating its programmes worldwide to determine whether they are achieving the desired results. Muslim Hands aims to utilise the evidence from these findings to review its work each year and plan accordingly.

FUNDRAISING

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Our teams raise funds from the public by organising charitable collections, events, challenges, TV appeals and through direct marketing.

Muslim Hands continued its membership with the Fundraising Regulator – complying with its guidelines through training and development of all fundraisers.

To protect vulnerable people in the course of fundraising, we take appropriate measures which include screening contact details against the TPS and using our own 'do not contact' list, allowing all individuals the opportunity to opt out of communications, limiting the number of direct marketing communications to an average of two per quarter. Furthermore, the communication is often limited to those who have donated recently to a similar campaign. In addition to this, under GDPR where a supporter opts-out of receiving communication from Muslim Hands, the request is actioned within 48 hours. There were 7 complaints received in the course of fundraising during the stated period.

Where we work

Muslim Hands partners with independent charities across the world to deliver its charitable programmes. Muslim Hands establishes its partnerships with a series of Trademark Licenses for MH branded partners and Collaboration Agreements with all partners. The partners are reviewed periodically as part of the Charity's partner Due Diligence. Their capacity is assessed to ensure they have reliable Governance arrangements, the ability to deliver programmes and to ensure that there is reliable financial management of charitable funds.

The partnerships are overseen on an ongoing basis by methods including sharing some common trustees for oversight, in-depth monitoring and evaluation to evidence the following: end use of funds, programmes quality and compliance to policy. Muslim Hands also carries out physical verification by visiting partners throughout the year. During visits Muslim Hands' teams check the existence of programmes, their delivery and completion and cross-check partners' records, reports and Photographic/ Videographic evidence submitted. During the visits, they also conduct quality checks with the support of specialists for programme quality and safety. Furthermore, Muslim Hands has an outsourced Internal Audit department which provides independent assurance on its Control Environment including the implementation of Programmes. Recent locations visited for monitoring include Afghanistan, Gambia, Indonesia, Lebanon, Mauritania, Malawi, Mali, Pakistan, Somalia, Turkey and Yemen. The partners where Muslim Hands deliver its programmes are based in the locations listed below.

Afghanistan	342,090 beneficiaries	**Niger**	78,557 beneficiaries
Bangladesh	120,956 beneficiaries	**Pakistan**	962,534 beneficiaries
Gambia	21,314 beneficiaries	**Palestine**	758,204 beneficiaries
India	65,904 beneficiaries	**Rwanda**	2,113 beneficiaries
Indonesia	778 beneficiaries	**Senegal**	339,528 beneficiaries
Kashmir (India)	197,840 beneficiaries	**Somalia**	314,261 beneficiaries
Kashmir (Pakistan)	1,629,704 beneficiaries	**Sri Lanka**	59,286 beneficiaries
Lebanon	18,867 beneficiaries	**Sudan**	75,221 beneficiaries
Malawi	72,311 beneficiaries	**Turkey**	544,144 beneficiaries
Mali	237,685 beneficiaries	**United Kingdom**	434,347 beneficiaries
Mauritania	7,887 beneficiaries	**Yemen**	2,287,430 beneficiaries

EMERGENCY RESPONSE

3,212,095 – Total Emergency Aid Beneficiaries

For the past three decades, Muslim Hands has been on the frontline, supporting communities affected by disasters.

This year, various emergencies impacted millions of vulnerable, marginalised communities worldwide. Our humanitarian response included delivering food parcels and non-food items, setting up medical camps, and distributing clean water to affected beneficiaries.

TÜRKIYE EARTHQUAKE

At the beginning of the year, Türkiye experienced one of the worst earthquakes in history.

In the early hours of Monday, 6th February, two deadly earthquakes of 7.7 and 7.6 magnitude struck Türkiye and northwest Syria. The epicentre was in Gaziantep, a region in southern Türkiye home to thousands of Syrian refugees.

The earthquake resulted in the death of at least 54,000 people across Türkiye and Syria, with at least 230,000 buildings damaged or destroyed across 11 provinces in Türkiye. In Syria, at least 10,000 buildings were either partially or completely destroyed.

As families faced the daunting task of rebuilding their lives amidst snowy and freezing conditions, Muslim Hands responded immediately. We dispatched a team to assess the situation and determine the best course of action.

Phase One: Our initial emergency intervention provided hot meals, water bottles, blankets, hygiene and dignity kits, and clothing sets to the affected communities. This aimed to offer comfort and protection during winter.

Phase Two: We focused on providing shelters to beneficiaries in Northern Syria, setting up a camp of 200 tents in a suitable location. Each tent was designed to house a family of six and was equipped with basic amenities such as beds, blankets, and a small stove for cooking. Addtionally, we supplied essential hygiene items like soap, toothbrushes, and towels to ensure their health and dignity.

Phase Three: Our long-term solution involved providing families with container homes. Each container home included a toilet, kitchen, and two rooms, offering stability and a fresh start to families who had lost everything.

The devastating earthquake in Türkiye profoundly affected Esra's life. She shared with our team, ***"Before the earthquake, we used to go on picnics every weekend. But now, we spend our time in a tent with our children. Muslim Hands' intervention has alleviated some of our family's burdens; we have received water, non-food items, and three hot meals a day."***

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AFGHANISTAN EARTHQUAKE

Muslim Hands has been tirelessly supporting Afghan communities, addressing food insecurity and implementing various projects over the past year.

Our initiatives included emergency food distribution, the Muslim Hands School of Excellence, education facilities, livelihood projects such as chicken farming, and assistance for returnees at the Torkham Border.

One of our key emergency relief efforts was assisting earthquake victims in Herat. On 7th October, two separate 6.3 magnitude earthquakes struck near Herat in northwest Afghanistan, causing significant damage and resulting in thousands of deaths.

According to UNOCHA, approximately 43,395 people were directly affected by the multiple earthquakes, severely impacting a community already struggling with hardship. In response, Muslim Hands distributed aid, including food parcels, blankets, and hygiene kits.

One of the beneficiaries of our emergency intervention was Hafizullah. Tragically, he lost his wife, sister, and one of his sons in the earthquake, while his other son and daughter were injured. Hafizullah and his family face numerous challenges in their daily lives, including a lack of basic necessities such as food, shelter, and healthcare, which significantly impacts their ability to live stable and secure lives. Hafizullah expressed gratitude for the intervention by Muslim Hands, saying it provided them with ***"a sense of relief and hope, improving our overall well-being."***

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ROHINGYA PHASE SEVEN

Since 2017, we have been steadfastly supporting Rohingya refugees, providing clean water and sanitation facilities, aiding communities during Ramadan, building shelters, and assisting during emergencies such as fires or cyclones.

This year, our Rohingya intervention included establishing health posts and a Women-Friendly Space (WFS).

One of the beneficiaries, Rashida, visited the Women-Friendly Space for support after struggling with traumatic experiences and mental health issues.

She shared with our team ***"I deeply appreciate the valuable guidance and support I have received from WFS. I have found inner peace and mental stability. I have been actively engaging in my daily tasks and am spreading awareness about gender-based violence to my neighbouring community. I am committed to providing support to victims of violence."***

The second aspect of this project involves providing health facilities to the Rohingya people. The objective of the health post is to deliver life-saving assistance, enhance resilience, and improve the living conditions of the Rohingya community. Muslim Hands is committed to providing essential medical and psychosocial support to survivors of gender-based violence.

GAZA EMERGENCY

Since 2007, Muslim Hands has been dedicated to supporting Palestine, providing vital medical aid, food distributions during Ramadan and Qurbani, and livelihoods through initiatives such as olive tree plantations.

Amidst the ongoing Gaza Emergency, we have partnered with the United Nations Relief and Works Agency (UNRWA) to support those affected by the conflict.

We have provided vital aid worth over one million dollars to Palestinians facing this tragic ordeal. With the support of our long-term partner UNRWA, we have successfully distributed water, high-energy biscuits, tons of canned meats and fish, blankets, and diapers.

As the situation continues to evolve, we remain committed to ensuring that those impacted by the conflict receive urgent humanitarian aid.

SUDAN CONFLICT

In April 2023, fighting erupted in Sudan, sparking a humanitarian crisis. Since the conflict began, 5.7 million people have fled their homes, seeking refuge within Sudan or in neighbouring countries.

Muslim Hands' team on the ground promptly began distributing humanitarian aid to families affected by this crisis. We have assisted 16,680 Sudanese beneficiaries, providing vital resources to those seeking to leave the country.

The emergency distribution took place in Madani, the capital of Al Jazirah state, where we provided food parcels, non-food items, and cooked meals.

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MOROCCO EARTHQUAKE

A devastating earthquake struck central Morocco, killing 3,000 people and affecting millions.

It was estimated that at least 78,000 homes were damaged or destroyed. Many residents in remote villages have been displaced and are facing overcrowded conditions.

Muslim Hands' Surge Team travelled to the hardest-hit villages to assess the damage and determine our response. Without an office in Morocco, we partnered with a local agency to distribute food and non-food items.

The distribution included food parcels with wheat, sugar, pasta, honey, and dates, and non-food items such as winter kits, socks, warm coats, blankets, and foam mattresses.

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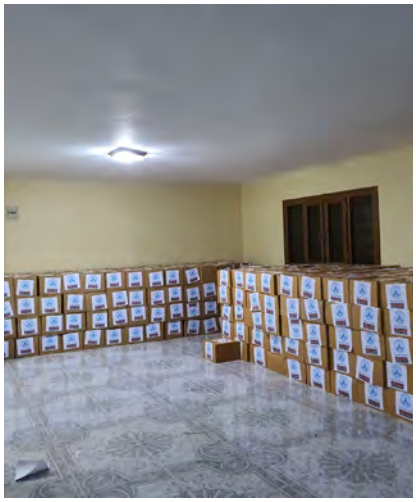
LIBYA FLOODING

Storm Daniel brought eight months' worth of rain to Libya's northeast region, causing two dams to collapse. The resulting floods caused around 25 percent of the city to disappear, affecting at least 100,000 people.

Muslim Hands worked with a local partner to distribute vital aid to beneficiaries in Tobruk and Derna. During the first two phases of distribution, we provided 600 food baskets, 200 hygiene kits, and 400 mattresses. We also offered crucial mental health and psychological support to flood-affected residents in Derna and held an event to empower children through sports and activities, promoting mental wellbeing and resilience.

Niama, 55, a widow, was forced to relocate to Tobruk City with her children and extended family due to the catastrophic floods in Derna. Her entire family is cramped into a two-bedroom shelter near the beach in dire condition. The shelter has broken windows, and they have to share five old mattresses and three worn-out blankets. As winter approaches and temperatures are expected to drop below five degrees Celsius, they lack central heating, adequate blankets, or mattresses. Without the financial means to purchase these essential items, Niama and her family face a harsh winter. Our intervention has provided vital aid to keep Niama and her family warm this winter.



CLIMATE ACTION

ENVIRONMENT

RESOURCE RECOVERY CENTRE IN MIRPUR

The resource recovery centre in Mirpur is one of our environmentally friendly projects. The Solid Waste Management project collects solid waste directly from the doorsteps of project beneficiaries.

Each household receives two waste bins: one for kitchen waste and one for solid waste. This segregated material is collected by sanitary workers, with a team consisting of four workers and two drivers. Each bin lorry makes three trips daily, collecting around three tons of waste.

Mashoor's community faces significant challenges due to the absence of a proper waste dumping site or collection service. Without designated disposal facilities, residents often dump waste in an empty plot near her house, posing a direct threat to her health as she suffers from asthma and heart issues.

The burning of waste by neighbours releases harmful gases that exacerbate her respiratory problems. Makeshift dumping sites also become breeding grounds for flies, mosquitoes, and diseases, adversely affecting the community's overall well-being. Mashoor hopes this project will ensure effective waste management in her area, contributing to environmental and public health.

AGRICULTURE AND LIVELIHOOD IN LEBANON

Lebanon is highly susceptible to climate change, which particularly impacts marginalised farmers whose agricultural livelihoods are at risk.

With the country facing economic instability and rising poverty, agriculture is often the only means of sustenance for many farmers. However, they encounter setbacks such as high production costs and low-value outputs amidst the climate crisis.

The Towards Food Sustainability project aims to mitigate some of these challenges. We have provided 1,000 Lebanese and Syrian beneficiaries in Mount Lebanon, Iklem, with seeds and plants to improve food security.

This area was chosen for its viable agricultural spaces, bordered by the sea on the west and a mountain on the east, offering diverse land suitable for different types of agriculture.

Each family received an agricultural basket containing 11 different plants and seeds, including tomato, courgette, melon, cowpea, and parsley. Additionally, we provided farmers with medication, fertilizers, and sprinklers.

Omar, a beneficiary of the project, believes it has been beneficial for his family. The main issue in their agricultural activities was the absence of a stable water flow, which the project helped address, improving their farming outcomes

LIVELIHOODS

26,200 – Total livelihoods beneficiaries

WOMEN'S ECONOMIC EMPOWERMENT IN YEMEN

The sewing machine project in Aden is designed to support 25 female internally displaced persons (IDPs) in their quest to start their own businesses and support their families.

This economic empowerment initiative aims to foster Yemeni women's financial independence, boost their confidence, and equip them with necessary skills. Yemen has one of the highest rates of malnutrition globally, with 2.2 million children under five requiring treatment for acute malnutrition and 17 million people facing food insecurity.

The economic collapse has severely impacted the Yemeni labour market, affecting millions across the country, including countless women.

Jawaher, one of the beneficiaries, shared how receiving a sewing machine and raw materials has enabled her to establish a small-scale sewing business.

This project has allowed her to generate income independently, improve her financial situation, and potentially create employment opportunities for others in the community. She described the anxiety and fear her children feel due to their current situation, unable to attend school and lacking basic necessities.

Thanks to Muslim Hands, she now has the means to support her family and provide a better future for her children.

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BEE FARMS IN PAKISTAN

The Muslim Hands Honey Bee Farming project in Pakistan supports beneficiaries' livelihoods while also combating the global decline in bee populations.

Bees play a crucial role in pollinating over 70% of crops, making them an integral part of Earth's ecosystems. With global bee populations threatened by unethical farming practices, climate change, and excessive use of agrochemicals, this beekeeping project in Gilgit Baltistan ensures bees are protected while providing communities with livelihood opportunities.

Gilgit Baltistan, abundant in bee-flora plants, attracts millions of indigenous and exotic honeybees each year.

This project will support 1,190 beneficiaries, providing sustainable livelihoods, reducing poverty, strengthening entrepreneurship, and supporting women-led businesses. Each farmer receives hives, wax sheets, bee suits, a honey extraction machine, wax-making equipment, and a large honey jar.

HOPE SHOP

Muslim Hands' Hope Shop in Somalia aims to lift widows out of poverty by providing them with income-generating shops.

Drought, conflict, and economic instability are pushing women to the brink, with nearly 8 million people, almost half the population, facing food insecurity.

Women often bear the brunt of instability, especially in the face of climate change or conflict.

Muslim Hands' Hope Shop aims to mitigate these crises by providing widows with businesses that enable them to support themselves and their families.

Qadra, a beneficiary, shared that she faced many difficulties, including financial worries, and felt helpless before Muslim Hands' intervention. She expressed that the project has not only provided her with a steady income but also granted her a hopeful future.

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TACKLING FOOD INSECURITY

We helped 1,314,285 food insecure beneficiaries

As countries grappled with the cost-of-living crisis, climate change and ongoing conflicts have exacerbated food insecurity, leaving many families around the world going to bed on an empty stomach – as many as 783 million people are facing chronic hunger. In 2023, many beneficiaries experienced natural disasters and conflict, heightening insecurity. Our teams distributed vital nutritional aid to those directly impacted by these crises.

RAMADAN

While we were on the ground for emergency food distribution, our seasonal projects, such as Ramadan and Qurbani, continued to support beneficiaries during these holy months.

Muslim Hands' Ramadan 'You Are Their Hope' campaign provided nutritional food parcels to families across 19 countries to sustain them throughout the month of Ramadan. With inflation at an all-time high, many beneficiaries were affected by rising food prices. The team provided food parcels to fasting families abroad and in Britain to mitigate this food insecurity crisis.

We also provided orphans and their families with nutritious meals to sustain them for the entire month of Ramadan. Items included staples such as flour, rice, pulses, and dates.

This year, we provided 2.5 million meals, including essentials such as dates, lentils, rice, beans, and daily hot meals.

QURBANI DISTRIBUTION

We continued our successful partnership with Hill Farm Finest to offer a special organic UK Qurbani.

Two-thirds of the free-range, grass-fed hogget was delivered directly to the donor's front door. The remaining one-third was distributed to low-income families, refugees, and the homeless at Muslim Hands' Open Kitchen in Hounslow.

Across Africa, Asia, and the Middle East, we provided fresh meat to communities struggling with food insecurity, poverty, and economic instability. With high meat prices, these parcels allowed families to celebrate Eid without the burden of financial hardship.

Aminata from Mali was one of the beneficiaries we supported during Ramadan. She shared her experience, ***"I feel enormously relieved after these generous gestures from Muslim Hands. I was worried about how I would feed my family during this blessed month of Ramadan. To my great surprise, Muslim Hands gave me food parcels containing household staples such as rice, sugar, oil, and spaghetti."***

EDUCATION

157,864 education beneficiaries

MUSLIM HANDS EDUCATIONAL FACILITIES

Muslim Hands' educational facilities, including the School of Excellence and Model School, have supported 157,864 students this year.

Providing free, accessible education is a fundamental human right, and at Muslim Hands, we strongly emphasize the importance of the Sustainable Development Goals, which advocate for "inclusive and equitable quality education and lifelong learning opportunities for all."

Offering free education is crucial for Muslim Hands, as many parents lack the means to afford their children's schooling, often compelling children to work from a young age to contribute to household income. Our educational facilities across Asia, Africa, and the Middle East support disadvantaged children, inspiring them to pursue their dreams and ambitions.

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ORPHANS

The Muslim Hands orphan sponsorship programme supports orphans in 18 countries, including Yemen, Somalia, Mauritania, Pakistan, and Sri Lanka.

This programme aids orphans who have faced hardship from a young age.
We not only cover their school fees but also provide school uniforms, books, and stationary. Medical checkups and nutritious daily meals are also part of our comprehensive support.

"I lost my father at an early age, shattering my world. When I entered MHSOE, I was cared for by teachers and supervisors. At that time, the school only had two classes. Muslim Hands provided nutritious food for the students, and our parents received allowances to support us. Even after I graduated, Muslim Hands continued to support me with an annual scholarship that allowed me to pursue further education.

My dream has always been to specialize in computer science, a dream that seemed out of reach in Niger. I applied to study a Master's degree in Artificial Intelligence at Paris-City University and, Alhamdulillah, I was accepted. Currently, I am awaiting approval for a long-stay study visa. Receiving the scholarship was a huge relief for me. I am deeply grateful for all the help Muslim Hands has provided. I will never stop thanking you for everything you have done for me."

- Barke Guida Foureratou, beneficiary

EDUCATION IN EMERGENCIES

The Education in Emergencies programme supports children experiencing or affected by crises.

This year, we focused on children impacted by the floods in Pakistan. Operating in South Punjab and Sindh, the project aims to enhance school infrastructure and provide essential school supplies. Additionally, we are ensuring children receive nutritious food and safe drinking water.

Naketa, 8 years old, expressed gratitude for the project's impact:

"This project has greatly improved our school by installing solar systems, rehabilitating and constructing washrooms, and providing new furniture. I feel relieved knowing our school facilities are better and happy that we can now focus on our education."

HEALTH PROJECTS

162,881 – Total health projects beneficiaries

EYE CARE FOR ELDERS

The Muslim Hands Eye Camp addresses vision impairment among the elderly by providing cataract eye surgery.

Globally, 2.2 billion people suffer from near or distant vision impairments, and 1 billion of these cases could have been prevented. Cataracts, inevitable with age, disproportionately affect low-income countries, where many unnecessarily lose their sight. Muslim Hands' cataract surgery project aims to remove these barriers by providing free cataract surgeries.

MALAWI DAY CLINIC

Access to adequate healthcare is limited for many in Malawi, especially in rural areas facing the impacts of climate change, such as Cyclone Freddy.

The Muslim Hands Malawi Day Clinic near the School of Excellence aims to provide affordable, higher-quality healthcare. Operating as an outpatient facility, it screens minor cases and refers more severe cases to local hospitals.

Nazia, a patient at the clinic, shared her experience: ***"I'm so happy with the care here. This is my third visit. A month ago, I started feeling unwell with severe headaches. After visiting the clinic, I was diagnosed with High Blood Pressure and given medication. I've seen great improvement and have been advised on exercises and stress reduction. I feel much better and am here for my second check-up."***

MATERNAL HEALTH CRISIS IN SOMALIA AND AFGHANISTAN

MUSLIM HANDS' MOTHERKIND CLINICS

Muslim Hands' Motherkind initiative provides vital support to mothers and children in Afghanistan and Somalia, countries ranked high on the Fragile States Index.

Somalia tops this index, while Afghanistan ranks sixth. The Motherkind clinics aim to alleviate the challenges faced by expecting mothers and provide essential care during their time of need. The clinics offer comprehensive pre- and post-natal care, including access to qualified midwives and doctors, vaccinations, treatment for malnutrition, fully equipped labour wards, and free medicines and vitamins. Regular awareness sessions on nutrition and hygiene, as well as counselling for trauma survivors, are also integral parts of our services.

EXPANSION AND IMPACT

This year, in response to increased demand from internally displaced persons (IDPs) in Somalia, Muslim Hands constructed a new, robust Motherkind facility.

This concrete clinic not only meets rising healthcare needs but also prioritizes the safety and security of staff, beneficiaries, and medical equipment.

In Afghanistan, amidst ongoing crises, our clinic has seen a significant rise in patient numbers. To better serve the community, we obtained approval to upgrade our facilities. The new clinic will feature 13 rooms, including dedicated spaces for men, women, and children, a psychosocial treatment area, and a room for tuberculosis (TB) treatment and diagnosis.

Muslim Hands remains committed to expanding and enhancing our Motherkind clinics, ensuring that vulnerable mothers and children receive the care they urgently need in these challenging environments.

Meena and her family have benefited greatly from the Motherkind clinic in Afghanistan. Meena was provided with an Antenatal Care Coverage (ANC) Card, ensuring comprehensive healthcare throughout her pregnancy with monthly visits. She expressed profound gratitude for the support: ***"For years, we have relied on the MKC for our healthcare needs. This clinic has been our sanctuary, consistently providing exceptional medical care for the community."***

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WASH

WATER, SANITATION, AND HYGIENE

1,624,005 safe water beneficiaries

PROVIDING CLEAN DRINKING WATER

Access to clean drinking water is a critical global issue affecting billions of people, leading to various health challenges such as diarrhoeal diseases and cholera.

Climate change exacerbates these issues, making safe water increasingly scarce, particularly impacting children in water-stressed areas.

Muslim Hands addresses this pressing need through initiatives like tube wells, dig-a-well projects, and community wells, providing clean drinking water to 3,212,095 beneficiaries in 2023 across several countries including Afghanistan, Sri Lanka, Mali, Malawi, Niger, and Somalia.

Ameeran, a 70-year-old resident of Pakistan, struggled daily to fetch water from distant sources, often carrying heavy buckets despite her age. Thanks to Muslim Hands' tube well project, Ameeran now has a water source near her home, relieving her of this burden: ***"It has been an immense trouble carrying heavy water buckets from a mile with these old shivering hands twice a day. Because of Muslim Hands intervention, I am delighted to have a water source near my house."***

SAFE DRINKING WATER FOR SYRIAN REFUGEES

In Lebanon, amidst an economic crisis where 80% of the population lives in poverty, inflation has drastically increased the cost of drinking water, forcing many to resort to contaminated sources.

Muslim Hands' installation of a solar-powered well in the Akkar camp has benefited 446 Syrian refugees, providing them with safe drinking water and reducing their financial burden of purchasing clean water.

EMPOWERHER SUPPORTING GIRLS IN ISLAMABAD

Muslim Hands' EmpowerHer campaign focuses on enhancing WASH facilities in girls' schools in Islamabad, aiming to empower girls through improved access to clean water, sanitation, and menstrual hygiene management (MHM) awareness.

This project aligns with Sustainable Development Goal (SDG) 6, which aims for universal access to sanitation and hygiene by 2030, with a focus on the needs of girls and women.

Project Components:

1. Renovation of Sanitation Facilities: Construction of modern, hygienic toilets equipped with handwashing facilities for girls.
2. Installation of Clean Drinking Water Sources: Implementation of water boreholes, rehabilitation of water filtration systems, and provision of water dispensers.
3. MHM Awareness and Support: Conducting sessions and workshops on menstrual hygiene management tailored for adolescent girls, along with distribution of menstrual hygiene kits including sanitary pads.

Muslim Hands remains dedicated to improving WASH conditions globally, ensuring communities, especially vulnerable groups like women and children, have access to clean water and proper sanitation facilities, promoting health and well-being for all.

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RELIGIOUS INITIATIVES

MOSQUES

Muslim Hands operates mosques in remote villages across Gambia, Niger, and Pakistan, providing beneficiaries with a clean and sacred space for prayer and worship.

Beyond religious services, mosques serve as pivotal community centers where isolated communities gather for communal activities. They also fulfill essential roles such as educational facilities, offering Quranic teachings, and providing crucial services like marriage and funeral arrangements.

QURAN ACADEMY

Located in Karachi, the Muslim Hands Quran Academy focuses on providing Quranic education to 564 children, offering specialized Hifz classes where students memorize the Quran.

The academy not only educates but also supports students with free uniforms and a daily nutritional meal. Additionally, the project includes environmental initiatives such as tree plantation around the mosque premises, contributing to local environmental conservation efforts.

Muhammed, an 8-year-old student at the Quran Academy, resides with his family in overcrowded rental accommodation in Karachi. Despite their challenging living conditions, the academy provides Muhammed with an opportunity to receive religious education and support his family emotionally and financially.

The project's holistic approach aims to uplift families like Muhammed's by providing educational resources, fostering community support, and nurturing environmental stewardship through tree plantation initiatives. Muslim Hands remains committed to enhancing spiritual and educational opportunities through its mosque and Quran Academy initiatives, empowering communities and fostering a sense of unity and support among beneficiaries worldwide.

UK PROJECTS OVERVIEW

OPEN KITCHEN

The Open Kitchen initiative by Muslim Hands plays a crucial role in supporting communities across Britain affected by soaring inflation and the cost of living crisis.

This hub offers nutritional cooked meals and snacks to anyone in need, providing essential support to individuals and families facing homelessness or severe financial hardship. Regular visitors like Adam, Kelly, and their son highlight the vital role of the Open Kitchen in providing not just meals but also essential household items like milk, sugar, coffee, beans, porridge, nappies, baby formula, and baby clothes. This service ensures that vulnerable individuals have access to basic necessities and a supportive environment during difficult times.

YOUNG MUSLIM WRITERS AWARDS

Since its inception in 2006, the Young Muslim Writers Awards have inspired young individuals aged 5 to 16 across the UK to explore and excel in creative writing.

This annual competition encourages participants to submit a wide range of creative pieces, including short stories, poems, screenplays, play scripts, and journalism. Judged by respected figures from the arts and media industries, the competition not only celebrates literary talent but also hosts writing workshops throughout the year. These workshops provide children with opportunities to meet authors, receive guidance on honing their writing skills, and foster a love for creative expression.

YOUNG MUSLIM WRITERS AWARDS

POWER UP: SUPPORTING YOUTHS IN NOTTINGHAM

In partnership with the Jawaid Khaliq Boxing Academy, Muslim Hands empowers youths in Nottingham through the POWER UP program.

This initiative prioritizes the mental health and well-being of young people by engaging them in sports activities. The program supports 100 youths by offering opportunities to participate in sporting tournaments such as football, cricket, and netball. Beyond sports, POWER UP encourages youths to give back to their community through volunteering at local food banks or care homes, fostering a sense of social responsibility and community engagement among participants.

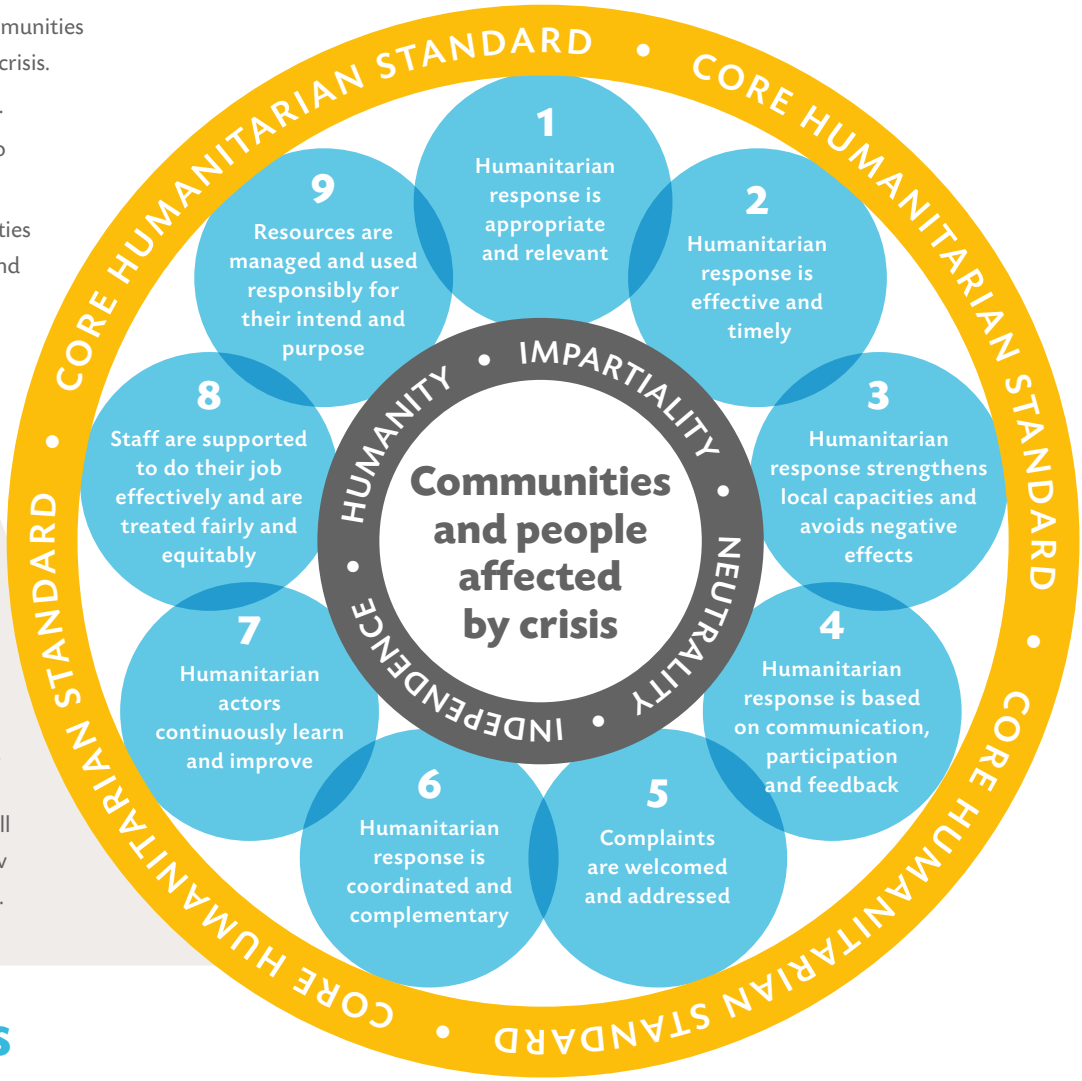
These initiatives underscore Muslim Hands' commitment to supporting diverse communities across the UK, addressing immediate needs through food assistance and nurturing long-term development through creative arts and youth empowerment programs. By providing essential resources, fostering creativity, and promoting physical and mental well-being, Muslim Hands continues to make a meaningful impact in enhancing the lives of individuals and families throughout Britain.

Core Humanitarian Standard

The Core Humanitarian Standards (CHS) aim to showcase good humanitarian action. The CHS is there to help and support organisations design, implement, assess, improve, and recognise quality and accountability in assistance and programmes.

THE STRUCTURE OF THE CHS

- Nine Commitments to communities and people affected by the crisis.
- Supporting Quality Criteria.
- Actions to be undertaken to fulfill the Commitments
- Organisational Responsibilities to support the consistent and systematic implementation of the Key Actions throughout the organisation



By applying the CHS nine Commitment, staff will have a benchmark on how best to operate.

Beneficiaries will know that they will get the assistance they require, and donors will have better insight into how their funding is being spent.

MUSLIM HANDS AND THE CORE HUMANITARIAN STANDARD

Muslim Hands priority is to ensure that we continue to meet the CHS commitments by putting individuals and communities at the centre of everything we do. CHS certification emphasises the importance of accountability and transparency - it certifies that our work is carried out to the highest standard.

Receiving a CHS will showcase that we are designing programmes that create a positive impact on individuals and communities.

Muslim Hands was audited by an independent consultant - who assessed six offices - Pakistan, Bangladesh, Niger, Gambia, Yemen, and Somalia - along with our headquarters in the UK.

While the independent consultant has concluded - that there are areas for improvement – he highlighted many positive aspects.

As the progress is at such an early stage, Muslim Hands has taken many steps to ensure that we meet the requirement of Core Humanitarian Standard.

Sustainable Development Goals

WHAT ARE SUSTAINABLE DEVELOPMENT GOALS?

The Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Led by the United Nations Development Programme, this set of 17 goals imagines a future free from poverty and hunger and safe from the worst effects of climate change.

WHAT DO THEY MEAN FOR OUR WORK?

Muslim Hands aim to ensure that the work we do is targeting these goals as part of a united global effort. Our approach is to work in line with the SDGs, while putting a special focus on children who are suffering from poverty, conflict and disaster.

Financial Review

This year, Muslim Hands raised £35.1m – the sum of £23.4m was donated for non-emergencies, £7.9m for emergencies and £3.8m coming from Gift Aid. The total income received in 2023 was up from the level of income raised in the previous year (£33.1m).

	2023	2022	2021
Donations from Supporters	£m	£m	£m
Donations for Non-Emergencies	23.4	22.6	29.4
Donations for Emergencies	7.9	6.3	3.1
Gift Aid	3.8	4.2	4.6
Total Income	35.1	33.1	37.1

The charity invested 3.9m to generate 31.3m. The net return was 27.4m.

The charity invested 12.4% to generate a return of 87.6%.

The charity aims for an investment target of 10% in the current year.

This is further broken down into 1/2 unrestricted/ restricted ratio respectively.

Financial Review

During the year Muslim Hands spent over £33.0m. This helped us reach a larger number of beneficiaries particularly in areas affected by conflict or natural disasters. The funds used included appeal funds raised in prior years.

	2023	2022	2021
	£m	£m	£m
Cost of generating funds	3.9	3.9	2.8
Charitable Activities	24.3	26.7	26.2
Where Most Needed	0.8	1.4	2.1
Orphans	2.2	3.1	2.7
Education	4.5	4.5	4.5
Health	1.3	0.8	1.1
Emergency	6.0	5.0	3.5
WASH	3.3	6.2	5.0
Food	4.9	4.1	5.7
Masjids	1.3	1.6	1.6
Support Costs and Staff	4.8	5.0	4.4
Total Resources Expended	33.0	35.4	33.5

Expenditure

The management of the charity is undertaken responsibly to safeguard and protect the funds the charity is entrusted with from loss, corruption, fraud and the charity has invested in the strength of its systems, offices and people. Therefore, £4.8 m was invested in the organisation allowing the charity to effectively use the funds and operate with accountability.

In 2023 the charitable activities expended were £24.3 m.

The following table provides some details of the various programmes we implement, the number of beneficiaries supported and achievements in respect of each project category: -

During programmes implementation there are several factors that can affect whether a project achieves its targets. This includes availability of funding, socio-economic conditions of the donors or target beneficiaries and interventions by the respective government institutions, UN Agencies and the other humanitarian actors focusing on the same areas. Muslim Hands is always committed to the poor and marginalised and vulnerable segments of society irrespective of race, religion and gender. Most of our implementation is ongoing, so if targets are not met, we continue to work with the same communities the following year. Our partnerships, networking, policy level advocacy and lobbying components of the program also support the target beneficiaries.

THEMATIC	FIGURES	DETAILS
Emergency	3,574,485	Projects include our Syria housing project and Yemen Bread factory. We also provided emergency intervention in Afghanistan and India Kashmir.
Education	83,026	Our MH School of Excellence, Model School, religious educational and orphans programmes.
WASH	2,104,899	Tube wells, boreholes, water filtration units, rain harvesting and Girl-friendly toilet.
Health	443,418	Our Motherkind Clinic in Afghanistan and Somalia. Basic health units, Cataract Eye Surgery and Covid intervention in India.
Food	1,769,550	Qurbani and Ramadan. Our Open Kitchen in Nottingham and Hounslow.
Livelihoods	54,250	Sewing Machine, Hope shop Project and chicken farming project.

PRINCIPAL SOURCES OF FUNDING

The principal source of funding is from individual donors from within the UK who respond to appeals via mail, email, social media, website or other forms of fundraising through the radio or television.

RESERVES

From its inception, Muslim Hands has raised funds for specific projects (restricted funds) and funds which are not specified for a particular project (unrestricted funds) which would be utilised where most needed and applied at the discretion of the trustees to further the charity's purposes.

Over recent years, Muslim Hands voluntary income has seen steady growth. A significant proportion of this income is restricted funds for specific projects the majority of which is short-term aid responding to the basic needs (including food, water, clothing, shelter and basic education) of beneficiaries in areas blighted by conflict and areas that have suffered natural disasters. Given the charity's present level and nature of activities the unrestricted funds not committed or invested in tangible and intangible fixed assets ("the free reserves") held by the charity should not be less than £600,000. At this level the Trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. Muslim Hands have addressed the shortfall in this through new budgets and systems to limit variances. Muslim Hands depends on unrestricted funds to fund its long-term developmental programmes particularly in regions which have not received media coverage in recent months and years which has led to increased demand on unrestricted funds. In light of this and the donor giving patterns of recent years Muslim Hands has continued with its plan initiated to: -

1. **Increase capacity to work in emergency zones**
2. **Simultaneously consolidate the geographical and thematic spread of long-term projects and projects offices**
3. **Developing closer working relationships with grass root organisations in countries where we carry out projects**
4. **Diversifying the donor base**

These measures, will bring further efficiencies and savings but still allow MH to increase the reach to beneficiaries, and it will also be instrumental to the success of the strategy.

The reserves position at present offers the Trustees assurance that the charity is able to continue its current activities. The Charity needs to continue to be able to respond quickly to appeals for the relief of suffering in varied communities around the world. The Charity is presently achieving this aim and further aims to increase its unrestricted reserves position year on year.

NATURE OF FUNDS

The trustees confirm that, on a fund-by-fund basis, the assets are available and are adequate to fulfil the obligations of the charity.

GRANT MAKING POLICY

During the period the Charity awarded grants totalling £24.3m (2022: £26.7m).

The Charity's policy is to make gifts of this nature to individuals and organisations which further the objectives of the Charity. The majority of the grants are to other Muslim Hands entities in various countries around the world who implement projects on behalf of the Charity thereby assisting the Charity in fulfilling its objectives.

Muslim Hands invites proposals from existing partners. The applications received are scrutinised to ensure they meet MH criteria with respect to its objectives and monitorable results. Programmes monitoring and evaluation is carried out by MH staff to ensure adherence to MH objectives, programmes quality and financial sustainability. The trustees further obtain assurance by making visits to the programmes. The partners provide quarterly narrative and financial reports with explanations for variances.

INVESTMENT POLICY

Surplus funds are usually kept in a Al Rayyan Deposit account to ensure the best return for the Charity.

GOING CONCERN

As a response to the financial risks posed by the Cost of Living Crisis MH began to scenario plan it's cashflow and the variation in impact of increased and reduced cash scenarios.

Furthermore, the charity increased it's rolling cashflow projections from 12 months to 24 months to better understand the going concern status of the charity. The scenario planning showed that the charity will continue and the increase in donations in 2023 supports this projection. It further allowed the charity to consider the impact of a shortage in funding and the potential mitigators that would be required. With the success of fundraising this year the charity is confident of its continuation as a going concern.

Structure, Governance and Management

Muslim Hands was legally established as an international NGO in 1993 by a trust deed and registered with the Charity Commission under registration number 1029742 on 6 December 1993.

In 2004, Muslim Hands changed its structure, registering as a company limited by guarantee at Companies House in England on 22 March 2004 and with the Charity Commission on 22 July 2004 under registration number 1105056. The funds in the original trust were transferred to the newly incorporated company and thereafter, the original trust was de-registered on 8 November 2006. Muslim Hands has been operating under the company structure to this day.

As the charity is constituted as a company limited by guarantee, it is therefore governed by a memorandum and articles of association. Eligibility for membership of the charity and membership of the Board of Trustees is governed by the memorandum and articles of association. Currently, all of the members of the charity also serve as directors of the company who are the trustees of the charity. The charity is not a member of a wider network or umbrella group, save for being the founding entity for other legal entities established in other jurisdictions and who operate under the name and logo of Muslim Hands.

The trustees are legally responsible for the charity and set the strategic direction with operational matters delegated to the Senior Management Team. The Senior Management Team are supported by dedicated staff. The current Senior Management Team comprises of Syed Lakhte Hassanain as CEO with Shahid Bashir, Tariq Nasir, Shakil Sidat, Yasrab Shah, Munawar Patel, Irfan Khan and Syed Ali Haider as Executive Directors. The trustees set the salaries for the CEO and the Senior Management Team's salaries are set by the CEO. The salaries are benchmarked according to similar roles in the sector based on research conducted internally. Furthermore, they are adjusted according to the prevailing rate of inflation at the time.

The process of recruiting trustees involves determining the optimum skills, knowledge and experience mix for the current operational climate and needs. Identifying potential trustees, promoting and explaining the activities of the Board to potential trustees and the decision to appoint new trustees is then taken by the Board of Trustees.

The induction of new trustees would include an explanation of the function of the Board of Trustees and appointing a mentor for the new board member. An overview of the organisation and its activities is also provided. The board has commenced a process of giving short training sessions for trustees at their meetings.

The charity trustees have now established a Programmes Committee, an Audit Committee and a Fundraising committee for better control and governance. The Programmes Committee is a sub-committee of the board and provides assurance to the board that Muslim Hands has an effective programmes strategy in place with appropriate systems that will ensure the delivery of the strategic aims.

The Audit Committee's general objectives are to review the audited financial statements of Muslim Hands and recommend them to the board. In addition, to review Muslim Hands risk register and reports on internal controls and its compliance.

The Fundraising Committee provides expert insight and assurance to the Board that Muslim Hands has an effective Fundraising Strategy in place with appropriate risk management.

The committees are formed of two external members and one MHUK trustee who is also the Committee Chair. Muslim Hands has been dependant on volunteer support in order to fulfil its objectives, vision and mission and to carry out its activities. The trustees would like to thank all those who have volunteered their time to Muslim Hands.

OBJECTIVES, VISION AND MISSION

MUSLIM HAND'S OBJECTIVES ARE:

The relief of poverty and sickness anywhere in the world and in particular, amongst those affected by natural disasters or by wars and other conflicts, by the provision of financial or other assistance including medicines, hospitals, shelter and food.

To advance education amongst those in need anywhere in the world, with particular regard to orphans.

The advancement of Islamic faith through education and the promotion of interreligious harmony through dialogue and cooperation with other faiths and traditions.

The fulfilment of the above objectives is enshrined in our mission statement:
"To be at the forefront in delivering relief from poverty, sickness and the provision of education worldwide. To provide an ethical service for the collection and distribution of funds in an effective, efficient, transparent and wholly accountable manner".

