

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

England & Wales · Charity number 1117924

## Details

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Other names	HELPING HOMES UNDER GREAT STRESS, HHUGS
Status	Registered
Legal form	Other
Registered	2007-02-12
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Website	<a href="http://www.hhugs.org.uk">www.hhugs.org.uk</a>

## Activities

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**Objects:** 3. APPLICATION OF INCOME.THE TRUSTEES MUST APPLY THE INCOME OF THE CHARITY IN FURTHERING THE FOLLOWING OBJECTS ("THE OBJECTS")1. TO RELIEVE FINANCIAL HARDSHIP AND EMOTIONAL DISTRESS OF MUSLIM DETAINEES AND FORMER DETAINEES, WHO HAVE BEEN HELD IN CUSTODY IN THE UNITED KINGDOM AND THEIR FAMILIES.2. TO RELIEVE THE FINANCIAL HARDSHIP AND EMOTIONAL DISTRESS OF THE FAMILIES OF BRITISH MUSLIM CITIZENS AND RESIDENTS WHO ARE BEING DETAINED IN DETENTION FACILITIES OUTSIDE THE UK.THESE OBJECTS WILL BE ACHIEVED IN PARTICULAR BUT NOT EXCLUSIVELY BY:-(A) THE PROVISION OF COUNSELLING, EMOTIONAL SUPPORT AND OTHER SUCH PRACTICAL SUPPORT AS NEEDED BY THE FAMILIES.(B) THE PROVISION OF FINANCIAL ASSISTANCE WHEN THE NEED ARISES. (C) ADVICE, GUIDANCE AND GENERAL SUPPORT.

**Activities:** To relieve the financial and emotional hardship of Muslim detainees/former detainees & families held in the UK and abroad (so long as families are resident/citizens of the UK). By way of provision of counselling, emotional and practical support and financial assistance if the need arises.

## Classification

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- **How:** Makes Grants To Individuals, Provides Services, Provides Advocacy/advice/information
- **What:** General Charitable Purposes
- **Who:** Other Defined Groups

## Geography

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- **Area of benefit:** THE UNITED KINGDOM.
- Throughout England

## Finances

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Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,019,768	£1,193,366	£986,957	8
2024-03-31	£1,540,378	£1,423,265	£1,087,758	9
2023-03-31	£1,301,567	£1,412,582	£454,522	7
2022-03-31	£1,388,432	£1,216,602	£336,876	9
2021-03-31	£950,984	£804,490	£165,046	9

## Trustees

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Name	Role	Appointed
Cerie Bullivant		2024-09-23
Shaheer Choudhury		2024-03-28
Usman Azam		2025-06-14

**HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

England & Wales - Charity number 1117924

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# Accounts

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Charity registration number 1117924



**HELPING HOUSEHOLDS UNDER GREAT STRESS  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Shaheer Choudhury Cerie Bullavant Yasser Khan
<b>Charity number</b>	1117924
<b>Auditor</b>	Abacus Partners (LDN) LLP Abbott's Wharf 93 Stainsby Road London E14 6JL

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# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

*FOR THE YEAR ENDED 31 MARCH 2025*

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The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that year.

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

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# <sup>2</sup> HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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### CHAIR'S FOREWORD

Assalamu alaykum wa rahmatullahi wa barakatuh,

This year, HHUGS continued to provide practical support and a sense of belonging for families affected by counter-terrorism, national security and extremism-related measures. Many households faced sustained financial pressure, social isolation and heightened stigma. Our role remained clear: to step in quickly, respectfully and consistently—preserving dignity while helping families stabilise and move forward.

Alongside core crisis support—food, bills and housing security—we strengthened seasonal and community programmes to ensure families could observe key times of the year with dignity, including Ramadan, Eid and Qurbani. The numbers in this report represent real lives: burdens eased, children able to take part in celebrations, and families feeling less alone.

Trustees extend sincere thanks to our donors, grant partners, volunteers and the wider community. Your support enabled HHUGS to respond to need at pace and with care, and to maintain a consistent standard of service for families who are too often overlooked.

### Key themes for the year:

- Reducing immediate financial hardship (food, bills, rent) and preventing crisis escalation.
- Restoring dignity and inclusion at key times of the year through seasonal campaigns.
- Reducing loneliness and stigma through safe, welcoming gatherings and community connection.
- Listening to beneficiary feedback to improve quality and delivery.

With gratitude for your unwavering support.

## <sup>2</sup> HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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#### OUR MISSION AND IDENTITY

HHUGS is the UK's only registered charity dedicated to supporting households affected by counter-terrorism, national security, and extremism-related measures. Founded in 2004 by a group of Muslim mothers responding to the rise in anti-terror arrests in London, HHUGS has evolved into a vital lifeline for families experiencing the devastating ripple effects when a household member is detained.

Our vision is a world where every family affected by national security legislation feels supported and embraced by their communities. We work to ensure that these families—predominantly women, children and elderly parents—are not left to navigate hardship alone.