Our vision is:
'Inspired by the values of our faith, Muslim Hands is working towards tackling the root causes of poverty and creating a fairer world for everyone. We believe that every human being has the right to an education, access to clean water and food and the means to support themselves, their family and their community. themselves, their family and their community'.

Our aims and objectives are a reflection of our beliefs. At Muslim Hands, we believe that:

- **Everyone, irrespective of race, colour or faith has the fundamental right to a life of dignity, free of poverty and oppression.**
- **Poverty can and must be eradicated, as it exists primarily due to the unjust distribution of resources.**
- **By working directly with disadvantaged communities, we can bring about positive changes from within those communities.**
- **Literacy, education and job-skills training are fundamental to the development of disadvantaged communities and are the most effective tools for empowering people to break out of poverty.**
- **It is our duty to assist vulnerable people in times of crisis, such as war or natural disaster.**

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

Public Benefit Statement

All our charitable activities focus on furthering our charitable objectives for the public benefit. The section of this report entitled Objectives, Vision and Mission sets out the aims and charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. The trustees have concluded that: charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trustees have concluded that:

- **The aims of the charity continue to be charitable.**
- **The charity serves individuals and communities in need.**
- **The aims and work done give identifiable benefits to the charitable sector both directly and indirectly.**
- **The benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay.**
- **There is no detriment or harm arising from the aims or activities.**

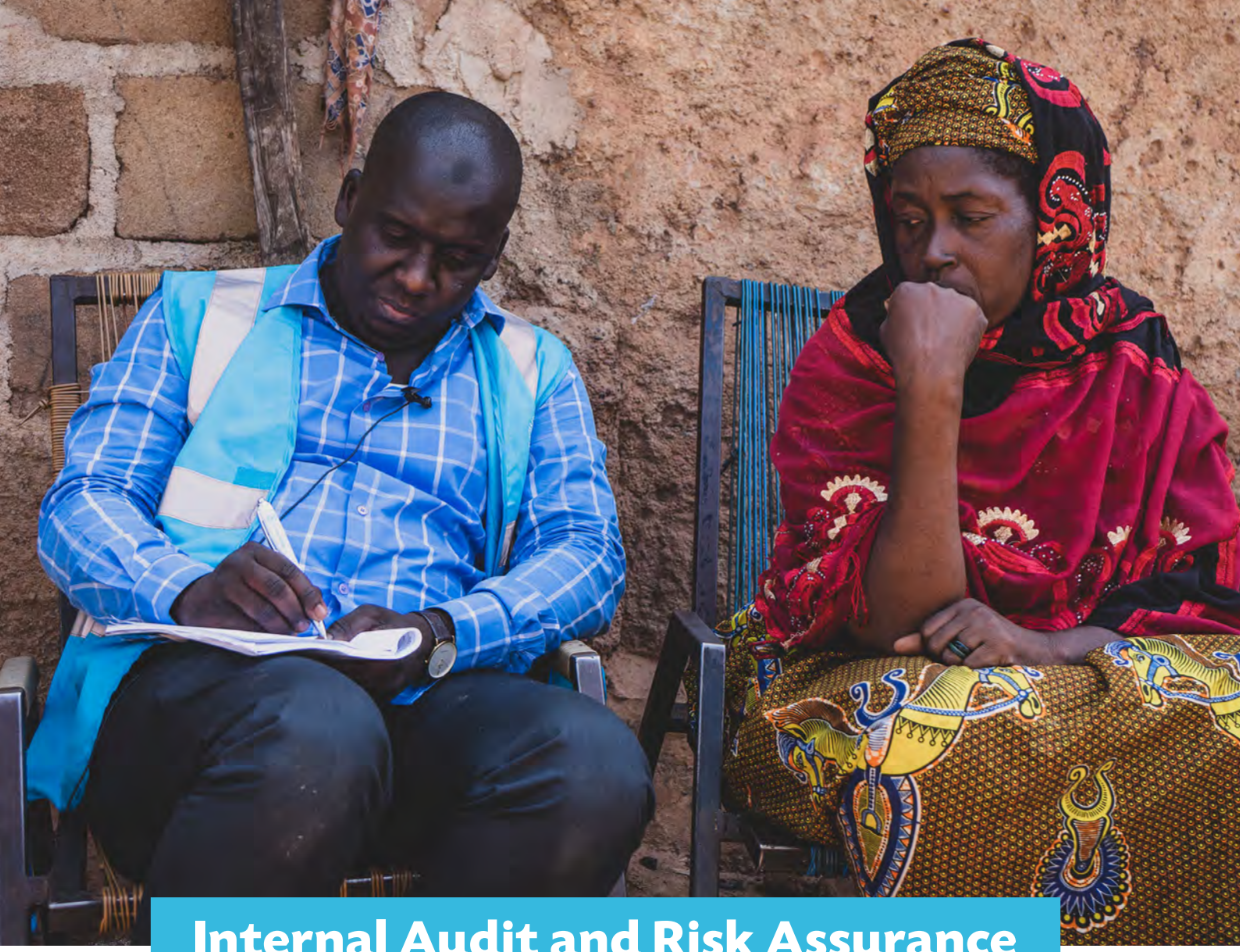
Principal Risks and Uncertainties

The trustees have, during the year, considered the material risks facing the charity and have put in place mitigating controls to address those risks.

The continuing success of the charity is dependent on continuing to receive sufficient support and donations from the community. Trustees mitigate this risk by ensuring that income and expenditure are closely monitored and reviewed.

During 2023, the trustees identified the following key risks and the measures taken to address them:

Risk	Management Actions
Programmes not delivered as expected by MH standards	• Due Diligence Famework. • Staff member trained to do due diligence checks. • Director of Governance signs off of all Due Diligence checks. • Board sign off of any Due Diligence checks escalated by Director of Governance. • Monthly Review meetings reassess Partner RAG ratings. Partners may be put 'on hold' • Legal counsel and Programme Finance team review and approve the funding agreements. • Muslim Hands Policies are shared with Partners. • Education and training of partners regarding expectations. • Field monitoring visits are regularly undertaken to verify the delivery of aid.
Violation or abuse of beneficiaries and safeguarding	• Muslim Hands' safeguarding policies for children and vulnerable adults and safeguarding code of conduct. • Safeguarding Code of Conduct • Muslim Hands are part of 'Keep Children Safe Network', provider of online training facilities. • Partner office staff complete 'Keep Children Safe Network' training. • Muslim Hands Whistleblowing policy in place. • Programme Quality Framework includes a complaint programme which involves interviews with beneficiaries. • Programme Quality Framework includes safeguarding spot checks. • Reporting of Safeguarding issues to Management and Board.
Cashflow to meet charitable and operational commitments due to emerging cost of living crisis	• Board oversight of spending in advance of approval. of fundraising budget and targets. • Board oversight of performance and likely year end position. • Reporting of scenarios and the impact on cash flow. • Periodic review of Financial Sustainability. • Budget Re-forecasting to ensure changing financial conditions are well managed.
Cyber Security	• GDPR policies including Data Breach Action Plan, data breach form in place. • Monitoring GDPR compliance. • Outsourced DPO service by Bulletproof Ltd. • Single Sign On and Multi Factor Authentication with controlled conditional access. • Enabled Encryptions deployed over SCCM. • Maintaining third-party cyber security defence and anti-virus software. • Timely patches for server and desktop systems. • Monitoring of IT controls. • Robust IT Policies. • Adopting VLAN. • Encryption-in-transit protects both systems and data. • Procedures for penetration testing and system security checks. • Business Continuity and Disaster Recovery Planning.
Strategic Alignment of Programmes	• Project Toolkit checklist • Partner office carries out a Project Needs and Beneficiary Selection Assessment • Scoring requirement inbuilt into Projects System • Programmes Director reports quarterly to the Programmes Committee on progress with implementation of the corporate strategy • Project Risk Management undertaken for all projects



Internal Audit and Risk Assurance

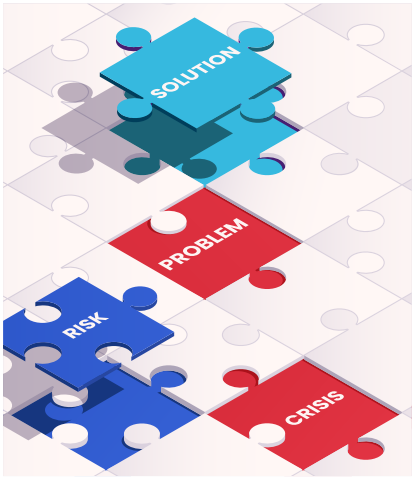
The MH Board of Trustees is advised by an Audit Committee made up of trustees and independent members who bring a broad range of expertise in this area.

The Audit Committee meets at least four times a year and its terms of reference includes scrutiny and oversight of the way MH is managing risk.
The Senior management team regularly undertakes strategic and operational reviews to identify organisational risks and come up with plans to mitigate them.

The team is then responsible for implementing those action plans, with the Audit Committee monitoring progress.

The Audit Committee track the charities risk management against two core areas, operations within the charity and grant management at partner level.

The internal audit team is being built to focus on the higher risk area of international grant management at partner level whilst continuing to retain improvements made with the use of the action tracker from the internal audits that have taken place within the charity's operations.



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Plans for the Future

INCOME DIVERSIFICATION

Muslim Hands has continued to grow steadily since its inception, reaching an increasing number of disadvantaged communities year after year.

To continue the mission of aiding more people as effectively and efficiently as possible, Muslim Hands will be focusing on organisational restructure and internal development, stronger emphasis on forming partnerships with grass-roots level delivery partners overseas and at home and increasing our income from trusts and institutional funders. Muslim Hands' educational and training projects are a long standing and recognised strength, and they will be the primary area of focus going forward.

INHOUSE SYSTEMS

Muslim Hands is continuing the development of the next generation, web-based CRM, financial management and programmes systems to add to the level of data processing and reporting of impact on its activities, encouraging better collaboration and increased learning and oversight with our partners.

NEW STRATEGY

Muslim Hands has begun its new strategy following the success of its previous strategy.

The strategy has focused on continuing the success story of Muslim Hands as it embarks on its next phase of growth in serving those in need both abroad and here in the UK.

UK PROGRAMMES

Muslim Hands is planning to expand its UK Open Kitchen programme to more towns and cities over the next three years.

The interest that our kitchens have generated from supporters and the impact they have had on the local communities they serve has demonstrated their value.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Muslim Hands for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards FRS 102.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the stated year. In preparing those 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 judgements and estimates that are responsible and prudent.**
- **State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.**
- **Prepare the financial statements on the going-concern basis unless it is not appropriate to presume that the charity will continue in business.**

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps towards the prevention and detection of fraud and other irregularities.

In so far as the trustees, individually, are aware:

- **There is no relevant audit information of which the charity's auditor is unaware.**
- **The trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.**

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Annual Report, which includes the strategic report, has been approved by the trustees on 24/09/2024 and signed on their behalf by

SL Hassanain. Trustee and Chairman

Independent Auditor's Report

OPINION

We have audited the financial statements of Muslim Hands (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2023 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Muslim Hands' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements;**

  and

- **The trustees' annual report, including the strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified

material misstatements in the trustees' annual report including the strategic 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 statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- **We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:**
- **Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;**
- **Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;**
- **The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.**
- **We inspected the minutes of meetings of those charged with governance.**
- **We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.**
- **We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.**
- **We reviewed any reports made to regulators.**
- **We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.**
- **We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.**
- **In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.**

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard
(Senior statutory auditor)

for and on behalf of
Sayer Vincent LLP, Statutory Auditor

25 September 2024

110 Golden Lane,
LONDON, EC1Y 0TG

Statement of Financial Activities

Muslim Hands

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations		12,970,455	22,072,739	**35,043,194**	13,061,356	20,075,988	33,137,344
Bank Interest		84,332	–	**84,332**	46,809	–	46,809
Total income		13,054,787	22,072,739	**35,127,526**	13,108,165	20,075,988	33,184,153
Expenditure on:							
Raising funds	3	3,903,430	–	**3,903,430**	3,746,356	–	3,746,356
Charitable activities							
Grants payable and operational	3	5,500,710	23,553,501	**29,054,211**	4,970,576	26,632,587	31,603,163
Total expenditure		9,404,140	23,553,501	**32,957,641**	8,716,932	26,632,587	35,349,519
Net income / (expenditure) before net gains / (losses) on investments		3,650,647	(1,480,762)	**2,169,885**	4,391,233	(6,556,599)	(2,165,366)
Net gains / (losses) on investments		–	–	–	–	–	–
Net income / (expenditure) for the year	4	3,650,647	(1,480,762)	**2,169,885**	4,391,233	(6,556,599)	(2,165,366)
Transfers between funds	12	(4,981,853)	4,981,853	–	(6,871,111)	6,871,111	–
Net income / (expenditure) before other recognised gains and losses		(1,331,206)	3,501,091	**2,169,885**	(2,479,878)	314,512	(2,165,366)
Gains / (losses) on revaluation of fixed assets			–	–	–	–	–
Actuarial gains / (losses) on defined benefit		–	–	–	–	–	–
Other gains / (losses)		–	–	–	–	–	–
Net movement in funds		(1,331,206)	3,501,091	**2,169,885**	(2,479,878)	314,512	(2,165,366)
Reconciliation of funds:							
Total funds brought forward		5,687,269	12,514,865	**18,202,134**	8,167,147	12,200,353	20,367,500
Total funds carried forward		4,356,063	16,015,956	**20,372,019**	5,687,269	12,514,865	18,202,134

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

Balance Sheet

Muslim Hands

Balance sheet

Company no. 05080486

As at 31 December 2023

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	7		1,234,874		1,266,163
			1,234,874		1,266,163
Current assets:					
Debtors	8	4,339,499		902,473	
Short-term Deposits		2,891,122		2,822,629	
Cash at bank and in hand		13,951,791		14,397,340	
		21,182,412		18,122,442	
Liabilities:					
Creditors: amounts falling due within one year	9	(2,045,267)		(1,186,471)	
Net current assets			19,137,145		16,935,971
Total assets less current liabilities			20,372,019		18,202,134
Creditors: amounts falling due after one year	10		-		-
			20,372,019		18,202,134
The funds of the charity:	12				
Restricted income funds			16,015,956		12,514,865
Unrestricted income funds			4,356,063		5,687,269
Total charity funds			20,372,019		18,202,134

Approved by the trustees on 24 September 2024 and signed on their behalf by

Syed Lakhte Hassanain
Trustee

Statement of Cash Flows

Muslim Hands

Statement of cash flows

For the year ended 31 December 2023

	Note	2023 £	£	2022 £	£
Cash flows from operating activities	13				
Net cash provided by / (used in) operating activities			(320,462)		(1,769,666)
Cash flows from investing activities:					
Purchase of fixed assets		(56,593)		(115,851)	
Net cash provided by / (used in) investing activities			(56,593)		(115,851)
Cash flows from financing activities:					
Repayments of borrowing		–		(29,666)	
Net cash provided by / (used in) financing activities			–		(29,666)
Change in cash and cash equivalents in the year			(377,056)		(1,915,183)
Cash and cash equivalents at the beginning of the year			17,219,969		19,135,152
Cash and cash equivalents at the end of the year	14		16,842,913		17,219,969

Notes to the Financial Statements

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2023

1 Accounting policies

a) Statutory Information
Muslim Hands is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 148 - 164 Gregory Boulevard, Nottingham, NG7 5JE.

b) Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity
The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern
The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

f) Donations of gifts, services and facilities
Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting
Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.
Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes grants payable to deliver operational programmes furthering the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the overhead costs of the central function is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity. The salaries for this are classified within charitable giving.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Fundraising 17%
- Direct Charitable 83%

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Fundraising 54%
- Direct Charitable 45%
- Governance Costs 1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Grants Payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

1 Accounting policies (continued)

n) Tangible fixed assets (continued)

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold Property	2% straight line
● Computer and Office Equipment	25% straight line
● Fixtures and Fittings	15% reducing balance

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Creditors and provisions

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

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2023

2 Grants payable and operational programmes

Current year	Unrestricted funds £	Restricted funds £	Total 2023 £
General	760,540	(692,187)	68,354
Children	–	77,720	77,720
Education	–	4,533,020	4,533,020
Elderly	–	19,710	19,710
Emergency Aid	–	5,956,433	5,956,433
Environment	–	157,641	157,641
Food	–	4,943,783	4,943,783
Health	–	1,278,505	1,278,505
Livelihoods	–	480,934	480,934
Masjid	–	1,329,169	1,329,169
Orphans	–	2,200,879	2,200,879
Shelter	–	4,676	4,676
Safe Water	–	3,263,218	3,263,218
Grant payable	760,540	23,553,501	24,314,041
Wages and salaries	809,395	–	809,395
Support costs (note 3)	3,330,417	–	3,330,417
Governance costs (note 3)	600,358	–	600,358
	5,500,711	**23,553,501**	29,054,211

Prior year	Unrestricted funds £	Restricted funds £	Total 2022 £
General			
Children	734,108	151,007	885,115
Education	–	42,054	42,054
Elderly	–	4,496,529	4,496,529
Emergency Aid	–	7,260	7,260
Environment	–	5,024,681	5,024,681
Food	–	216,049	216,049
Health	–	4,056,727	4,056,727
Livelihoods	–	832,965	832,965
Masjid	–	760,572	760,572
Orphans	–	1,613,049	1,613,049
Shelter	–	3,080,097	3,080,097
Safe Water	–	121,302	121,302
	–	6,230,295	6,230,295
Grant payable	734,108	26,632,587	27,366,695
Wages and salaries	848,826	–	848,826
Support costs (note 3)	2,843,362	–	2,843,362
Governance costs (note 3)	544,279	–	544,279
	4,970,575	**26,632,587**	**31,603,162**

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2023

2 Grants payable and operational programmes (continued)

	2023	2022
Cost	**£**	£
Muslim Hands Partners (Related Parties)		
Pakistan	4,557,513	6,718,099
Sudan	881,825	1,045,145
Bangladesh	231,428	1,469,799
Niger	961,055	832,438
Afghanistan	1,013,049	915,009
Gambia	315,567	273,039
Sri Lanka	534,519	484,707
Indonesia	76,901	81,921
Mauritania	321,609	276,880
Senegal	223,275	408,069
Somalia	797,369	1,151,335
Mali	2,727,792	1,984,015
Malawi	283,684	331,431
Yemen	1,276,430	3,452,527
Kashmir (Pakistan)	807,406	1,108,718
	15,009,423	20,533,132
Non Muslim Hands Partners		
Lebanon	208,200	196,165
Syria	-	17,442
Kashmir (India)	487,091	735,078
Palestine	4,025,181	2,272,376
Poland		15,541
Ukraine	-	31,239
Turkey	1,608,245	1,400,768
	6,328,717	4,668,609
	21,338,140	25,201,741
Other grants less than £50,000 in the year	2,975,901	2,164,954
At the end of the year	**24,314,041**	27,366,695

A full list of individual grants and the projects that are funded is available from our principal office.

All of the "Muslim Hands" overseas charity operations are controlled at a local level and have not been consolidated into these financial statements. In a number of cases, one or more UK Trustees sit on the local boards but the overseas operations have local registration. All country level operations are treated as independent partners. There is no intention on behalf of the UK board to control any country level entities even where there are common Board members, they are related parties.

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2023

3a Analysis of expenditure (current year)

	Cost of raising funds £	Grants payable and operational programmes £	Governance costs £	**2023 Total £**	2022 Total £
Grants payable (Note 2)	–	24,314,041	–	**24,314,041**	27,366,694
Staff costs (Note 5)	1,243,232	2,018,048	492,020	**3,753,300**	3,639,293
Premises costs	12,305	221,496	12,305	**246,106**	178,939
Office costs	84,186	1,515,345	84,186	**1,683,717**	1,216,445
Professional fees	21,385	384,924	21,385	**427,694**	538,248
Publications, advertising and postage	2,510,724	–	–	**2,510,724**	2,379,109
Audit and accountancy	–	–	22,060	**22,060**	26,409
Trustees expenses	–	–	–	**–**	4,380
	3,871,832	28,453,853	631,956	32,957,641	35,349,517
Governance costs	31,598	600,358	(631,955)	**–**	–
Total expenditure 2023	**3,903,430**	**29,054,211**		**32,957,641**	
Total expenditure 2022	**3,746,356**	**31,603,161**	**–**	**–**	**35,349,517**

Costs allocation includes an element of judgement and the Charity had had to consider the cost benefit of detailed calculations and record keeping. All categories have been allocated on a basis consistent with the use of resources.

3b Analysis of expenditure (prior year)

	Cost of raising funds £	Grants payable and operational programmes £	Governance costs £	**2022 Total £**	2021 Total £
Grants payable (Note 2)	–	27,366,694	–	**27,366,694**	26,690,997
Staff costs (Note 5)	1,241,700	1,947,977	449,616	**3,639,293**	3,027,364
Premises costs	8,947	161,045	8,947	**178,939**	167,444
Office costs	61,041	1,098,742	56,662	**1,216,445**	1,104,201
Professional fees	26,912	484,424	26,912	**538,248**	542,765
Publications, advertising and postage	2,379,109	–	–	**2,379,109**	1,915,294
Audit and accountancy	–	–	26,409	**26,409**	21,800
Trustees expenses	–	–	4,380	**4,380**	–
	3,717,709	31,058,882	572,926	35,349,517	33,469,865
Support costs	–	–	–	**–**	–
Governance costs	28,647	544,279	(572,926)	**–**	–
Total expenditure 2022	**3,746,356**	**31,603,161**	**–**	**35,349,517**	
Total expenditure 2021	**2,996,745**	**24,656,818**	**–**	**–**	**27,653,563**

Notes to the financial statements

For the year ended 31 December 2023

4 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Auditors' remuneration (excluding VAT):		
Audit	22,060	26,409
Under-provision in the prior year	-	-
Depreciation of tangible fixed assets	87,883	93,018

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	3,311,176	3,208,241
Social security costs	332,062	326,202
Employer's pension contributions to defined contribution scheme	110,061	104,850
	3,753,299	3,639,293

The average number of employees (on a head count basis) analysed by function was:

	2023 No.	2022 No.
Direct charitable operations	55	46
Fundraising and publicity	43	58
Management and administration of the Charity	9	9
	107	113

The charity operates a defined contribution pension scheme: 2023 £110,061 (2022: £104,850) has been charged in the Statement of Financial Activities during the year in relation to this pension scheme.

The total employee benefits including pension contributions and national insurance of the key management personnel were £822,586 (2022: £705,608).

There were five employees with emoluments between £60,000 - £69,999 and five above £70,000 (three above £60,000 in 2021). During the period Syed Lakhte Hassanain, a Trustee of the Charity, was paid £76,539 (2022: £74,315) for his services to the charity as an employee. These payments are approved by the Charity Commission.

At the year end the Charity was owed £1,120 (2021: £2,320) by Syed Lakhte Hassanain.

During the year £4,582 (2022 £4,380.09) of expenses for reimbursement of travel and subsistence in connection with the Charity's business were paid to 4 Trustees (2022: 4 Trustees).

6 Taxation

No corporation tax has been provided in the financial statements as Muslim Hands is a registered charity and is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

Notes to the financial statements

For the year ended 31 December 2023

7 Tangible fixed assets

	Freehold land & buildings £	Computer & office equipment £	Fixtures and fittings £	Motor Vehicles	**Total £**
Cost					
At 1 January 2023	1,418,683	181,537	141,306	–	**1,741,525**
Additions in year	–	41,885	14,708	–	**56,593**
Disposals in year	–	–	–	–	**–**
At 31 December 2023	1,418,683	223,422	156,014	–	**1,798,119**
Accumulated depreciation					
At 1 January 2023	323,909	80,807	70,647	–	**475,362**
Charge for the year	28,374	44,655	14,854	–	**87,883**
Eliminated on disposal	–	–	–	–	**–**
At 31 December 2023	352,282	125,462	85,501	–	**563,245**
Net book value					
At 31 December 2023	1,066,401	97,961	70,513	–	**1,234,874**
At 31 December 2022	1,094,772	100,732	70,658	–	1,266,162

Included in the net book value of freehold land and buildings of £1,094,772 (2021: £1,123,146) is £nil relating to non-depreciated land.

8 Debtors

	2023 £	2022 £
Other debtors	**4,293,776**	792,494
Prepayments and accured income	**45,723**	109,980
	4,339,499	902,474

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in notes 10 and 11 below.

9 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	**376,220**	185,091
Grant Payable	**1,590,144**	–
Accruals and deferred income	**125,110**	892,162
Other creditors	**(46,202)**	109,217
	2,045,272	1,186,470

Notes to the financial statements

For the year ended 31 December 2023

10 Creditors: amounts falling due after one year

	2023 £	2022 £
Bank loans	–	9

The bank loan is repayable as follows:

Within one year	–	–
Between one and two years	–	–
Between two and five years	–	–
After five years	–	–
	–	–

The bank loan is secured by a legal charge over the freehold property to which it relates. The loan is repayable in monthly instalments and bears interest at 2.5% over base rate.

11 Analysis of net assets between funds 2023

	General unrestricted £	Restricted £	**Total funds £**
Tangible fixed assets	1,234,874	–	**1,234,874**
Net current assets	3,121,189	16,015,956	**19,137,145**
Long term liabilities	–	–	**–**
Net assets at 31 December 2023	**4,356,063**	**16,015,956**	**20,372,019**

Analysis of net assets between funds 2022

	General unrestricted £	Restricted £	**Total funds £**
Tangible fixed assets	1,266,163	–	**1,266,163**
Net current assets	4,421,106	12,514,865	**16,935,971**
Long term liabilities	–	–	**–**
Net assets at 31 December 2022	**5,687,269**	**12,514,865**	**18,202,134**

Notes to the Financial Statements

Notes to the financial statements

For the year ended 31 December 2023

12a Movements in funds 2023

Theme	Opening Balance £	Incoming Funds £		Original Expenditure £	£		Transfers £	Closing Balance £
Children	35,698	23,634	–	77,720	–		46,641	**28,253**
Education	96,065	401,986	–	4,533,020	–		4,035,885	**915**
Elderly	39,151	25,539	–	19,710	–		–	**44,980**
Emergency	4,959,698	7,092,222	–	5,956,433	–	–	775,000	**5,320,487**
Environment	1,009,542	157,762	–	157,641	–		83,208	**1,092,870**
Food	118,079	2,352,054	–	4,943,783	–		2,519,848	**46,197**
General	1,763,024	1,118,079		692,187	–		60,214	**3,633,503**
Health	– 61,225	466,019	–	1,278,505	–		874,586	**875**
Livelihoods	30,276	235,410	–	480,934	–		222,755	**7,507**
Mosques	2,031,673	1,778,676	–	1,329,169	–		152,663	**2,633,844**
Orphans	249,910	4,141,652	–	2,200,879	–	–	1,955,846	**234,838**
Shelter	1,256,209	250,880	–	4,676	–		–	**1,502,413**
WASH	986,771	4,028,829	–	3,263,220	–	–	283,100	**1,469,280**
Grand Total	**12,514,871**	**22,072,741**		**(23,553,503)**	**–**		**4,981,853**	**16,015,963**
Unrestricted Reserves	**5,687,263**	**13,054,787**		**(9,404,140)**	**–**		**(4,981,853)**	**4,356,057**
Total	**18,202,134**	**35,127,528**		**(32,957,643)**	**–**		**–**	**20,372,019**

Notes to the Financial Statements

Notes to the financial statements

For the year ended 31 December 2023

12b Movements in funds

Theme	Opening Balance £	Incoming Funds £		Original Expenditure £	Wages £		Transfers £	Closing Balance £
Children	34,725	32,318	-	42,054	-		6,529	**31,518**
Education	273,993	304,671	-	4,496,529	-		2,440,008	**(1,477,857)**
Elderly	17,135	29,276	-	7,260	-		-	**39,151**
Emergency	3,567,279	5,641,469	-	5,024,681	-	-	646,560	**3,537,507**
Environment	1,056,776	168,814	-	216,049	-		9,255	**1,018,796**
Food	883,662	2,413,913	-	4,056,727	-		792,039	**32,887**
General	313,450	713,287	-	151,007	-	-	2,193,066	**(1,317,336)**
Health	90,070	438,809	-	832,965	-		171,776	**(132,310)**
Livelihoods	107,352	365,963	-	760,572	-		-	**(287,257)**
Mosques	1,798,090	1,533,084	-	1,613,049	-		47,364	**1,765,489**
Orphans	1,633,864	4,000,993	-	3,080,097	-	-	669,640	**1,885,120**
Shelter	1,219,467	158,044	-	121,302	-		-	**1,256,209**
WASH	1,204,493	4,275,347	-	6,230,295	-		42,295	**(708,160)**
Grand Total	**12,200,356**	**20,075,988**		**(26,632,587)**	**-**		**-**	**5,643,757**
Unrestricted Reserves	**8,167,144**	**13,108,165**		**(8,716,932)**	**-**		**-**	**12,558,377**
Total	**20,367,500**	**33,184,153**		**(35,349,519)**	**-**		**-**	**18,202,134**

Purposes of restricted funds

The Restricted Fund contains funds restricted to a particular location and a group of up to thirteen funds restricted to each location. These funds include Emergencies, Orphans, Education, Elderly, Livelihoods, Food, Health, Safe Water, Shelter, Field, Mosque and Environment.

The Restricted Funds received by donors are used on charitable projects within the restrictions provided by the donors. These funds are utilised within the year the are received for projects within the location and theme restricted by donors.

13 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2023 **£**	2022 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	**2,169,885**	(2,165,366)
Depreciation charges	**87,883**	93,018
(Increase)/decrease in debtors	**(3,437,026)**	435,729
Increase/(decrease) in creditors	**858,796**	(133,048)
Net cash provided by / (used in) operating activities	**(320,462)**	(1,769,667)

Notes to the financial statements

For the year ended 31 December 2023

14 Analysis of cash and cash equivalents

	At 1 January 2023 £	Cash flows £	Other changes £	At 31 December 2023 £
Cash at bank and in hand	14,397,340	(445,549)	-	**13,951,791**
Short term deposits	2,822,629	68,493	-	**2,891,122**
Total cash and cash equivalents	17,219,969	(377,056)	-	**16,842,913**

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property **2023 £**	2022 £
Less than one year	65,000	65,000
One to five years	65,000	130,000
Over five years (Cancellable)	**-**	-
	130,000	195,000

16 Related party transactions

The Charity works in close co-operation with other Muslim Hands charities worldwide. The relationship of these charities to Muslim Hands in the UK is described in Note 2.

Muslim Hands in the UK has common trustees with Muslim Hands Pakistan, Bangladesh, Yemen and Iraq. Muslim Hands in the UK also has 2 common trustees with Muslim Hands Niger, Mali, Mauritania, Malawi, Sri Lanka, Indonesia, Afghanistan, Somalia, and Nigeria. Muslim Hands in the UK also has one common trustee with Muslim Hands France, South Africa, USA and Canada. Grants made to these charities during the year are disclosed in note 2 of these

M N Syed the son of Syed Lakhte Hassanain, a Trustee of the Charity, is employed by Muslim Hands and was paid a salary of £33,417 for the period (2022: £31,715). The Chairman's son also employed was MH Syed - paid £4,729 (2022: £14,592)

Tariq Nasir is a governor of Figtree Primary School which receives a grant of £17,000 per annum.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

17 Ultimate controlling party

The trustees do not consider there to be an ultimate controlling party.

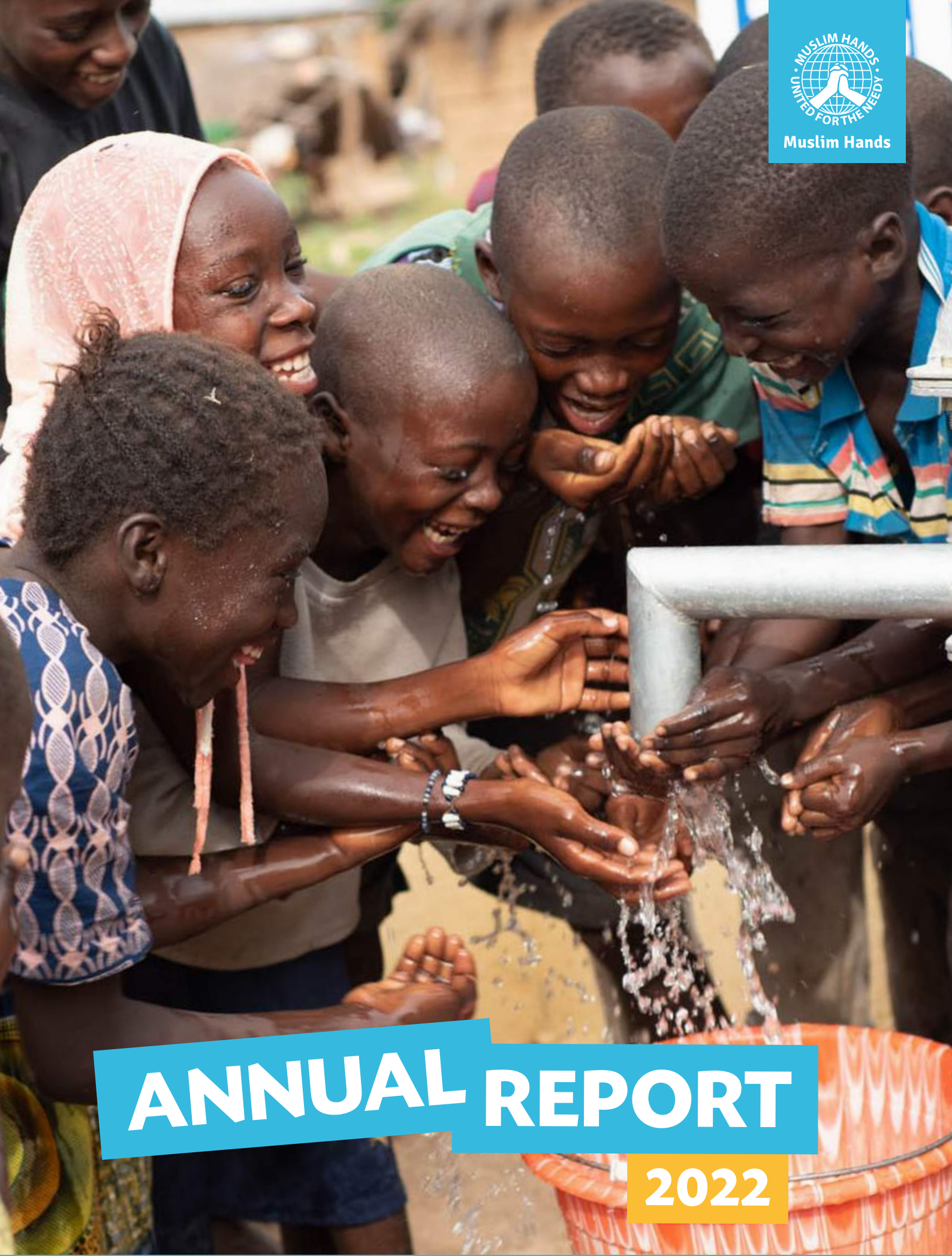
18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

MUSLIM HANDS

England & Wales - Charity number 1105056

Accounts



Muslim Hands

ANNUAL REPORT

2022

ANNUAL REPORT AND FINANCIAL STATEMENTS for the year ended 31 December 2022

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Message from the Chairman

Assalamu Alaikum,
For thirty years, Muslim Hands has remained at the forefront of addressing major humanitarian crises and engaging in developmental work. All our work over the last three decades, from providing emergency relief to running schools, sponsorships and other long-term projects, has only been possible because of the generosity of our donors and the hard work of our teams.

In 2022, Muslim Hands responded to new and ongoing emergency situations across the world. When extreme floods submerged much of Pakistan and a devastating earthquake hit Türkiye and Syria we provided essential aid to the affected populations.

Now, we are rebuilding homes in both locations. Muslim Hands also remained dedicated to addressing ongoing emergencies in Somalia, Yemen and Afghanistan through a variety of interventions, which this report will detail.

Through our two Open Kitchens in London and Nottingham, we targeted the most vulnerable communities in the UK by providing cooked food and other support services to hundreds of families and individuals. supply over a million meals through a vast network of partner organisations.

Over the past year, our developmental work, encompassing education, orphan sponsorship, WASH (Water, Sanitation and Hygiene), income generation and health, has directly benefited 9,166,398 individuals.

We are extremely grateful for the tremendous support we received, despite the challenging economic circumstances faced by our donors. The trust placed in Muslim Hands by our generous supporters enabled us to respond effectively to emergencies and continue our regular developmental work. By Allah, your support has helped millions of people and we look forward to working together to tackle the root causes of poverty and injustice in the years to come, in sha Allah.

Wassalamu Alaikum,

Syed Lakthe Hassanain

Legal and Administrative Information

Trustees and statutory directors	Dr Musharraf Hussain Mohammad Amin-ul Hassanat Shah Syed Lakhte Hassanain Sahibzada Ghulam Jeelani Saffi Ullah Mohammad Arshad Jamil Mohammed Zameer (Resigned 06 December 2022) Abdul Qudeir Khan
Sub-Committees to the Board	Programmes Committee Audit Committee Fundraising Committee
Company number	05080486 (country of incorporation is England and Wales)
Charity registration number	1105056 (country of registration is England and Wales)
Registered office	148-164 Gregory Boulevard, Hyson Green, Nottingham, NG7 5JE
Company secretary	Dr Musharraf Hussain
Auditor	Sayer Vincent LLP, Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane, London, EC1Y 0TL
Internal Auditor	BDO LLP, Regent House, Clinton Avenue, Nottingham, NG5 1AZ (Engagement completed October 2022)
Bankers	National Westminster Bank plc, Hyson Green, Nottingham Santander UK plc, Manchester Business Centre, Manchester Al Rayyan Bank plc, Edgbaston House Birmingham Barclays Bank, Churchill Place, Leicester
Solicitors	Freeth Cartwright LLP, Cumberland Court, Nottingham Knights PLC, 84 Friar Lane, Nottingham

INTRODUCTION

This year marks Muslim Hands' 30th anniversary. For the past three decades, our donors have been at the centre of supporting disadvantaged communities across the world.

Our organisation was born out of a grass-roots response to the devastation of the Bosnian war, where we collected money, clothes and medicine and drove them to the people of Bosnia.

Since then, we have worked in over 30 countries providing short and long-term relief to communities impacted by poverty, conflict, and natural disasters.

This year, with the help of our amazing supporters, we launched some exciting new initiatives, including our microgrant project – which supports people from disadvantaged communities to establish or expand businesses, and our climate action project in Mauritania, which is building resilience in communities affected by desertification.

This is the 2022 annual report of the Muslim Hands trustees.

It is presented together with a Trustees' Responsibilities Statement on page **[page 58]**., the Independent Auditor's Report on pages **page 56** and the financial statements for the year ending 31 December 2022 on pages **page 62**

The financial statements for the year ending 31 December 2022 have been prepared in accordance with the accounting policies set out in the note to the financial statements. The financial statements comply with the Charity's Governing Document, the Charities Act 2011 and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

In 2022, Muslim Hands made significant progress in implementing robust systems to support its five-year strategy, provide ongoing capacity building support to its charitable partners and foster improved accountability through effective evidence and information management.

This was made achievable by monitoring and evaluation of the strategy's implementation, ensuring alignment with organisational objectives. Furthermore, efforts were made to empower partner offices to effectively cascade and integrate the organisational strategy, to improve the precision in targeting beneficiaries needs. This year, Muslim Hands successfully laid the foundation for a data-driven approach, strengthening its partners' ability to deliver impactful programmes, foster growth and enhance overall organisational performance.

Muslim Hands implemented a comprehensive, tailor-made capacity building programme for its partners, aimed at enhancing their capabilities and enabling effective implementation of the strategy the benefits of this include improving oversight and control of funding through standardisation of MH grant management systems, financial reporting and compliance.

Muslim Hands also went through the development and implementation of a highly sophisticated Strategy Tracker, which serves as a comprehensive tool to monitor the progress of programmes across partner offices. Muslim Hands firmly believes that the Strategy Tracker represents a significant leap forward for the organisation, empowering us to establish and monitor results, track progress, and make informed decisions more effectively for optimal resource allocation.

Throughout 2022, the Strategy Tracker played a pivotal role in providing Muslim Hands, its partners and trustees with real-time access to essential information and a holistic view of progress across all stakeholders. This centralised platform facilitated streamlined communication and enabled all parties to have instant access to vital data from a single, easily accessible location. Looking ahead, Muslim Hands is committed to further enhancing the Strategy Tracker by incorporating additional features. By integrating additional elements, the Strategy Tracker will remain a dynamic tool that continues to evolve and adapt to meet the emerging needs of the charity, manage risks, safeguard beneficiaries and improve the charities learning process.

Muslim Hands acknowledges the significance of research and development in guiding the organisation towards a learning culture that prioritises evidence-based practices and an impact-oriented approach. With the introduction of the new MEAL framework, a "Results Monitoring" mechanism was piloted and scaled up to assist in evaluating its programmes worldwide to determine whether they are achieving the desired results. Muslim Hands aims to utilise the evidence from these findings to review its work each year and plan accordingly.

FUNDRAISING

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Our teams raise funds from the public by organising charitable collections, events, challenges, TV appeals and through direct marketing.

Muslim Hands continued its membership with the Fundraising Regulator – complying with its guidelines through training and development of all fundraisers.

To protect vulnerable people in the course of fundraising, we take appropriate measures which include screening contact details against the TPS and using our own 'do not contact' list, allowing all individuals the opportunity to opt out of communications, limiting the number of direct marketing communications to an average of two per quarter. Furthermore, the communication is often limited to those who have donated recently to a similar campaign. In addition to this, under GDPR where a supporter opts-out of receiving communication from Muslim Hands, the request is actioned within 48 hours. There were 7 complaints received in the course of fundraising during the stated period.

Where we work

Muslim Hands partners with independent charities across the world to deliver its charitable programmes. Muslim Hands establishes its partnerships with a series of Trademark Licenses for MH branded partners and Collaboration Agreements with all partners. The partners are reviewed periodically as part of the Charity's partner Due Diligence. Their capacity is assessed to ensure they have reliable Governance arrangements, the ability to deliver programmes and to ensure that there is reliable financial management of charitable funds.

The partnerships are overseen on an ongoing basis by methods including sharing some common trustees for oversight, in-depth monitoring and evaluation to evidence the following: end use of funds, programmes quality and compliance to policy. Muslim Hands also carries out physical verification by visiting partners throughout the year. During visits Muslim Hands' teams check the existence of programmes, their delivery and completion and cross-check partners' records, reports and Photographic/ Videographic evidence submitted. During the visits, they also conduct quality checks with the support of specialists for programme quality and safety. Furthermore, Muslim Hands has an outsourced Internal Audit department which provides independent assurance on its Control Environment including the implementation of Programmes. Recent locations visited for monitoring include Afghanistan, Gambia, Indonesia, Lebanon, Mauritania, Malawi, Mali, Pakistan, Somalia, Turkey and Yemen. The partners where Muslim Hands deliver its programmes are based in the locations listed below.

Afghanistan	228,876 beneficiaries	**Niger**	130,264 beneficiaries
Bangladesh	170,922 beneficiaries	**Pakistan**	974,044 beneficiaries
Gambia	53,825 beneficiaries	**Palestine**	795,366 beneficiaries
India	57,935 beneficiaries	**Rwanda**	2,690 beneficiaries
Indonesia	765 beneficiaries	**Senegal**	316,007 beneficiaries
Kashmir (India)	265,414 beneficiaries	**Somalia**	1,140,640 beneficiaries
Kashmir (Pakistan)	961,852 beneficiaries	**Sri Lanka**	101,373 beneficiaries
Lebanon	30,796 beneficiaries	**Sudan**	56,100 beneficiaries
Malawi	85,803 beneficiaries	**Turkey**	158,685 beneficiaries
Mali	360,071 beneficiaries	**United Kingdom**	447,395 beneficiaries
Mauritania	8,602 beneficiaries	**Yemen**	2,818,973 beneficiaries

EMERGENCY RESPONSE

3,574,485 – Total Emergency Aid Beneficiaries

Muslim Hands (MH) has successfully worked in emergency zones over the past 30 years, providing humanitarian relief to beneficiaries who have escaped war and conflict.

At Muslim Hands, we have always emphasised the importance of immediate response, whether it is providing urgent food parcels in Afghanistan or providing blankets and water to those impact by wildfires.

In 2022-23, many communities around the world were impacted by extreme weather patterns and natural disasters. Bangladesh and Pakistan experienced some of the severest floods in their history and Somalia, its worst drought in forty years. Meanwhile, Rohingya refugees in Cox Bazar were once again left vulnerable to fires and monsoon rains.

FLOODING IN PAKISTAN

In 2022, one-third of Pakistan was submerged under water during extreme monsoon flooding. The floods displaced at least 7.7 million people, and 2.1 million homes were damaged. Meanwhile, 1.2 million livestock were killed.

Your donations provided food parcels, clean water and hygiene kits. We also set up medical camps to combat waterborne diseases and malnutrition amongst the survivors.

After we completed our emergency response phase – we moved on to our Rebuild Pakistan project. Through this intervention, we have already constructed 50 homes. Our target is to construct 110 homes for families in Balochistan and Jaffarabad, and a further 50 homes are being built in Badin, Sindh.

The houses we are constructing will be in line with Sphere standards. The covered area of each home is 295 square feet and each person will be allocated 5.5 metres of land. Each property will be made from brick in order to ensure that it withstands monsoon flooding and earthquakes. Each home has one family room [12 feet x 14 feet], a kitchen [5 feet x 9 feet], and a bathroom [5 feet x 5 feet] with a septic tank. All rooms will have electric fittings, which include lights, a ceiling fan, and a switchboard.

Kabeer Ahmed, 22, is one of the beneficiaries that we are supporting with rebuild homes project. He sadly lost his property during the monsoon rain.

Kabeer said, ***"I lived in a house with two rooms, a small kitchen, and a boundary wall which were demolished by the flood. I am homeless now, and I fear for my 11-month-old son. We do not have clean water, blankets, or food, and our livestock perished. We cannot afford the construction expenses, and with Muslim Hands' support, we can start afresh in our new property."***

FLOODING IN BANGLADESH

Meanwhile, extreme floods in Bangladesh impacted the lives of over 4 million people. Heavy monsoon rains led to rivers bursting their banks and the hardest-hit district, Sylhet, was completely submerged.

Our team in Bangladesh distributed emergency relief parcels, which included food supplies, water purification tablets and other essential non-food items. The parcels were distributed to beneficiaries residing in Zakiganj Upazila and Sunamgonj.

Jayfor Ali, a brick field worker, lost his only source of income because of the monsoon rains. When the brickfield he worked on was flooded, he was left unemployed.

Jayfor told us, ***"We were worried about our future. We didn't know what we would do."***

Our team in Bangladesh provided Jayfor with an emergency relief parcel which included food and non-food items to support him and his family as they tried to rebuild their lives.

DROUGHT IN SOMALIA

While Pakistan and Bangladesh were grappling with floods, Somalia faced its worst drought in decades.

The country is in a dire humanitarian crisis. Around 8.3 million people require urgent humanitarian assistance. It is estimated that more than 1.4 million children in Somalia, nearly half of the country's under-five population, are suffering from acute malnutrition. Roughly 1.3 million people are internally displaced and 80% of the displaced are women and children. The Muslim Hands Motherkind maternal health clinic has seen an influx of mothers and young children suffering from malnutrition.

The crisis in Somalia is now worse than the 2011 famine, when almost 260,000 people lost their lives, at least half of them children. Our donors have been providing emergency food parcels, clean water, and specialist medical care to women, children and elderly people residing in displacement camps around the capital of Mogadishu.

Muslim Hands have also been tackling water shortages in rural villages by constructing two large wells in Berdalle and Marko. This project aims to prevent 50,000 people from being displaced from their lands because of the ongoing drought.

Amina Abdi Ibrahim is 30 years old, and her son Hussain Ali is 18 months arrived at our Motherkind clinic severely malnourished. Amina lived in the rural area of Saplaal and left to join a Mogadishu displacement camp nearly a year ago. She lost everything during the drought, including her livestock. It took her ten days by foot to travel to Mogadishu.

She told our team, ***"We have nothing at home, no water. If we do have food, it's only a small amount of rice."***

Amina is one of many mothers receiving medical care through our Motherkind Clinic, and her family also benefitted from our emergency food parcels.

HEALTHCARE FOR ROHINGYA REFUGEES

29,750 – Total Rohingya Beneficiaries

Muslim Hands has been working in Cox Bazar since 2017. Fleeing from persecution, more than 773,000 Rohingya–including more than 400,000 children–have sought refuge in the world's largest displacement camp.

We have supported Rohingya refugees through various initiatives. We have established a women's centre, children's centre, and installed solar lights to make navigating the camp safer for women and girls and built shelters to house those who have lost their homes in successive fires and monsoon flooding. This year, our main focus was on providing free health care through our dedicated health camp.

The camp offers lifesaving and comprehensive primary health services for the Rohingya community, with a special focus on women and children. We have also been providing access to child protection services and psychosocial support activities for girls and boys.

Safa, 12, arrived in Bangladesh when she was just seven years old. Safa is one of the beneficiaries that our donors have supported through the Muslim Hands health clinic. Her family's home is made out of bamboo and tarpaulin. The floor is muddy and they often fear the monsoon rain will wash their house away.

Safa developed a skin irritation because of the lack of hygiene facilities available to her, ***"Living in this unhealthy environment is dangerous for my siblings and me, but this intervention has eliminated some of the worries we have been facing."***

The clinic provided Safa with free medicine which she uses daily for her skin.

CLEAN WATER AND FOOD IN YEMEN

2,818,973 – Total beneficiaries in Yemen

This year marks the eighth anniversary of the Yemen war. 4.5 million people remain displaced,17 million are food insecure and 21.6 million need urgent humanitarian assistance.

Muslim Hands has been on the ground in Yemen since 2015. In 2022, we were at the forefront of providing clean water to millions of Yemenis, including:

- The construction of a 2,000 m3 ground concrete reservoir in Marib.
- The Hilya water project in the Lahj governorate. The project will provide a 200 m3 stone water tank and 9 km of flowing line and will provide people in the Alhabilayn area (84,200 beneficiaries) with clean water.
- The Al-Habla rainwater harvesting tank Project in Bani Musllam Area, Al Qafr District - Ibb Governorate. Rainwater will be harvested for use by local residents.

We have also been supporting our students by providing education through our School of Excellence, established in 2021. In Yemen, 2,700 schools have been destroyed or partially damaged by the conflict in Yemen. Our Muslim Hands School of Excellence in Aden ensured that 330 children received a quality education and free school meals in a safe, welcoming space this year.

As well as providing meals through our own school, we also support other organisations through our school feeding programme in Marib. Currently, around 2.2 million children are malnourished in Yemen and our interventions aim to tackle child malnutrition head-on. In the past year we have distributed over 65,000 nutritious meals to our orphan students. The children receive a 125 ml pack of milk, bread, cheese, and two pieces of seasonal fruit.

We also feed entire communities through our network of bread factories in north and south Aden, north and south Marib, and Seiyun.

In 2022, our donors provided over 45,000 loaves of freshly baked bread daily to orphans, widows, elderly people and people with disabilities.

Abdul Qadir Mohammad, 14, has Down syndrome. Her father does not have a fixed income, and what he earns is insufficient to sustain the family. For Abdul Qadir and her family, the bread they receive is a lifeline and means their small income can be used to provide other essentials.

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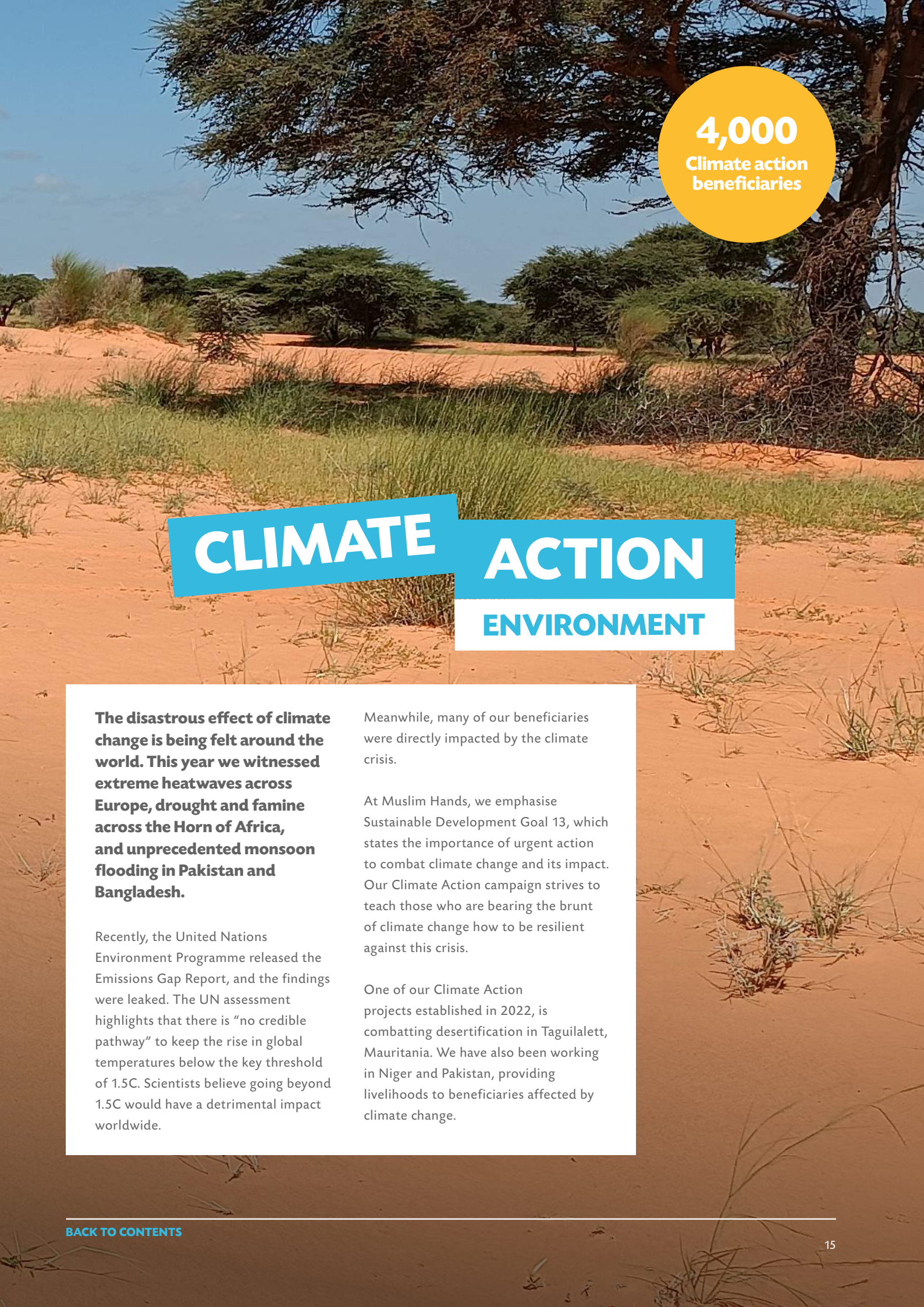

4,000
Climate action beneficiaries

CLIMATE ACTION

ENVIRONMENT

The disastrous effect of climate change is being felt around the world. This year we witnessed extreme heatwaves across Europe, drought and famine across the Horn of Africa, and unprecedented monsoon flooding in Pakistan and Bangladesh.

Recently, the United Nations Environment Programme released the Emissions Gap Report, and the findings were leaked. The UN assessment highlights that there is "no credible pathway" to keep the rise in global temperatures below the key threshold of 1.5C. Scientists believe going beyond 1.5C would have a detrimental impact worldwide.

Meanwhile, many of our beneficiaries were directly impacted by the climate crisis.

At Muslim Hands, we emphasise Sustainable Development Goal 13, which states the importance of urgent action to combat climate change and its impact. Our Climate Action campaign strives to teach those who are bearing the brunt of climate change how to be resilient against this crisis.

One of our Climate Action projects established in 2022, is combatting desertification in Taguilalett, Mauritania. We have also been working in Niger and Pakistan, providing livelihoods to beneficiaries affected by climate change.

COMBATTING DESERTIFICATION IN TAGUILALETT

Around 90 percent of Mauritania lies in the Sahara Desert, making it particularly vulnerable to the effects of lengthy periods of drought and decreased rainfall.

The Sahel region is especially susceptible to climate shocks, as the temperature there has risen by 1°C since the 1970s, almost twice the global average. Desertification, the process in which fertile land becomes a barren desert—is a significant problem throughout Africa, but it is sweeping across Mauritania at an alarming rate.

Desertification has shattered lives across the country. Whole villages have been buried in sand and many Mauritanians suffer from health conditions, including respiratory and kidney problems and eye and skin irritations.

Lack of fertile land for crops and livestock means increased food insecurity, which has caused malnutrition, particularly among women and children. Currently, almost 17 percent of the population lives below the extreme poverty line, with an astonishing one in four children living in poverty.

Our flagship climate action project in Mauritania aims to offer respite to the community in Taguilalett, south- west Mauritania. Muslim Hands aims is planting 20,000 trees to halt desertification. The trees (and shrubs) include acacias, Leptadenia and panicums (herbaceous). The trees are planted four metres apart – with shrubs in-between.

While the project focuses on protecting the community from desertification, we are also working closely with ten women's cooperative groups and providing them with training so they can effectively cultivate the fertile land that will be created as a result of a combined approach of tree planting, drip irrigation, and crop cultivation. Ten women from the cooperatives and four local volunteers will be trained in gardening techniques, specialising in market gardening.

The combatting desertification project will support 4000 Mauritanians. It strives to give the community much-needed respite and protect women like Beye from the ever-moving sand:

Widow, Beye Hacen, 68, lost her home to desertification in the 1990's. It was completely buried in sand, including four rooms, a toilet and a kitchen. She first moved to a nearby house, but it was not her own, so she moved to another and then another again. Now, she lives in a Barakha (a local type of house with a roof made of metal sheets, but no walls). This temporary accommodation has been lent to her to live in for now, but after so much upheaval, she doesn't know what her future holds.

HEALTH PROJECTS

443,418 – Total health projects beneficiaries

CONFLICT AND HEALTH IN YEMEN

The health situation in Yemen is dire - only 50% of all health facilities are fully functioning.

Those that are functioning lack qualified staff, medicine, and medical equipment. In 2022, our health clinics in Marib and Aden were a lifeline for 340,000 individuals in the two governorates extending South and North of Yemen.

MOTHERS ON THE FRONTLINE

Muslim Hands' MotherKind clinics in Somalia and Afghanistan have supported mothers and their children since 2011.

The maternal mortality rate in Somalia is one of the highest in the world, with a ratio of 692 deaths per 100,000 live births, while in Afghanistan maternal mortality rates are the highest in Asia, with 620 fatalities per 100,000 live births.

The free maternal health clinics offer first-class pre-and post-natal care, including access to qualified midwives and doctors, vaccinations, treatment for malnutrition, labour wards and free medicines and vitamins. We also hold regular awareness-raising sessions on nutrition and hygiene and counselling sessions for those dealing with traumatic experiences.

Nasrin, 25, came to the Motherkind clinic in Afghanistan seeking treatment for her malnourished child. Before the establishment of the clinic, she had no access to healthcare in her neighbourhood. Our Motherkind clinic provided free medicine to her child - she expressed her joy at the clinic's ability to address her family's health issues free of charge and without traveling outside the area.

HEALTH PROJECTS

GIVING DISABLED STUDENTS HOPE

According to UNICEF, 240 million children living with disabilities are denied their fundamental rights, and 49% are likely to have never attended school.

While discrimination is a key factor – many schools lack adequate funding to support students. In 2022, we introduced our child sponsorship scheme for students with disabilities receiving specialised care and educational support in Yemen, Somalia, and Pakistan.

The sponsorships ensure that these children receive the tailored support they need to not only survive but thrive in challenging circumstances.

Jabir, 15, attends a deaf school in Somalia. His family struggled to find him a special needs school. With the support of his generous sponsor, Jabir has learned sign language so he can now communicate fully with his peers and participate in lessons. Now, Jabir aspires to be a pilot, a dream he thought was out of his reach for him before he started at the school.

HEALTHCARE IN RURAL VILLAGES

As half of the world lives in rural, remote areas, many people continue to live without local healthcare services.

In 2022, we operated six basic health units across Pakistan. The health units provide quality healthcare services, including free medical check-ups and free medicine to communities that reside in rural and remote areas.

One of the patients at our basic health unit in Rawalakot, AJK told us, ***"I lived in a house with two rooms, a small kitchen, and a boundary wall which were demolished by the flood. I am homeless now, and I fear for my 11-month-old son. We do not have clean water, blankets, or food, and our livestock perished. We cannot afford the construction expenses, and with Muslim Hands' support, we can start afresh in our new property."***

PROVIDING EDUCATION

83,026 children received education

Education is a fundamental human right - yet millions of children around the world are not in school. Reasons for this include poverty, conflict, war and living in remote, inaccessible areas.

Many parents do not have the means to pay for their child's education and for those living in poverty, children are sent out to work at a young age to contribute much needed funds to the family income. Providing a free, accessible education to children is one of the most effective ways of lifting them and their communities out of a cycle of poverty. This is why education is at the heart of our work.

As well as running our own network of schools providing a quality education to disadvantaged children in over 10 countries, we also support education initiatives throughout Asia, Africa and the Middle East.

SUPPORTING ORPHAN STUDENTS

Muslim Hands orphan sponsors support children who have lost one or both parents in 18 countries. All orphans sponsored through Muslim Hands are receiving an education and for many of the children we support, the sponsorship includes daily school meals, health checks and transportation.

Muhammad, 16, is one of our Hifz sponsorship students. His mother could not afford to send him to school after the death of his father. This sponsorship has provided him with a safe space in which to learn the Holy Qur'an from qualified, supportive teachers. He is happy that his dream to become a Hafiz-e-Qur'an is coming true.

In 2022 we launched our new Hifz sponsorship programme In Somalia and Pakistan. The project teaches disadvantaged children how to read and memorise the Qur'an. The sponsorship allows them to further their Islamic studies, opening up opportunities for them as future teachers and leaders. Students begin their studies at the age of nine, and it takes around three to six years to complete the course.

TACKLING FOOD INSECURITY

We helped 1,769,550 food insecure beneficiaries

The climate crisis, wars and economic instability have exacerbated food insecurity in the last twelve months. It is estimated that 828 million people are unsure of where their next meal is coming from.
Conflict is the primary sources of food insecurity – around 70% of people without adequate food live in countries affected by conflict. Climate disaster also fuels food insecurity, destroying crops and livelihoods and driving millions of people to starvation.

In 2022, many of our beneficiaries faced unprecedented hardship - Muslim Hands has been actively working in the world's poorest countries to tackle the issue of food insecurity.

Our projects include short-term solutions such as providing food parcels to long-term interventions like our bread factories.

In Afghanistan, a country ravaged by years of violence and instability, the number of people suffering from acute malnutrition has risen from 14 million to 23 million since the collapse of the economy in 2021. In 2022, Muslim Hands' tandoor bread factory in Afghanistan provided 700 of the most vulnerable people battling food insecurity with fresh bread daily.

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RAMADAN IFTAR

We distributed iftar food to 100,000 beneficiaries

In Ramadan 2022, we provided hope to communities inflicted by hardship. In total, our donors provided an amazing 2 million meals. Our teams distributed lifesaving food parcels, including essentials such as dates, lentils, rice and beans, as well as daily hot meals.

Six-year-old orphan Shamil lost his father to brain cancer in 2017. Due to the economic instability in Sri Lanka, Shamil's mother was struggling to make ends meet. The Ramadan food parcel we provided ensured the family did not have to worry about purchasing food staples for the entire month.

QURBANI DISTRIBUTION

We distributed Qurbani to 657,426 beneficiaries

For Qurbani 2022, we distributed meat to beneficiaries across 25 locations. The fresh meat was distributed in emergency locations like Yemen, Syria and Somalia and throughout communities struggling with food insecurity and poverty.

For the first time, we also partnered with Hill Farm finest to offer a special organic UK Qurbani, which proved very popular with our donors. Two-thirds of the free-range grass-fed hogget was delivered directly to the donor's front door. The remaining one-third was distributed to low-income families, refugees, and homeless people at our Open Kitchen in Hounslow.

LIVELIHOODS

54,250 – Total livelihoods beneficiaries

VOCATIONAL TRAINING

The Muslim Hands Technical Training Centre and College of Computer Sciences in Wazirabad has been providing technical training services to the local community since 1994.

In the past year, the college has provided vocational training to 400 students.

One of those students was 21-year-old Qasmin. Qasmin worked at the local hospital as an assistant, but he did not have the necessary skills to apply for a promotion. However, after completing the course, he took a test for a computer operator position and passed: ***"I am very thankful to Muslim Hands for accepting me onto the course and for supporting me with my dreams."***

WOMEN-CENTRIC LIVELIHOOD PROJECTS

29,336 – Total beneficiaries

Globally, only 1 in 3 businesses are owned by women. In South Asia, only 18% of businesses are owned by women, while in Sub-Saharan Africa, only 29% of women are business owners.

Our livelihood programmes for women promotes Sustainable Development Goal 5 to achieve gender equality and empower all women and girls.

In Afghanistan, Mauritania, Mali and Niger, where business opportunities for women are few and far between, our sewing machine project is an important income generation scheme that not only provides women with the skills training they need to support their families, but also gifts them a sewing machine and material so they can put those skills into action.

Meanwhile, our Hope Shops in Somalia provided 10 displaced women with a sustainable income in 2022. We also provided shops to women in Mali, Sri Lanka and Pakistan.

Recently, we supported Leylo, an IDP from Somalia. We provided her with a Hope Shop. Before our intervention, Leylo used to earn as little as $1,50 a day, not enough to sustain her family.

She told our team: ***"I could not believe my eyes when Muslim Hands built a shop for me. Now because of their intervention, we can eat three times a day. I earn $5 a day selling sweets, food, and detergents. My children are back in school, and they are healthy again. For the first time, I am excited for the future."***

LIVELIHOOD BENEFICIARIES

54,250 beneficiaries

The Improving Agricultural Yield for Local Farmers project in Niger has provided women farmers in Fabidji commune of the Dosso region with seeds and farming tools

Our aim was for the farmers in Fabidji commune of the Dosso region to have a sustainable income and better yields, and to become more resilient to future climate disasters impacting their livelihood.

Sahada is one of the beneficiaries we supported with our sustainable livelihood project. After her husband's illness, Sahada's family were plunged into extreme poverty. They barely had enough food to eat and they could not afford to send the children to school.

Our donors provided Sahada with seeds and farming tools for a sustainable livelihood, including new, easily marketable crops such as soybeans and watermelon.

Meanwhile, our livelihoods enhancement project in Pakistan's District Charsadda and Nowshera has provided families affected by the extreme monsoon weather of 2022 with 100 income generation shops and provisions for 100 farmers.

MICROGRANTS

EMPOWERING ENTREPRENEURSHIP

Starting a business can be a daunting process but launching your business in a developing country is much more complex, with additional challenges and obstacles.

At Muslim Hands, we believe in empowering communities to support themselves in order to make long-term, sustainable progress in tackling poverty. That is why we launched our Micro Grant scheme in Yemen, Sri Lanka, Pakistan and Gambia; a Zakat-eligible project which allows donors to support an entrepreneur directly.

The donor can read through individual cases and support whichever beneficiary they desire. Each grant application is assessed based on needs and urgency and uploaded onto the Muslim Hands website for our donors to look through.

By paying out a small grant, the recipient does not have the added stress of paying a loan back and can focus on growing their business.

2,104,899 safe water beneficiaries

A staggering 771 million people around the world still don't have access to clean water close to home. Our clean water projects have reached millions of people in some of the most remote places in the world.

Our current WASH projects are running in:

- Afghanistan
- Bangladesh
- Gambia
- Sri Lanka
- Mali
- Malawi
- Niger
- Pakistan
- Sudan
- Senegal
- Somalia
- India Kashmir

SOLAR-POWERED WELLS IN MALI

In 2022, we began constructing a solar-powered borehole that will supply 100 direct water connections through overhead water tanks.

In accordance with WASH guidelines and SPHERE standards, the overhead water tank will have the storage capacity to meet the daily water requirements of people in the village of N'Teguedo . The water tank is connected to 100 water points where people can collect water safely. It will supply around 30 litres of water. Each borehole will have an approximate depth of about 140-200 meters. The water points will reach over 1,500 beneficiaries.

Diako, 87, is one of the beneficiaries who will be benefiting from the project. Diako's village suffers from a lack of clean water. Many villagers cannot cultivate their fields because of low rainfall. The water point will not only provide clean water for drinking, but it will also support their agricultural livelihoods.

MANAGING MENSTRUAL HYGIENE

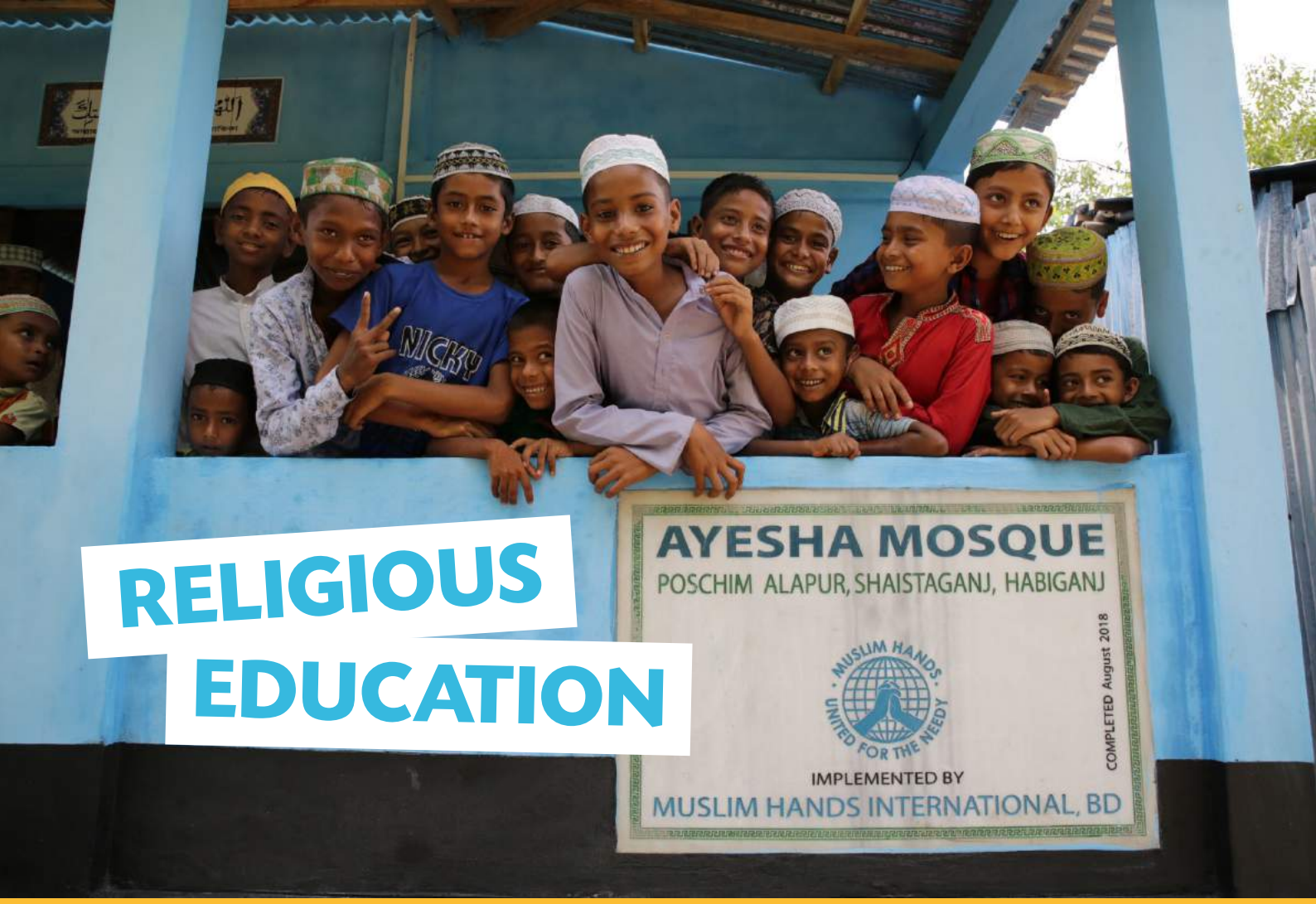
In 2022, we launched our innovative WASH project in Karachi, in line with Sustainable Development Goal (SDG) 6, which aims to achieve universal access to sanitation and hygiene for all by 2030 - with special priority on the needs of girls and women.

The project consisted of us constructing female- friendly washrooms for menstruation hygiene management for girls in public schools. We also arranged bi-monthly orientation sessions with students in elementary and secondary schools on personal hygiene management.

With around 79 percent of Pakistani women suffering from a lack of access to the resources needed for proper menstrual hygiene management and the stigma around the topic of menstruation, this project, which has supported nearly 6,000 girls, is an important step towards removing the obstacles many face.

Our school WASH project has assisted 16-year-old Alina, who had some concerns regarding sanitation at her school. The main issue she highlighted was the damaged door of the restroom. When she was menstruating, she was afraid to change her pads, as someone might see her through the damaged door.

Due to not changing pads for a lengthy period, she developed painful rashes. After constructing the toilets at her school, Alina, feels more comfortable going to the bathroom – ***"I feel safe and secure after the completion of the newly constructed washrooms."***



RELIGIOUS EDUCATION

40 mosques built for rural communities

RESTORING AND BUILDING MOSQUES

In 2022, we built and rehabilitated 40 mosques in rural and remote locations in Mali, Pakistan, Sri Lanka and Bangladesh.

The intervention aimed to provide worshippers with a clean place to pray, and to provide a communal space for isolated communities to come together. The mosques also serve as educational facilities and provide important services, such as dispute resolution and marriage and funeral arrangement.

SUPPORTING OUR SHARED HERITAGE

The Djenne Mosque, located in Mali's historic city of Djenne was constructed in the 13th century and is one of the oldest mosques in the world

A classic example of Sudano-Sahelian architecture, it was designated a World Heritage Site by UNESCO in 1988. We have supported the mosque since 2008.

Our interventions include improving the general state of the mosque, ensuring better working conditions for the staff and maintaining the Islamic library.

In 2022, we supported 1,550 beneficiaries connected with Djenne Mosque.

UK PROGRAMMES

OPEN KITCHENS SEE BIG INCREASE IN DEMAND

In 2022, communities across Britain faced soaring inflation and the hardest hit were low-income families. As food and energy prices rose to an all-time high, people across the country were in survival mode, trying to navigate this crisis.

The Open Kitchen has become a lifeline for many throughout this cost-of-living crisis. Both the Nottingham and London Open Kitchens have seen a substantial increase in users visiting the centres. The London Open Kitchen alone witnessed a 25% rise in visitors in 2022.
In 2022, we distributed a total of 129,627 hot, nutritious meals to our Open Kitchen beneficiaries.

While the hot meals are the kitchens' main staple, we also provide household essentials like milk, sugar, coffee, beans, porridge, nappies, baby formula and baby clothes.

Anna, one of our regular visitors, highlighted how the cost-of-living crisis has greatly impacted her family. She explained that the wages she has been earning as a cleaner at a local school have remained the same for the last four years, while food prices have increased drastically.

At first, she was ashamed to come to the Open Kitchen and feared the stigma around attending a food bank, ***"Before coming here, I suffered from depression and constantly worried about the price of food."***

However, she believes that the centre has been a lifeline for her, ***"This place has eliminated some of the worries people in the community have been facing, including me."***

UK PROGRAMMES

MUSLIM HANDS RELEASES ITS COST-OF-LIVING CRISIS REPORT

This year, in partnership with Fareshare Midlands, we released our Cost-of-Living crisis report, which includes in-depth research from our own Open Kitchens, as well as insights from many other organisations on the front-line of the battle against rising food insecurity in the UK.

YOUNG MUSLIM WRITERS AWARDS

UK PROGRAMMES

EMPOWERING CHILDREN WITH CREATIVE WRITING

Since we launched the Young Muslim Writers Awards (YMWA) in 2006, we have been working towards raising the standards of children's literacy and creative writing for 5 – 16 years olds across the UK

As only 0.4% of journalists in the UK are Muslim, the YMWA wants to encourage more young Muslims to pursue a career in journalism and the creative industries.

Our competitions encourage the children to explore creative writing, particularly short stories, poems, screenplays, play scripts, and journalism. The material submitted is assessed by renowned poets, authors and other notable figures from the arts and media industry. The project also delivered creative writing workshops across Britain for children to meet with accomplished authors and develop their writing skills.

In 2022, YMWA held its first in-person awards ceremony since the pandemic. The ceremony was held in London and celebrated 35 young writers nominated across 13 categories. The aspiring writers submitted their work across short stories, poetry, journalism and screenplay categories. The event included a stunning performance by Eleanor Martin from the Khayaal Theatre Company.

GENERAL SPONSORSHIP MONITORING

Our General Orphan Sponsorship Programme was one of the thematic areas that underwent monitoring and evaluation this year. The study conducted by our team investigated the sponsorship programme from 2017 through 2022.

For the monitoring report, we had seven objectives:

- To investigate the achievements and impacts of the MH General Orphan Sponsorship Programme.
- To demonstrate accountability and transparency to the stakeholders.
- To develop learning for improvement - particularly with the concrete, evidence-based approach in the future to improve the overall theory of change for the integrated response.
- To assess/evaluate the relevancy, efficiency, effectiveness, impact and coherence of the implemented project in the targeted areas and highlight strengths and weaknesses of the interventions and opportunities for further improvements.
- To analyse the most recent information available for the multi-country context and utilise it for the equity-based programme design.
- To evaluate the design of the cash transfer program for the households receiving the grant and improve the overall approach.
- To analyse similar activities conducted by other organisations/ charities and compare the activities to improve MH programmes.

For the report, we surveyed 338 orphans and their guardians. Among those we surveyed, 87.5% were female and 12.5% were male. While this project has enhanced the lives of the beneficiaries, the report has highlighted some areas for improvement that Muslim Hands needs to consider. One of the main conclusions that was highlighted was that the cash assistance was not a sufficient amount in all locations. As countries worldwide face economic difficulties, one price structure for all orphans may negatively impact the quality of programmes in some of the countries we work in.

Furthermore, our orphans sponsored by the programme are often too scattered across large areas for the project staff to have any negotiating power with the local schools, due to the minimal number of sponsored orphans studying at any one school. This makes monitoring, coordination, and mobilisation difficult and costly. Another observation was that we publish profiles of orphans on the Muslim Hands website. This action can be classified as a safeguarding risk.

While this project solely focuses on orphans, Muslim Hands needs to consider including and supporting beneficiaries that are refugees and IDPs.

Provisions for additional support must be included for orphans struggling with their education. Furthermore, Community members need to be involved at the program design level, as most respondents stated they were only informed once the projects were initiated. Another of our action points is the orphans sponsored by the program are often too scattered for the project staff. Moving forward, we aim to strategise, review, and manage in order to resolve these issues.

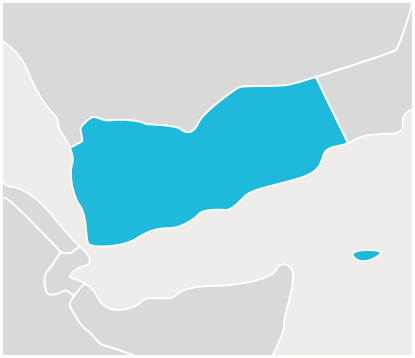
YEMEN
BREAD FACTORY MONITORING

The monitoring of our bread factory in Yemen gathered data about the project's effectiveness and impact, whether the intervention was on track and if it could meet the objectives in the project proposal.

In the evaluation, we assessed whether the project was value for money, evaluated the relevancy, efficiency, effectiveness, impact and coherence of the implemented project in the targeted areas and highlighted strengths and weaknesses of the interventions and opportunities for further improvements. The evaluation covered three governorates, five bread factories and 23 distribution points.

Overall, the outcome of the evaluation was positive. The quality of the bread was to a required standard. All the surfaces (e.g., preparation surfaces, work benches, and chopping boards) were in good condition and properly cleaned and disinfected. And the factory's equipment was regularly cleaned and maintained.

One of the challenges Muslim Hands faced during this project's implementation was security risks. However, Muslim Hands worked closely with local communities and authorities to ensure that security risks were minimised, and to successfully implement this project.



MALI LIVELIHOOD PROJECT MONITORING

Muslim Hands has been supporting Malian women through several livelihood projects. Many of the women we have been helping are widows residing in the Bamako region.

In this monitoring report, we evaluated projects, including:

1. Cash distributions for shop installations
2. Kiosk distributions for shop installations
3. Cutting, sewing and embroidery training
4. Distribution of farming and agricultural tools to women farmers

While the livelihood project was having a great impact on the women who received support, there were areas for improvement.

The report found that 59% of the Households have said that their situations across multiple dimensions of poverty have improved after the project support. However, one of our main shortcomings was that the overall management, oversight and implementation of the project did not match the project documentation.

One of the recommendations was that the management and oversight of the projects from Muslim Hands' head office needs to be improved and the management team in the UK needs to be more engaged with the project implementation, challenges and results.

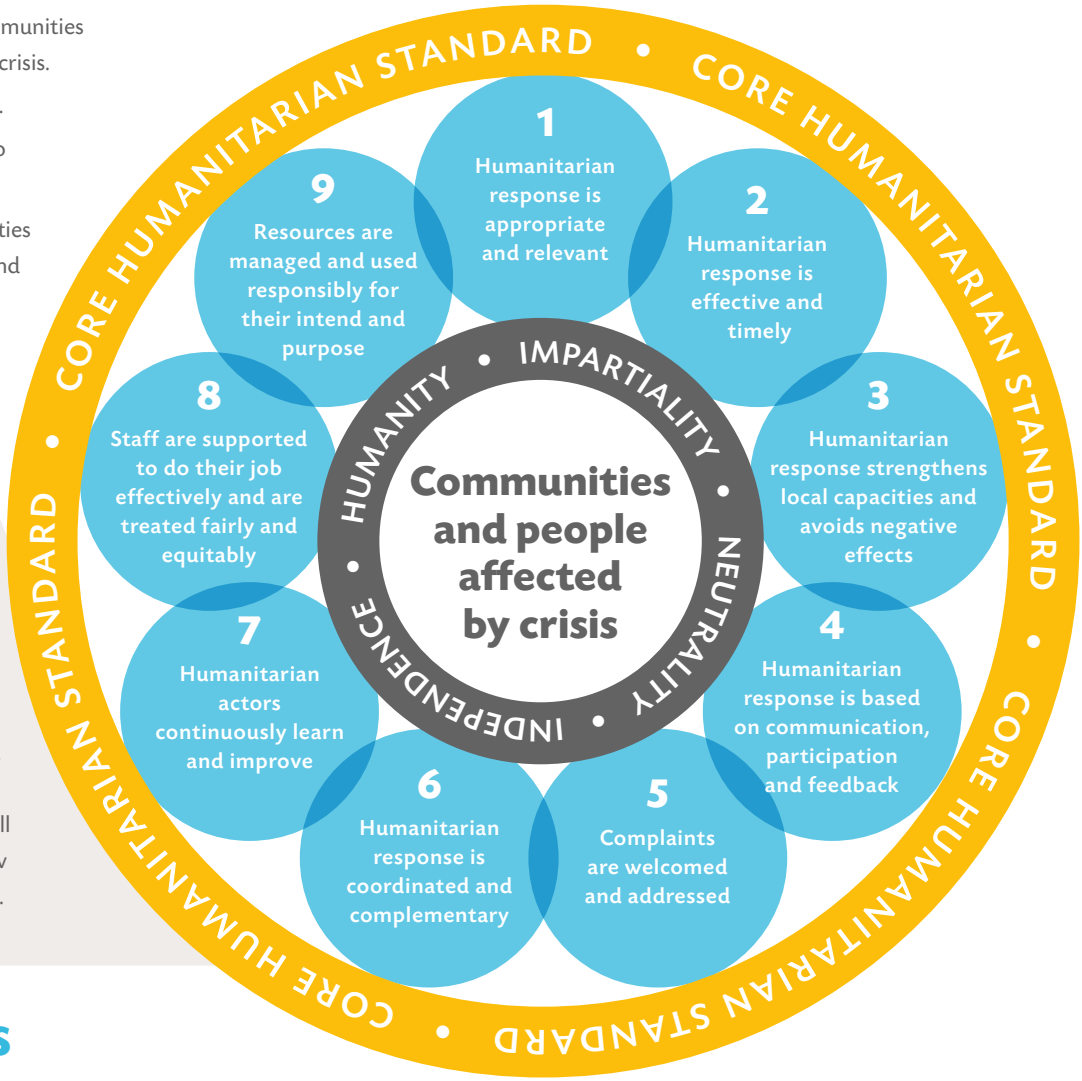
Another recommendation was that the project designs should prioritise coordination with other stakeholders so that the beneficiaries can access additional information, support and benefits.

Core Humanitarian Standard

The Core Humanitarian Standards (CHS) aim to showcase good humanitarian action. The CHS is there to help and support organisations design, implement, assess, improve, and recognise quality and accountability in assistance and programmes.

THE STRUCTURE OF THE CHS

- Nine Commitments to communities and people affected by the crisis.
- Supporting Quality Criteria.
- Actions to be undertaken to fulfill the Commitments
- Organisational Responsibilities to support the consistent and systematic implementation of the Key Actions throughout the organisation



By applying the CHS nine Commitment, staff will have a benchmark on how best to operate.

Beneficiaries will know that they will get the assistance they require, and donors will have better insight into how their funding is being spent.

MUSLIM HANDS AND THE CORE HUMANITARIAN STANDARD

Muslim Hands priority is to ensure that we continue to meet the CHS commitments by putting individuals and communities at the centre of everything we do. CHS certification emphasises the importance of accountability and transparency - it certifies that our work is carried out to the highest standard.

Receiving a CHS will showcase that we are designing programmes that create a positive impact on individuals and communities.

Muslim Hands was recently audited by an independent consultant - who assessed six offices - Pakistan, Bangladesh, Niger, Gambia, Yemen, and Somalia - along with our headquarters in the UK.

While the independent consultant has concluded - that there are areas for improvement – he highlighted many positive aspects.

As the progress is at such an early stage, Muslim Hands has taken many steps to ensure that we meet the requirement of Core Humanitarian Standard.

Sustainable Development Goals

WHAT ARE SUSTAINABLE DEVELOPMENT GOALS?

The Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Led by the United Nations Development Programme, this set of 17 goals imagines a future free from poverty and hunger and safe from the worst effects of climate change.

WHAT DO THEY MEAN FOR OUR WORK?

Muslim Hands aim to ensure that the work we do is targeting these goals as part of a united global effort. Our approach is to work in line with the SDGs, while putting a special focus on children who are suffering from poverty, conflict and disaster.