The core values that guide our work are:

- **Trust** — building reliable relationships with those we serve.
- **Excellence** — striving for the highest standards in all we do.
- **Respect** — honouring the dignity of every individual.
- **Responsibility** — maintaining our commitments to beneficiaries and supporters.

Our commitment extends beyond immediate relief. We aim to:

- Provide tailored, high-quality support that addresses each family's unique needs.
- Restore confidence, hope and dignity to those who have been marginalised.
- Improve mental and physical wellbeing among our beneficiaries.
- Combat social isolation through community connection.
- Strengthen family bonds despite challenging circumstances.
- Enhance life skills that promote independence and resilience.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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- Raise awareness about the impact of imprisonment on families.
- Challenge discrimination against children and families of detainees.
- Break cycles of intergenerational hardship.
- Empower families to rebuild their lives with confidence.

### PUBLIC BENEFIT

In accordance with Section 4 of the Charities Act 2011, the Trustees confirm that all activities undertaken by HHUGS serve the public benefit. Our operations focus on alleviating hardship and improving lives for families affected by imprisonment and national security legislation, who can face significant disadvantage and stigma.

During the year, this public benefit was delivered through:

- Relief of financial hardship for vulnerable families.
- Housing support for those facing accommodation insecurity.
- Support with utilities and essential bills to prevent crisis escalation.
- Education and training support to build future opportunities.
- Practical and emotional support to reduce stress, trauma and isolation.
- Social and recreational activities that foster community connection and reduce stigma.

The Trustees have carefully considered the Charity Commission's guidance and are confident that our work fulfils our charitable objectives while providing significant public benefit.

## <sup>2</sup> HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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#### ACHIEVEMENTS AND IMPACT

##### Core Support Services

This year we continued to provide practical, tailored support across multiple areas of need. Our financial assistance remained a lifeline for families struggling with basic necessities, and our approach focused on rapid response, dignity and stabilisation.

##### Direct assistance delivered:

- **Food and essential supplies (vouchers): £354,823**
- **Housing security (rent support): £92,071 — 19 families**
- **Utility bills: £23,587 —20 families**
- **General bills: £9,815 — 24 families**
- **Debt relief: £1,624 — 10 families**
- **Prison visits: £3,583 — 7 families**

Behind each of these figures are real households navigating sustained pressure. HHUGS support is designed to prevent small crises becoming catastrophic—keeping food in the home, preventing arrears from spiralling, and reducing stress so families can focus on rebuilding stability.

##### Seasonal Campaigns

Seasonal campaigns are a major feature of our support. For families affected by detention and stigma, key times of the year can be particularly painful and isolating. Our campaigns help restore dignity, normality and joy—especially for children.

## HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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#### Ramadan

Ramadan can intensify feelings of loneliness for families separated from loved ones. Our Ramadan campaign aimed to reduce hardship and create moments of connection and care within the home.

- **Ramadan gift packs: £8,599.70 — 174 households**
- **Food vouchers: £6,075 — 65 families**
- **Eid gift vouchers: £11,580 — 170 beneficiaries**
- **Total Ramadan campaign expenditure: £26,254.70**

#### Beneficiary feedback (anonymised):

"This was my first time receiving this. My kids were so happy opening the box and seeing what was inside. I'm particularly grateful for the Palestinian dates. HHUGS has been so helpful in every situation, and I don't think I would've managed to get through Ramadan without your help." — Ramadan Gift Box recipient

#### Qurbani and Eid Treats

Our Qurbani campaign ensured families in the UK who are often overlooked could take part in this important tradition and access nutritious meat that might otherwise be unaffordable. Eid treats added a tangible moment of celebration and care.

- **Qurbani meat: £29,130 — 149 beneficiaries**
- **Eid treats: £6,116.02 — 198 beneficiaries**
- **Total Qurbani campaign expenditure: £35,246.02**

#### Beneficiary feedback (anonymised):

"We are very grateful—especially with the cost of living crisis. This support will help us a lot." — Qurbani recipient

## <sup>2</sup> HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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#### Back to School

The start of the school year can be an acute pressure point for families already managing hardship. Children can feel the emotional impact of being unable to afford uniforms and supplies. Our Back to School campaign focused on dignity, confidence and readiness to learn.

- **Uniforms: £12,440**
- **Stationery/resources: £3,550**
- **Total beneficiaries supported: 28**
- **Total Back to School campaign expenditure: £15,990**

#### Winter

Winter brings rising costs and difficult trade-offs for households under strain. Our winter support helped families manage essential spending and reduce the risk of arrears and crisis during the coldest months.

- **Voucher top-up (small household): £4,560 — 76 families**
- **Voucher top-up (large household): £4,800 — 32 families**

**Total Winter campaign expenditure: £9,360**

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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### BENEFICIARY FEEDBACK (ANONYMISED)

Feedback consistently shows that HHUGS support provides both practical relief and emotional reassurance. The quotes below are anonymised and included as illustrative evidence of impact.