HIPD Partnerships

2022 UNITED NATIONS CLIMATE CHANGE CONFERENCE (COP27)

In November 2022, Muslim Hands had the privilege of attending the 27th session of the Conference of the Parties of the United Nations Framework Convention on Climate Change (COP 27). Held in the Egyptian city of Sharm El Sheikh, this gathering brought together over 100 heads of state. We actively participated in the event, seizing the opportunity to contribute to discussions and collaborate with like-minded individuals and organisations. Our presence at COP 27 signifies our unwavering commitment to combatting climate change and striving for a sustainable future.

PAKISTAN

VOCATIONAL TRAINING

In 2022, Muslim Hands finalised a three-year project agreement with Schneider Foundation and the Technical Education and Vocational Training Association (TEVTA) Sindh and Balochistan. The primary objective of this agreement is to rehabilitate and upgrade a total of 40 electrical training laboratories located across the provinces of Sindh and Balochistan. Through this joint effort, we aim to enhance the quality and accessibility of educational facilities in these regions, ultimately benefiting students and promoting educational advancement.

BASIC UNITS

In collaboration with the Turkish Cooperation and Coordination Agency (TIKA), Muslim Hands was able to utilise a refurbished basic health unit generously donated by TIKA, along with one month's supply of medicines. The operation and maintenance of this unit were effectively managed by integrating it into Muslim Hands' core health programme.
The total value of these units amounted to PKR 30,000,000, equivalent to USD 150,000. Through this initiative, Muslim Hands and TIKA combined their efforts to maximise the impact of the health unit and reach 500 beneficiaries with vital medical care.

TURKEY

In 2022, we maintained our strong partnerships with esteemed organisations, such as Diyanet Foundation, Doctors Worldwide and Hayrat Aid. Collaborating with Diyanet Foundation, we successfully executed impactful WASH projects in Pakistan, along with food distribution initiatives valued at over £1.6 million. Additionally, through our partnership with Hayrat Aid, we provided clean water and food in Gambia, Mali, Niger, Sri Lanka and Pakistan.

Furthermore, our partnership with Doctors Worldwide enabled us to initiate vital WASH projects and conduct eye camps across Pakistan, Mali and Niger. These efforts directly benefited over 9,000 individuals, ensuring improved access to clean water and essential eye care services.

Financial Review

This year, Muslim Hands raised £33.1m – the sum of £22.6m was donated for non-emergencies, £3.1m for emergencies and £4.2m coming from Gift Aid. The total income received in 2022 was down from the level of income raised in the previous year (£37.1m).

	2022	2021	2020
Donations from Supporters	£m	£m	£m
Donations for Non-Emergencies	22.6	29.4	23.5
Donations for Emergencies	6.3	3.1	4.8
Gift Aid	4.2	4.6	4.1
Total Income	33.1	37.1	32.4

The charity invested 3.7m to generate 28.9m.

The net return was 25.2m.

The charity invested 13% to generate a return of 87%.

The charity aims for an investment target of 10% in the current year.

This is further broken down into 1/2 unrestricted/ restricted ratio respectively.

Financial Review

During the year Muslim Hands spent over £35.4 m. This helped us reach a larger number of beneficiaries particularly in areas affected by conflict or natural disasters. The funds used included appeal funds raised in prior years.

	2022	2021	2020
	£m	£m	£m
Cost of generating funds	3.7	2.8	2.9
Charitable Activities	26.7	26.2	21.4
Where Most Needed	1.4	2.1	2.9
Orphans	3.1	2.7	2.1
Education	4.5	4.5	3.3
Health	0.8	1.1	1.3
Emergency	5.0	3.5	2.6
WASH	6.2	5.0	4.8
Food	4.1	5.7	3.4
Masjids	1.6	1.6	1.0
Support Costs and Staff	5.0	4.4	3.3
Total Resources Expended	35.4	33.5	27.6

Expenditure

The management of the charity is undertaken responsibly to safeguard and protect the funds the charity is entrusted with from loss, corruption, fraud and the charity has invested in the strength of its systems, offices and people. Therefore, £5.0 m was invested in the organisation allowing the charity to effectively use the funds and operate with accountability.

In 2022 the charitable activities expended were £26.7 m.

The following table provides some details of the various programmes we implement, the number of beneficiaries supported and achievements in respect of each project category: -

During programmes implementation there are several factors that can affect whether a project achieves its targets. This includes availability of funding, socio-economic conditions of the donors or target beneficiaries and interventions by the respective government institutions, UN Agencies and the other humanitarian actors focusing on the same areas. Muslim Hands is always committed to the poor and marginalised and vulnerable segments of society irrespective of race, religion and gender. Most of our implementation is ongoing, so if targets are not met, we continue to work with the same communities the following year. Our partnerships, networking, policy level advocacy and lobbying components of the program also support the target beneficiaries.

THEMATIC	FIGURES	DETAILS
Emergency	3,574,485	Projects include our Syria housing project and Yemen Bread factory. We also provided emergency intervention in Afghanistan and India Kashmir.
Education	83,026	Our MH School of Excellence, Model School, religious educational and orphans programmes.
WASH	2,104,899	Tube wells, boreholes, water filtration units, rain harvesting and Girl-friendly toilet.
Health	443,418	Our Motherkind Clinic in Afghanistan and Somalia. Basic health units, Cataract Eye Surgery and Covid intervention in India.
Food	1,769,550	Qurbani and Ramadan. Our Open Kitchen in Nottingham and Hounslow.
Livelihoods	54,250	Sewing Machine, Hope shop Project and chicken farming project.

PRINCIPAL SOURCES OF FUNDING

The principal source of funding is from individual donors from within the UK who respond to appeals via mail, email, social media, website or other forms of fundraising through the radio or television.

RESERVES

From its inception, Muslim Hands has raised funds for specific projects (restricted funds) and funds which are not specified for a particular project (unrestricted funds) which would be utilised where most needed and applied at the discretion of the trustees to further the charity's purposes.

Over recent years, Muslim Hands voluntary income has seen steady growth. A significant proportion of this income is restricted funds for specific projects the majority of which is short-term aid responding to the basic needs (including food, water, clothing, shelter and basic education) of beneficiaries in areas blighted by conflict and areas that have suffered natural disasters. Given the charity's present level and nature of activities the unrestricted funds not committed or invested in tangible and intangible fixed assets ("the free reserves") held by the charity should not be less than £600,000. At this level the Trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. Muslim Hands have addressed the shortfall in this through new budgets and systems to limit variances. Muslim Hands depends on unrestricted funds to fund its long-term developmental programmes particularly in regions which have not received media coverage in recent months and years which has led to increased demand on unrestricted funds. In light of this and the donor giving patterns of recent years Muslim Hands has continued with its plan initiated to: -

1. **Increase capacity to work in emergency zones**
2. **Simultaneously consolidate the geographical and thematic spread of long-term projects and projects offices**
3. **Developing closer working relationships with grass root organisations in countries where we carry out projects**
4. **Diversifying the donor base**

These measures, will bring further efficiencies and savings but still allow MH to increase the reach to beneficiaries, and it will also be instrumental to the success of the strategy.

The reserves position at present offers the Trustees assurance that the charity is able to continue its current activities. The Charity needs to continue to be able to respond quickly to appeals for the relief of suffering in varied communities around the world. The Charity is presently achieving this aim and further aims to increase its unrestricted reserves position year on year.

NATURE OF FUNDS

The trustees confirm that, on a fund-by-fund basis, the assets are available and are adequate to fulfil the obligations of the charity.

GRANT MAKING POLICY

During the period the Charity awarded grants totalling £26.7m (2021: £26.2m).

The Charity's policy is to make gifts of this nature to individuals and organisations which further the objectives of the Charity. The majority of the grants are to other Muslim Hands entities in various countries around the world who implement projects on behalf of the Charity thereby assisting the Charity in fulfilling its objectives.

Muslim Hands invites proposals from existing partners. The applications received are scrutinised to ensure they meet MH criteria with respect to its objectives and monitorable results. Programmes monitoring and evaluation is carried out by MH staff to ensure adherence to MH objectives, programmes quality and financial sustainability. The trustees further obtain assurance by making visits to the programmes. The partners provide quarterly narrative and financial reports with explanations for variances.

INVESTMENT POLICY

Surplus funds are usually kept in a Al Rayyan Deposit account to ensure the best return for the Charity.

GOING CONCERN

As a response to the financial risks posed by the Cost of Living Crisis MH began to scenario plan it's cashflow and the variation in impact of increased and reduced cash scenarios.

Furthermore, the charity increased it's rolling cashflow projections from 12 months to 24 months to better understand the going concern status of the charity. The scenario planning showed that the charity will continue and the surge in funds in 2022 supports this projection. It further allowed the charity to consider the impact of a shortage in funding and the potential mitigators that would be required. With the success of fundraising this year the charity is confident of its continuation as a going concern.

Structure, Governance and Management

Muslim Hands was legally established as an international NGO in 1993 by a trust deed and registered with the Charity Commission under registration number 1029742 on 6 December 1993.

In 2004, Muslim Hands changed its structure, registering as a company limited by guarantee at Companies House in England on 22 March 2004 and with the Charity Commission on 22 July 2004 under registration number 1105056. The funds in the original trust were transferred to the newly incorporated company and thereafter, the original trust was de-registered on 8 November 2006. Muslim Hands has been operating under the company structure to this day.

As the charity is constituted as a company limited by guarantee, it is therefore governed by a memorandum and articles of association. Eligibility for membership of the charity and membership of the Board of Trustees is governed by the memorandum and articles of association. Currently, all of the members of the charity also serve as directors of the company who are the trustees of the charity. The charity is not a member of a wider network or umbrella group, save for being the founding entity for other legal entities established in other jurisdictions and who operate under the name and logo of Muslim Hands.

The trustees are legally responsible for the charity and set the strategic direction with operational matters delegated to the Senior Management Team. The Senior Management Team are supported by dedicated staff. The current Senior Management Team comprises of Syed Lakhte Hassanain as CEO with Shahid Bashir, Tariq Nasir, Shakil Sidat, Yasrab Shah, Munawar Patel, Irfan Khan and Syed Ali Haider as Executive Directors. The trustees set the salaries for the CEO and the Senior Management Team's salaries are set by the CEO. The salaries are benchmarked according to similar roles in the sector based on research conducted internally. Furthermore, they are adjusted according to the prevailing rate of inflation at the time.

The process of recruiting trustees involves determining the optimum skills, knowledge and experience mix for the current operational climate and needs. Identifying potential trustees, promoting and explaining the activities of the Board to potential trustees and the decision to appoint new trustees is then taken by the Board of Trustees.

The induction of new trustees would include an explanation of the function of the Board of Trustees and appointing a mentor for the new board member. An overview of the organisation and its activities is also provided. The board has commenced a process of giving short training sessions for trustees at their meetings.

The charity trustees have now established a Programmes Committee, an Audit Committee and a Fundraising committee for better control and governance. The Programmes Committee is a sub-committee of the board and provides assurance to the board that Muslim Hands has an effective programmes strategy in place with appropriate systems that will ensure the delivery of the strategic aims.

The Audit Committee's general objectives are to review the audited financial statements of Muslim Hands and recommend them to the board. In addition, to review Muslim Hands risk register and reports on internal controls and its compliance.

The Fundraising Committee provides expert insight and assurance to the Board that Muslim Hands has an effective Fundraising Strategy in place with appropriate risk management.

The committees are formed of two external members and one MHUK trustee who is also the Committee Chair. Muslim Hands has been dependant on volunteer support in order to fulfil its objectives, vision and mission and to carry out its activities. The trustees would like to thank all those who have volunteered their time to Muslim Hands.

OBJECTIVES, VISION AND MISSION

MUSLIM HAND'S OBJECTIVES ARE:

The relief of poverty and sickness anywhere in the world and in particular, amongst those affected by natural disasters or by wars and other conflicts, by the provision of financial or other assistance including medicines, hospitals, shelter and food.

To advance education amongst those in need anywhere in the world, with particular regard to orphans.

The advancement of Islamic faith through education and the promotion of interreligious harmony through dialogue and cooperation with other faiths and traditions.

The fulfilment of the above objectives is enshrined in our mission statement:

"To be at the forefront in delivering relief from poverty, sickness and the provision of education worldwide. To provide an ethical service for the collection and distribution of funds in an effective, efficient, transparent and wholly accountable manner".

Our vision is:

'Inspired by the values of our faith, Muslim Hands is working towards tackling the root causes of poverty and creating a fairer world for everyone. We believe that every human being has the right to an education, access to clean water and food and the means to support themselves, their family and their community. themselves, their family and their community'.

Our aims and objectives are a reflection of our beliefs. At Muslim Hands, we believe that:

- **Everyone, irrespective of race, colour or faith has the fundamental right to a life of dignity, free of poverty and oppression.**
- **Poverty can and must be eradicated, as it exists primarily due to the unjust distribution of resources.**
- **By working directly with disadvantaged communities, we can bring about positive changes from within those communities.**
- **Literacy, education and job-skills training are fundamental to the development of disadvantaged communities and are the most effective tools for empowering people to break out of poverty.**
- **It is our duty to assist vulnerable people in times of crisis, such as war or natural disaster.**

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

Public Benefit Statement

All our charitable activities focus on furthering our charitable objectives for the public benefit. The section of this report entitled Objectives, Vision and Mission sets out the aims and charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. The trustees have concluded that: charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trustees have concluded that:

- **The aims of the charity continue to be charitable.**
- **The charity serves individuals and communities in need.**
- **The aims and work done give identifiable benefits to the charitable sector both directly and indirectly.**
- **The benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay.**
- **There is no detriment or harm arising from the aims or activities.**

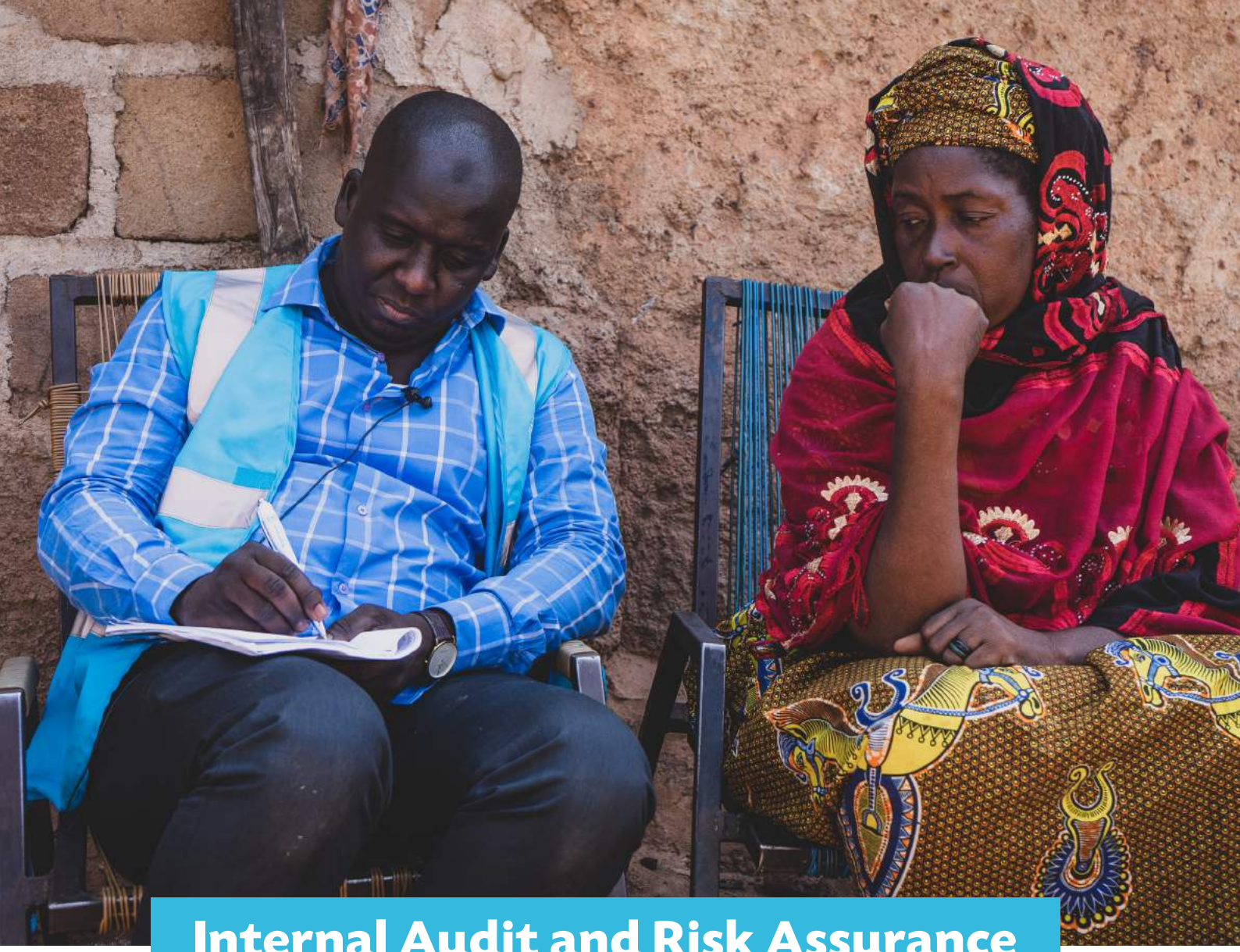
Principal Risks and Uncertainties

The trustees have, during the year, considered the material risks facing the charity and have put in place mitigating controls to address those risks.

The continuing success of the charity is dependent on continuing to receive sufficient support and donations from the community. Trustees mitigate this risk by ensuring that income and expenditure are closely monitored and reviewed.

During 2022, the trustees identified the following key risks and the measures taken to address them:

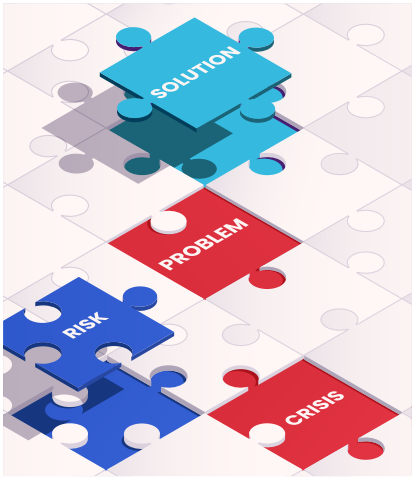
Risk	Management Actions
Programmes not delivered as expected by MH standards	• Due Diligence Famework. • Staff member trained to do due diligence checks. • Director of Governance signs off of all Due Diligence checks. • Board sign off of any Due Diligence checks escalated by Director of Governance. • Monthly Review meetings reassess Partner RAG ratings. Partners may be put 'on hold' • Legal counsel and Programme Finance team review and approve the funding agreements. • Muslim Hands Policies are shared with Partners. • Education and training of partners regarding expectations. • Field monitoring visits are regularly undertaken to verify the delivery of aid.
Violation or abuse of beneficiaries and safeguarding	• Muslim Hands' safeguarding policies for children and vulnerable adults and safeguarding code of conduct. • Safeguarding Code of Conduct • Muslim Hands are part of 'Keep Children Safe Network', provider of online training facilities. • Partner office staff complete 'Keep Children Safe Network' training. • Muslim Hands Whistleblowing policy in place. • Programme Quality Framework includes a complaint programme which involves interviews with beneficiaries. • Programme Quality Framework includes safeguarding spot checks. • Reporting of Safeguarding issues to Management and Board.
Cashflow to meet charitable and operational commitments due to emerging cost of living crisis	• Board oversight of spending in advance of approval. of fundraising budget and targets. • Board oversight of performance and likely year end position. • Reporting of scenarios and the impact on cash flow. • Periodic review of Financial Sustainability. • Budget Re-forecasting to ensure changing financial conditions are well managed.
Cyber Security	• GDPR policies including Data Breach Action Plan, data breach form in place. • Monitoring GDPR compliance. • Outsourced DPO service by Bulletproof Ltd. • Single Sign On and Multi Factor Authentication with controlled conditional access. • Enabled Encryptions deployed over SCCM. • Maintaining third-party cyber security defence and anti-virus software. • Timely patches for server and desktop systems. • Monitoring of IT controls. • Robust IT Policies. • Adopting VLAN. • Encryption-in-transit protects both systems and data. • Procedures for penetration testing and system security checks. • Business Continuity and Disaster Recovery Planning.
Strategic Alignment of Programmes	• Project Toolkit checklist • Partner office carries out a Project Needs and Beneficiary Selection Assessment • Scoring requirement inbuilt into Projects System • Programmes Director reports quarterly to the Programmes Committee on progress with implementation of the corporate strategy • Project Risk Management undertaken for all projects



Internal Audit and Risk Assurance

The MH Board of Trustees is advised by an Audit Committee made up of trustees and independent members who bring a broad range of expertise in this area.

The Audit Committee meets at least four times a year and its terms of reference includes scrutiny and oversight of the way MH is managing risk. An independent Internal Audit function reports to the Audit Committee. The internal audit was provided by BDO LLP. They support with the risk register and carry out a risk-based audit programme, which follows an audit plan approved by the Audit Committee. The Senior management team regularly undertakes strategic and operational reviews to identify organisational risks and come up with plans to mitigate them. The team is then responsible for implementing those action plans, with the Audit Committee monitoring progress.



Plans for the Future

INCOME DIVERSIFICATION

Muslim Hands has continued to grow steadily since its inception, reaching an increasing number of disadvantaged communities year after year.

To continue the mission of aiding more people as effectively and efficiently as possible, Muslim Hands will be focusing on organisational restructure and internal development, stronger emphasis on forming partnerships with grass-roots level delivery partners overseas and at home and increasing our income from trusts and institutional funders. Muslim Hands' educational and training projects are a long standing and recognised strength, and they will be the primary area of focus going forward.

INHOUSE SYSTEMS

Muslim Hands is continuing the development of the next generation, web-based CRM, financial management and programmes systems to add to the level of data processing and reporting of impact on its activities, encouraging better collaboration and increased learning and oversight with our partners.

NEW STRATEGY

Muslim Hands has begun its new strategy following the success of its previous strategy.

The strategy has focused on continuing the success story of Muslim Hands as it embarks on its next phase of growth in serving those in need both abroad and here in the UK.

UK PROGRAMMES

Muslim Hands is planning to expand its UK Open Kitchen programme to more towns and cities over the next three years.

The interest that our kitchens have generated from supporters and the impact they have had on the local communities they serve has demonstrated their value.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Muslim Hands for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards FRS 102.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the stated year. In preparing those 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 judgements and estimates that are responsible and prudent.**
- **State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.**
- **Prepare the financial statements on the going-concern basis unless it is not appropriate to presume that the charity will continue in business.**

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps towards the prevention and detection of fraud and other irregularities.

In so far as the trustees, individually, are aware:

- **There is no relevant audit information of which the charity's auditor is unaware.**
- **The trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.**

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Annual Report, which includes the strategic report, has been approved by the trustees on 18/09/2023 and signed on their behalf by

SL Hassanain. Trustee and Chairman

Independent Auditor's Report

OPINION

We have audited the financial statements of Muslim Hands (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2022 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Muslim Hands' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements;**

  and

- **The trustees' annual report, including the strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified

material misstatements in the trustees' annual report including the strategic 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 statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- **We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:**
- **Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;**
- **Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;**
- **The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.**
- **We inspected the minutes of meetings of those charged with governance.**
- **We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.**
- **We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.**
- **We reviewed any reports made to regulators.**
- **We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.**
- **We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.**
- **In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.**

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard
(Senior statutory auditor)

Sayer Vincent LLP

for and on behalf of
Sayer Vincent LLP, Statutory Auditor

Date: 22 September 2023

108-114 Golden Lane,
LONDON, EC1Y 0TL

Invicta House,

Statement of Financial Activities

Muslim Hands

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations		13,061,356	20,075,988	**33,137,344**	12,683,898	24,415,916	37,099,814
Bank Interest		46,809	–	**46,809**	29,328	–	29,328
Total income		13,108,165	20,075,988	**33,184,153**	12,713,226	24,415,916	37,129,142
Expenditure on:							
Raising funds	3	3,746,356	–	**3,746,356**	2,840,369	–	2,840,369
Charitable activities							
Grants payable and operational	3	4,970,576	26,632,587	**31,603,163**	4,450,483	26,179,013	30,629,496
Total expenditure		8,716,932	26,632,587	**35,349,519**	7,290,852	26,179,013	33,469,865
Net income / (expenditure) before net gains / (losses) on investments		4,391,233	(6,556,599)	**(2,165,366)**	5,422,374	(1,763,097)	3,659,277
Net gains / (losses) on investments		–	–	–	–	–	–
Net income / (expenditure) for the year	4	4,391,233	(6,556,599)	**(2,165,366)**	5,422,374	(1,763,097)	3,659,277
Transfers between funds	12	(6,871,111)	6,871,111	–	(2,571,162)	2,571,162	–
Net income / (expenditure) before other recognised gains and losses		(2,479,878)	314,512	**(2,165,366)**	2,851,212	808,065	3,659,277
Gains / (losses) on revaluation of fixed assets			–	–	–	–	–
Actuarial gains / (losses) on defined benefit		–	–	–	–	–	–
Other gains / (losses)		–	–	–	–	–	–
Net movement in funds		(2,479,878)	314,512	**(2,165,366)**	2,851,212	808,065	3,659,277
Reconciliation of funds:							
Total funds brought forward		8,167,147	12,200,353	**20,367,500**	5,315,935	11,392,288	16,708,223
Total funds carried forward		5,687,269	12,514,865	**18,202,134**	8,167,147	12,200,353	20,367,500

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

Balance Sheet

Muslim Hands

Balance sheet

Company no. 05080486

As at 31 December 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	7		**1,266,163**		1,249,679
			1,266,163		1,249,679
Current assets:					
Debtors	8	**902,473**		1,338,202	
Short-term Deposits		**2,822,629**		2,778,553	
Cash at bank and in hand		**14,397,340**		16,356,599	
		18,122,442		20,473,354	
Liabilities:					
Creditors: amounts falling due within one year	9	**(1,186,471)**		(1,319,519)	
Net current assets			**16,935,971**		19,153,835
Total assets less current liabilities			**18,202,134**		20,403,514
Creditors: amounts falling due after one year	10		**-**		(36,014)
			18,202,134		20,367,500
The funds of the charity:	12				
Restricted income funds			**12,514,865**		12,200,353
Unrestricted income funds			**5,687,269**		8,167,147
Total charity funds			**18,202,134**		20,367,500

Approved by the trustees on 18 September 2023 and signed on their behalf by

Syed Lakhte Hassanain
Trustee

Statement of Cash Flows

Muslim Hands

Statement of cash flows

For the year ended 31 December 2022

	Note	2022 £	£	2021 £	£
Cash flows from operating activities	13				
Net cash provided by / (used in) operating activities			(1,769,666)		2,455,694
Cash flows from investing activities:					
Purchase of fixed assets		(115,851)		(42,865)	
Net cash provided by / (used in) investing activities			(115,851)		(42,865)
Cash flows from financing activities:					
Repayments of borrowing		(29,666)		(36,550)	
Net cash provided by / (used in) financing activities			(29,666)		(36,550)
Change in cash and cash equivalents in the year			(1,915,183)		2,376,279
Cash and cash equivalents at the beginning of the year			19,135,152		16,758,873
Cash and cash equivalents at the end of the year	14		17,219,969		19,135,152

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2022

3a Analysis of expenditure (current year)

	Cost of raising funds	Grants payable and operational programmes	Governance costs	**2022 Total**	2021 Total
	£	£	£	**£**	£
Grants payable (Note 2)	–	27,366,694	–	**27,366,694**	26,690,997
Staff costs (Note 5)	1,241,700	1,947,977	449,616	**3,639,293**	3,027,364
Premises costs	8,947	161,045	8,947	**178,939**	167,444
Office costs	61,041	1,098,742	56,662	**1,216,445**	1,104,201
Professional fees	26,912	484,424	26,912	**538,248**	542,765
Publications, advertising and postage	2,379,109	–	–	**2,379,109**	1,915,294
Audit and accountancy	–	–	26,409	**26,409**	21,800
Trustees expenses	–	–	4,380	**4,380**	–
	3,717,709	31,058,882	572,926	35,349,517	33,469,865
Governance costs	28,647	544,279	(572,926)	–	–
Total expenditure 2022	**3,746,356**	**31,603,161**	–	**35,349,517**	
Total expenditure 2021	**2,840,369**	**30,629,496**	–	–	**33,469,865**

Costs allocation includes an element of judgement and the Charity had had to consider the cost benefit of detailed calculations and record keeping. All categories have been allocated on a basis consistent with the use of resources.

3b Analysis of expenditure (prior year)

	Cost of raising funds	Grants payable and operational programmes	Governance costs	**2021 Total**	2020 Total
	£	£	£	**£**	£
Grants payable (Note 2)	–	26,690,997	–	**26,690,997**	21,851,980
Staff costs (Note 5)	807,807	1,801,115	418,442	**3,027,364**	2,773,464
Premises costs	8,372	150,700	8,372	**167,444**	163,268
Office costs	55,210	993,781	55,210	**1,104,201**	932,413
Professional fees	27,138	488,489	27,138	**542,765**	239,990
Publications, advertising and postage	1,915,294	–	–	**1,915,294**	1,655,978
Audit and accountancy	–	–	21,800	**21,800**	35,520
Trustees expenses	–	–	–	–	950
	2,813,821	30,125,082	530,962	33,469,865	27,653,563
Support costs	–	–	–	–	–
Governance costs	26,548	504,414	(530,962)	–	–
Total expenditure 2021	**2,840,369**	**30,629,496**	–	**33,469,865**	
Total expenditure 2020	**2,996,745**	**24,656,818**	–	–	**27,653,563**

Notes to the financial statements

For the year ended 31 December 2022

4 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022	2021
	£	£
Auditors' remuneration (excluding VAT):		
Audit	**26,409**	21,800
Under-provision in the prior year	**-**	-
Depreciation of tangible fixed assets	**93,018**	94,810

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	**3,208,241**	2,686,066
Social security costs	**326,202**	257,933
Employer's pension contributions to defined contribution scheme	**104,850**	83,228
	3,639,293	3,027,227

The average number of employees (on a head count basis) analysed by function was:

	2022	2021
	No.	No.
Direct charitable operations	**46**	53
Fundraising and publicity	**58**	49
Management and administration of the Charity	**9**	9
	113	111

The charity operates a defined contribution pension scheme: 2022 £104,850 (2021: £83,229) has been charged in the Statement of Financial Activities during the year in relation to this pension scheme.

The total employee benefits including pension contributions and national insurance of the key management personnel were £705,608 (2021: £613,167).

There were six employees with emoluments between £60,000 - £69,999 and three above £70,000 (three above £60,000 in 2021). During the period Syed Lakhte Hassanain, a Trustee of the Charity, was paid £74,315 (2021: £65,805) for his services to the charity as an employee. These payments are approved by the Charity Commission.

At the year end the Charity was owed £2,320 (2021: £4,070) by Syed Lakhte Hassanain.

During the year £4,380.09 (2021 £313.46) of expenses for reimbursement of travel and subsistence in connection with the Charity's business were paid to 4 Trustees (2021: 2 Trustees).

6 Taxation

No corporation tax has been provided in the financial statements as Muslim Hands is a registered charity and is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

Notes to the financial statements

For the year ended 31 December 2022

7 Tangible fixed assets

	Freehold land & buildings £	Computer & office equipment £	Fixtures and fittings £	Motor Vehicles	**Total £**
Cost					
At 1 January 2022	1,418,683	652,930	361,824	12,840	**2,446,277**
Additions in year	–	74,374	41,477	–	**115,851**
Disposals in year	–	(545,766)	(261,995)	(12,840)	**(820,601)**
At 31 December 2022	1,418,683	181,538	141,306	–	**1,741,527**
Accumulated depreciation					
At 1 January 2022	295,537	582,448	312,123	6,490	**1,196,598**
Charge for the year	28,374	44,124	20,520	–	**93,018**
Eliminated on disposal	–	(545,766)	(261,995)	(6,490)	**(814,251)**
At 31 December 2022	323,911	80,806	70,648	–	**475,365**
Net book value					
At 31 December 2022	1,094,772	100,732	70,658	–	**1,266,163**
At 31 December 2021	1,123,146	70,482	49,701	6,350	1,249,679

Included in the net book value of freehold land and buildings of £1,094,772 (2021: £1,123,146) is £nil relating to non-depreciated land.

8 Debtors

	2022 £	2021 £
Other debtors	**792,494**	1,306,141
Prepayments and accured income	**109,980**	32,061
	902,474	1,338,202

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in notes 10 and 11 below.

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	**–**	35,957
Trade creditors	**185,091**	277,717
Accruals and deferred income	**892,162**	1,005,845
Other creditors	**109,217**	–
	1,186,470	1,319,519

10 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	–	36,014

The bank loan is repayable as follows:

Within one year	–	35,957
Between one and two years	–	36,014
Between two and five years	–	–
After five years	–	–
	–	71,971

The bank loan is secured by a legal charge over the freehold property to which it relates. The loan is repayable in monthly instalments and bears interest at 2.5% over base rate.

11 Analysis of net assets between funds 2022

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,266,163	–	**1,266,163**
Net current assets	4,421,106	12,514,865	**16,935,971**
Long term liabilities	–	–	**–**
Net assets at 31 December 2022	**5,687,269**	**12,514,865**	**18,202,134**

Analysis of net assets between funds 2021

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,249,679	–	**1,249,679**
Net current assets	6,953,482	12,200,353	**19,153,835**
Long term liabilities	(36,014)	–	**(36,014)**
Net assets at 31 December 2021	**8,167,147**	**12,200,353**	**20,367,500**

Notes to the Financial Statements

Notes to the financial statements

For the year ended 31 December 2022

12a Movements in funds 2022

Theme	Opening Balance £	Incoming Funds £		Original Expenditure £	£	Transfers £	Closing Balance £
Children	34,725	32,318	–	42,054	–	6,529	**31,518**
Education	273,993	304,671	–	4,496,529	–	2,440,008	**(1,477,857)**
Elderly	17,135	29,276	–	7,260	–	–	**39,151**
Emergency	3,567,279	5,641,469	–	5,024,681	–	– 646,560	**3,537,507**
Environment	1,056,776	168,814	–	216,049	–	9,255	**1,018,796**
Food	883,662	2,413,913	–	4,056,727	–	792,039	**32,887**
General	313,450	713,287	–	151,007	–	– 2,193,066	**(1,317,336)**
Health	90,070	438,809	–	832,965	–	171,776	**(132,310)**
Livelihoods	107,352	365,963	–	760,572	–	–	**(287,257)**
Mosques	1,798,090	1,533,084	–	1,613,049	–	47,364	**1,765,489**
Orphans	1,633,864	4,000,993	–	3,080,097	–	– 669,640	**1,885,120**
Shelter	1,219,467	158,044	–	121,302	–	–	**1,256,209**
WASH	1,204,493	4,275,347	–	6,230,295	–	42,295	**(708,160)**
Grand Total	**12,200,356**	**20,075,988**		**(26,632,587)**	**–**	**6,871,111**	**12,514,868**
Unrestricted Reserves	**8,167,144**	**13,108,165**		**(8,716,932)**	**–**	**(6,871,111)**	**5,687,266**
Total	**20,367,500**	**33,184,153**		**(35,349,519)**	**–**	**–**	**18,202,134**

Notes to the Financial Statements

Notes to the financial statements

For the year ended 31 December 2022

12b Movements in funds 2021

Theme	Opening Balance £	Incoming Funds £	Original Expenditure £	Wages £	Transfers £	Closing Balance £
Children	110,240	30,728	(110,449)	–	4,206	**34,725**
Education	312,393	427,733	(3,955,763)	–	3,489,630	**273,993**
Elderly	28,850	25,165	(36,880)	–	–	**17,135**
Emergency	4,058,767	3,123,118	(3,452,750)	–	(161,856)	**3,567,279**
Environment	790,768	266,008	(99,669)	–	99,669	**1,056,776**
Food	747,330	3,875,891	(5,526,914)	–	1,787,355	**883,662**
General	902,437	2,826,669	(1,778,026)	–	(1,637,630)	**313,450**
Health	117,181	441,746	(1,082,679)	–	613,822	**90,070**
Livelihoods	136,741	243,918	(293,308)	–	20,001	**107,352**
Mosques	1,365,631	2,901,792	(1,528,989)	–	(940,344)	**1,798,090**
Orphans	1,881,475	4,182,066	(2,538,724)	–	(1,890,953)	**1,633,864**
Shelter	272,140	1,635,996	(784,113)	–	95,444	**1,219,467**
WASH	668,336	4,435,087	(4,990,748)	–	1,091,818	**1,204,493**
Grand Total	**11,392,289**	**24,415,917**	**(26,179,012)**	**–**	**2,571,162**	**12,200,356**
Unrestricted Reserves	**5,315,934**	**12,713,225**	**(7,290,853)**	**–**	**(2,571,162)**	**8,167,144**
Total	**16,708,223**	**37,129,142**	**(33,469,865)**	**–**	**–**	**20,367,500**

Purposes of restricted funds

The Restricted Fund contains funds restricted to a particular location and a group of up to thirteen funds restricted to each location. These funds include Emergencies, Orphans, Education, Elderly, Livelihoods, Food, Health, Safe Water, Shelter, Field, Mosque and Environment.

The Restricted Funds received by donors are used on charitable projects within the restrictions provided by the donors. These funds are utilised within the year the are received for projects within the location and theme restricted by donors.

13 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £	2021 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	**(2,165,366)**	3,659,277
Depreciation charges	**93,018**	94,810
(Increase)/decrease in debtors	**435,729**	(378,679)
Increase/(decrease) in creditors	**(133,048)**	(919,715)
Net cash provided by / (used in) operating activities	**(1,769,667)**	2,455,693

Notes to the financial statements

For the year ended 31 December 2022

14 Analysis of cash and cash equivalents

	At 1 January 2022 £	Cash flows £	Other changes £	At 31 December 2022 £
Cash at bank and in hand	16,356,599	(1,959,259)	-	**14,397,340**
Short term deposits	2,778,553	44,076	-	**2,822,629**
Total cash and cash equivalents	19,135,152	(1,915,183)	-	**17,219,969**

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property **2022 £**	2021 £
Less than one year	65,000	65,000
One to five years	130,000	195,000
Over five years (Cancellable)	**-**	-
	195,000	260,000

16 Related party transactions

The Charity works in close co-operation with other Muslim Hands charities worldwide. The relationship of these charities to Muslim Hands in the UK is described in Note 2.

Muslim Hands in the UK has common trustees with Muslim Hands Pakistan, Bangladesh, Yemen and Iraq. Muslim Hands in the UK also has 2 common trustees with Muslim Hands Niger, Mali, Mauritania, Malawi, Sri Lanka, Indonesia, Afghanistan, Somalia, and Nigeria. Muslim Hands in the UK also has one common trustee with Muslim Hands France, South Africa, USA and Canada. Grants made to these charities during the year are disclosed in note 2 of these accounts.

M N Syed the son of Syed Lakhte Hassanain, a Trustee of the Charity, is employed by Muslim Hands and was paid a salary of £31,715 for the period (2021: £28,501). The Chairman's sons also employed were H Syed - paid £4,430 (2021:£1,213), and MH Syed - paid £14,592 (2021:£9,436)

Tariq Nasir is a governor of Figtree Primary School which receives a grant of £17,000 per annum.

Dr Musharraf Hussain is a Senior Manager in Karimia Institute which received a grant of £59,866 in the year.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

17 Ultimate controlling party

The trustees do not consider there to be an ultimate controlling party.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

MUSLIM HANDS

England & Wales - Charity number 1105056

Accounts

Muslim Hands

ANNUAL REPORT 2021

ANNUAL REPORT AND FINANCIAL STATEMENTS for the year ended 31 December 2021

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Message from the Chairman

Assalamu Alaikum,
Over the past 27 years, Muslim Hands have dedicated themselves to humanitarian and development work. This began in 1993, when the horrors of the Bosnian conflict sent shockwaves through the UK, and a community in Nottingham came together to collect aid for those suffering.

2021 was a year of opportunities and challenges and we are extremely grateful to our donors for continuing to support those in need despite the pandemic. Their inspirational generosity allowed our teams and partners to build on the foundations of vital projects worldwide. We were able to carry on educating children in our schools, expand our work in Yemen beyond what anyone could have imagined, provide thousands of communities with life-saving water and so much more.

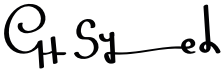
The fact that we were able to expand our development work during an economic crisis is a testament to the commitment of UK donors to global wellbeing. They facilitated a range of improvements to our WASH facilities, such as installing solar-systems in existing wells to improve accessibility to quality water. (This year, 1.5 million people have been supported through the establishment of 13,000 water wells, alhamdulillah). They also helped us maintain our pupils' learning during the pandemic, funding multiple projects to support over 12,000 orphans and 127,000 school children through Muslim Hands' educational programmes.

In 2021, our donors and our award-winning volunteer team also responded to growing concerns around food insecurity in the UK. Through The Open Kitchen in London, we targetted the most vulnerable members of the community, providing essential meals to hundreds of families a day. We also successfully partnered with FareShare UK to supply over 1 million meals through FareShare's network of partners and organisations.

Through the generosity of our supporters, the commitment of our partners and the hard work of our teams and volunteers on the ground, we have been able to accomplish many successes in one of the most difficult years we have faced. We never could have envisaged the way the 'Muslim Hands family' would grow back in 1993 and this dedication to helping others has allowed us to provide emergency relief and transform the lives of millions worldwide.

In sha Allah, we will continue to grow and expand our programmes worldwide, building our network of partners, increasing local capacity and working alongside communities to meet their needs and improve their lives. By Allah, your support has helped millions of people and we look forward to working together to tackle the root causes of poverty and injustice!

Wassalamu Alaikum,



Syed Lakthe Hassanain

Legal and Administrative Information

Trustees and statutory directors	Dr Musharraf Hussain Mohammad Amin-ul Hassanat Shah Syed Lakhte Hassanain Sahibzada Ghulam Jeelani Saffi Ullah Mohammad Arshad Jamil Abdul Qudeir Khan Mohammed Zameer
Sub-Committees to the Board	Programmes Committee Audit Committee Fundraising Committee
Company number	05080486 (country of incorporation is England and Wales)
Charity registration number	1105056 (country of registration is England and Wales)
Registered office	148-164 Gregory Boulevard, Hyson Green, Nottingham, NG7 5JE
Company secretary	Dr Musharraf Hussain
Auditor	Sayer Vincent LLP, Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane, London, EC1Y 0TL
Internal Auditor	BDO LLP, Regent House, Clinton Avenue, Nottingham, NG5 1AZ
Bankers	National Westminster Bank plc, Hyson Green, Nottingham Santander UK plc, Manchester Business Centre, Manchester Al Rayyan Bank plc, Edgbaston House Birmingham Barclays Bank, Churchil Place, Leicester
Solicitors	Freeth Cartwright LLP, Cumberland Court, Nottingham Knights PLC, 84 Friar Lane, Nottingham

INTRODUCTION

This is the 2021 annual report of the Muslim Hands trustees.

It is presented together with a Trustees' Responsibilities Statement on page **[page 58]**., the Independent Auditor's Report on pages **page 56** and the financial statements for the year ending 31 December 2021 on pages **page 62**

The financial statements for the year ending 31 December 2021 have been prepared in accordance with the accounting policies set out in the note to the financial statements. The financial statements comply with the Charity's Governing Document, the Charities Act 2011 and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

STRATEGIC REPORT

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Muslim Hands' trustees are pleased to announce the remarkable work that the charity has carried out during the period Jan 2021 – Dec 2021.

The dedicated staff and volunteers at Muslim Hands have continued showing their utmost professionalism to manage the charity's day to day affairs in-line with organisational values and objectives and the generosity of our donors during a difficult economic climate has enabled us to reach 8.6 million people with lifesaving and life-changing interventions.

Muslim Hands experienced a momentous Ramadan fundraising campaign – whereby a lot of the success came from our various live TV appeals with our media partners and digital campaigns.

The organisation continued to strengthen its project implementation by increasing the level of monitoring across the regions in which it operates. This was achieved by a rise in monitoring visits carried out by the MEL officer and thematic leads.

At the national level, Muslim Hands' Open Kitchen in Hounslow has been addressing food insecurity in London for the last three years, serving around 500 hot meals a day. Our second Open Kitchen in Nottingham opened in December and is currently serving up to 100 meals a day.

The charity followed a robust due diligence process to ensure the right partners are selected to implement projects on the ground. This involved collecting information about key stakeholders and signing collaboration agreements.

FUNDRAISING

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

Our teams raise funds from the public by organising charitable collections, events, challenges, TV appeals and through direct marketing.

Muslim Hands continued its membership with the Fundraising Regulator – complying with its guidelines through training and development of all fundraisers.

To protect vulnerable people in the course of fundraising, we take appropriate measures which include screening contact details against the TPS and using our own 'do not contact' list, allowing all individuals the opportunity to opt out of communications, limiting the number of direct marketing communications to an average of two per quarter. Furthermore, the communication is often limited to those who have donated recently to a similar campaign. In addition to this, under GDPR where a supporter opts-out of receiving communication from Muslim Hands, the request is actioned within 48 hours. There were 11 complaints received in the course of fundraising during the stated period.

Where we work

Muslim Hands partners with independent charities across the world to deliver its charitable programmes. Muslim Hands establishes its partnerships with a series of Trademark Licenses for MH branded partners and Collaboration Agreements with all partners. The partners are reviewed periodically as part of the Charity's partner Due Diligence. Their capacity is assessed to ensure they have reliable Governance arrangements, the ability to deliver programmes and to ensure that there is reliable financial management of charitable funds.

The partnerships are overseen on an ongoing basis by methods including sharing some common trustees for oversight, in-depth monitoring and evaluation to evidence the following: end use of funds, programmes quality and compliance to policy. Muslim Hands also carries out physical verification by visiting partners throughout the year. During visits Muslim Hands' teams check the existence of programmes, their delivery and completion and cross-check partners' records, reports and Photographic/ Videographic evidence submitted. During the visits, they also conduct quality checks with the support of specialists for programme quality and safety. Furthermore, Muslim Hands has an outsourced Internal Audit department which provides independent assurance on its Control Environment including the implementation of Programmes. Recent locations visited for monitoring include Afghanistan, Gambia, Indonesia, Lebanon, Mauritania, Malawi, Mali, Pakistan, Somalia, Turkey and Yemen. The partners where Muslim Hands deliver its programmes are based in the locations listed below.

Afghanistan	159,260 beneficiaries	**Niger**	110,801 beneficiaries
Bangladesh	359,070 beneficiaries	**Pakistan**	1,686,071 beneficiaries
Gambia	60,404 beneficiaries	**Palestine**	637,203 beneficiaries
India	43,704 beneficiaries	**Rwanda**	3,918 beneficiaries
Indonesia	2,019 beneficiaries	**Senegal**	61,172 beneficiaries
Kashmir (India)	149,357 beneficiaries	**Somalia**	297,805 beneficiaries
Kashmir (Pakistan)	383,769 beneficiaries	**Sri Lanka**	177,402 beneficiaries
Lebanon	24,582 beneficiaries	**Sudan**	82,198 beneficiaries
Malawi	86,819 beneficiaries	**Turkey**	184,663 beneficiaries
Mali	393,083 beneficiaries	**Uganda**	4,138 beneficiaries
Mauritania	8,439 beneficiaries	**United Kingdom**	172,042 beneficiaries
Mexico	290 beneficiaries	**Yemen**	4,204,451 beneficiaries

EMERGENCY AID

2,959,081 – Total Emergency Aid Beneficiaries

Muslim Hands (MH) has successfully worked in emergency zones over the past 29 years, providing humanitarian relief to beneficiaries who have escaped war and.

At Muslim Hands, we have always emphasised the importance of immediate response, whether it is providing urgent food parcels in Afghanistan or providing blankets and water to those impact by wildfires.

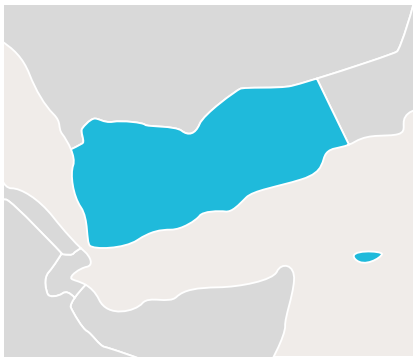
Over the past year, we have successfully opened another bread factory in Yemen, completed the first phase of our briquette homes in Syria, and provided shelter to the Rohingyas. We were also on the ground providing emergency food parcels to beneficiaries impacted by the ongoing crisis in Afghanistan.

SAVING LIVES IN YEMEN

Since the conflict started in Yemen in 2014, Yemen has become the largest humanitarian crisis in the world, with around 23.7 million people in need of assistance, including almost 13 million children.

More than half of Yemen's health facilities are destroyed, with some 17.4 million people now needing food assistance and 2.2 million children being acutely malnourished. More than 2 million children are currently out of school.

Muslim Hands has been working in Yemen since 2019, providing much-needed humanitarian relief. In 2021, we opened another bread factory and our first Muslim Hands School of Excellence in Aden.



COMBATTING MALNUTRITION

One of our most significant projects in Yemen is the bread factory. Muslim Hands is at the forefront of combatting malnutrition. With 17.4 million people urgently requiring food assistance, the bread factory aims to combat malnutrition in the country. Currently, the bread factories are based in North Aden, south Aden, North Ma'rib, South Ma'rib, and Seiyun. The MH bread factory has reached 34,500 beneficiaries.

Currently, around 2.2 million children are malnourished in Yemen, and our school feeding programme in Marib aims to tackle child malnutrition head-on.

We have provided nutritious food to 4,570 school-age children, boys, and girls, in 5 selected schools within the Ma'rib governorate. The children will be receiving a 125 ml pack of milk, one 60 gms bread, one cream tringle cheese, and two bananas or any available fruits based on the season.

Amar, 12 (pictured on the right), is one of the orphans who has benefitted from our school feeding programme in Yemen. Living in Marib, he lost his dad because of the war. Amar and his mother are the breadwinner earing around 2000 a day. Amar said "Yes, a lot the school meal project has helped him a lot as it provides an excellent meal that I used to not be able to get it daily."

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Only **50%** of people in of health facilities in Yemen are fully functional.

[World Bank]

HEALTH CARE IN A WARZONE

27,000 beneficiaries at Al-Kawd Health Centre

According to World Bank, currently, only 50% of health facilities are fully functional. Shortages of Human Resources, equipment, and supplies are severely hindering healthcare provision.

The Al-Kawd Health Clinic has provided urgent medical relief to 27,000 beneficiaries. The centre provided integrated health care services, therapeutic nutrition services, immunization services, reproductive health services, awareness, maternity service, and education.

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SAFE WATER FOR YEMEN

1,827,427 water beneficiaries in Yemen

UNICEF stated that 16 million people (including 8.47 million children) are in urgent need of water, sanitation, and hygiene (WASH) assistance. The MH emergency water project has reached 1,827,427 beneficiaries in Yemen.

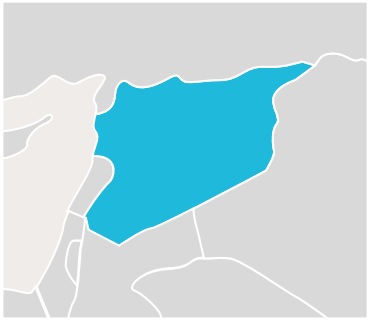
Since the conflict began in Yemen, the Aden water system has sustained around $60 million worth of structural damages. The structural damages have severe health implications on the residents of Aden, with outbreaks of cholera and diphtheria. The Rehabilitation of the wells in Aden hopes to improve the lives of 1.7 million people by providing clean running water.

HOMES FOR SYRIAN FAMILIES

650 briquette homes for Syrian families

Muslim Hands Briquette Housing based in Idlib, which host around 1.7 million internally displaced Syrians. There is severe housing crisis in the region, with many families living in overcrowded shelters.

Muslim Hands' 650 Briquette housing project aims to elevate the burden that many of the Syrian families are currently facing, by providing spacious shelters, with fitted kitchen, furniture and living room. The team on the ground have also constructed water sealed pit latrines – one for each house.



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DAILY BREAD FOR SYRIANS

51,750 breads distributed daily, 7 days a week

Many Syrian IDPs are currently residing in Afrin – their situation is catastrophic. With the economic instability in the region, they have seen an increase in food prices, and with a lack of employment opportunities –they face starvation.

The Afrin bread factory – is a long-term projects, which aims to tackle food insecurity in the region head-on. The bread factory in Afrin aims to distribute approximately 51,750 (5175 packs of 10 bread pieces each) of bread daily.

FIGHTING WILDFIRES IN TURKEY

1,600 – Total emergency beneficiaries in Turkey

In the summer, Turkey faced one of the worst wildfires in over a decade, destroying over 100,00 hectares of land over 17 different regions.

Muslim Hands distributed food and water to 1600 beneficiaries directly affected by the fire in the east and west of Turkey.

AFGHANISTAN IN CRISIS

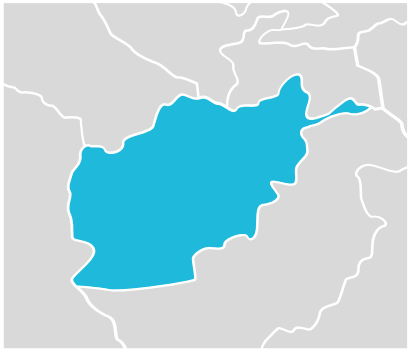
41,900 – Total beneficiaries in Afghanistan

The conflict in Afghanistan and the increase in food prices impacted over 22 million Afghans who have faced hunger. It is estimated that around 1 million children are at risk of dying.

Our team on the ground has assessed the needs and concluded the most vulnerable are the IDPs living near the capital who had to relocate due to the conflict. Our humanitarian intervention was to tackle the famine by providing the IDPs with food parcels. The first phase of the project supported 19,450 beneficiaries, and the second phase supported 22,450 beneficiaries.

Marwa,8, lost her father and her uncle in an attack on a wedding hall. Her mother became the breadwinner after the death of her father, however, when the new administration came into power, her mother lost her job, and she couldn't work. She is currently unemployed and she now works as a cleaner in people's houses to earn money for a living.

Because of the economic situation – Marwa and her family are unable to support themselves, and the donor intervention has elevated some of the burden that they have faced.



SUPPORTING KASHMIR (INDIA)

At the beginning of 2021 – Muslim Hands provided emergency support in food, non-food items, and health care facility to beneficiaries residing in India Kashmir. With the ongoing crisis in India Kashmir it required urgent relief as the pandemic severely impacted the economic situation in the region.

With the winter approaching, many of the India Kashmiri could not purchase the necessities – Muslim Hands provided blankets, winter coats, shoes and socks, firewood, essential food items, and hygiene products.

The second project that we undertook in India Kashmir was providing free medical camps for the elderly population in the region. The project provided patients with free medicine, blood test, and pressure. The project also aimed to raise awareness of the importance of having a regular health check.

Rafiqa (picture on the right), a 36-year-old widow, as the sole breadwinner, she has been feeling the effects of Covid-19 and continuous lockdown. The lockdown has prohibited Rafiqa from working - she was unable to earn a penny for three months, unable to feed her family. Because of their situation – they were able to their children one time a day. Because of our intervention – Rafiqa was able to feed her family for two months.

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ROHINGYA REFUGEES

7,035 – Total Rohingya Beneficiaries

Muslim Hands has been supporting the Rohingya refugees since 2017. During the last couple of years, we have provided a safe space for women who have faced sexual assault, grievous injuries, and traumatic experiences. Muslim Hands have also started a child-friendly space supporting children facing exploitation.

In 2021, we supported Rohingya refugees through two projects, the Rohingya Shelter Programme, and we provided food and non-food times to Rohingya's affected by monsoon flooding. MH assisted a total of 7,035 beneficiaries in 2021.

SURVIVING WINTER

70,345 – Total Winter Aid Beneficiaries

This year our beneficiaries were facing harsher winter, and one of the reasons was the impact of climate change. Many of the beneficiaries' shelters and clothing are not equipped for sub-zero weather. Many of them have had underlying health conditions – the harsh weather further intensifies their illness. Furthermore, many young children do not have suitable clothing to withstand the cold, which often leads to cold or even pneumonia.

We have assisted 70,345 beneficiaries to stay warm this year. We provided relief in Pakistan, Afghanistan, Lebanon, India Kashmir, Turkey, and Yemen.

Warda is a 16th-year-old orphan. She is responsible for taking care of her two brothers, Warda's father has died of short illness, while her mother is undergoing cancer treatment in Syria. Their situation is catastrophic. The recent snowstorm Yasmine has further exacerbated their already unbearable living conditions. The tents, mainly made from wood and plastic, cracked under snow – and as the snow started to melt, the water leaked and flooded into their home, destroying their already non-existent property. Warda and her brother do not go to school – as they cannot afford to go to school. Warda wants to go to school to learn how to read and write – "my dream is to receive an education – to become something." Warda is tired – the responsibility for a 16-year-old is too much for her to bear. "I feel like an old woman – I am the mum and dad."

CLIMATE RESILIENCE

ENVIRONMENT

The project will focus on the preparedness, mitigation, and prevention activities planned before the occurrence of the disaster to reduce the risk of disaster.

The Monsoon Contingency Plan was launched in mid-August 2021 by involving all stakeholders of the Federal Government, Provincial line departments, district administration, and development partners. This enables the communities to conduct their hazard, vulnerability, and capacity analysis, including the underlying causes of disaster risks, and integrate these into their village development plans.

WOMEN IMPACTED BY CLIMATE CHANGE

90 beneficiaries of sand-cropping project

Muslim Hands' second climate change-led project aimed to ensure food security and engagement of landless poor in agri-base income-generating activities.

It aimed to transform traditional agriculture into a woman & youth-led agribusiness model through a climate-smart Sandbar cropping Technology. The result was for the beneficiaries to producers and develop a sustainable community-led model and build self-resilience to run independently.

Sandbar cropping is Innovative new technology that permits landless families in Bangladesh to grow pumpkins and other crops on barren lands. The project teaches farmers how to identify sandbar cropping space, dig pits, fill them with compost and add pumpkin seeds. Obtaining Pumpkin through sandbar enables the beneficiaries to store the Pumpkin – and sell them at a reasonable price during monsoon season. This project has benefitted 90 beneficiaries.

PLANTING TREES

67,600 olive trees were planted

Planting trees is one way to combat climate change – trees are often described as carbon storage machines, as one hectare can store 400 tons of carbon. Planting trees does more than capture carbon – it can prevent flooding, reduce city temperature, and reduce pollution.

Muslim Hands has been actively working on planting trees in Palestine and Pakistan. Our project is not only a source of income for beneficiaries, but also it is at the forefront of combatting climate change. In total of 67,600 olive trees have been planted, benefitting 1687 beneficiaries (farmers). Each farmer will obtain 40 olive trees aged between 3-5 years old.

HEALTH PROJECTS

408,436 – Total health projects beneficiaries

Our health project has supported 408,436 beneficiaries countries such as Yemen, Somalia, Pakistan and Afghanistan, where urgent medical is needed.

In 2021 the world was in turmoil. Many families were facing the impact of the pandemic – with families losing loved ones. Another determinantal impact of the pandemic and the lockdowns was that it directly affected many people's livelihoods and mental health. Muslim Hands was at the forefront of supporting our beneficiaries affected by the pandemic.

One of the interventions was in India – as death toll rose rapidly, and they urgently needed oxygen concentrators. One aspect of our emergency was to supply hospitals with oxygen concentrators.

The second aspect of the emergency was to distribute cooked food. The hot meal was distributed, under Covid-19 guidelines, to families who were unable to purchase any meals. In total, MH has supported 26,000 beneficiaries with our Emergency Covid relief in India.

SUPPORTING MOTHERS AND CHILDREN

74,050 mother and baby beneficiaries

One of MH's flagship projects is the MotherKind Clinics in Somalia and Afghanistan. Both countries face conflict, instability and drought, and the availability of free maternal health care alleviates some of the issues women and children encounter.

The clinic provides first-class pre- and post-natal care. In Somalia, 700 hundred babies have been safely delivered in the last three years. The clinic also trains midwives, offers vaccination, and provides free medicines and vitamins.

Furthermore, the clinic holds awareness-raising sessions on nutrition and hygiene. There are also counsellors available for those dealing with traumatic experiences. In both Afghanistan and Somalia we have assisted 74,050 mothers and children.

Dr. Hawo has worked at the MotherKind Clinic for over three years – and during her time at the clinic, she has provided care to children and their mothers and offered counselling sessions to rape victims.

Working at the clinic has enabled her to continue her father's legacy ***"seeing him take care of the neighbours fuelled me to become a doctor. Working at MotherKind, I can help those who are the most vulnerable and continue what my father started."***

EYECARE FOR ELDERS

18,103 cataract surgery beneficiaries

Muslim Hands has provided cataract surgery to 18,103 beneficiaries in countries such as Niger, Sri Lanka, Pakistan, and Afghanistan. Cataract surgery aims to improve the patient's vision.

Cataract forms when the lens of the eye becomes clouded over by protein. The cloud of proteins continues, which results in obstructing the vision. Cataract surgery is straightforward and painless and lasts around 10-15 minutes.

Developing cataracts is unavoidable with age. However, according to World Economic Forum, 90% of the world's blind live in low-income countries, and the leading cause of this often needless, and frequently avoidable blindness is cataracts. Our cataract surgery programme aims to remove the barriers that many of the beneficiaries face by providing free cataract surgery.

PROVIDING EDUCATION

42,521 children received education

Providing free accessible education is a fundamental human right – yet 61 million children in underdeveloped countries do not have access to such rights. One of the primary reasons children are not in education full-time is conflict. Conflict creates an atmosphere where education is not a priority.

Many children do not have the means to pay for their education, and in some cases, children become the primary providers. Providing free accessible education to children in the emergency zone eliminates the pressures that young children face – it gives them a sense of hope, the possibility that everything is possible.

Currently, we have Muslim Hands School of Excellence located in Asia, the Middle East, and Africa. Our school teaches curriculum in guidelines with the country they are based in – we also provide Islamic education. The school teaches orphans and non-orphans students – in 2021, our MH SOE school has taught 10,567 children.

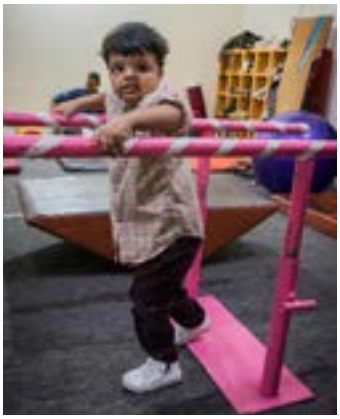
SUPPORTING DISABLED STUDENTS

Children with disability are more likely to miss out on education than any other children – this is down to multiple factors. The stigma that many disabled children face in communities prohibits children from accessing education. Rural schools do not provide adequate support for the students.

In most cases, they lack the funding to provide the necessary support for the students. The Muslim Hands disability project aims to remove some of the barriers that special needs students encounter.

One aspect of our Muslim Hands project is forming partnerships with different schools that already support disabled students. We aim to support these schools that have limited budgets and resources. The purpose is to enhance their facilities, which results in the children studying a better environment.

In the second phase, the project provides financial grants, furniture for children, Braille papers, Embosser Machines, CCTV machines, and routine operating costs. All these institutions that we support are based in District Mirpur. Our project has helped 713 special needs students.



NEW SCHOOL IN ADEN

In 2021, the first Muslim Hands School Of Excellence was launched in Yemen. The school in Aden, taught 270 orphan students. Yemen is facing an education crisis – with around 2 million children unable to attend school.

Our school aims to provide stability, normality, and a future to children who have faced a traumatic experience. The building of the school contains nine classes. We are currently providing free educations to are ages 6 to 14 years old.

Ayman, 9, lost his father due to a heart attack. Ayman was traumatised by his father's death, and he was in denial. And he expressed his refusal to let them bury him.

Thanks to our MH School, Ayman is currently in a much better place.

'I am thrilled to attend school, and my appetite has become more open while my hopes have come alive because of the school's various services'.

HELPING ORPHANS

Over 13,000 orphans were sponsored

Muslim Hands orphan sponsorship runs in 16 countries, including Palestine, Yemen, and Pakistan. The orphan sponsorship programme supports orphans whom many have faced hardship from an early age.

Not only does the MH school Orphan programme provide the school fees, but they also receive school uniforms for the year, books, and stationary. Muslim Hands also covers medical and health checks and provides nutritious food and transportation. The orphan sponsored have gone on to graduate start employment or start their own business.

ORPHAN SUCCESS STORY

MH has supported Zakir from the age of seven, and after the death of his father, his mother began to struggle financially. Zakir received assistance from MH Orphan Sponsorship Programme where he received support with education and welfare assistance, as well as a monthly stipend to allow.

'After my father died, I had no one to lean on. My main objective was to get a degree and do something significant with my life. I believe that my relationship with MH and my donor has been very positive because through this sponsorship, my family and I have gotten support in a variety of ways', Zakir says.

He discussed his feelings about his sponsor, as well as the reasons why he holds such great regard for them.

'I am incredibly grateful to my donor since they have taken care of me since I was a child'.

FOOD SECURITY

We helped 1,693,339 food insecure beneficiaries

The rise in the cost of living, drought, conflict, and climate change has fuelled food insecurity. Many of our beneficiaries faced unprecedented hardship, with 957 million people across 93 countries who do not have enough to eat.

Muslim Hands has worked in the world's poorest countries to tackle food insecurity for over 25 years. Our project includes a short-term solution where we provide emergency food parcels and food parcels during Ramadan and Qurbani. For our long-term project includes our Fareshare partnership and our Open Kitchen.

While in Britain, 3.6% (1 million) adults reported that they or someone in their household have had to go a whole day without eating in the past month because they couldn't afford or access food.

Homelessness in the Britain is on the rise – which is mainly fuelled by the rise of cost of living. Our Open Kitchen in Hounslow has been addressing food insecurity issues in Britain for the last three years, and currently, we have been serving 500 meals a day. Seeing the need to support families who have been struggling to put food on the table, Muslim Hands opened its door to the first-ever Open Kitchen in Nottingham.

FEEDING NOTTINGHAM

Our Open Kitchen Nottingham has become an important staple in the community, it provides the beneficiaries with fresh-made hot cooked meal, water, and a piece of fruit. The daily distribution aims to give the meals to whoever visits our kitchen, and it aims to provide parents and children with healthy nutritious meals that they would not receive otherwise.

Phil (pictured right) is one of the users at our Open Kitchen. He does not cook food at home but only uses the microwave to heat a meal from the Open Kitchen for dinner. The only electricity use 'treat' he allows himself is using the kettle for hot drinks. Before the pandemic, he worked as a kitchen porter in different pubs around Nottingham, but he lost his last job in the lockdowns and struggled to find a new one. But finding a job nowadays happens online, which creates a barrier for him. The Open Kitchen is his haven. He spends an hour here every day to sit down for his lunch and a chat and then takes one meal home to have for dinner later. Our Open Kitchen Nottingham coordinator gave Phil a reference that he needed for an upcoming job interview.

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RAMADAN IFTAR

We distributed iftar food to 182,032 beneficiaries

Ramadan is one of the holiest months in the Islamic Calendar, and in 2021, we wanted to provide a sense of hope to our beneficiaries. Many of our beneficiaries were inflicted by hardship, unable to afford and purchase necessities to break their fast.

Beneficiaries were worried about where they would get food to break their fast – our food package eliminated that worry. Our Ramadan nutritious food parcels contained dates, lentils, rice, and beans. Because of our food package, the beneficiaries were now able to focus on the spiritual aspect of Ramadan. In 2021, we gave hope to 182,032 beneficiaries.

QURBANI DISTRIBUTION

We distributed Qurbani to 900,000 beneficiaries

During Qurbani, we have distributed meat to beneficiaries across 25 locations. For many of our beneficiaries, meat is an item of luxury, and during Qurbani, Muslim Hands ensure that they receive fresh meat during Eid.

We have provided 900,000 people with meat in 28 countries! The meat was distributed in Yemen, Syria, and India-administered Kashmir, as well as communities suffering poverty in Somalia, Rwanda, and Mali.

We also distributed fresh meat through our Open Kitchen in Hounslow, were served a delicious Eid feast to 3,000 vulnerable people and provided 90 families suffering food insecurity with fresh meat.

EMPOWERING WOMEN

Muslim Hands provided 10,161 livelohoods

Our livelihood project is woman-centric, empowering women who have faced obstacles and barriers. Sewing Machine Project has empowered women in Afghanistan, Mauritania, Pakistan, and Niger, where they learn a new skill that would benefit them and their families.

The project provided the women with training on using the sewing machine effectively. Upon completing the course, the women were provided with a sewing machine to start their business. We have helped 220 women to became independent.

Meena, 45, is a widow living in Afghanistan. After her husband died of cancer, she became the sole breadwinner of the family. Before this project, she was looking for a job in a sewing workshop, but she couldn't find a job because she did not know how to sew correctly. Because of our intervention, Meena is hopeful she will now find an excellent job with a good source of income.

HOPE SHOPS

Muslim Hands provided 332 hope shops

Our hope shop project provides livelihood for women with limited or no access to opportunities.

The shop aims to give women, who are IDPs an independence – the ability to provide for their family without any restriction. Muslim Hands provided 332 women with their own shops. The shops are based in Mali, Niger, Somalia, and Pakistan.

SAFE WATER

3,520,694 safe water beneficiaries

Globally 771 million people don't have clean water, 1.7 billion people don't have access to a decent toilet, and 31% of schools don't have clean water. Muslim Hands has been tackling this issue by designing water well for vulnerable communities.

MH's intervention has already reached millions of people in some of the most inaccessible places in the world. MH has WASH projects running in countries such as Mali, Sri Lanka, Gambia, Malawi, Pakistan, Somalia, and Yemen.

Currently, Muslim Hands provides WASH Projects in most needed communities – a dig-a-well and tube well. A dig-a-well supports up to 200 people and 35 families. The well is drawn up from 40 metres beneath the ground – the project is suitable for families who depend on agriculture and family.

Whereas the tube well is dug from 30 metres beneath the ground, it operates manually and lasts up to ten years. Having a tube well is that it is suitable all year long. The tube well is built in convenient locations, often between a cluster of houses.

Our environment-friendly solar panel wells provide clean water by digging a hole in the ground and extracting water using solar power. This is more sustainable than extracting water using a motor that relies on diesel .

TOILETS FOR GIRLS

In Pakistan, nearly 80% of women in Pakistan do not manage their periods hygienically, and our project in the Punjab province aimed to tackle the problem head-on. Furthermore, In Pakistan, 28% of girls miss school and work due to a lack of WASH facilities.

The Sustainable Development Goal (SDG) 6 aims to achieve universal access to sanitation and hygiene for all by 2030 – with special priority on the needs of girls and women. Working in partnership with the Girls Guide Association, we established Girls Friendly Washrooms (GFWs) at five divisional centres. We have prioritised the hygiene requirements of young girls and women by establishing these toilet facilities. We will also continue to conduct awareness sessions with the girls and women.

A teacher at one of the facilities said:

'Sanitation needs of women and girls must be kept in mind during the construction of toilet facilities. Due to the lack of sanitation facilities, we face many problems which often lead to health problems. Hygiene facilities and girls-friendly toilets must be provided in all the schools to meet the needs of teachers and students'.

RAIN HARVESTING

Our Rain harvesting project provided clean water to women and children in Pakistan.

The concept of rain harvesting is to catch the rainwater where it falls, such as roof buildings made of either reinforced cement concrete (RCC), galvanized iron, or corrugated sheets. Once the water is collected, it can be stored in a water tank or an artificial recharge system. This project will provide continuous clean water to the local community, but it also has also created employment opportunities to the local community.

RELIGIOUS EDUCATION

250 mosques built for rural communities

In 2021, Muslim Hands built 250 mosques in remote locations, where many religious institutions were either uninhabitable or derelict.

This intervention enabled worshippers to pray in a mosque instead of in their homes which they often did. The mosque also serves as an educational facility, and they can hold meetings, resolve disputes, and conduct marriage ceremonies. In 2021, we built mosques in Rwanda, Uganda, Mali, Pakistan, Sri Lanka, and Bangladesh.

DJENNE MOSQUE

Djenne Mosque, constructed in the 13th century, is one of the oldest mosques in the world. A classic example of Sudano-Sahelian architecture, it was designated a World Heritage Site by UNESCO in 1988.

Muslim Hands has been supporting the mosque by improving the general state of the mosque, providing better working conditions for the mosque staff, and maintaining the Islamic library. Furthermore, it will provide salaries to the Imams, cleaners, and Islamic Library caretakers.

GIVING THE YOUTH A VOICE

YOUNG MUSLIM WRITERS AWARDS

Since its inception in 2006, the Young Muslim Writers Awards (YMWA) has been working towards raising the standards of child literacy and creative writing for 5 – 16 years olds across the UK.

As only 0.4% of journalists in the UK are Muslim, the YMWA wants to encourage more young Muslims to pursue a career in journalism and the creative industry. We aim to showcase that a career in the field of media is attainable by giving the youth much-needed confidence.

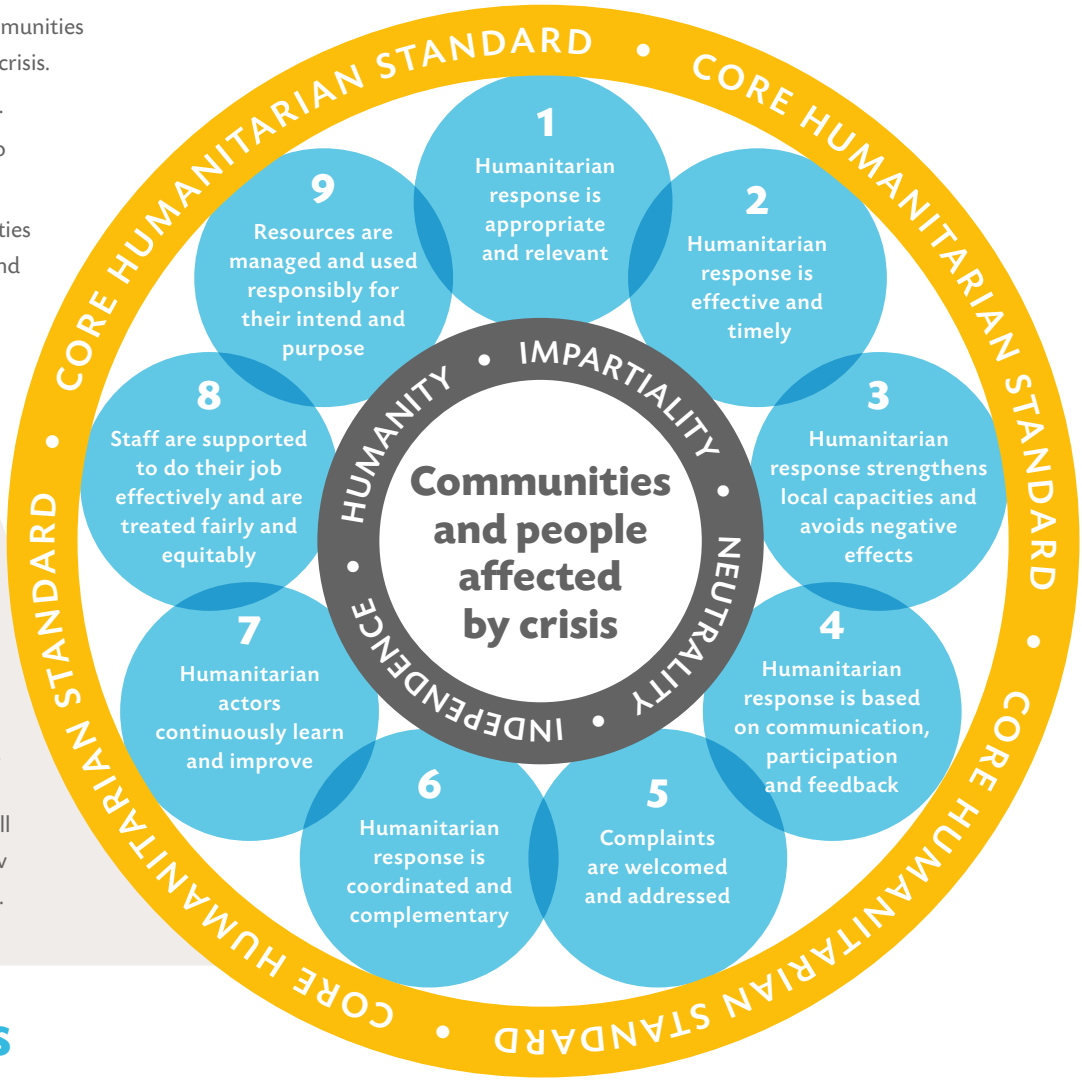
Our competitions encourage the youth to explore creative writing and journalism. The competition accepts short stories, poems, articles, screenplays, and play scripts that are submitted and are assessed by poets, authors and other notable figures from the arts and media industry.

Core Humanitarian Standard

The Core Humanitarian Standards (CHS) aim to showcase good humanitarian action. The CHS is there to help and support organisations design, implement, assess, improve, and recognise quality and accountability in assistance and programmes.

THE STRUCTURE OF THE CHS

- Nine Commitments to communities and people affected by the crisis.
- Supporting Quality Criteria.
- Actions to be undertaken to fulfill the Commitments
- Organisational Responsibilities to support the consistent and systematic implementation of the Key Actions throughout the organisation



By applying the CHS nine Commitment, staff will have a benchmark on how best to operate.

Beneficiaries will know that they will get the assistance they require, and donors will have better insight into how their funding is being spent.

MUSLIM HANDS AND THE CORE HUMANITARIAN STANDARD

Muslim Hands priority is to ensure that we continue to meet the CHS commitments by putting individuals and communities at the centre of everything we do. CHS certification emphasises the importance of accountability and transparency - it certifies that our work is carried out to the highest standard.

Receiving a CHS will showcase that we are designing programmes that create a positive impact on individuals and communities.

Muslim Hands was recently audited by an independent consultant - who assessed six offices - Pakistan, Bangladesh, Niger, Gambia, Yemen, and Somalia - along with our headquarters in the UK.

While the independent consultant has concluded - that there are areas for improvement – he highlighted many positive aspects.

As the progress is at such an early stage, Muslim Hands has taken many steps to ensure that we meet the requirement of Core Humanitarian Standard.

Sustainable Development Goals

WHAT ARE SUSTAINABLE DEVELOPMENT GOALS?

The Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Led by the United Nations Development Programme, this set of 17 goals imagines a future free from poverty and hunger and safe from the worst effects of climate change.

WHAT DO THEY MEAN FOR OUR WORK?

Muslim Hands aim to ensure that the work we do is targeting these goals as part of a united global effort. Our approach is to work in line with the SDGs, while putting a special focus on children who are suffering from poverty, conflict and disaster.

HIPD Partnerships

CLIMATE CHANGE CONFERENCE

Muslim Hands attended the UN Climate Change Conference (COP26) in Glasgow in November. The COP26 summit brought participants together to step up action towards the goals of the Paris Agreement and the UN Framework Convention on Climate Change. Attending as an Observers capacity – at the event, we had the opportunity to participate in the conference.

PAKISTAN

We established a partnership with British Council where we targetted school dropouts, retention, and children unable to attend education facilities. The " Take a Child to School " project focused on District Charsadda, Khyber Pakhtunkhwa, and Guranwala, Punjab. More than 25000 students were enrolled and retained in low-performing private schools. In addition, more than 1600 youth were trained in child education, focusing on girls' education.

Another project we implemented with Scottish Scholarship Scheme were we granted 250 female students scholarship in district Swat and Peshawar. The scholarships were provided to 13 to 18-year students. Scholarships were in the form of providing them with uniforms, shoes, stationery, and books.

Another partnership with the British Council was to train more than 7000 teachers under the slogan "Connecting Classrooms."

Muslim Hands also worked with UNOCHA-PHPF. The consortium worked together to initiate a project to support the communities which were affected by COVID-19 in Baluchistan. The project targeted beneficiaries through integrated interventions covering food security, livelihoods, and WASH. In total, the project supported 1037 households.

TURKEY

In Turkey, we continued to partner with major organisations, including Doctors Worldwide, Hayrat Aid, and Diyanet Foundation. Through Diyanet Foundation, we implemented WASH projects in Pakistan and food distribution projects worth more than £1.8 million. Our partnership with Hayrat Aid, we supported beneficiaries by providing clean water and food security-related projects in Mali, Gambia, Niger, Sri Lanka, and Pakistan. Finally, Doctors Worldwide initiated WASH projects and eye camps across Pakistan, Mali, and Niger. From this, 2,700 surgeries were successfully carried out, and we reached more than 8,000 beneficiaries across all countries.

AFGHANISTAN

Muslim Hands Afghanistan office successfully partnered with education sector donors of GPE and ECW represented by UNICEF in 2021 by signing three education projects worth $4.5 million. The education project covered two provinces in Afghanistan, Wardak, and Badghis. The first project was "Continuity of Education for COVID-19 Emergency-affected Children." The second project was "Provide Access to Education for Emergency-affected children," part of Access to Education for COVID-19 Emergency-affected Children in Afghanistan for Wardak province.

The project supported 62000 Students, 520 Teachers, and 2000 School Management Shura members. The project aimed to reach areas and COVID-19 high-risk provinces to give them access to education and mitigate COVID-19. The final project was "Education Cannot Wait (ECW) Multi-Year Resilience Programme (MYRP) Year 2" for Badghis Province.

Education Cannot Wait (ECW) Multi-Year Resilience Programme (MYRP) Year 2 for Badghis Budget supported 14600 Students, 432 Teachers, and 2700 School Shura Members.

The outcome of the project:

Outcome 1:
Access to education for emergency-affected girls and boys is increased.

Outcome 2:
Child-friendly and inclusive learning environments are created.

Outcome 3:
Continuity of education for emergency-affected girls and boys is increased.

Outcome 4:
Quality of learning for emergency-affected girls and boys is improved.

Outcome 5:
Safe and protective learning environment for emergency-affected girls and boys, especially the most marginalized, is established.

Complying with the CBE policy, MoE regulations, donor guidelines, global education policies, and EiE standards. Muslim Hands International closely worked with the government, UNICEF, and other education actors, which resulted in a successful track record of delivering high-quality education services in Afghanistan. Timely and quality implementation further strengthened the trust of UNICEF to put MHI on its list of reputable partners.

Financial Review

This year, Muslim Hands raised £37.1million. £29.4 million was donated for non-emergencies, £3.1million for emergencies and £4.6 million was received from Gift Aid. The total income in 2021 was up from the level of income raised in the previous year (£32.4 million).

	2021	2020	2019
Donations from Supporters	£m	£m	£m
Donations for Non-Emergencies	29.4	23.5	16.7
Donations for Emergencies	3.1	4.8	3.3
Gift Aid	4.6	4.1	2.7
Total Income	37.1	32.4	22.7

The charity invested 2.8m to generate 37.1m.

The net return was 34.3m.

The charity invested 7.5% to generate a return of 92.5%.

The charity aims for an investment target of 10% in the current year.

This is further broken down into 1/3 unrestricted/ restricted ratio respectively.

Financial Review

During the year Muslim Hands spent over £32.6m. This helped us reach a larger number of beneficiaries particularly in areas affected by conflict or natural disasters. The funds used included appeal funds raised in prior years.

	2021	2020	2019
	£m	£m	£m
Cost of generating funds	2.8	2.9	2.5
Charitable Activities	25.4	21.4	15.8
Where Most Needed	2.2	2.9	1.3
Orphans	2.5	2.1	1.4
Education	3.9	3.3	3.1
Health	1.1	1.3	0.9
Emergency	3.5	2.6	3.2
WASH	5.0	4.8	2.2
Food	5.7	3.4	2.4
Masjids	1.5	1.0	1.3
Support Costs and Staff	4.4	3.3	2.8
Total Resources Expended	32.6	27.6	21.1

Expenditure

The charity has invested £4.4 million into its systems, offices and people to safeguard and protect the funds we are entrusted with from loss, corruption and fraud, ensuring Muslim Hands effectively uses the funds and operates with accountability.

In 2021 the charitable activities expended were £25.4 m.

The following table provides some details of the various programmes we implement, the number of beneficiaries supported and achievements in respect of each project category: -

During programmes implementation there are several factors that can affect whether a project achieves its targets. This includes availability of funding, socio-economic conditions of the donors or target beneficiaries and interventions by the respective government institutions, UN Agencies and the other humanitarian actors focusing on the same areas. Muslim Hands is always committed to the poor and marginalised and vulnerable segments of society irrespective of race, religion and gender. Most of our implementation is ongoing, so if targets are not met, we continue to work with the same communities the following year. Our partnerships, networking, policy level advocacy and lobbying components of the program also support the target beneficiaries.

THEMATIC	FIGURES	DETAILS
Emergency	2,959,081	Projects include our Syria housing project and Yemen Bread factory. We also provided emergency intervention in Afghanistan and India Kashmir.
Education	42,521	Our MH School of Excellence, Model School, religious educational and orphans programmes.
WASH	3,520,694	Tube wells, boreholes, water filtration units, rain harvesting and Girl-friendly toilet.
Health	408,436	Our Motherkind Clinic in Afghanistan and Somalia. Basic health units, Cataract Eye Surgery and Covid intervention in India.
Food	1,693,339	Qurbani and Ramadan. Our Open Kitchen in Nottingham and Hounslow.
Livelihoods	10,161	Sewing Machine, Hope shop Project and chicken farming project.

PRINCIPAL SOURCES OF FUNDING

The principal source of funding is from individual donors from within the UK who respond to paid marketing campaigns like Google and radio ads, direct marketing via email, traditional mail and social media or through other fundraising activities like television appeals and events. The continuing support of our donors is what makes our work possible.

RESERVES

From its inception, Muslim Hands has raised funds for specific projects (restricted funds) and funds which are not specified for a particular project (unrestricted funds) which are utilised where they are most needed and applied at the discretion of the trustees to further the charity's purposes.

Over recent years, Muslim Hands' voluntary income has seen steady growth. A significant proportion of this income is restricted funds for specific projects, the majority of which is short-term aid responding to the basic needs (including food, water, clothing, shelter and basic education) of beneficiaries in areas blighted by conflict and areas that have suffered natural disasters. Given the charity's present level and nature of activities, the unrestricted funds not committed or invested in tangible and intangible fixed assets ("the free reserves") held by the charity should not be less than £600,000. At this level the trustees feel that the current activities of the charity could continue in the event of a significant drop in funding. Muslim Hands has addressed the shortfall in this through new budgets and systems to limit variances. Muslim Hands depends on unrestricted funds to implement its long-term developmental programmes, particularly in regions which have not received media coverage in recent months and years which has led to increased demand on unrestricted funds. In light of this, and the donor giving patterns of recent years, Muslim Hands has continued with its plan to: -

1. **Increase capacity to work in emergency zones**
2. **Simultaneously consolidate the geographical and thematic spread of long-term projects and projects offices**
3. **Developing closer working relationships with grass root organisations in countries where we carry out projects**
4. **Diversifying the donor base**

These measures will bring further efficiencies and savings but still allow MH to reach more beneficiaries.

The charity needs to continue to be able to respond quickly to appeals for the relief of suffering in varied communities around the world. The charity is presently achieving this aim and further aims to increase its unrestricted reserves position year on year.

With the increase in inflation and cost of living crisis Muslim Hands expects to see a reduction in the availability of its unrestricted reserve whilst it continues to meet its programmes commitments.

NATURE OF FUNDS

The trustees confirm that, on a fund-by-fund basis, the assets are available and are adequate to fulfil the obligations of the charity.

GRANT MAKING POLICY

During the period the Charity awarded grants totalling £25,885,416 (2020: £21,851,980).

Our policy is to make gifts of this nature to individuals and organisations which further the objectives of the charity. The majority of the grants are given to other Muslim Hands entities in various countries around the world, who implement projects on behalf of the organisation, thereby assisting Muslim Hands in fulfilling its objectives.

Muslim Hands invites proposals from existing partners. The applications received are scrutinised to ensure they meet MH criteria with respect to its objectives and monitorable results.

Programmes monitoring and evaluation is carried out by MH staff to ensure adherence to MH objectives, programmes quality and financial sustainability. The trustees further obtain assurance by making visits to the programmes. The partners provide quarterly narrative and financial reports with explanations for variances.

INVESTMENT POLICY

Surplus funds are usually kept in an Al Rayyan Deposit account to ensure the best return for the Charity.

POST YEAR END

Despite the effects of the pandemic and increased cost of living, Muslim Hands supporters across the world were generous with their charitable giving, eager to make a difference.

With the return of in-person events such as the flagship Gaza walks, supporters continued to make their valuable contributions.

In the month of Ramadan, an incredible amount of over £1 million was raised during the live appeal, which took place on the 27th night of Ramadan.

Muslim Hands undertook several mitigating actions to manage the impact of the pandemic and the increased cost of living on the charity. Scenario planning was organised to identify the impact of scenarios forecasted with variations embedded. Furthermore, change management was planned and implemented with a focus on data privacy and cyber security for managing IT controls. Health and safety measures for employees and partners delivering aid for MH were enhanced to prevent them from contracting Covid-19. This included closing our offices and advising partners to ensure proper safeguards, including social distancing were applied when delivering programmes. The organisation also funded PPE provisions for partners that they used as part of the emergency crisis response.
eager to make a difference.

GOING CONCERN

As a response to the financial risks posed by the evolving economic situation, the charity continued to scenario plan its cashflow and the variation in impact of increased and reduced cash scenarios.

Furthermore, the charity increased its rolling cashflow projections from 12 months to 24 months to better understand the going concern status of the charity. The scenario planning showed that the charity will continue and the surge in funds in 2021 supports this projection. The planning also allowed the charity to consider the impact of a shortage in funding and the potential mitigators that would be required. With the success of fundraising this year the charity is confident of its continuation as a going concern.

Structure, Governance and Management

Muslim Hands was legally established as an international NGO in 1993 by a trust deed and registered with the Charity Commission under registration number 1029742 on 6 December 1993.

In 2004, Muslim Hands changed its structure, registering as a company limited by guarantee at Companies House in England on 22 March 2004 and with the Charity Commission on 22 July 2004 under registration number 1105056. The funds in the original trust were transferred to the newly incorporated company and thereafter, the original trust was de-registered on 8 November 2006. Muslim Hands has been operating under the company structure to this day.

As the charity is constituted as a company limited by guarantee, it is therefore governed by a memorandum and articles of association. Eligibility for membership of the charity and membership of the Board of Trustees is governed by the memorandum and articles of association. Currently, all of the members of the charity also serve as directors of the company who are the trustees of the charity. The charity is not a member of a wider network or umbrella group, save for being the founding entity for other legal entities established in other jurisdictions and who operate under the name and logo of Muslim Hands.

The trustees are legally responsible for the charity and set the strategic direction with operational matters delegated to the Senior Management Team. The Senior Management Team are supported by dedicated staff. The current Senior Management Team comprises of Syed Lakhte Hassanain as CEO with Shahid Bashir, Tariq Nasir, Shakil Sidat, Yasrab Shah, Munawar Patel, Irfan Khan and Syed Ali Haider as Executive Directors. The trustees set the salaries for the CEO and the Senior Management Team's salaries are set by the CEO. The salaries are benchmarked according to similar roles in the sector based on research conducted internally. Furthermore, they are adjusted according to the prevailing rate of inflation at the time.

The process of recruiting trustees involves determining the optimum skills, knowledge and experience mix for the current operational climate and needs. Identifying potential trustees, promoting and explaining the activities of the Board to potential trustees and the decision to appoint new trustees is then taken by the Board of Trustees.

The induction of new trustees would include an explanation of the function of the Board of Trustees and appointing a mentor for the new board member. An overview of the organisation and its activities is also provided. The board has commenced a process of giving short training sessions for trustees at their meetings.

A Programmes Committee has been established by the trustees for better control and governance. The Programmes Committee is a sub-committee of the board and provides assurance to the board that Muslim Hands has an effective programmes strategy in place with appropriate systems that will ensure the delivery of the strategic aims. The committee is formed of two external members and one MHUK trustee who is also the Committee Chair.

Muslim Hands has been dependant on volunteer support in order to fulfil its objectives, vision and mission and to carry out its activities. The trustees would like to thank all those who have volunteered their time to Muslim Hands.

OBJECTIVES, VISION AND MISSION

MUSLIM HAND'S OBJECTIVES ARE:

The relief of poverty and sickness anywhere in the world and in particular, amongst those affected by natural disasters or by wars and other conflicts, by the provision of financial or other assistance including medicines, hospitals, shelter and food.

To advance education amongst those in need anywhere in the world, with particular regard to orphans.

The advancement of Islamic faith through education and the promotion of interreligious harmony through dialogue and cooperation with other faiths and traditions.

The fulfilment of the above objectives is enshrined in our mission statement:

"To be at the forefront in delivering relief from poverty, sickness and the provision of education worldwide. To provide an ethical service for the collection and distribution of funds in an effective, efficient, transparent and wholly accountable manner".

Our vision is:

'Inspired by the values of our faith, Muslim Hands is working towards tackling the root causes of poverty and creating a fairer world for everyone. We believe that every human being has the right to an education, access to clean water and food and the means to support themselves, their family and their community. themselves, their family and their community'.

Our aims and objectives are a reflection of our beliefs. At Muslim Hands, we believe that:

- **Everyone, irrespective of race, colour or faith has the fundamental right to a life of dignity, free of poverty and oppression.**
- **Poverty can and must be eradicated, as it exists primarily due to the unjust distribution of resources.**
- **By working directly with disadvantaged communities, we can bring about positive changes from within those communities.**
- **Literacy, education and job-skills training are fundamental to the development of disadvantaged communities and are the most effective tools for empowering people to break out of poverty.**
- **It is our duty to assist vulnerable people in times of crisis, such as war or natural disaster.**

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

Public Benefit Statement

All our charitable activities focus on furthering our charitable objectives for the public benefit. The section of this report entitled Objectives, Vision and Mission sets out the aims and charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set. The trustees have concluded that: charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trustees have concluded that:

- **The aims of the charity continue to be charitable.**
- **The charity serves individuals and communities in need.**
- **The aims and work done give identifiable benefits to the charitable sector both directly and indirectly.**
- **The benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay.**
- **There is no detriment or harm arising from the aims or activities.**

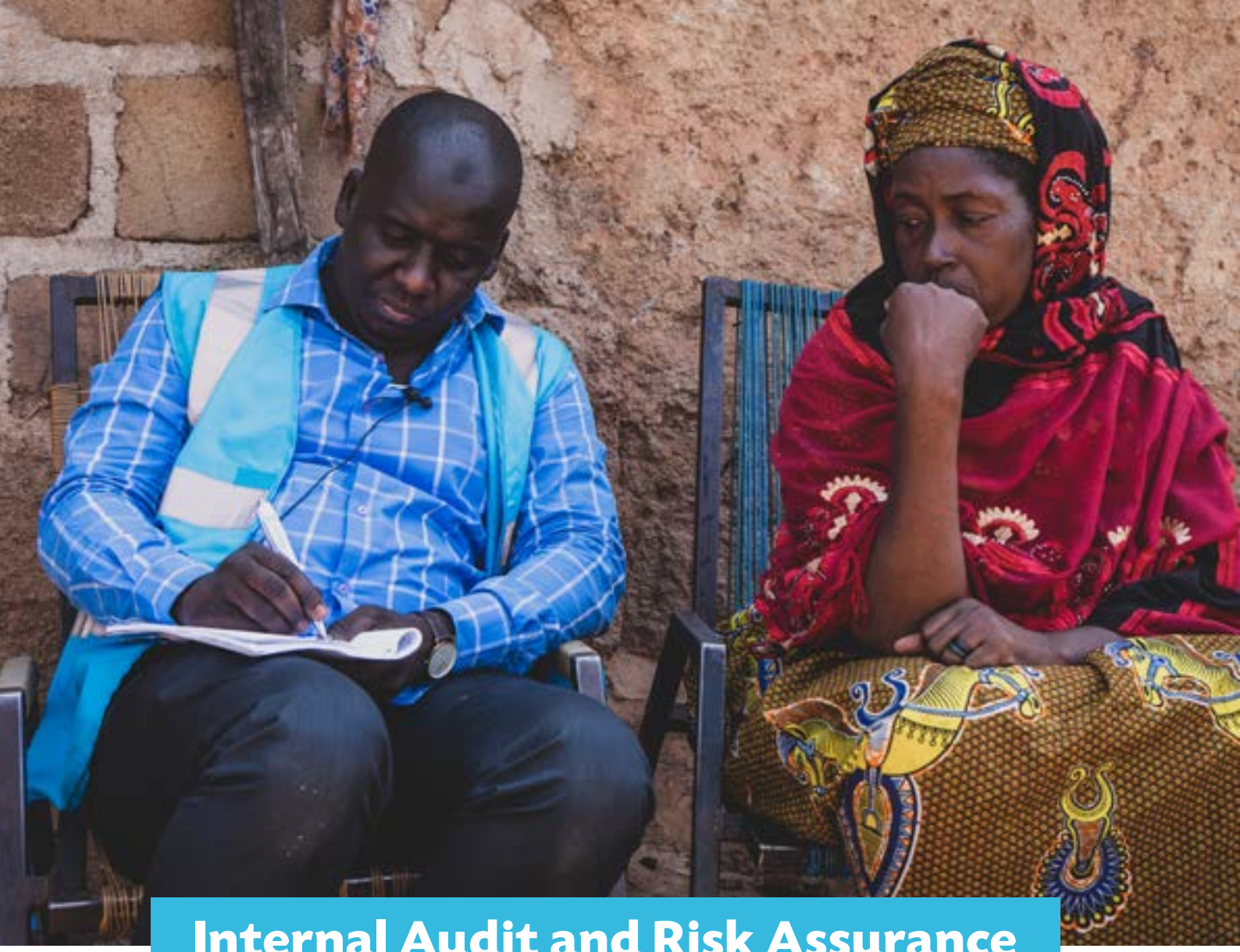
Principal Risks and Uncertainties

The trustees have, during the year, considered the material risks facing the charity and have put in place mitigating controls to address those risks.

The continuing success of the charity is dependent on continuing to receive sufficient support and donations from the community. Trustees mitigate this risk by ensuring that income and expenditure are closely monitored and reviewed. Trustees identified the impact of Covid-19 on the risks faced by the charity and the need to align risk management to mitigate the threats the virus posed to the operations of the charity. The risk management actions below have embedded actions to limit the impact of Covid-19 related risks.

During 2021, the trustees identified the following key risks and the measures taken to address them:

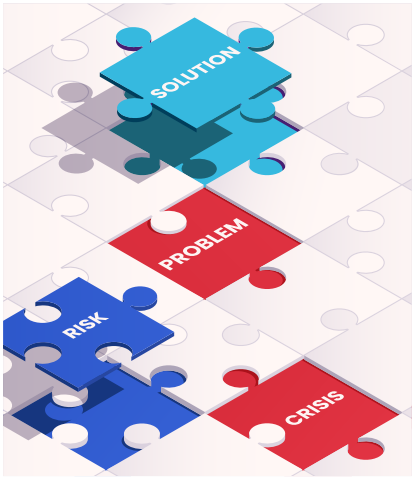
Risk	Management Actions
Programmes not delivered as expected by MH standards	• Due Diligence Famework. • Staff member trained to do due diligence checks. • Director of Governance signs off of all Due Diligence checks. • Board sign off of any Due Diligence checks escalated by Director of Governance. • Monthly Review meetings reassess Partner RAG ratings. Partners may be put 'on hold' • Legal counsel and Programme Finance team review and approve the funding agreements. • Muslim Hands Policies are shared with Partners. • Education and training of partners regarding expectations. • Field monitoring visits are regularly undertaken to verify the delivery of aid.
Violation or abuse of beneficiaries and safeguarding	• Muslim Hands' safeguarding policies for children and vulnerable adults and safeguarding code of conduct. • Safeguarding Code of Conduct • Muslim Hands are part of 'Keep Children Safe Network', provider of online training facilities. • Partner office staff complete 'Keep Children Safe Network' training. • Muslim Hands Whistleblowing policy in place. • Programme Quality Framework includes a complaint programme which involves interviews with beneficiaries. • Programme Quality Framework includes safeguarding spot checks. • Reporting of Safeguarding issues to Management and Board.
Cashflow to meet charitable and operational commitments due to emerging cost of living crisis	• Board oversight of spending in advance of approval. of fundraising budget and targets. • Board oversight of performance and likely year end position. • Reporting of scenarios and the impact on cash flow. • Periodic review of Financial Sustainability. • Budget Re-forecasting to ensure changing financial conditions are well managed.
Cyber Security	• GDPR policies including Data Breach Action Plan, data breach form in place. • Monitoring GDPR compliance. • Outsourced DPO service by Bulletproof Ltd. • Single Sign On and Multi Factor Authentication with controlled conditional access. • Enabled Encryptions deployed over SCCM. • Maintaining third-party cyber security defence and anti-virus software. • Timely patches for server and desktop systems. • Monitoring of IT controls. • Robust IT Policies. • Adopting VLAN. • Encryption-in-transit protects both systems and data. • Procedures for penetration testing and system security checks. • Business Continuity and Disaster Recovery Planning.
Strategic Alignment of Programmes	• Project Toolkit checklist • Partner office carries out a Project Needs and Beneficiary Selection Assessment • Scoring requirement inbuilt into Projects System • Programmes Director reports quarterly to the Programmes Committee on progress with implementation of the corporate strategy • Project Risk Management undertaken for all projects



Internal Audit and Risk Assurance

The MH Board of Trustees is advised by an Audit Committee made up of trustees and independent members who bring a broad range of expertise in this area.

The Audit Committee meets at least four times a year and its terms of reference include scrutiny and oversight of the way MH is managing risk. An independent internal audit function reports to the Audit Committee. The internal audit is provided by BDO LLP. They support with the risk register and carry out a risk-based audit programme, which follows an audit plan approved by the Audit Committee. The Senior Management Team regularly undertakes strategic and operational reviews to identify organisational risks and come up with plans to mitigate them. The team is then responsible for implementing those action plans, with the Audit Committee monitoring progress.



Plans for the Future

INCOME DIVERSIFICATION

Muslim Hands has continued to grow steadily since its inception, reaching an increasing number of disadvantaged communities year after year.

To continue the mission of aiding more people as effectively and efficiently as possible, Muslim Hands will be focusing on organisational restructure and internal development, stronger emphasis on forming partnerships with grass-roots level delivery partners overseas and at home and increasing our income from trusts and institutional funders. Muslim Hands' educational and training projects are a long standing and recognised strength, and they will be the primary area of focus going forward.

INHOUSE SYSTEMS

Muslim Hands is continuing the development of the next generation, web-based CRM, financial management and programmes systems to add to the level of data processing and reporting of impact on its activities, encouraging better collaboration and increased learning and oversight with our partners.

NEW STRATEGY

Muslim Hands has begun its new strategy following the success of its previous strategy.

The strategy has focused on continuing the success story of Muslim Hands as it embarks on its next phase of growth in serving those in need both abroad and here in the UK.

UK PROGRAMMES

Muslim Hands is planning to expand its UK Open Kitchen programme to more towns and cities over the next three years.

The interest that our kitchens have generated from supporters and the impact they have had on the local communities they serve has demonstrated their value.

Statement of Trustees' Responsibilities

The trustees (who are also directors of Muslim Hands for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards FRS 102.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the stated year. In preparing those 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 judgements and estimates that are responsible and prudent.**
- **State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.**
- **Prepare the financial statements on the going-concern basis unless it is not appropriate to presume that the charity will continue in business.**

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and for taking reasonable steps towards the prevention and detection of fraud and other irregularities.

In so far as the trustees, individually, are aware:

- **There is no relevant audit information of which the charity's auditor is unaware.**
- **The trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.**

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Annual Report, which includes the strategic report, has been approved by the trustees on date and signed on their behalf by

SL Hassanain. Trustee and Chairman

Independent Auditor's Report

OPINION

We have audited the financial statements of Muslim Hands (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 2021 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Muslim Hands' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements;**

  and

- **The trustees' annual report, including the strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified

material misstatements in the trustees' annual report including the strategic 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 statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- **We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:**
- **Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;**
- **Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;**
- **The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.**
- **We inspected the minutes of meetings of those charged with governance.**
- **We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.**
- **We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.**
- **We reviewed any reports made to regulators.**
- **We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.**
- **We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.**
- **In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.**

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard
(Senior statutory auditor)

for and on behalf of
Sayer Vincent LLP, Statutory Auditor

Invicta House,
108-114 Golden Lane,
LONDON, EC1Y 0TL

Statement of Financial Activities

Muslim Hands

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations		12,683,898	24,415,916	**37,099,814**	11,995,658	20,428,713	32,424,371
Bank Interest		29,328		**29,328**	34,389	–	34,389
Total income		12,713,226	24,415,916	**37,129,142**	12,030,047	20,428,713	32,458,760
Expenditure on:							
Raising funds	3	2,840,369	–	**2,840,369**	2,996,745	–	2,996,745
Charitable activities							
Grants payable and operational	3	4,450,483	26,179,013	**30,629,496**	3,232,419	21,424,399	24,656,818
Total expenditure		7,290,852	26,179,013	**33,469,865**	6,229,164	21,424,399	27,653,563
Net income / (expenditure) before net gains / (losses) on investments		5,422,374	(1,763,097)	**3,659,277**	5,800,883	(995,686)	4,805,197
Net gains / (losses) on investments		–	–	–	–	–	–
Net income / (expenditure) for the year	4	5,422,374	(1,763,097)	**3,659,277**	5,800,883	(995,686)	4,805,197
Transfers between funds	12	(2,571,162)	2,571,162	–	(4,605,282)	4,605,282	–
Net movement in funds		2,851,212	808,065	**3,659,277**	1,195,601	3,609,596	4,805,197
Reconciliation of funds:							
Total funds brought forward		5,315,935	11,392,287	**16,708,222**	4,120,334	7,782,691	11,903,025
Total funds carried forward		8,167,147	12,200,352	**20,367,499**	5,315,935	11,392,287	16,708,222

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

Balance Sheet

Muslim Hands

Balance sheet

Company no. 05080486

As at 31 December 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	7		**1,249,679**		1,301,625
			1,249,679		1,301,625
Current assets:					
Debtors	8	**1,338,202**		959,523	
Short-term Deposits		**2,778,553**		2,749,457	
Cash at bank and in hand		**16,356,599**		14,009,416	
		20,473,354		17,718,396	
Liabilities:					
Creditors: amounts falling due within one year	9	**(1,319,519)**		(2,239,234)	
Net current assets			**19,153,835**		15,479,162
Total assets less current liabilities			**20,403,514**		16,780,787
Creditors: amounts falling due after one year	10		**(36,014)**		(72,565)
			20,367,500		16,708,222
The funds of the charity:	12				
Restricted income funds			**12,200,353**		11,392,288
Unrestricted income funds			**8,167,147**		5,315,934
Total charity funds			**20,367,500**		16,708,222

Approved by the trustees on and signed on their behalf by

Syed Lakhte Hassanain
Trustee

Statement of Cash Flows

Muslim Hands

Statement of cash flows

For the year ended 31 December 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities	13				
Net cash provided by / (used in) operating activities			2,455,693		6,318,424
Cash flows from investing activities:					
Purchase of fixed assets		(42,865)		(33,721)	
Net cash provided by / (used in) investing activities			(42,865)		(33,721)
Cash flows from financing activities:					
Repayments of borrowing		(36,550)		(35,398)	
Net cash provided by / (used in) financing activities			(36,550)		(35,398)
Change in cash and cash equivalents in the year			2,376,278		6,249,305
Cash and cash equivalents at the beginning of the year			16,758,873		10,509,568
Cash and cash equivalents at the end of the year	14		19,135,151		16,758,873

Notes to the Financial Statements

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2021

1 Accounting policies

a) Statutory Information

Muslim Hands is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 148 - 164 Gregory Boulevard, Nottingham, NG7 5JE.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes grants payable to deliver operational programmes furthering the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the overhead costs of the central function is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity. The salaries for this are classified within charitable giving.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Fundraising 17%
- Direct Charitable 83%

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Fundraising 54%
- Direct Charitable 45%
- Governance Costs 1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Grants Payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

1 Accounting policies (continued)

n) Tangible fixed assets (continued)

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold Property	2% straight line
● Computer and Office Equipment	25% straight line
● Fixtures and Fittings	15% reducing balance
● Motor Vehicle	15% reducing balance

o) Debtors

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

p) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

q) Creditors and provisions

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

r) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2021

2 Grants payable and operational programmes

Current year	Unrestricted funds £	Restricted funds £	Total 2021 £
General	511,984	726,052	1,238,036
Children	–	113,748	113,748
Education	–	4,457,180	4,457,180
Elderly	–	51,570	51,570
Emergency Aid	–	3,481,580	3,481,580
Environment	–	99,669	99,669
Food	–	5,704,988	5,704,988
Health	–	1,111,598	1,111,598
Livelihoods	–	301,920	301,920
Masjid	–	1,592,497	1,592,497
Orphans	–	2,727,281	2,727,281
Shelter	–	815,708	815,708
Safe Water	–	4,995,221	4,995,221
Grant payable	511,984	26,179,012	26,690,996
Wages and salaries	736,903	–	736,903
Support costs (note 3)	2,697,182	–	2,697,182
Governance costs (note 3)	504,414		504,414
	4,450,483	**26,179,012**	**30,629,496**

Prior year	Unrestricted funds £	Restricted funds £	Total 2020 £
General			
Children	427,581	2,328,591	2,756,172
Education	–	78,557	78,557
Elderly	–	3,343,728	3,343,728
Emergency Aid	–	13,549	13,549
Environment	–	2,631,702	2,631,702
Food	–	77,994	77,994
Health	–	3,429,091	3,429,091
Livelihoods	–	1,285,134	1,285,134
Masjid	–	141,539	141,539
Orphans	–	985,038	985,038
Shelter	–	2,145,558	2,145,558
Safe Water	–	168,922	168,922
	–	4,794,996	4,794,996
Grant payable	427,581	21,424,399	21,851,980
Wages and salaries	1,526,931	–	1,526,931
Support costs (note 3)	982,301	–	982,301
Governance costs (note 3)	295,606	–	295,606
	3,232,419	**21,424,399**	**24,656,818**

2 Grants payable and operational programmes (continued)

	2021	2020
Cost	**£**	£
Muslim Hands Partners (Related Parties)		
Pakistan	**6,881,434**	6,064,474
Sudan	**885,283**	908,269
Bangladesh	**1,598,874**	1,119,593
Niger	**557,205**	659,709
Afghanistan	**507,255**	503,244
Turkey	**346,299**	141,887
Somalia	**420,758**	433,366
Mali	**2,286,903**	2,210,636
Malawi	**409,773**	228,783
Yemen	**3,677,918**	1,458,570
Kashmir (Pakistan)	**863,625**	785,947
	18,435,327	14,514,478
Non Muslim Hands Partners		
Gambia	**196,627**	248,498
Sri Lanka	**504,141**	445,586
Lebanon	**349,014**	221,445
Indonesia	**87,660**	26,354
Syria	**58,669**	149,365
Myanmar	**–**	–
Kashmir (India)	**630,414**	245,209
Mauritania	**219,087**	212,505
Senegal	**175,468**	273,302
Palestine	**3,369,409**	3,645,794
Turkey	**1,159,348**	475,017
	6,749,837	5,943,076
	25,185,164	20,457,554
Other grants less than £50,000 in the year	**1,505,833**	1,394,426
At the end of the year	**26,690,997**	21,851,980

A full list of individual grants and the projects that are funded is available from our principal office.

All of the "Muslim Hands" overseas charity operations are controlled at a local level and have not been consolidated into these financial statements. In a number of cases, one or more UK Trustees sit on the local boards but the overseas operations have local registration. All country level operations are treated as independent partners. There is no intention on behalf of the UK board to control any country level entities even where there are common Board members, they are related parties.

Notes to the Financial Statements

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2021

3a Analysis of expenditure (current year)

	Cost of raising funds £	Grants payable and operational programmes £	Governance costs £	**2021 Total £**	2020 Total £
Grants payable (Note 2)	–	26,690,997	–	**26,690,997**	21,851,980
Staff costs (Note 5)	807,807	1,801,115	418,442	**3,027,364**	2,773,464
Premises costs	8,372	150,700	8,372	**167,444**	163,268
Office costs	55,210	993,781	54,897	**1,103,888**	932,413
Professional fees	27,373	492,719	27,373	**547,465**	239,990
Publications, advertising and postage	1,915,294	–	–	**1,915,294**	1,655,978
Audit and accountancy	–	–	17,100	**17,100**	35,520
Trustees expenses	–	–	313	**313**	950
	2,814,056	30,129,312	526,497	33,469,865	27,653,563
Governance costs	26,325	500,173	(526,497)	–	–
Total expenditure 2021	**2,840,381**	**30,629,485**	–	**33,469,865**	
Total expenditure 2020	**2,996,745**	**24,656,818**	–	–	**27,653,563**

Costs allocation includes an element of judgement and the Charity had had to consider the cost benefit of detailed calculations and record keeping. All categories have been allocated on a basis consistent with the use of resources.

3b Analysis of expenditure (prior year)

	Cost of raising funds £	Grants payable and operational programmes £	Governance costs £	**2020 Total £**	2019 Total £
Grants payable (Note 2)	–	21,851,980	–	**21,851,980**	16,224,649
Staff costs (Note 5)	874,249	1,526,931	372,284	**2,773,464**	2,648,483
Premises costs	16,327	130,614	16,327	**163,268**	195,181
Office costs	93,336	746,691	92,386	**932,413**	733,599
Professional fees	114,995	104,996	19,999	**239,990**	332,199
Publications, advertising and postage	1,655,978	–	–	**1,655,978**	1,385,894
Audit and accountancy	–	–	35,520	**35,520**	22,289
Trustees expenses	–	–	950	**950**	27,716
	2,754,885	24,361,212	537,466	27,653,563	21,570,010
Support costs	–	–	–	–	–
Governance costs	241,860	295,606	(537,466)	–	–
Total expenditure 2020	**2,996,745**	**24,656,818**	–	**27,653,563**	
Total expenditure 2019	**2,575,215**	**18,994,795**	–	–	**21,570,010**

Notes to the financial statements

For the year ended 31 December 2021

4 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021	2020
	£	£
Auditors' remuneration (excluding VAT):		
Audit	**17,100**	16,300
Depreciation of tangible fixed assets	**94,810**	100,356
Foreign Currencies Losses	**83,047**	**419**

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	**2,686,066**	2,478,133
Social security costs	**257,933**	240,863
Employer's pension contributions to defined contribution scheme	**83,228**	54,468
	3,027,227	2,773,464

The average number of employees (on a head count basis) analysed by function was:

	2021	2020
	No.	No.
Direct charitable operations	**53**	42
Fundraising and publicity	**49**	46
Management and administration of the Charity	**9**	8
	111	96

The charity operates a defined contribution pension scheme: £83,229 (2020: £54,468) has been charged in the Statement of Financial Activities during the year in relation to this pension scheme.

The total employee benefits including pension contributions and national insurance of the key management personnel were £613,167 (2020: £541,410).

There were 3 employee with emoluments between £60,000 - £69,999 and 0 above £70,000 (one above £60,000 in 2020). During the period Syed Lakhte Hassanain, a Trustee of the Charity, was paid £65,805 (2020: £59,999) for his services to the charity as an employee. These payments are approved by the Charity Commission.

At the year end the Charity was owed £4,070 (2020: £5,870) by Syed Lakhte Hassanain.

During the year £0 (2020: £302) of expenses for reimbursement of travel and subsistence in connection with the Charity's business were paid to 2 Trustees (2020: 4 Trustees).

6 Taxation

No corporation tax has been provided in the financial statements as Muslim Hands is a registered charity and is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

Notes to the financial statements

For the year ended 31 December 2021

7 Tangible fixed assets

	Freehold land & buildings £	Computer & office equipment £	Fixtures and fittings £	Motor Vehicles	**Total £**
Cost					
At 1 January 2021	1,418,683	612,709	359,180	12,840	**2,403,412**
Additions in year	–	40,221	2,644	–	**42,865**
At 31 December 2021	1,418,683	652,930	361,824	12,840	**2,446,277**
Accumulated depreciation					
At 1 January 2021	267,163	541,106	288,148	5,370	**1,101,787**
Charge for the year	28,374	41,342	23,975	1,120	**94,811**
At 31 December 2021	295,537	582,448	312,123	6,490	**1,196,598**
Net book value					
At 31 December 2021	1,123,146	70,482	49,701	6,350	**1,249,679**
At 31 December 2020	1,151,520	71,603	71,032	7,470	1,301,625

Included in the net book value of freehold land and buildings of £1,123,146 (2020: £1,151,520) is £nil relating to non-depreciated land.

8 Debtors

	2021 £	2020 £
Other debtors	**1,306,141**	880,191
Prepayments and accured income	**32,061**	79,332
	1,338,202	959,523

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in notes 10 and 11 below.

9 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	**35,957**	34,878
Trade creditors	**277,717**	163,439
Accruals and deferred income	**1,005,845**	2,014,279
Other creditors	**–**	26,638
	1,319,519	2,239,234

Notes to the financial statements

For the year ended 31 December 2021

10 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	**36,014**	72,565

The bank loan is repayable as follows:

Within one year	**35,957**	34,878
Between one and two years	**36,014**	35,939
Between two and five years	**–**	36,626
	71,971	107,443

The bank loan is secured by a legal charge over the freehold property to which it relates. The loan is repayable in monthly instalments and bears interest at 2.5% over base rate.

11 Analysis of net assets between funds 2021

	General unrestricted £	Restricted £	**Total funds £**
Tangible fixed assets	1,249,680	–	**1,249,680**
Net current assets	6,953,481	12,200,353	**19,153,834**
Long term liabilities	(36,014)	–	**(36,014)**
Net assets at 31 December 2021	**8,167,147**	**12,200,353**	**20,367,500**

Analysis of net assets between funds 2020

	General unrestricted £	Restricted £	**Total funds £**
Tangible fixed assets	1,301,625	–	**1,301,625**
Net current assets	4,086,874	11,392,288	**15,479,162**
Long term liabilities	(72,565)	–	**(72,565)**
Net assets at 31 December 2020	**5,315,934**	**11,392,288**	**16,708,222**

Notes to the Financial Statements

Notes to the financial statements

For the year ended 31 December 2021

12a Movements in funds 2021

Theme	Opening Balance £	Incoming Funds £	Expenditure £	Transfers £	Closing Balance £
Children	110,240	30,728	(110,449)	4,206	**34,725**
Education	312,393	427,733	(3,955,763)	3,489,630	**273,993**
Elderly	28,850	25,165	(36,880)	-	**17,135**
Emergency	4,058,767	3,123,118	(3,452,750)	(161,856)	**3,567,279**
Environment	790,768	266,008	(99,669)	99,669	**1,056,776**
Food	747,330	3,875,891	(5,526,914)	1,787,355	**883,662**
General	902,437	2,826,669	(1,778,026)	(1,637,630)	**313,450**
Health	117,181	441,746	(1,082,679)	613,822	**90,070**
Livelihoods	136,741	243,918	(293,308)	20,001	**107,352**
Mosques	1,365,631	2,901,792	(1,528,989)	(940,344)	**1,798,090**
Orphans	1,881,475	4,182,066	(2,538,724)	(1,890,953)	**1,633,864**
Shelter	272,140	1,635,996	(784,113)	95,441	**1,219,464**
WASH	668,336	4,435,087	(4,990,748)	1,091,818	**1,204,493**
Grand Total	**11,392,289**	**24,415,917**	**(26,179,012)**	**2,571,159**	**12,200,353**
Unrestricted Reserves	5,315,934	12,713,225	(7,290,853)	(2,571,159)	8,167,147
Total	**16,708,223**	**37,129,142**	**(33,469,865)**	**-**	**20,367,500**

Notes to the financial statements

For the year ended 31 December 2021

12b Movements in funds

Theme	Opening Balance £	Incoming Funds £	Expenditure £	Transfers £	Closing Balance £
Children	158,501	30,296	(78,557)	-	**110,240**
Education	509,250	318,540	(3,343,728)	2,828,331	**312,393**
Elderly	11,943	30,456	(13,549)	-	**28,850**
Emergency	1,853,129	4,837,340	(2,631,702)	-	**4,058,767**
Environment	558,794	309,968	(77,994)	-	**790,768**
Food	906,365	3,041,338	(3,429,091)	228,718	**747,330**
General	950,952	839,534	(2,328,591)	1,440,542	**902,437**
Health	121,626	492,865	(1,285,134)	787,824	**117,181**
Livelihoods	12,862	265,418	(141,539)	-	**136,741**
Mosques	469,793	1,880,875	(985,038)	-	**1,365,630**
Orphans	809,568	3,897,596	(2,145,557)	(680,132)	**1,881,475**
Shelter	353,685	87,378	(168,922)	-	**272,141**
WASH	1,066,223	4,397,109	(4,794,997)	-	**668,335**
Grand Total	**7,782,691**	**20,428,713**	**(21,424,398)**	**4,605,283**	**11,392,289**
Unrestricted Reserves	4,120,334	12,030,047	(6,229,165)	(4,605,283)	5,315,933
Total	**11,903,025**	**32,458,760**	**(27,653,563)**	**-**	**16,708,222**

Purposes of restricted funds

The Restricted Fund contains funds restricted to a particular location and a group of up to thirteen funds restricted to each location. These funds include Children, Elderly, Emergencies, Orphans, Education, Food, Health, Safe Water, Shelter, Field, Masjid, WASH and Environment.

The Restricted Funds have been restated from a location breakdown to a thematic fund breakdown. This provides insight into the charitable funds based on the fund restrictions placed by all donors.

13 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	**3,659,277**	4,805,197
Depreciation charges	**94,810**	100,356
(Increase)/decrease in debtors	**(378,679)**	(169,051)
(Increase)/decrease in creditors	**(919,715)**	1,581,922
Net cash provided by / (used in) operating activities	**2,455,693**	6,318,424

Notes to the financial statements

For the year ended 31 December 2021

14 Analysis of cash and cash equivalents

	At 1 January 2021 £	Cash flows £	Other changes £	At 31 December 2021 £
Cash at bank and in hand	14,009,416	2,376,278	-	**16,385,694**
Short term deposits	2,749,457	-	-	**2,749,457**
Total cash and cash equivalents	16,758,873	2,376,278	-	**19,135,151**

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property **2021 £**	2020 £
Less than one year	**65,000**	65,000
One to five years	**195,000**	260,000
	260,000	325,000

16 Related party transactions

The Charity works in close co-operation with other Muslim Hands charities worldwide. The relationship of these charities to Muslim Hands in the UK is described in Note 2.

Muslim Hands in the UK has common trustees with Muslim Hands Pakistan, Palestine, Sudan, Bangladesh, Niger, Nigeria, Afghanistan, Iraq, Somalia, and Mali. Muslim Hands in the UK also has 5 common trustees with Muslim Hands Malawi and 2 common trustees with Muslim Hands Kenya. Grants made to these charities during the year are disclosed in note 2 of these accounts.

M N Syed the son of Syed Lakhte Hassanain, a Trustee of the Charity, is employed by Muslim Hands and was paid a salary of £28,501 for the period (2020: £29,057). The Chairman's sons also employed were H Syed - paid £1,213, and MH Syed - paid £9,436

Tariq Nasir is a governor of Figtree Primary School which receives a grant of £40,000 per annum.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

17 Ultimate controlling party

The trustees do not consider there to be an ultimate controlling party.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

MUSLIM HANDS

England & Wales - Charity number 1105056

Accounts

Muslim Hands

MUSLIM HANDS

Annual Report and Financial Statements
For the Year Ending 31 December 2020

Company number 05080486

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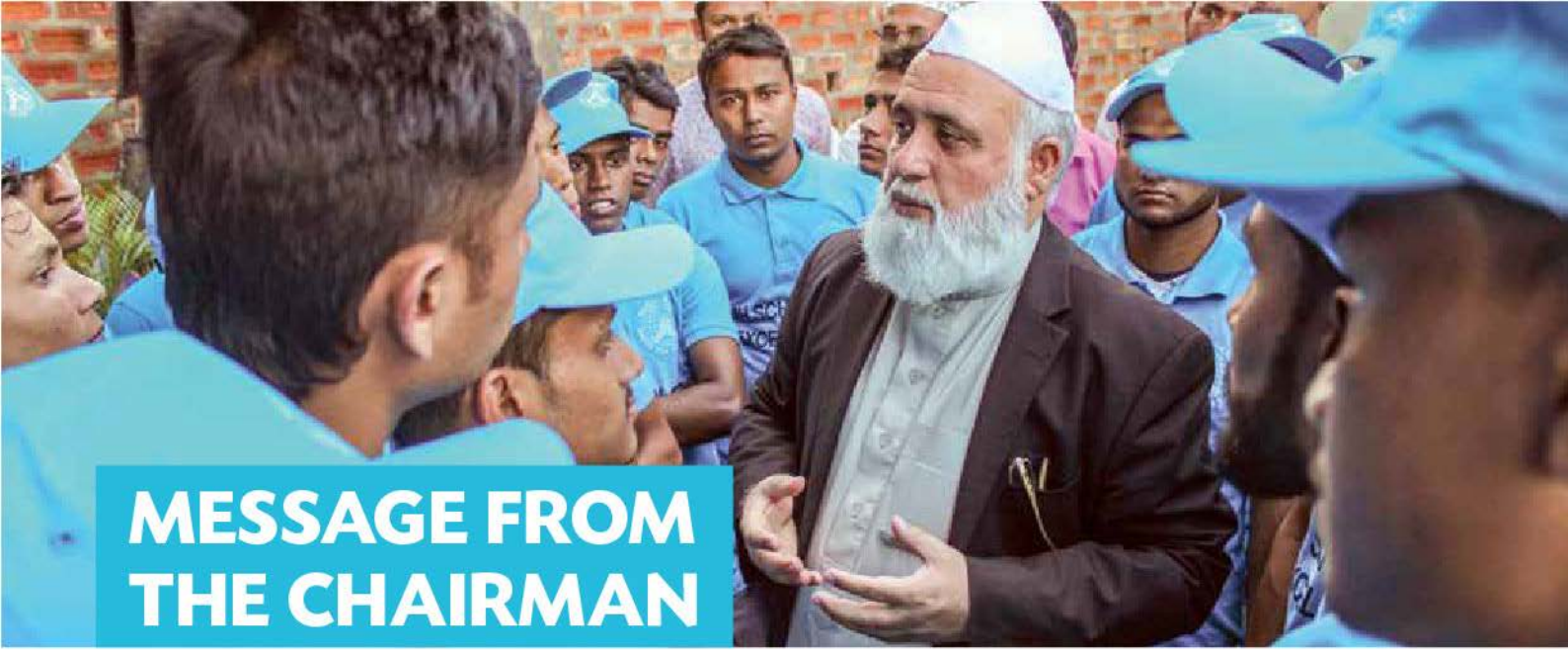
Legal and Administrative Information

Trustees and statutory directors	Dr Musharraf Hussain Mohammad Amin-ul Hassanat Shah Syed Lakhte Hassanain Sahibzada Ghulam Jeelani Saffi Ullah Mohammad Arshad Jamil Abdul Qaduier Khan Mohammad Zameer
Sub-Committees to the Board	Programmes Committee Audit Committee Fundraising Committee
Company number	05080486 (country of incorporation is England and Wales)
Charity registration number	1105056 (country of registration is England and Wales)
Registered office	148-164 Gregory Boulevard, Hyson Green, Nottingham, NG7 5JE
Company secretary	Dr Musharraf Hussain
Auditor	Sayer Vincent LLP, Chartered Accountants and Statutory Auditors Invicta House, 108-114 Golden Lane, London, EC1Y 0TL
Internal Auditor	BDO LLP, Regent House, Clinton Avenue, Nottingham, NG5 1AZ
Bankers	National Westminster Bank plc, Hyson Green, Nottingham Santander UK plc, Manchester Business Centre, Manchester Al Rayyan Bank plc, Edgbaston House Birmingham
Solicitors	Freeth Cartwright LLP, Cumberland Court, Nottingham Knights PLC, 84 Friar Lane, Nottingham



MESSAGE FROM THE CHAIRMAN

Assalamu Alaikum,
Over the past 27 years, Muslim Hands have dedicated themselves to humanitarian and development work. This began in 1993, when the horrors of the Bosnian conflict sent shockwaves through the UK, and a community in Nottingham came together to collect aid for those suffering.

2020 was a year of opportunities and challenges and we are extremely grateful to our donors for continuing to support those in need despite the pandemic. Their inspirational generosity allowed our teams and partners to build on the foundations of vital projects worldwide. We were able to carry on educating children in our schools, expand our work in Yemen beyond what anyone could have imagined, provide thousands of communities with life-saving water and so much more.

The fact that we were able to expand our development work during an economic crisis is a testament to the commitment of UK donors to global wellbeing. They facilitated a range of improvements to our WASH facilities, such as installing solar-systems in existing wells to improve accessibility to quality water. (This year, 1.5 million people have been supported through the establishment of 13,000 water wells, alhamdulillah). They also helped us maintain our pupils' learning during the pandemic, funding multiple projects to support over 12,000 orphans and 127,000 school children through Muslim Hands' educational programmes.

In 2020, our donors and our award-winning volunteer team also responded to growing concerns around food insecurity in the UK. Through The Open Kitchen in London, we targetted the most vulnerable members of the community, providing essential meals to hundreds of families a day. We also successfully partnered with FareShare UK to supply over 1 million meals through FareShare's network of partners and organisations.

Through the generosity of our supporters, the commitment of our partners and the hard work of our teams and volunteers on the ground, we have been able to accomplish many successes in one of the most difficult years we have faced. We never could have envisaged the way the 'Muslim Hands family' would grow back in 1993 and this dedication to helping others has allowed us to provide emergency relief and transform the lives of millions worldwide.

In sha Allah, we will continue to grow and expand our programmes worldwide, building our network of partners, increasing local capacity and working alongside communities to meet their needs and improve their lives. By Allah, your support has helped millions of people and we look forward to working together to tackle the root causes of poverty and injustice!

Wassalamu Alaikum,
Syed Lakthe Hassanain

SUSTAINABLE DEVELOPMENT GOALS

WHAT ARE SDGS?

The Sustainable Development Goals (SDGs) are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. Led by the United Nations Development Programme, this set of 17 goals imagines a future, just 15 years from now, free from poverty and hunger and safe from the worst effects of climate change.

WHAT DO THEY MEAN FOR OUR WORK?

Muslim Hands aims to ensure that the work we do is targeting these goals as part of a united global effort. Our approach is to work in line with the SDGs, while putting a special focus on children who are suffering from poverty, conflict and disaster.

HIGHLIGHTS OF 2020

IMPACT NUMBERS

3.8+ MILLION
People supported across 29 locations

1.9+ MILLION
Women supported

1.5+ MILLION
Children supported

12,000
Orphans sponsored

94
Muslim hands schools

122
Goverment partnership schools

13,000
Wells built

133
Religious institutions

WHERE WE WORK

Afghanistan	*123,385 beneficiaries*	**Mexico**	*1,700 beneficiaries*
Albania	*1,463 beneficiaries*	**Niger**	*157,394 beneficiaries*
Bangladesh	*292,105 beneficiaries*	**Pakistan**	*1,111,463 beneficiaries*
Gambia	*49,663 beneficiaries*	**Palestine**	*105,859 beneficiaries*
India	*4,425 beneficiaries*	**Rwanda**	*3,375 beneficiaries*
Indonesia	*3,581 beneficiaries*	**Senegal**	*142,203 beneficiaries*
Kashmir (India)	*61,453 beneficiaries*	**Somalia**	*374,565 beneficiaries*
Kashmir (Pakistan)	*341,703 beneficiaries*	**Sri Lanka**	*66,862 beneficiaries*
Lebanon	*55,5577 beneficiaries*	**Sudan**	*133,087 beneficiaries*
Malawi	*36,679 beneficiaries*	**Turkey**	*123,957 beneficiaries*
Mali	*276,458 beneficiaries*	**United Kingdom**	*204,762 beneficiaries*
Mauritania	*12,607 beneficiaries*	**Yemen**	*189,564 beneficiaries*

On the Frontline of Emergencies | 626,000 people supported

Emergencies have always been one of the most important areas of MH's programme work. We understand that when an emergency hits, we need to ensure families and communities have access to basic needs quickly and effectively. This can be the difference between life and death. Muslim Hands has over 27 years of experience in responding to emergencies and has built a global network of partners and organisations in order to access the most remote areas effciently. This year alone, our supporters responded to over 12 emergencies worldwide. These included complex and protracted crises, such as the conflicts in Yemen and Syria, to other lesser-known emergencies, such as the floods in Pakistan. As a result, we were able to give relief to over **626,000 people.**

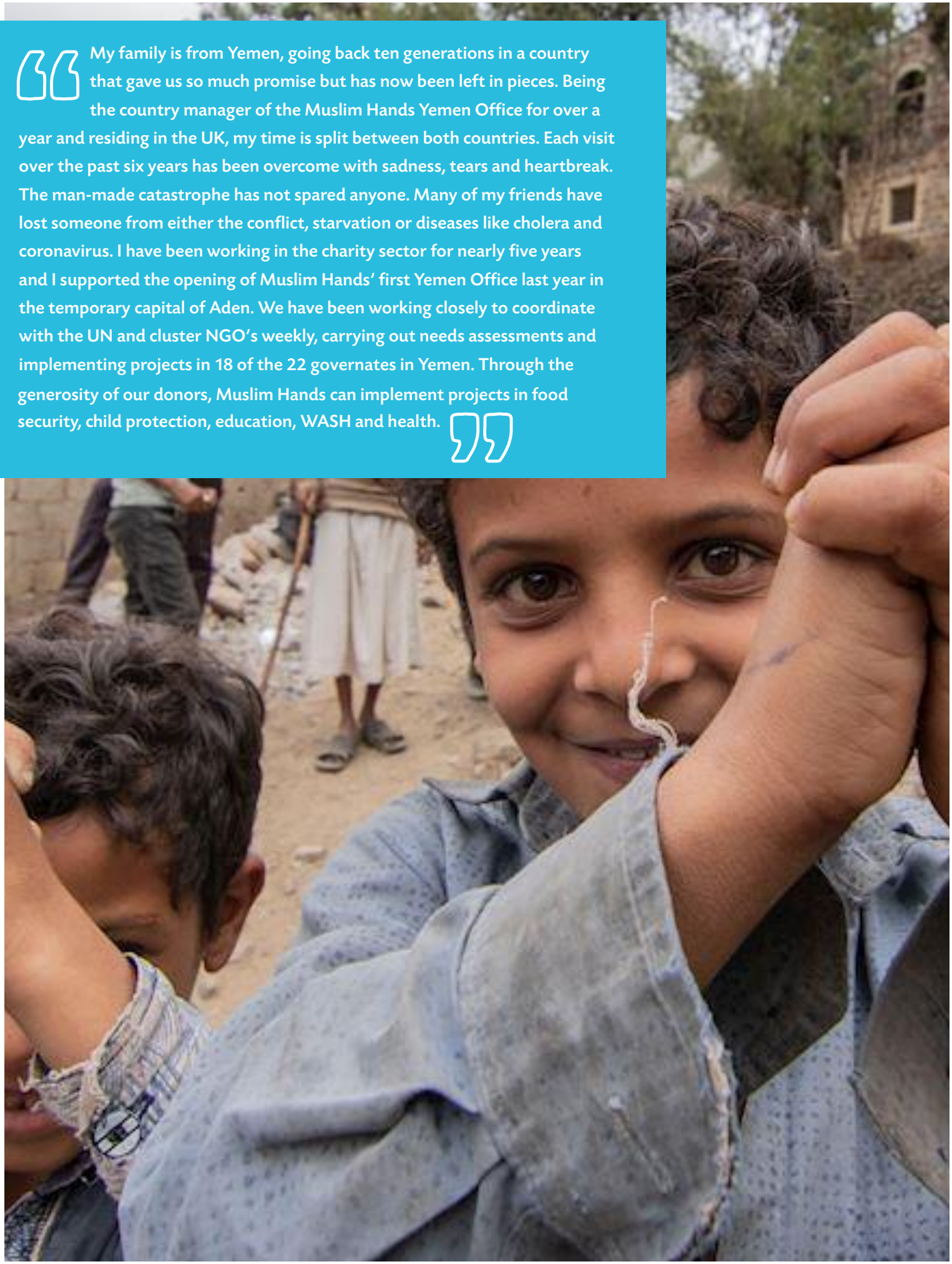
SDG End poverty in all its forms everywhere | Target 1.3

Social protection is a human right, a social and economic necessity and plays a key role in preventing child labour.
In Yemen, our efforts in extending social protection have underlined its importance in reducing poverty and vulnerability, redressing inequality and increasing inclusive growth.
Therefore, our emergency programmes aim to implement appropriate social protection systems and measures for all.

Yemen

The situation in Yemen has continued to deteriorate due to the ongoing hostilities. Currently, Yemen is experiencing one of the largest humanitarian crises in the world. **24.3 million people** are in need and over 4 million have been displaced. 16.2 million (over half the population) are food insecure and over 2 million children are still out of school. Since 2019, our supporters have been funding essential food, WASH and health programmes in Yemen. In 2020, we reached nearly **200,000 individuals.**

YEMEN CASE STUDY



"My family is from Yemen, going back ten generations in a country that gave us so much promise but has now been left in pieces. Being the country manager of the Muslim Hands Yemen Office for over a year and residing in the UK, my time is split between both countries. Each visit over the past six years has been overcome with sadness, tears and heartbreak. The man-made catastrophe has not spared anyone. Many of my friends have lost someone from either the conflict, starvation or diseases like cholera and coronavirus. I have been working in the charity sector for nearly five years and I supported the opening of Muslim Hands' first Yemen Office last year in the temporary capital of Aden. We have been working closely to coordinate with the UN and cluster NGO's weekly, carrying out needs assessments and implementing projects in 18 of the 22 governates in Yemen. Through the generosity of our donors, Muslim Hands can implement projects in food security, child protection, education, WASH and health."

SCHOOL MEALS

Our supporters have been providing free school meals across three schools in Taiz city, reaching over 2,000 students daily. Our impact assessment has shown that through the provision of food at the schools, not only has the programme decreased malnutrition, it has also increased attendance and enrolment within the education programmes across the district.

SAFE DRINKING WATER

Our teams on the ground found that due to the internal displacement of many communities, families did not have adequate access to safe drinking water facilities. We supported these communities by rehabilitating existing WASH facilities and infrastructure, ensuring that the needs of the population can be met. This included the installation of solar panels and new water access points.

BREAD FACTORIES

Muslim Hands has been running two bread bakeries in Aden and Ma'rib. The bakeries provide 6,000 loaves of bread a day, helping to ensure that these communities have access to a core, staple food item. With multiple access points across the city, this project provides the most vulnerable members of society with the reassurance that their basic needs are being met.

ETHIOPIA CONFLICT

In November 2020, more than 50,000 people fled conflict in Ethiopia's Tigray region, escaping to eastern Sudan. Many of those who fled were sheltered in existing camps in the Gadrif and Kassal states. Working with local and state actors, Muslim Hands was able to provide 3,000 families with essential food and NFI provisions. Due to the ongoing risk of COVID-19 in those camps, we also worked within the local health infrastructure to provide families with essential PPE equipment.

SINDH FLOOD EMERGENCY RESPONSE IN PAKISTAN

In August 2020, the monsoon rains affected communities in both rural and urban Sindh, causing 136 deaths and several injuries. Essential infrastructure, including roads, bridges and homes were severely damaged. Our donors provided cooked food, dry food, non-food items, health hygiene kits and safe drinking water in temporary shelters to the villages that were affected by the flooding. In total, we managed to reach 9,000 individuals within Karachi, Badin and Thatta.

LEBANON BEIRUT EXPLOSION

Working with our partner in Lebanon, we responded to the explosion in Beirut through two phases. In the first phase, we supported 6,540 beneficiaries by providing them with food parcels and drinking water. The second phase focused on two projects: rehabilitating houses that were affected by the explosion and helping to run two mobile health clinics, providing free medications and prescriptions for patients. This project targeted the elderly within the areas impacted by the explosion, improving their access to healthcare services. These areas included Mar Mikhael, Gemayzi, Bourj Hammoud and Karantina regions. Through our partner, we provided an ambulance that serviced eight mobile clinics, distributing medications and offering primary healthcare services – an essential project after many of Beirut's hospitals were destroyed.

Winter Campaign

Our donors fund an annual winter relief campaign and this year we worked in Afghanistan, India-administered Kashmir, Lebanon, Mauritania, Palestine, Pakistan and Turkey, reaching nearly 22,000 individuals in total. This campaign involved distributing food and non-food items, such as clothes, blankets and heaters. These winter kits were provided to widows, orphans, the elderly, people with disabilities and vulnerable families living within the target communities.

WINTER CASE STUDY

23-year-old Razia, a mother in Kabul, Afghanistan, is the only breadwinner for her four young daughters. Razia has been solely responsible for her children since 2016 when her husband went to look for work in Iran. She hasn't heard from him since then and has no idea if she is a widow and her children are orphans.

During winter, life gets extremely hard for Razia and her children. In Afghanistan, temperatures can drop as low as -15 degrees. Her daughters do not have proper shoes, let alone winter clothes and blankets to keep warm. They face heavy snowfall, icy rain and below-freezing temperatures without the most basic protection.

Razia recounted to our team a painful memory from a previous winter. Her home does not have electricity, so her neighbours had given them candles to use. Razia was so tired one evening that, when she lit one of the candles, she accidentally set a fire and was unable to control it. All their belongings burned - their clothes, blankets, everything. Our annual winter campaign lifts a huge burden off mothers like Razia, providing them with blankets and warm clothes, as well as basic foods like rice, pulses and cooking oil, helping them get thei families through the worst of the cold season.

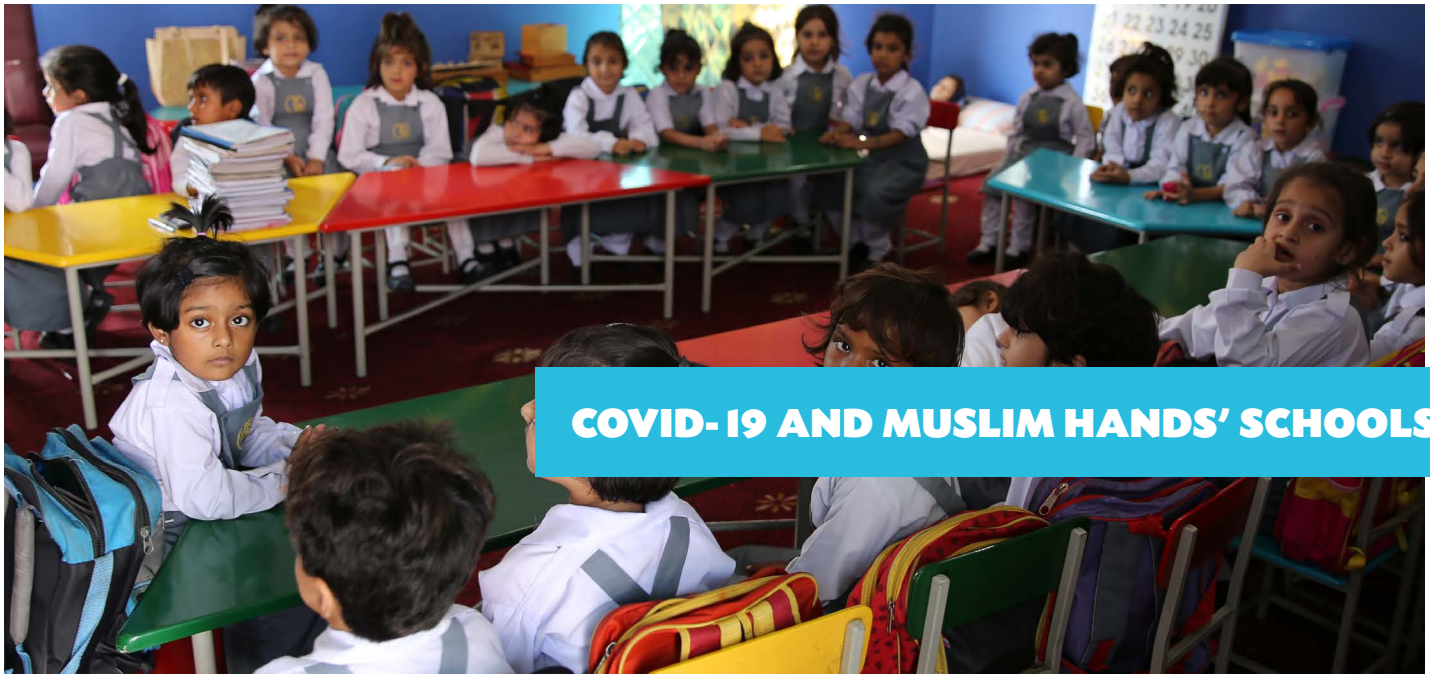
SYRIA

In 2020, we implemented a bread distribution project in Idlib, Syria, to tackle two problems: families being unable to afford bread and a lack of employment opportunities in the local area. Over 2,000 bread packages a day have been distributed, reaching over 6,500 beneficiaries daily. The bread factory is also providing employment to fifteen members of the local community.

COVID-19 RESPONSE

As part of our global response to the pandemic, we supported health infrastructure in 12 locations. This included supplying emergency PPE to frontline health workers and medical practitioners, allowing them to safely deliver a vital response to COVID-19 outbreaks. Our PPE distribution reached over 123,000 health workers worldwide.

Many educational institutions had to shut down for most of the academic year, due to COVID-19. The pandemic also resulted in the closure of our schools; however, maintaining pupils' learning was essential. Therefore, our schools deployed a 'School Home Learning Strategy' to cope with the new learning conditions. This allowed teachers to communicate with pupils and their parents and guardians. Where possible, we organised online teaching by our school teachers, using virtual meeting apps such as Zoom and re-designedschemes of work to suit an online learning environment. Working alongside the governmental education infrastructure, Muslim Hands ensured limited disruption to the education of tens of thousands of students who rely on us for education.



COVID-19 AND MUSLIM HANDS' SCHOOLS

Establishment of STSs (Specialist Technology Schools)

In 2020, Muslim Hands initiated an STS programme in Pakistan. Five Schools of Excellence (SOEs) were selected and given funds to implement the STS concept.

This programme uses digital technology to help children acquire the skills necessary to obtaining future jobs involving new technologies. This model creates a balance between traditional methodologies of teaching and new technology for digital learning skills. Schools were given funding for technological classroom advancements in learning, including computers, interactive whiteboards, tablets and software packages, all to support schools in their journey towards becoming a specialist technological school. The results from this intervention were impressive and SOEs have benefitted from this opportunity.

Teacher Training

In Pakistan, Muslim Hands has now introduced Advanced Skills Teacher (ASTs) training. High-achieving teachers are selected to be part of this in-house training programme to increase capacity and ensure that teachers have access to good practice notes to continually improve their skillset. Muslim Hands believes that having dedicated and highly-trained teachers thoroughly improves the quality of education that is provided throughout our institutes, giving our students the best possible foundation for their future. SDG Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Target 4.1

Muslim Hands strives to ensure that girls and boys have access to completing a free, equitable and quality education.

Target 4.c

We aim to not only substantially increase the supply of qualified teachers, but also provide our teachers with quality training programmes, ensuring that there is constant international cooperation within the countries we work in.

ORPHAN SPONSORSHIP

This year, our donors supported our orphans programme in 16 countries across Asia, Africa, and the Middle East, sponsoring around 12,000 orphans. The primary purpose of the sponsorship is to allow orphan students to access education. Through this interventions, many orphan students have been able to graduate or start employment. We always ensure that there is a good gender balance of beneficiaries within our programmes; in 2020, around 47% of sponsored orphans were female and 53% were male.

ORPHAN CASE STUDY

Nahlia's father passed away in a car accident when she was only nine years old. Her mother, already partially blind, became very ill after his death and Nahlia became the primary carer for her mother and her two elderly grandparents. They relied on handouts from family, neighbours and friends, living on less than £7 a week.

At aged 11, a generous donor sponsored Nahlia to become a student at our Omdurman School of Excellence in Sudan - and it transformed her life. Nahlia's teachers encouraged her to make friends and join the sports and English clubs and her grades improved dramatically. At aged 17, Nahlia achieved a mark of 92% in her university exams and became the first woman in her family to attend university and graduate in medicine. She is now on her way to becoming a qualified doctor.

Thanks to our generous orphan sponsors and inspirational teachers, thousands of children like Nahlia are fulfiling their dreams every day.

CASH TRANSFER PROGRAMME

This year, our sponsorships team introduced Cash Transfer Guidelines, to help build the capacity of our partner organisations. We provided online training courses to partner offices to ensure the guidelines were understood and followed in the implementation of the programmes. The impact of this training workshop has been extremely successful and we aim to carry out further training throughout 2021.

We also introduced a scholarship programme to support higher education students in continuing their studies. This programme provides students in colleges, universities and vocational training centres with bespoke support as needed.

DISABILITY SUPPORT

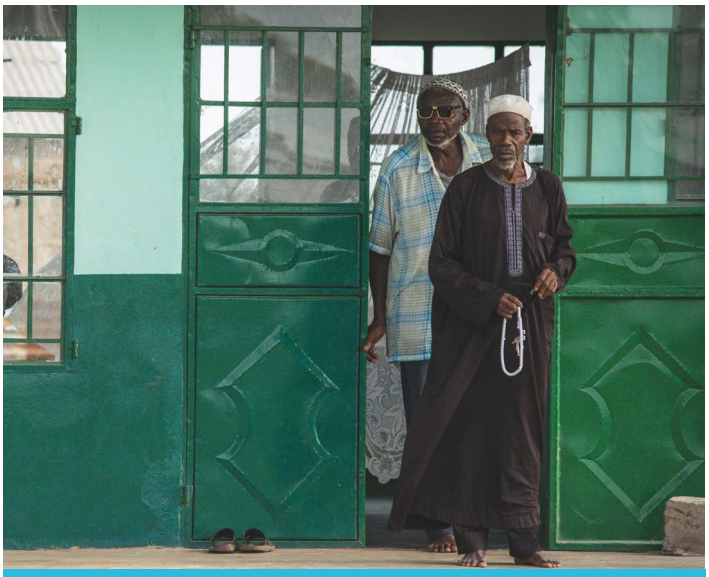
Over 750 special needs students were supported in five Disability Education Centres across Pakistan. This programme provided the centres with essential equipment, such as braille textbooks and wheelchairs. This project guarantees that there is sufficient support available for all students and ensures that there are no obstacles in the way of their education.

RELIGIOUS EDUCATION PROGRAMMES

Over 72,560 people supported | 133 religious institutions built

The spiritual and moral teachings of Islam are a gift that allows mankind to flourish. History bears witness to the transformative effects the faith has on individuals and societies when practised correctly.

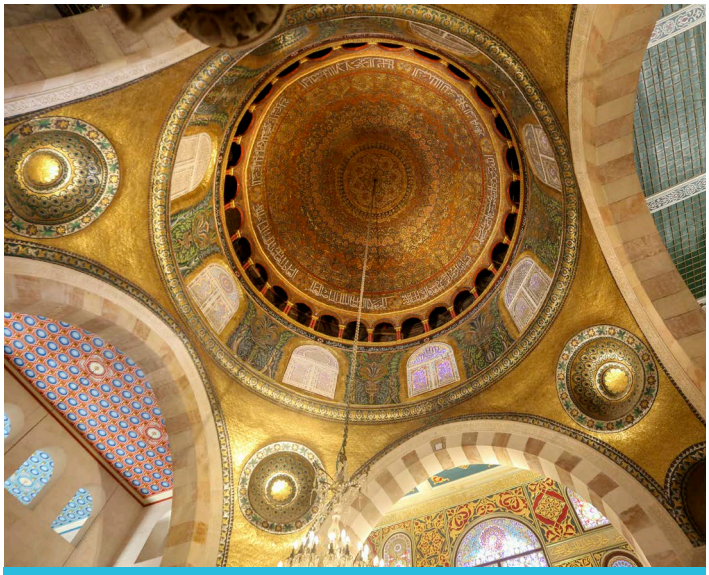
For over 20 years, we have been committed to supporting the religious education of Muslims around the world, from rural villages in Africa to renowned Islamic institutes in Pakistan, to convert communities in Mexico. By focusing on the spiritual wellbeing of our beneficiaries, Muslim Hands has contributed to producing religiously literate, compassionate and altruistic individuals who are now benefiting the wider society.



RURAL MASJIDS PROGRAMME

A masjid is at the heart of any local Muslim community. It provides a place for its worshippers to pray and contemplate, as well as a centre for educational programmes, meetings, resolving disputes, conducting marriage ceremonies and other important services. Masjids help people learn more about Islam and nurture their moral and spiritual development.

Muslim Hands donors have been building masjids in rural areas where communities cannot afford to build their own. This year, we constructed masjids in locations across Asia and Africa, including Bangladesh, Niger, Sri Lanka, Malawi, Pakistan.



AL-AQSA LIGHTING

Masjid Al-Aqsa, located in Jerusalem, is the third holiest site in Islam. Our donors have been given many opportunities to help preserve this sacred site since 2008 and they have always responded with incredible generosity. This year, we embarked on a major renovation of the Qibali Masjid, the main masjid in the Al-Aqsa complex.

This project involves working with our partner to install a state-of-the-art lighting system, replacing the 30-year-old lighting system that had become a fire hazard. So far, we have rewired and installed a state-of-the-art LED lighting system in half the Masjid. Three out of four phases have been completed; once the renovation is finished, we will have rewired the lighting system of the entire Masjid, added new spotlights throughout the building and installed a new lighting system that is both safe and befitting of this important historical and religious site.

DJENNE MASJID

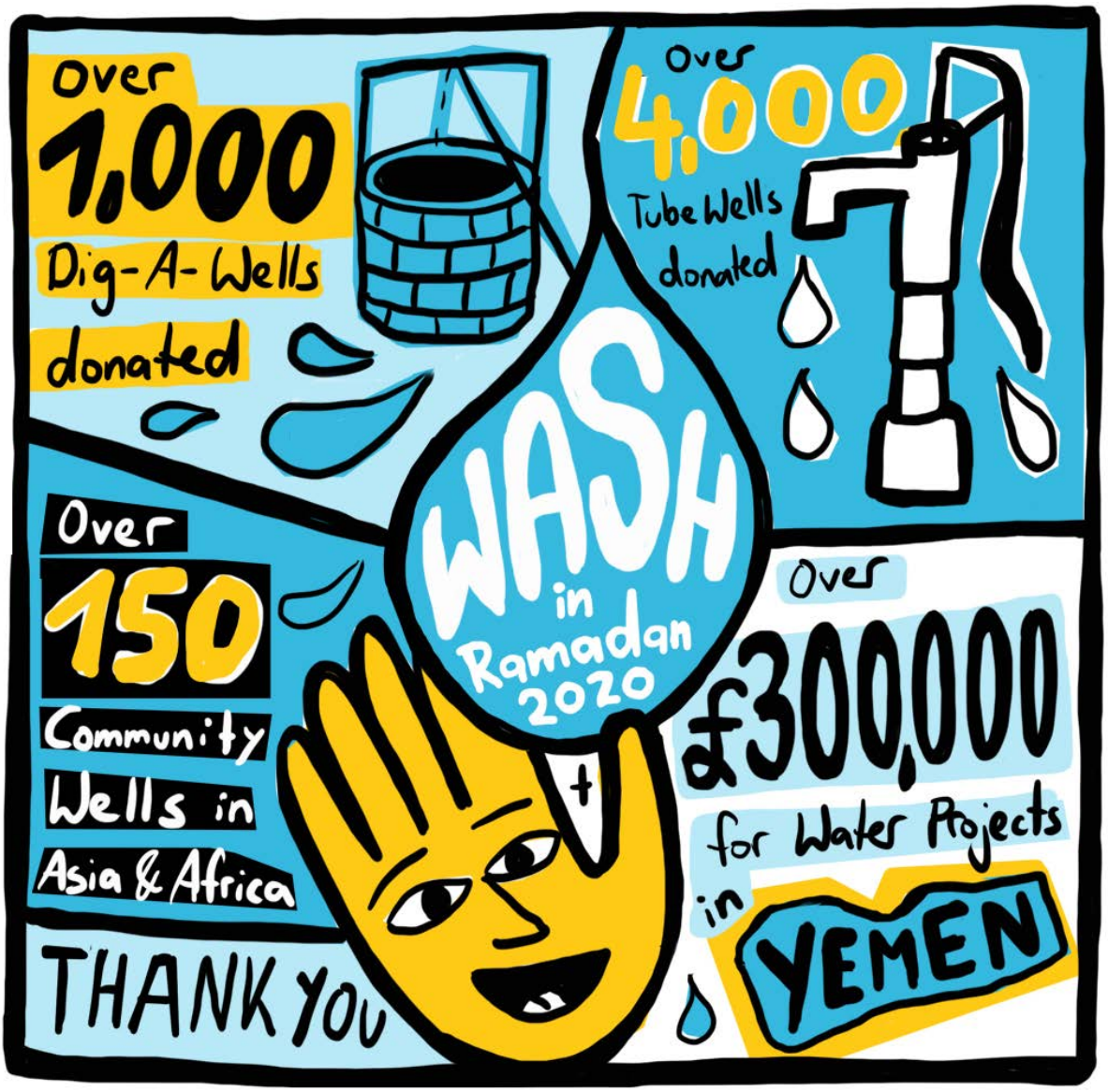
Since 2008, our supporters have been helping to maintain The Great Mosque of Djenne in Mali. It was first built in the 13th century and the current structure has stood there since 1907. As one of the most famous landmarks in Africa, the Great Mosque hosts both an Islamic Library and Heritage Centre, housing texts dating back to the 14th century. It is the largest mud-built structure in the world and is considered a UNESCO World Heritage Site. Muslim Hands regularly supports the staff who work here with their salaries, helping to maintain this great landmark of Islamic history and promote religious education. This year, we also supported the manuscript preservation which is taking place in the Djenne Library, asking our donors to fund new computers, printers, scanners and cameras to assist them with this difficult, yet crucial task.

ADVOCACY

In 2020, Muslim Hands established its first-ever global advocacy campaign on child mental health in the developing world. We successfully carried out field research in Bangladesh, Malawi and Pakistan, analysing the current understanding of child mental health. Our campaign aims to address the importance of child and adolescent mental health and well-being in low-middle income countries (LMIC), looking at the importance of giving teachers and caregivers access to mental health training within schools. From our research, we have developed a toolkit that aims to train teachers on what mental well-being is and how to address any concerns of mental health within students.

Our advocacy campaign aims to ask governments in LMIC to invest more in mental health and raise awareness of mental well-being amongst communities. We hope to be the first Muslim INGO that advocates for mental well-being within schools and the wider community.

Globally, 1 in 10 people do not have access to safewater and Muslim Hands is addressing this by designing and developing water wells for vulnerable communities worldwide. In 2020, we introduced a range of improvements to well designs and implementations, including installing solar-powered systems to improve accessibility and to clean water.



In the last year, our supporters have built 13,000 new water wells across the globe. This improvement in water access has improved health and hygiene, increased water usage and improved the education enrolment in rural villages, as well as reducing the risk associated with water collection. We strive to meet the specific needs of communities by offering a wide range of WASH programmes, such as domestic water access points, community water programmes and filtration plants.

WASH Case Study

Batamo is a 26-year-old mother who lives in the village of Taliko, 17km from Bamako, the capital of Mali. Batamo and her 10-year-old daughter, Alou, used to spend hours every day walking to collect water from a mountain stream and then carrying the water down to their village. If they made this long journey during the day, Alou had to miss school. Alou was already falling behind and she didn't have the time to build the foundation that would help her in further education and her later life. Batamo felt that she was neglecting her duties as a mother by taking Alou away from school and would often collect water at night instead, leaving her children and husband at home after dinner to walk into the mountains.

When a generous donor constructed a water well in their village, it instantly transformed their lives. Alou can now go to school and her grades are improving. Batamo is so grateful that she will never have to ask her two younger children, Zoumana (aged 5) and Farima (aged 3) to miss school so they can help her collect water. Her three children will have the opportunity to attend school every day, paving the way for a brighter future. Batamo has more time to spend with her family, a simple happiness that she was unable to experience before the well was constructed.

Moreover, Batamo's children are much healthier now that they are only consuming water from a safe well. Clean water and sanitation reduce the spread of waterborne diseases such as diarrhoea, often saving children's lives.

School WASH Improvements

A recent government study in Pakistan found that 62.5% of students are facing difficulty in getting enough water for handwashing facilities and many schools do not meet the student-to-toilet ratio. This lack of sanitation is the major factor for school dropouts, especially amongst young girls. To tackle this problem, our team carried out a WASH improvement programme across schools in the Punjab province of Pakistan.

WASH

Muslim Hands identified 73 schools around the city of Lahore and thereafter constructed new washrooms and repaired and upgraded old washrooms. We also installed 35 new drinking points for cool water within the schools, while 28 of the schools were provided with safe hand washing points. Moreover, eight schools were selected to be provided with boreholes with electric water pumps and the sewerage system was upgraded in 18 schools.

In all 73 schools, we set up WASH clubs and ran training sessions to ensure both students and teachers were aware of the need for safe drinking water and hygiene practices.

HEALTH

427,000 people supported

Good health is a fundamental right for all and a lack of access to affordable healthcare can have a detrimental impact on individuals and their families. In many of the countries we work in, the lack of a social security net and free access to healthcare means that families must choose between healthcare, food and employment.

Our health programmes support and build on existing infrastructure, addressing gaps within health services and systems. Our donors support a range of interventions worldwide, from individual-focused projects such as cataract eye camps, to community-based interventions such as malaria prevention programmes, to running clinics and basic health units like our Motherkind clinics.

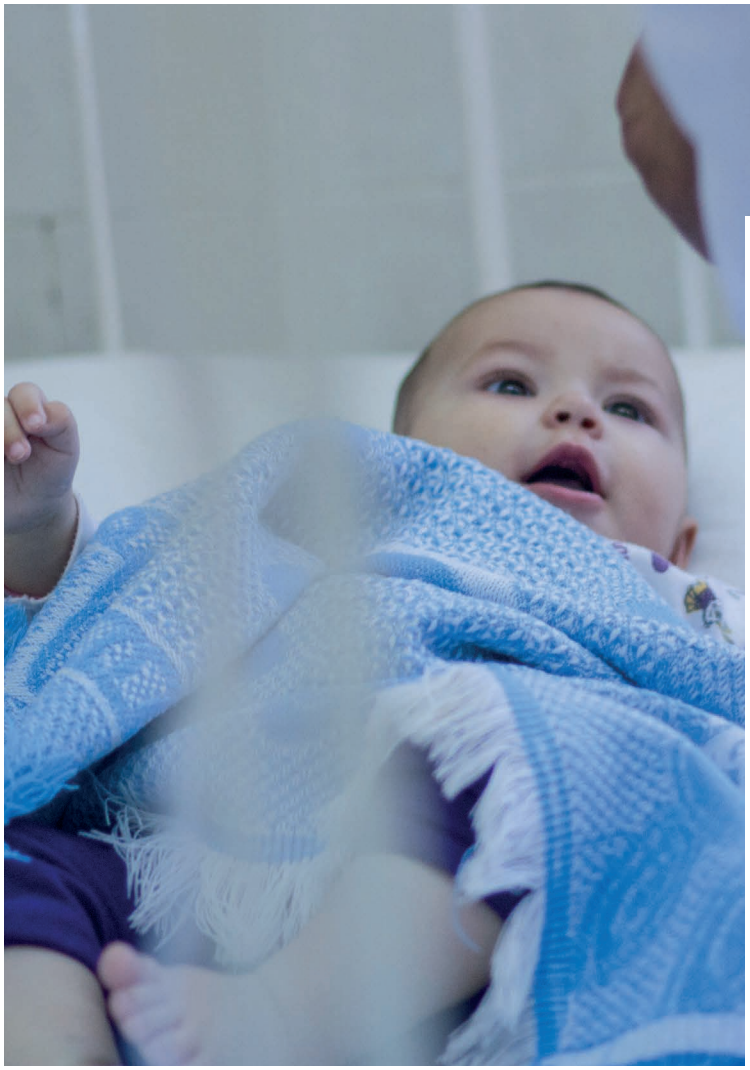
SDG 3 Ensure healthy lives and promote well-being for all ages.

Motherkind

save a mother and child today

One of our aims at Muslim Hands is to help reduce the global maternal mortality ratio and end preventable deaths of new-borns and children. To this end, our supporters are funding mother-and-child health centres in Afghanistan and Somalia, known as Motherkind clinics.

These local clinics provide comprehensive pre-natal and post-natal care; they train midwives, provide safe delivery, run vaccination programmes, supply medicines and vitamins and raise awareness through sessions on nutrition and hygiene. Our Afghanistan clinic alone assists around 360,000 people each year.



NEONATAL HEALTH PROJECT IN PALESTINE

One of our key projects is the neonatal health project in Gaza (Palestine). A study conducted by UNRWA in 2016 revealed that the infant mortality rate in Gaza was 21.3 per 1000 live births, with neonatal mortality of 14 per 1000 live births. This problem is further exacerbated by the continuous and critical shortages of medicines and supplies in Gaza's hospitals. Through our partners, we ran workshops for over 200 staff at neonatal units, training them on neonatal life support, the safe retrieval system, infection control measures and procedures and prevention of retinopathy of prematurity. In addition to this, six neonatal units at Gaza's hospitals were supplied with lifesaving drugs, essential equipment and infection control supplies. This project provided a lifeline to the struggling neonatal health service within Palestine.

CATARACT EYE SURGERIES

It is estimated that 3 in 4 people who suffer from blindness could avoid going blind if affordable healthcare were easily accessible. Thus, millions of people are needlessly left without sight because they are unable to access simple surgery or treatment. For many of the communities that we work with, blindness means that they are unable to work, look after family members or play a role within their society. Muslim Hands runs cataract eye camps for vulnerable patients, providing them with a life-transforming surgery to safeguard their sight. This year, our donors have provided 11,600 individuals with this vital eye surgery.

FOOD

983,000 people fed

Food insecurity is a global issue that affects 820 million people worldwide. Through providing nourishment, creating livelihoods and bringing communities together, food is central to an individual's well-being. However, the changing climate, deep-rooted and long-running conflicts and economic instability are now making hunger even more widespread.

We work to tackle hunger in some of the world's poorest countries. Our projects include providing both long-term, sustainable food solutions for communities (such as cattle rearing) and offering short-term, lifesaving food parcels in response to emergencies.

SDG 2 End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Moreover, our Ramadan and Qurbani programmes ensure access to safe, nutritious food on a seasonal basis.

RAMADAN FEEDING PROGRAMME

This year, our annual Ramadan project reached more than 78,000 people, providing them with food parcels across 22 countries globally. Our iftar programme consists of three major interventions: family food parcels, cooked meals and community iftars which occur throughout the holy month.

In total, our supporters provided 2.3 million meals this Ramadan.

Qurbani

SACRIFICE FOR THE SUFFERING

QURBANI

Qurbani is a seasonal project and, this year, our teams distributed meat to 393,000 individuals across 25 locations. For many people around the world, Qurbani is their only opportunity to enjoy meat in the whole year. Muslim Hands ensures that the meat that is distributed is fresh, nutritious and provided during the days of Eid.

QURBANI CASE STUDY

This year, many Qurbani farmers have been financially impacted by coronavirus. Our team in Senegal interviewed a farmer to find out how coronavirus has affected his cattle-rearing business.

Abdul Rahman Toure is 60 years old and has been raising animals since 1981. He inherited it from his father, and his great-grandfather also reared cattle. He was born into this family business. He didn't go to school - cattle-rearing is his passion. On average, he sells around four to five animals per month, with most of his customers being butchers who buy cattle and sell the meat in the local markets. During Qurbani season, he sells around 80 animals – more than he sells in the other eleven months of the year. Qurbani is thus essential for Abdul Rahman to support the fourteen people that he provides for - not just his nine children, but his daughters-in-law and his grandchildren as well. The money he makes is used to buy them food, clothes and medicine and to pay school fees for the children.

This year has been one of the most stressful years for cattle owners like Abdul Rahman. Coronavirus has had a huge impact on him financially, and sometimes he sells one bull in the whole month. Restaurant owners who used to buy bulls from him are no longer operating, as their restaurants have closed; meanwhile his customers outside Senegal can't buy from him, because the borders have been closed. Due to this, his income has dropped since the pandemic began and it is now much harder to provide food for his family. He can't even afford to buy sanitiser and face masks for them.

Qurbani season is the most important time for farmers like Abdul Rahman. If Muslim Hands did not buy Qurbani animals from him, he wouldn't be able to feed his family – or even take care of his cattle by purchasing food and medicine. Many of his animals would die.

This case study shows how our seasonal Qurbani programme not only benefits the recipients of meat, but also the wider community and local economy including cattle owners like Abdul Rahman.

LIVELIHOODS

Our livelihoods projects cater to the specific needs of the communities that we work with and can range from providing small businesses to ensuring families have access to sustainable sources of income, to the distribution of crops and equipment to farming families. We believe it is necessary to empower people to help themselves. Our supporters have provided livelihoods to over 4,000 individuals this year.

Small Businesses

We offer small loans for business ventures as well as business training to families, so they can run their businesses efficiently. With a secure income, they can afford to not only feed their families but also send their children to school, giving them a way out of poverty.

FARMING

Our teams continue to provide livestock rearing and farming tools across many countries where communities rely on agriculture as a means of survival. With our help, rural families are growing their incomes while also protecting their local environment for generations to come.

Through supplying people with the tools and practical skills to become self-supporting, our donors are reducing poverty, helping farmers to grow and sell more crops and giving them access to training and resources so they can set up their own cattle rearing. From Malawi to Sri Lanka, we have distributed farming equipment and provided goats, chickens and cows to help families become self-sufficient.

LIVELIHOODS CASE STUDY

Habib Hussein runs a series of beauty salons in Kachere, Malawi. A hard-working mother, she has attracted lots of customers within a short period and with the savings that she makes from her business, she now manages to pay her hospital bills. Habib's health has been a challenge and if it were not for Muslim Hands' livelihoods programme, she may not have made it through the year. This programme has enabled her to look after her children and cover her hospital expenses, empowering her and her family to work their way out of poverty.

ENVIRONMENT

OLIVE TREES

Our olive tree scheme is one of the most popular projects amongst our donorbase and Muslim Hands have been distributing seeds and training local farmers for twenty years. This enables families to improve their livelihoods and increase their income. Our olive tree plantation in Palestine supports 300 families by providing them with 28 saplings each to help grow their olive trees, which they are then able to sell on. The olive trees become a pivotal part of these farmers' income, which in turn helps their families to become self-sufficient.

FRUIT TREES

In Mirpur, Pakistan, Muslim Hands planted 13,000 fruit trees across nine regions. This project aimed to help farmers who previously only had picking rights, own their fruit trees and provide them with an income through selling surplus fruit. In some instances, fruit trees were planted in neighbourhoods for local communities to use, as well as giving a sustainable income to farmers who sell the fruits to local markets.

UK PROGRAMMES

Poverty in the UK is increasing and there is a vital need for us all to do more to tackle the problem. Currently, there are 280,000 people regarded as homeless in England and an estimated 8.4 million people in the UK are living in food poverty, with BAME, disabled and older people being the worst affected. Civil society organisations play a crucial role in this service gap, assisting local governments in new and better approaches when addressing food poverty and other societal issues.

Thanks to the support of our donors, Muslim Hands has been able to intervene on key issues and support local community activities in partnership with local authorities and other NGO's, strengthening trust and commitment so that we can work together flexibly for the benefit of our communities.

OPEN KITCHENS

100,000 meals

The Open Kitchen in London provides an honest and transparent service and is open to anyone who needs to access free, hot meals in a safe, welcoming environment. Our Open Kitchen recently celebrated its second anniversary and continues to support the community of Hounslow in London, despite the isolation that has been brought about by the pandemic. We have introduced a home delivery service as well as outside distribution points for people to continue to access food and advice. Since its launch, over 100,000 nutritious meals have been distributed to low-income families, the elderly, refugees and rough sleepers.

COVID-19 TEMPORARY OPEN KITCHENS

Muslim Hands expanded its flagship project, the Open Kitchen, across the UK during COVID-19 to help community groups support vulnerable people living in poverty. During the first lockdown, our donors provided 12,000 meals across six cities in the UK, including Birmingham, Bradford, Edinburgh, Glasgow, Manchester and Stoke-On-Trent. We partnered with local community centres and religious institutes in order to run these temporary Open Kitchens.

During the second lockdown, our donors provided a further 13,000 meals across London, Nottingham, Glasgow, Manchester and Stoke-On-Trent. These temporary Open Kitchens gave nutritious food and hot meals to vulnerable people in the local areas.

OPEN KITCHEN CASE STUDY

Rico is one of the thousands who are living on the streets in Hounslow and who has been benefiting from the Open Kitchen. After losing his job in catering, where he had worked for over a decade, and with no income, home or family, Rico ended up begging for money and food just to get by. Two years after losing his job, he had hoped that he would find another role and get back on his feet, but this proved to be much more difficult than he imagined.

Winters are incredibly difficult for rough sleepers in London and finding shelter and food is a priority. The Open Kitchen not only addresses the concerns of food poverty, it also transforms the way that people access support, creating a safe, welcoming space that is always open to those who need it. Rico hopes that with The Open Kitchen, he will have the help he needs to get back on his feet. 'The Open Kitchen will benefit not only me but so many homeless people in London. To have somewhere where we can get two meals a day and sit down in a comfortable setting like everyone else will change our lives'.

FARESHARE PARTNERSHIP
MIGHTY MEALS

1 MILLION MEALS

In response to the pandemic, FareShare Midlands and Muslim Hands formed a partnership to collaboratively fight food poverty and food waste across the Midlands. Surplus food equivalent to over 1 million meals has been redistributed across to frontline charity organisations across the region. The scheme provides all the essentials that families need to make nutritious meals and it was created with the vision that no food should be wasted, and no person should go hungry.

Every day, we redistribute enough food for around 10,000 meals. The food is redistributed from FareShare Midlands' new depot and we target refugees, low-income families and those who have been forced into hardship because of the pandemic. The new depot has provided an opportunity to reach more communities and groups in the area and allowed FareShare to extend its School Holiday Provision in the summer of 2020, reaching 3,485 students per week and 36 Community Food Members (CFMs) with food for local children.

This partnership has provided support for people living in the most financially deprived areas of Nottingham, as well as being a vital lifeline for newly vulnerable families experiencing loss of income because of unemployment.

YOUNG MUSLIM WRITERS AWARDS

YMWA

The Young Muslim Writers Awards is a project which serves to increase literacy and creative writing amongst children within the BAME community in the United Kingdom. The writing competition allows children from Muslim communities to explore avenues of expressing themselves creatively, whilst enhancing their writing and reading skills. 2020 welcomed the 10th anniversary of YMWA, which featured inspiring speeches from judges and partners, as well as readings from the winners. During a feedback survey following the competition, 80% of respondents said being shortlisted in the Young Muslim Writers Awards made them more confident to share their writing with other people and in other competitions.

YMWA OUTREACH PROGRAMME

At the beginning of 2020, the decision was made to deliver online workshops and training across the country. Over the course of the year, nine events were delivered, including short story, screenplay, poetry and journalism workshops. These workshops targeted children through their schools as well as partnerships with libraries and other extracurricular institutes.

Muslim Hands Capacity Building and Learning
At Muslim Hands, we realise that the work that we are doing can only be achieved through strong implementing partners. Using our experience and knowledge of the sector, we work alongside these partners to build physical and skills capacity. Over the last year, we have invested heavily in the introduction of a Muslim Hands Project Management Toolkit as well as improvements to the learning and training platforms that we use. All of this is to ensure that the work which our partners implement is of high quality and meets the requirements of the communities that we are assisting.

Africa Conference

In November 2020, Muslim Hands conducted a region-wide Africa conference using the online platform Zoom, which lasted for three days. This conference was established to allow our partners and implementing offices to share ideas and knowledge on various topics. It provided an opportunity to meet our partners within Africa and exchange discourse regarding future strategies and plans, as well as review the learning from past projects and initiatives. This was achieved through a series of workshops hosted by the UK Programmes Team, as well as 'learning forum' presentations hosted by each partner on various development subjects.

Project Management Toolkit

In 2020, we introduced the Project Management Toolkit (PMT) to ensure there was an adequate process and structure for projects at Muslim Hands. The toolkit ensures that all Muslim Hands programmes follow the correct procedures by providing our partners with tools and templates for the effective implementation and management of Muslim Hands projects. Alongside the toolkit, we have also started a process of external training to ensure that the staff implementing Muslim Hands' programmes are sufficiently trained within the PMDPro and FMDPro certification. Over 62 partner staff have now successfully enrolled in these programmes.

RISK MITIGATION REPORTS

Due to the nature of the work that we do, ensuring that risks in our projects are sufficiently managed is of utmost priority. The introduction of risk assessment and risk mitigation reports provides Muslim Hands with the knowledge to understand the risk associated with both the partner and Muslim Hands, while ensuring that mitigation plans are followed through. This not only safeguards the organisations that are involved, but also ensures that the projects are implemented effectively and there are no negative impacts on the community and the individuals that we are supporting.

PROGRAMME QUALITY FRAMEWORK

The Muslim Hands Programme Quality Framework (PQF) ensures that our programmes are designed and implemented to take into account key programme quality aspects. We have taken learnings from international good practice notes and other frameworks, and our PQF consists of five pillars: Experience, Learning, Accountability, Capacity and Resources, and Monitoring. These aspects contribute to making sure our programmes are high in quality and that we are supporting communities effectively.

Partnerships

In 2020, Muslim Hands focused on expanding our portfolio of partnerships with major institutions and donors. Despite COVID-19, we continued to build new partnerships and strengthen existing ones. We have been able to establish partnerships with large donors such as UN institutions, allowing us to improve the quality of our programmes, adopt higher standards and reach some of the most vulnerable communities around the world in an impactful way.

PAKISTAN

At the beginning of the year, we established a project partnership agreement with the European Commission on Humanitarian Aid and Civil Protection (ECHO) and secured funding to reach out to people affected by the severe cold weather in Ziarat, Baluchistan.
Through this intervention, we were able to reach out to 295 households by distributing Cash for Food and Cash for Work, as well as rehabilitating shelters which were damaged due to heavy rains and snowfall. We also rehabilitated water facilities and drinking water supply schemes and supplied hospitals with PPE kits to help respond to COVID-19.

In total, we were able to reach 10,000 individuals, including local communities and government stakeholders.

In Pakistan, we also managed to build partnerships at the local level with UNOCHA, UNICEF, the British Council and other institutions for the provision of Education, WASH, Food Security and livelihood interventions in different parts of the country.

AFGHANISTAN

Muslim Hands were able to submit a proposal to UNICEF for the 'Education Cannot Wait' and 'Global Partnership for Education', which were successfully shortlisted. This project will be carried out in 2021. In addition to securing funds, we aim to share knowledge and experience with the wider NGO community, by attending various online webinars and events organised by think tanks and donor groups.

TURKEY

In Turkey, we successfully established partnerships with several organisations, including Doctors Worldwide, Hayrat Aid and Diyanet Foundation.

Through Diyanet Foundation, we

implemented WASH projects in Pakistan, Sri Lanka and Mali. Also, we implemented food distribution projects worth more than £1.3 million, reaching more individuals than ever before.

Our partnership with Hayrat Aid provided support to our WASH projects and food distribution projects in Mali, Gambia and Pakistan.

Finally, Doctors Worldwide initiated WASH projects and eye camps across Pakistan, Mali and Niger. From this, 2,820 surgeries were successfully carried out and we managed to reach more than 8,000 beneficiaries across all countries.

Palestine

Meetings were held with representatives of the United Nations Relief and Works Agency for Palestine refugees (UNWRA). Through this partnership, Muslim Hands will be supporting the Palestinian communities through primary and vocational education projects, health care and emergency response activities.

FUNDRAISING

At Muslim Hands, we raise funds from the public by mobilising our teams to engage in organising charitable collections, events, challenges and direct marketing. In 2020, we did not engage any Professional Fundraisers to solicit from the public. Muslim Hands continued its membership with the Fundraising Regulator, complying with its guidelines through the training and development of all fundraisers.

To protect vulnerable people in the course of fundraising, we take appropriate measures which include screening contact details against the TPS, using our own 'do not contact' list, allowing all individuals the opportunity to opt out of communications and limiting the number of direct marketing communications to an average of two per quarter. Furthermore, communication is often limited to recent donors of a similar campaign. In addition to this, under GDPR where a supporter opts out of receiving communication from Muslim Hands, the request is actioned within 48 hours. Within the year, there were no complaints received in the course of fundraising.

Financial Review

This year, Muslim Hands raised £32.4m – the sum of £23.5m was donated for non-emergencies, £4.8m for emergencies and £4.1m coming from Gift Aid. The total income received in 2020 was up from the level of income raised in the previous year (£22.7m).

	2020	2019	2018
Donations from Supporters	**£m**	**£m**	**£m**
Donations for Non-Emergencies	**23.5**	**16.7**	**15.4**
Donations for Emergencies	**4.8**	**3.3**	**3.1**
Gift Aid	**4.1**	**2.7**	**2.6**
Total Income	**32.4**	**22.7**	**21.1**

The charity invested £2.8m to generate £28.3m. The net return was £25.5m
The charity invested 10% to generate a return of 90%. The charity aims for an investment target of 10% in the current year. This is further broken down into 1/2 unrestricted / restricted ratio respectively.

Financial Review

During the year, Muslim Hands spent over £27.6m. This helped us reach a larger number of beneficiaries particularly in areas affected by conflict or natural disasters. The funds used included appeal funds raised in prior years.

	2020	2019	2018
	£m	£m	£m
Cost of generating funds	2.9	2.6	2.5
Charitable Activities	21.4	16.2	18.5
Where Most Needed	2.9	1.3	1.3
Orphans	2.1	1.4	2.6
Education	3.3	3.1	3.3
Health	1.3	0.9	0.8
Emergency	2.6	3.3	2.9
WASH	4.8	2.2	2.2
Food	3.4	2.4	2.1
Masjids	1.0	1.5	0.9
Support Costs and Staff	3.3	2.8	2.9
Total Resources Expended	27.6	21.6	21.3

Expenditure

The management of the charity is undertaken responsibly to safeguard and protect the funds the charity is entrusted with from loss, corruption, fraud and the charity has invested in the strength of its systems, offices and people. Therefore, £3.3m was invested in the organisation allowing the charity to effectively use the funds and operate with accountability.

In 2020, the charitable activities expended were £27.7m.

During programmes' implementation, there are a number of factors which can impact the project achievement targets, including donors' commitments, availability of funding, socio-economic conditions of the donors or target beneficiaries, interventions by the respective government institutions, UN Agencies and the coverage of other humanitarian actors focusing on the same pool of target beneficiaries.

Muslim Hands is always committed to the poor and marginalised and vulnerable segments of society irrespective of race, religion and gender. Most of our implementation is ongoing so if targets are not met, we continue to work with the same communities the following year. Our partnerships, networking, policy level advocacy and lobbying components of the programme also support the target beneficiaries.

Principal Sources of Funding

The principal source of funding is from individual donors from within the UK who respond to appeals via mail, email, website or other forms of fundraising through the radio or television.

Reserves

From its inception, Muslim Hands has raised funds for specific projects (restricted funds) and funds which are not specified for a particular project (unrestricted funds) which would be utilised where most needed and applied at the discretion of the trustees to further the charity's purposes.

Over recent years, Muslim Hands voluntary income has seen steady growth. A significant proportion of this income is restricted funds for specific projects the majority of which is short-term aid responding to the basic needs (including food, water, clothing, shelter and basic education) of beneficiaries in areas blighted by conflict and areas that have suffered natural disasters.

Given the charity's present level and nature of activities the unrestricted funds not committed or invested in tangible and intangible fixed assets ("the free reserves") charity should not be less than £600,000.

The current reserves held by the charity is £1,400,000. At this level the Trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. Muslim Hands have addressed the shortfall in this through new budgets and systems to limit variances.

Reserves

Muslim Hands depends on unrestricted funds to fund its long-term developmental programmes particularly in regions which have not received media coverage in recent months and years which has led to increased demand on unrestricted funds. In light of this and the donor giving patterns of recent years Muslim Hands has continued with its plan initiated to:

1. **Increase capacity to work in emergency zones;**
2. **Simultaneously consolidate the geographical and thematic spread of long-term projects and projects offices;**
3. **Developing closer working relationships with grass root organisations in countries where we carry out projects;**
4. **Diversifying the donor base**

These measures will bring further efficiencies and savings but still allow MH to increase the reach to beneficiaries, and they will also be instrumental to the success of the strategy.

The reserves position at present offers the Trustees assurance that the Charity is able to continue its current activities. The Charity needs to continue to be able to respond quickly to appeals for the relief of suffering in varied communities around the world.

The Charity is presently achieving this aim and further aims to increase its unrestricted reserves position year on year.

Nature of Funds

The Trustees confirm that, on a fund-by-fund basis, the assets are available and are adequate to fulfil the obligations of the Charity.

During this period, the Charity awarded grants totalling **£21,851,980 (2019: £16,224,649).** The Charity's policy is to make gifts of this nature to individuals and organisations which further the objectives of the Charity. The majority of the grants are to other Muslim Hands entities in various countries around the world who implement projects on behalf of the Charity thereby assisting the Charity in fulfilling its objectives.

Grant Making Policy

Muslim Hands invites proposals from existing partners. The applications received are scrutinised to ensure they meet MH criteria with respect to its objectives and monitorable results.

Programmes monitoring and evaluation is carried out by MH staff to ensure adherence to MH objectives, programmes quality and financial sustainability. The Trustees further obtain assurance by making visits to the programmes. The partners provide quarterly narrative and financial reports with explanations for variances.

Investment Policy Surplus funds are usually kept in an Al Rayyan Deposit Account to ensure the best return for the Charity.

Going Concern

MH continnued to scenario plan its cashflow and the variation in impact of increased and reduced cash scenarios. The Charity increased its rolling cashflow projections from 12 months to 24 months to better understand the going concern status of the Charity. The scenario planning showed that the Charity will continue and the surge in funds in 2021 supports this projection. It further allowed the Charity to consider the impact of a shortage in funding and the potential mitigators that would be required. With the success of fundraising this year, the Charity is confident of its continuation as a going concern is confident of its continuation as a going concern.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Muslim Hands was legally established as an international NGO in 1993 by a trust deed and registered with the Charity Commission under registration number 1029742 on 6th December 1993. In 2004, Muslim Hands changed its structure, registering as a company limited by guarantee at Companies House in England on 22nd March 2004 and with the Charity Commission on 22nd July 2004 under registration number 1105056. The funds in the original trust were transferred to the newly incorporated company and thereafter the original trust was de-registered on 8th November 2006. Muslim Hands has been operating under the company structure to this day.

As the Charity is constituted as a company limited by guarantee it is therefore governed by a memorandum and articles of association. Eligibility for membership of the Charity and membership of the Board of Trustees is governed by the memorandum and articles of association. Currently, all of the Members of the Charity also serve as directors of the company who are the Trustees of the Charity. The Charity is not a member of a wider network or umbrella group save for being the founding entity for other legal entities established in other jurisdictions and who operate under the name and logo of Muslim Hands.

The Trustees of the Charity are legally responsible for the Charity and set the strategic direction, with operational matters delegated to a Senior Management Team including the CEO. The Senior Management Team are supported by dedicated staff. The current Senior Management Team comprises of Syed Lakhte Hassanain as CEO with Shahid Bashir as Deputy CEO, Tariq Nasir, Shakil Sidat, Yasrab Shah, Munawar Patel, Irfan Khan, Raja Arslan Nusrat and Syed Ali Haider as Executive Directors. The Trustees set the salaries for the CEO and the Senior Management Team's salaries are set by the CEO. The salaries are benchmarked according to similar roles in the sector based on research conducted internally, furthermore they are adjusted according to the prevailing rate of inflation at the time.

In order to ensure its effectiveness, the Board recruited two additional trustees with professional and diverse skills. The process of recruiting Trustees involves determining the optimum skills, knowledge and experience mix for the current operational climate and needs, identifying potential Trustees, promoting and explaining the activities of the Board to potential Trustees and the decision to appoint new Trustees is then taken by the Board of Trustees. The induction of new Trustees would include an explanation of the function of the Board of Trustees and appointing a mentor for the new board member. An overview of the organisation and its activities is also provided. The Board has commenced a process of giving short training sessions for Trustees at their meetings.

Along with Programmes Committee which was established by the Trustees for better control and Governance, two additional committees have been launched as sub-committees of the Board to provide assurance to the Board that Muslim Hands has effective and appropriate systems that will ensure the delivery of the strategic aims. The Fundraising Committee will provide expert insight and assurance to the Board that Muslim Hands has an effective Fundraising Strategy in place with appropriate risk management. The Audit Committee will review the audited financial statements of Muslim Hands and recommend them to the Board and review the Muslim Hands risk register and reports on internal controls and its compliance. Each committee is formed with two external members and one MHUK Trustee who is also the committee chair. Muslim Hands has been dependent on volunteer support in order to fulfil its objectives, vision, mission and to carry out its activities. The Trustees would like to thank all those who have volunteered their time to Muslim Hands.

Muslim Hands has been dependant on volunteer support in order to fulfil the objectives, vision, mission and to carry out its activities. The Trustees would like to thank all those who have volunteered their time to Muslim Hands.

Objectives, Vision, Mission

MUSLIM HANDS' OBJECTIVES ARE:

The relief of poverty and sickness anywhere in the world, and in particular amongst those affected by natural disasters or by wars and other conflicts, by the provision of financial or other assistance including medicines, hospitals, shelter and food;

To advance education amongst those in need anywhere in the world, with particular regard to orphans; and

The advancement of Islamic faith through education and the promotion of interreligious harmony through dialogue and cooperation with other faiths and traditions.

The fulfilment of the above objectives is enshrined in our mission statement

'To be at the forefront in delivering relief from poverty, sickness and the provision of education worldwide. To provide an ethical service for the collection and distribution of funds in an effective, efficient, transparent and wholly accountable manne'.

Our vision is:

'Inspired by the values of our faith, Muslim Hands is working towards tackling the root causes of poverty and creating a fairer world for everyone. We believe that every human being has the right to an education, access to clean water and food and the means to support themselves, their family and their community'.

Public Benefit Statement

All our charitable activities focus on furthering our charitable objectives for the public benefit. The section of this report above entitled 'Aims, objectives' sets out the aims and charitable objectives of the Charity.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set, The Trustees have concluded that:

- **the aims of the Charity continue to be charitable;**
- **the charity serves individuals and communities in need;**
- **the aims and work done give identifiable benefits to the charitable sector both directly and indirectly**
- **the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and**
- **there is no detriment or harm arising from the aims or activities.**

PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have during the year considered the material risks facing the charity and have put in place mitigating controls to address those risks.

The continuing success of the charity is dependent on continuing to receive sufficient support and donations from the community. Trustees mitigate this risk by ensuring that income and expenditure are closely monitored and reviewed. Trustees identified the impact of Covid-19 on the risks faced by the charity and the need to align risk management to mitigate the threats the virus posed to the operations of the charity. The risk management actions below have embedded actions to limit the impact of Covid-19 related risks.

Principal Risks and Uncertainties

During 2020, the Trustees identified the following key risk and the measures taken to address the key identified risks:

Risk	Management Actions
Programmes not delivered as expected by MH standards	- Due Diligence Framework - Staff member trained to do due diligence checks - Director of Governance signs off of all Due Diligence checks - Board sign off of any Due Diligence checks escalated by Director of Governance - Monthly Review meetings reassess Partner RAG ratings. Partners may be put 'on hold' - Legal counsel and Programme Finance team review and approve the funding agreements - Muslim Hands Policies are shared with Partners - Education and training of partners regarding importance/ expectations.
Violation or abuse of beneficiaries and safeguarding	- Muslim Hands Safeguarding policies for: children and for vulnerable adults, Safeguarding Code of Conduct - Muslim Hands are part of 'Keep Children Safe Network', provider of online training facilities. - Partner office staff complete 'Keep Children Safe Network' training - Muslim Hands Whistleblowing policy in place - Programme Quality Framework includes a complaint programme which involves interviews with beneficiaries - Programme Quality Framework includes safeguarding spot checks - Reporting of Safeguarding issues to Management and Board
Cashflow to meet charitable and operational commitments	- Board oversight of spending in advance of approval of fundraising budget and targets - Board oversight of performance and likely year end position - Reporting of scenarios and the impact on cash flow - Periodic review of Financial Sustainability
Loss/ theft of data including non-compliance with data protection regulation	- GDPR policies including Data Breach Action Plan, data breach form in place. - Monitoring GDPR compliance - Outsourced DPO service by Bulletproof Ltd - Monitoring of IT controls - Encryption-in-transit protects both systems and data - Procedures for penetration testing and system security checks
Strategic Alignment of Programmes	- Project Toolkit checklist - Partner office carries out a Project Needs and Beneficiary Selection Assessment - Scoring requirement inbuilt into Projects System - Programmes Director reports quarterly to the Programmes Committee on progress with implementation of the corporate strategy

Internal Audit and Risk Assurance

The MH Board of Trustees is advised by an Audit Committee made up of Trustees and independent members who bring a broad range of expertise in this area. The Audit Committee meets at least four times a year and its terms of reference includes scrutiny and oversight of the way MH is managing risk. An independent Internal Audit function reports to the Audit Committee. The internal audit is provided by BDO LLP. They support with the risk register and carry out a risk-based audit programme, which follows an audit plan approved by the Audit Committee. The Senior Management Team regularly undertakes strategic and operational reviews to identify organisational risks and come up with plans to mitigate them. The team is then responsible for implementing those action plans, with the Audit Committee monitoring progress.

PLANS FOR THE FUTURE

Income Diversification

Muslim Hands has continued to grow steadily since its inception, reaching an increasing number of vulnerable and suffering communities year after year. To continue the mission of aiding more people as effectively and efficiently as possible, Muslim Hands will be focusing on organisational restructuring and internal development, placing stronger emphasis on forming partnerships with grassroots level delivery partners overseas and at home and increasing our income from trusts and institutional funders. Muslim Hands' skill and experience in establishing and running educational projects is a long-standing and recognised strength, and it will be the primary area of focus going forward. Muslim Hands will be focusing building on these strengths and gaining sector-wide recognition and funding for its work.

Inhouse Systems

Muslim Hands is currently completing the first phase of the development of its web-based CRM system. The new versions of the financial management and programmes systems are work in progress and will add to the level of data processing and reporting of impact on its activities, encouraging better collaboration and increased learning and oversight with our partners.

New Strategy

Muslim Hands has launched its new five-year strategy following the success of its previous strategy. The strategy focuses on continuing the success story of Muslim Hands as it embarks on its next phase of growth in serving the poor and destitute. The strategy aims to strongly align MH activities with elements of the UN Sustainable Development Goals focusing on the alleviation of hunger, improving the health of the most needy, providing quality education, and clean water. The strategy leads Muslim Hands on it journey in strengthening processes and accountability for continued oversight of the work delivered on the ground and to further increase sustainability of its programme.

UK Programmes

Muslim Hands is planning to expand its UK Open Kitchen Programme to more towns and cities across the UK over the next three years. The interest that it has generated from supporters and the impact that it has had on the local public has demonstrated the value that this programme adds to the community that it serves. The positive outcome of this programme has provided the Charity with the confidence that it can have a positive impact in other localities.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Muslim Hands for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards FRS 102.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing those 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 judgements and estimates that are responsible and prudent;***
- ***state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;***
- ***prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.***

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. ***In so far as the Trustees, individually, are aware:***

- ***there is no relevant audit information of which the Charity's auditor is unaware; and***
- ***the Trustees have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.***

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company›s website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on 29/09/2021 and signed on their behalf by

SL Hassanain. Trustee

Independent Auditor's Report

Opinion

We have audited the financial statements of Muslim Hands (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including 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 charitable company's affairs as at 31 December 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Muslim Hands' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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' annual report, including the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, including the strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report including the strategic 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 statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which

included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard (Senior statutory auditor)
Date 29 September 2021
for and on behalf of
Sayer Vincent LLP, Statutory Auditor

Invicta House,
108-114 Golden Lane,
LONDON, EC1Y 0TL

Financial Statements

Muslim Hands

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2020

	Note	Unrestricted £	Restricted £	**2020 Total £**	Unrestricted £	Restricted £	2019 Total £
Income from:							
Donations		11,995,658	20,428,713	**32,424,371**	7,805,589	14,928,824	22,734,413
Bank Interest		34,389	–	**34,389**	37,808	–	37,808
Total income		12,030,047	20,428,713	**32,458,760**	7,843,397	14,928,824	22,772,221
Expenditure on:							
Raising funds	3	2,996,745	–	**2,996,745**	2,575,215	–	2,575,215
Charitable activities							
Grants payable and operational	3	3,232,419	21,424,399	**24,656,818**	3,029,242	15,965,553	18,994,795
Total expenditure		6,229,164	21,424,399	**27,653,563**	5,604,457	15,965,553	21,570,010
Net income / (expenditure) before net gains / (losses) on investments		5,800,883	(995,686)	**4,805,197**	2,238,940	(1,036,729)	**1,202,211**
Net gains / (losses) on investments		–	–	–	–	–	–
Net income / (expenditure) for the year	4	5,800,883	(995,686)	**4,805,197**	2,238,940	(1,036,729)	1,202,211
Transfers between funds	12	(4,605,282)	4,605,282	–	(1,399,848)	1,399,848	–
Net income / (expenditure) before other		1,195,601	3,609,596	**4,805,197**	839,092	363,119	1,202,211
Gains / (losses) on revaluation of fixed assets		–	–	–	–	–	–
Actuarial gains / (losses) on defined benefit		–	–	–	–	–	–
Other gains / (losses)		–	–	–	–	–	–
Net movement in funds		1,195,601	3,609,596	**4,805,197**	839,092	363,119	1,202,211
Reconciliation of funds:							
Total funds brought forward		4,120,334	7,782,691	**11,903,025**	3,281,242	7,419,572	10,700,814
Total funds carried forward		5,315,935	11,392,287	**16,708,222**	4,120,334	7,782,691	11,903,025

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

Financial Statements

Muslim Hands

Balance sheet

Company no. 05080486

As at 31 December 2020

	Note	£	2020 £	£	2019 £
Fixed assets:					
Tangible assets	7		1,301,625		1,368,260
			1,301,625		1,368,260
Current assets:					
Debtors	8	959,523		790,472	
Short-term Deposits		2,749,457		2,716,764	
Cash at bank and in hand		14,009,416		7,792,804	
		17,718,396		11,300,040	
Liabilities:					
Creditors: amounts falling due within one year	9	(2,239,234)		(657,311)	
Net current assets			15,479,162		10,642,729
Total assets less current liabilities			16,780,787		12,010,989
Creditors: amounts falling due after one year	10		(72,565)		(107,964)
			16,708,222		11,903,025
The funds of the charity:	12				
Restricted income funds			11,392,288		7,782,691
Unrestricted income funds			5,315,934		4,120,334
Total charity funds			16,708,222		11,903,025

Approved by the trustees on **27th September 2021** and signed on their behalf by

Syed Lakhte Hassanain
Trustee

Financial Statements

Statement of cash flows

For the year ended 31 December 2020

	Note	2020 £	£	2019 £	£
Cash flows from operating activities	13				
Net cash provided by / (used in) operating activities			6,318,424		1,554,868
Cash flows from investing activities:					
Purchase of fixed assets		(33,721)		(72,170)	
Net cash provided by / (used in) investing activities			(33,721)		(72,170)
Cash flows from financing activities:					
Repayments of borrowing		(35,398)		(34,253)	
Net cash provided by / (used in) financing activities			(35,398)		(34,253)
Change in cash and cash equivalents in the year			6,249,305		1,448,445
Cash and cash equivalents at the beginning of the year			10,509,568		9,061,123
Cash and cash equivalents at the end of the year	14		16,758,873		10,509,568

Financial Statements

Muslim Hands

Notes to the financial statements

For the year ended 31 December 2020

1 Accounting policies

a) Statutory Information
Muslim Hands is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 148 - 164 Gregory Boulevard, Nottingham, NG7 5JE.

b) Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity
The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern
The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

f) Donations of gifts, services and facilities
Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) Fund accounting
Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income received or generated for the charitable purposes.
Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Financial Statements

1 Accounting policies (continued)

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes grants payable to deliver operational programmes furthering the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the overhead costs of the central function is apportioned on the following basis which is an estimate, based on staff time, of the amount attributable to each activity. The salaries for this are classified within charitable giving.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Fundraising 17%
- Direct Charitable 83%

Support costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Fundraising 54%
- Direct Charitable 45%
- Governance Costs 1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Grants Payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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Notes to the financial statements

For the year ended 31 December 2020

1 Accounting policies (continued)

n) Tangible fixed assets (continued)
Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Freehold Property — 2% straight line
- Computer and Office Equipment — 25% straight line
- Fixtures and Fittings — 15% reducing balance

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

p) Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

r) Financial instruments
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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Notes to the financial statements

For the year ended 31 December 2020

2 Grants payable and operational programmes (continued)

Cost	2020 £	2019 £
Muslim Hands Partners (Related Parties)		
Pakistan	6,064,474	3,715,397
Palestine	3,645,794	2,078,652
Sudan	908,269	534,311
Bangladesh	1,119,593	775,253
Niger	659,709	403,417
Afghanistan	503,244	311,818
Turkey	141,888	17,214
Somalia	433,366	271,265
Mali	2,210,636	1,588,320
Malawi	228,783	244,952
Yemen	1,458,570	680,171
Kashmir (Pakistan)	785,947	829,716
	18,160,273	11,450,486
Non Muslim Hands Partners		
Gambia	248,498	203,318
Sri Lanka	445,586	262,330
Lebanon	221,445	300,768
Indonesia	26,354	67,644
Syria	149,365	1,268,601
Myanmar	-	914,439
Kashmir (India)	245,209	233,438
Mauritania	212,505	111,805
Senegal	273,302	269,517
Turkey	475,017	57,631
	2,297,281	3,689,491
	20,457,554	15,139,977
Other grants less than £50,000 in the year	1,394,426	1,084,672
At the end of the year	21,851,980	16,224,649

A full list of individual grants and the projects that are funded is available from our principal office.

All of the "Muslim Hands" overseas charity operations are controlled at a local level and have not been consolidated into these financial statements. In a number of cases, one or more UK Trustees sit on the local boards but the overseas operations have local registration. All country level operations are treated as independent partners. There is no intention on behalf of the UK board to control any country level entities even where there are common Board members, they are related parties.

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Notes to the financial statements

For the year ended 31 December 2020

3a Analysis of expenditure (current year)

	Cost of raising funds £	Grants payable and operational programmes £	Governance costs £	2020 Total £	2019 Total £
Grants payable (Note 2)	–	21,851,980	–	21,851,980	16,224,649
Staff costs (Note 5)	874,249	1,526,931	372,284	2,773,464	2,648,483
Premises costs	16,327	130,614	16,327	163,268	195,181
Office costs	93,336	746,691	92,386	932,413	733,599
Professional fees	114,995	104,996	19,999	239,990	332,199
Publications, advertising and postage	1,655,978	–	–	1,655,978	1,385,894
Audit and accountancy	–	–	35,520	35,520	22,289
Trustees expenses	–	–	950	950	27,716
	2,754,885	24,361,212	537,466	27,653,563	21,570,010
Governance costs	241,860	295,606	(537,466)	–	–
Total expenditure 2020	**2,996,745**	**24,656,818**	**–**	**27,653,563**	
Total expenditure 2019	2,575,215	18,994,795	–	–	21,570,010

Costs allocation includes an element of judgement and the Charity had had to consider the cost benefit of detailed calculations and record keeping. All categories have been allocated on a basis consistent with the use of resources.

3b Analysis of expenditure (prior year)

	Cost of raising funds £	Grants payable and operational programmes £	Governance costs £	2019 Total £	2018 Total £
Grants payable (Note 2)	–	16,224,649	–	16,224,649	16,126,675
Staff costs (Note 5)	773,181	1,560,911	314,391	2,648,483	2,382,904
Premises costs	19,518	156,145	19,518	195,181	184,864
Office costs	75,457	603,657	54,485	733,599	1,054,538
Professional fees	121,577	202,629	7,993	332,199	215,576
Publications, advertising and postage	1,385,894	–	–	1,385,894	1,203,626
Audit and accountancy	–	–	22,289	22,289	23,160
Trustees expenses	–	–	27,716	27,716	14,536
	2,375,627	18,747,991	446,392	21,570,010	21,205,879
Governance costs	199,588	246,804	(446,392)	–	–
Total expenditure 2019	**2,575,215**	**18,994,795**	**–**	**21,570,010**	
Total expenditure 2018	2,554,185	18,651,694	–	–	21,205,879

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For the year ended 31 December 2020

4 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2020 £	2019 £
Auditors' remuneration (excluding VAT):		
Audit	16,300	18,000
Under-provision in the prior year	-	-
Depreciation of tangible fixed assets	100,356	109,186

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	2,478,133	2,374,549
Social security costs	240,863	224,997
Employer's pension contributions to defined contribution scheme	54,468	48,937
	2,773,464	2,648,483

The average number of employees (on a head count basis) analysed by function was:

	2020 No.	2019 No.
Direct charitable operations	42	39
Fundraising and publicity	46	48
Management and administration of the Charity	8	8
	96	95

The charity operates a defined contribution pension scheme: 2020 £54,468 (2019: £48,937) has been charged in the Statement of Financial Activities during the year in relation to this pension scheme.

The total employee benefits including pension contributions and national insurance of the key management personnel were £541,410 (2019: £487,581).

There was one employee with emoluments between £60,000 – £69,999 and zero above £70,000 (zero above £60,000 in 2019). During the period Syed Lakhte Hassanain, a Trustee of the Charity, was paid £59,999 (2019: £58,545) for his services to the charity as an employee. These payments are approved by the Charity Commission.

At the year end the Charity was owed £5,870 (2019: £7,379) by Syed Lakhte Hassanain.

During the year £302 (2019: £6,911) of expenses for reimbursement of travel and subsistence in connection with the Charity's business were paid to 4 Trustees (2019: 4 Trustees).

6 Taxation

No corporation tax has been provided in the financial statements as Muslim Hands is a registered charity and is within the exemption granted by Section 505 of the Income and Corporation Taxes Act 1988.

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Muslim Hands

Notes to the financial statements

For the year ended 31 December 2020

7 Tangible fixed assets

	Freehold land & buildings £	Computer & office equipment £	Fixtures and fittings £	Motor Vehicles	Total £
Cost					
At 1 January 2020	1,418,683	583,807	354,361	12,840	2,369,691
Additions in year	–	28,902	4,819	–	33,721
At 31 December 2020	1,418,683	612,709	359,180	12,840	2,403,412
Accumulated depreciation					
At 1 January 2020	238,789	501,425	257,165	4,052	1,001,431
Charge for the year	28,374	39,681	30,983	1,318	100,356
At 31 December 2020	267,163	541,106	288,148	5,370	1,101,787
Net book value					
At 31 December 2020	1,151,520	71,603	71,032	7,470	1,301,625
At 31 December 2019	1,179,894	82,382	97,196	8,788	1,368,260

Included in the net book value of freehold land and buildings of £1,151,520 (2019: £1,179,894) is £nil relating to non-depreciated land.

8 Debtors

	2020 £	2019 £
Other debtors	880,191	643,397
Prepayments and accured income	79,332	147,075
	959,523	790,472

All of the charity's financial instruments, both assets and liabilities, are measured at amortised cost. The carrying values of these are shown above and also in notes 10 and 11 below.

9 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans	34,878	33,833
Trade creditors	163,439	206,081
Accruals and deferred income	2,014,279	417,397
Other creditors	26,638	
	2,239,234	657,311

Notes to the financial statements

For the year ended 31 December 2020

10 Creditors: amounts falling due after one year

	2020 £	2019 £
Bank loans	72,565	107,964

The bank loan is repayable as follows:

Within one year	34,878	33,833
Between one and two years	35,939	34,863
Between two and five years	36,626	73,101
After five years	-	-
	107,443	141,797

The bank loan is secured by a legal charge over the freehold property to which it relates. The loan is repayable in monthly instalments and bears interest at 2.5% over base rate.

11 Analysis of net assets between funds 2020

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,301,625	-	1,301,625
Net current assets	4,086,874	11,392,288	15,479,162
Long term liabilities	(72,565)	-	(72,565)
Net assets at 31 December 2020	5,315,934	11,392,288	16,708,222

Analysis of net assets between funds 2019

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,368,260	-	1,368,260
Net current assets	2,860,038	7,782,691	10,642,729
Long term liabilities	(107,964)	-	(107,964)
Net assets at 31 December 2019	4,120,334	7,782,691	11,903,025

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Notes to the financial statements

For the year ended 31 December 2020

12a Movements in funds 2020

	At 1 January 2020 £	Income 2020 £	Expenditure 2020 £	Transfers 2020 £	At 31 December 2020 £
Restricted funds:					
Afghanistan	2,082	178,213	(503,244)	343,704	20,755
Africa	238,188	12,988	–	–	251,176
Albania	3,937	258	(28,271)	28,271	4,195
Azerbaijan	17,012	51	–	–	17,063
Bangladesh	70,780	802,173	(1,119,593)	365,523	118,883
Burma	676,034	274,947	–	–	950,981
Central African Republic	42,954	–	–	–	42,954
Chechnya	39,035	5	–	–	39,040
China	18,252	440	–	–	18,692
Cuba	2,215	–	–	–	2,215
Egypt	1,976	55	–	–	2,031
Eritrea	1,615	–	–	–	1,615
Ethiopia	13,692	23,621	(7,371)	–	29,942
Europe Refugee Crisis	18,936	–	–	–	18,936
Gambia	956	116,356	(248,498)	133,622	2,436
Guinea Bissua	10,691	14,704	(2,466)	–	22,929
Haiti	18,397	154	–	–	18,551
India	115,157	10,997	(4,928)	–	121,226
Indonesia	55,408	25,847	(26,354)	–	54,901
Iran	103,531	–	–	–	103,531
Iraq	40,248	3,207	–	–	43,455
Japan	15,444	–	–	–	15,444
Kashmir – India	58,426	330,239	(245,209)	19,986	163,442
Kashmir – Pakistan	252,796	405,003	(785,947)	523,168	395,020
Kenya	16,221	1,190	–	–	17,411
Lebanon	846	286,094	(221,445)	139,806	205,301
Libya	11,307	2	–	–	11,309
Macedonia	7,172	5	–	–	7,177
Malawi	5,820	227,332	(228,783)	88,893	93,262
Mali	–	346,324	(2,210,636)	1,936,064	71,752
Mexico	2,344	7,311	(33,393)	30,222	6,484
Middle East	2,655	–	–	–	2,655
Nepal	1,965	79	–	–	2,044
Niger	300	317,940	(659,709)	377,613	36,144
Non country specific	2,687,140	5,829,752	(196,375)	(6,781,148)	1,539,369
Pakistan	20,364	2,775,132	(6,064,474)	3,640,014	371,036
Palestine	1,511,950	2,969,078	(3,645,794)	1,238,551	2,073,785
Rwanda	12,569	29,783	(38,562)	5,581	9,371
Sierra Leone	5,735	644	–	–	6,379
Somalia	192	287,536	(433,366)	180,037	34,399
Somaliland	3,943	22	–	–	3,965
South Africa	4,165	5	–	–	4,170
South Sudan	26,018	276	–	–	26,294
Sri Lanka	54	186,582	(445,586)	277,927	18,977
Asia Subcontinent	65,486	–	–	–	65,486
Sudan	189,005	453,653	(908,269)	589,579	323,968
Syria	486,260	934,048	(149,365)	75,857	1,346,800
Tanzania	6,564	613	–	–	7,177
Uzbekistan	2,493	–	–	–	2,493
Yemen	816,055	3,213,145	(1,458,570)	34,530	2,605,160
Other Locations	78,306	362,909	(1,758,190)	1,357,482	40,507
Total restricted funds	7,782,691	20,428,713	(21,424,398)	4,605,282	11,392,288
General funds	4,120,334	12,030,047	(6,229,165)	(4,605,282)	5,315,934

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For the year ended 31 December 2020

12b Movements in funds 2019

	At 1 January 2019 £	Income 2019 £	Expenditure 2019 £	Transfers 2019 £	At 31 December 2019 £
Restricted funds:					
Afghanistan	2,392	152,924	(311,818)	158,584	2,082
Africa	221,958	16,230	–	–	238,188
Albania	3,790	147	–	–	3,937
Azerbaijan	16,856	156	–	–	17,012
Bangladesh	22,866	687,574	(775,253)	135,592	70,779
Burma	1,208,428	318,054	(914,439)	63,991	676,034
Central African Republic	42,954	–	–	–	42,954
Chechnya	39,035	–	–	–	39,035
China	17,251	1,001	–	–	18,252
Cuba	1,837	378	–	–	2,215
Egypt	1,914	62	–	–	1,976
Eritrea	1,615	–	–	–	1,615
Ethiopia	11,524	17,205	(15,037)		13,692
Europe Refugee Crisis	18,936	–	–	–	18,936
Guinea Bisua	13,650	15,567	(18,917)	390	10,690
Haiti	18,288	109	–	–	18,397
India	135,845	1,907	(22,595)	–	115,157
Indonesia	29,017	56,305	(67,644)	37,731	55,409
Iran	103,531	–	–	–	103,531
Iraq	15,614	24,634	–	–	40,248
Japan	15,444	–	–	–	15,444
Kashmir – India	(118,555)	308,814	(233,438)	101,604	58,425
Kashmir – Pakistan	322,896	742,482	(829,716)	17,134	252,796
Kenya	15,040	1,180	–	–	16,220
Libya	11,245	62	–	–	11,307
Macedonia	7,172	–	–	–	7,172
Malawi	69,507	148,117	(244,952)	33,148	5,820
Mauritania	22,960	73,957	(111,805)	36,032	21,144
Mexico	7,954	6,319	(31,957)	20,028	2,344
Middle East	2,655	–	–	–	2,655
Nepal	1,934	31	–	–	1,965
Non country specific	2,880,233	3,537,187	(286,705)	(3,443,574)	2,687,141
Pakistan	(1)	2,118,134	(3,715,397)	1,617,627	20,363
Palestine	1,052,371	2,538,231	(2,078,652)	–	1,511,950
Rwanda	14,482	1,909	(20,003)	16,180	12,568
Senegal	69,641	138,967	(269,517)	88,718	27,809
Sierra Leone	10,138	1,907	(6,310)	–	5,735
Somaliland	4,376	21	(455)	–	3,942
South Africa	4,165	–	(4,161)	4,161	4,165
South Sudan	25,751	267	–	–	26,018
Spain	17,299	–	(25,855)	19,121	10,565
Subcontinent	65,485	–	–	–	65,485
Sudan	1,360	480,379	(534,311)	241,578	189,006
Syria	770,188	984,673	(1,268,601)	–	486,260
Tanzania	5,983	581	–	–	6,564
UK	–	90,879	(348,487)	274,501	16,893
Uzbekistan	2,493	–	–	–	2,493
Yemen	293,350	1,177,652	(654,947)	–	816,055
Other Locations	(83,295)	1,284,821	(3,174,580)	1,977,302	4,248
Total restricted funds	7,419,572	14,928,823	(15,965,552)	1,399,848	7,782,691
General funds	3,281,242	7,843,397	(5,604,457)	(1,399,848)	4,120,334
Total funds	10,700,814	22,772,220	(21,570,009)		11,903,025

Purposes of restricted funds

The Restricted Fund contains funds restricted to a particular location and a group of up to ten funds restricted to each location. These funds include Emergencies, Orphans, Education, Food, Health, Safe Water, Shelter, Field, Mosque and Environment.

13 **Reconciliation of net income / (expenditure) to net cash flow from operating activities**

	2020 £	2019 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	**4,805,197**	1,202,211
Depreciation charges	**100,356**	109,186
(Increase)/decrease in debtors	**(169,051)**	(58,294)
Increase/(decrease) in creditors	**1,581,922**	301,765
Net cash provided by / (used in) operating activities	**6,318,424**	1,554,868

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14 Analysis of cash and cash equivalents

	At 1 January 2020 £	Cash flows £	Other changes £	At 31 December 2020 £
Cash at bank and in hand	7,825,195	6,184,221	-	14,009,416
Short term deposits	2,684,373	65,084	-	2,749,457
Total cash and cash equivalents	10,509,568	6,249,305	-	16,758,873

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2020 £	2019 £
Less than one year	65,000	65,000
One to five years	260,000	260,000
Over five years (Cancellable)	-	65,000
	325,000	390,000

16 Related party transactions

The Charity works in close co-operation with other Muslim Hands charities worldwide. The relationship of these charities to Muslim Hands in the UK is described in Note 2.

Muslim Hands in the UK has common trustees with Muslim Hands Pakistan, Palestine, Sudan, Bangladesh, Niger, Nigeria, Afghanistan, Iraq, Somalia, and Mali. Muslim Hands in the UK also has 5 common trustees with Muslim Hands Malawi and 2 common trustees with Muslim Hands Kenya. Grants made to these charities during the year are disclosed in note 2 of these accounts.

M N Syed the son of Syed Lakhte Hassanain, a Trustee of the Charity, is employed by Muslim Hands and was paid a salary of £29,057.24 for the period (2019: £26,518).

Tariq Nasir is a governor of Figtree Primary School which receives a grant of £40,000 per annum.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

17 Ultimate controlling party

The trustees do not consider there to be an ultimate controlling party.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.