#### Dignity, care and being remembered

"It's a reminder that someone cares. This box brings a smile to everyone's face and reminds us we're not alone." — Ramadan Gift Box recipient

"The hamper reminded me there are people around you in Ramadan—especially when you don't have anyone else." — Ramadan Gift Box recipient

"The Eid treat was thoughtful and high quality. You could tell real effort and care went into it." — Eid Treat recipient

"I really enjoyed receiving something special and new—and the children loved it." — Eid Treat recipient

#### Children's happiness and positive memories

"My kids were so happy opening the box and seeing what was inside." — Ramadan Gift Box recipient

"It shows children they matter, are loved and cared for—especially when they carry stigma due to a loved one being in prison." — Eid Party attendee (North)

"It helped us create memories and strengthen our family relationships." — Eid Party attendee (Midlands)

"The cake was beautiful and delicious. The children really enjoyed it." — Eid Treat recipient

#### Community, connection and reduced isolation

"HHUGS is my second family—there for me through some of my darkest times. It's a supportive community." — Ramadan Gift Box recipient

"It was my first time attending by myself. I've made so many friends through HHUGS, and it was really good to see them." — Eid Gathering attendee (London)

"Whatever support we receive helps during this month. It makes Ramadan feel a little special, especially with growing kids." — Ramadan Gift Box recipient

#### Practical help during financial pressure

"The Qurbani meat was generous, well packaged and good quality. These gifts helped tremendously." — Qurbani + Eid Treat recipient

"I don't think I would've managed to get through Ramadan without your help." — Ramadan Gift Box recipient

"Whatever support is received helps during this month—even if it's not about feasting, it makes a real difference at home." — Ramadan Gift Box recipient

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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### Long-term impact

"HHUGS have made a huge impact on mine and my children's lives. I'm very grateful to the whole team." — Ramadan Gift Box recipient

"Without HHUGS I would've lost my house and everything. Thank you for everything." — Ramadan Gift Box recipient

"Since 2016, it's only HHUGS that has supported us and helped us through our troubles." — Eid Treat recipient

### FINANCIAL REVIEW: SUSTAINING OUR MISSION

The continued generosity of our donors and supporters remains the cornerstone of HHUGS' ability to serve families in need. Sustained community support allows us to deliver immediate relief, respond to emerging need, and maintain a consistent standard of service.

For the financial year ended 31.03.25

- **Total donations and grants (excluding unrealized gains):** £1,019,768
- **Total expenditure:** £1,193,366

**Operating result (surplus/deficit):** (£173,597)

## <sup>2</sup> HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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#### COMMUNITY FUNDRAISING INITIATIVES

Community-centred fundraising remains essential to HHUGS' resilience and impact. Through faith-anchored challenges and community events, supporters raised funds, increased awareness of the hidden impact of detention on families, and strengthened bonds of solidarity.

#### Highlights this year included:

##### **Ramadan Race 2 Jannah**

A Ramadan fundraising challenge bringing together regional teams and individual supporters to raise vital funds for HHUGS families. Participants set personal targets and encouraged child participation through age-appropriate challenges, helping to build a culture of giving.

##### **Dhul Hijjah Race to Jannah**

A fundraising initiative during the blessed days of Dhul Hijjah, encouraging participants—adults and children—to contribute through sponsored challenges such as fasting, memorisation and physical activities, while raising awareness of the needs of HHUGS families.

##### **Al-Noor Dragon Boat Race**

A community day of teamwork and fundraising, bringing supporters together to compete, raise sponsorship and build visibility for HHUGS' work in a positive, family-friendly environment.

##### **Back to School Fundraiser**

A dedicated campaign to ensure children supported by HHUGS could start the school year with dignity—covering uniforms and essential resources so children could feel confident and included alongside their peers.

##### **Winter Campaign**

A winter fundraising push aimed at preventing fuel poverty and winter hardship among HHUGS households—providing timely support so families could avoid crisis and maintain a safe and stable home during the coldest months.

## <sup>2</sup> **HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

### **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2025**

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#### **GRANT PARTNERSHIPS**

Ummah Welfare Trust: £80,000

#### **INVESTMENT MANAGEMENT**

In accordance with Islamic financial principles, HHUGS maintains a careful approach to investment management, ensuring that funds are held and used in ways that align with our values while prioritising liquidity and financial security for beneficiaries.

During the year, the charity did not engage in any investment activity. No investment gains or losses were recorded.

#### **RESERVES AND RISK MANAGEMENT**

To ensure organisational resilience, Trustees maintain a reserves policy requiring unrestricted funds not designated for specific use to be held at a level equivalent to between three and six months' expenditure. This strategic approach enables HHUGS to navigate periods of uncertainty while continuing uninterrupted support to beneficiaries.

The Board of Trustees regularly reviews the charity's risk register, identifying operational and strategic risks and implementing mitigation measures. This proactive approach supports strong governance and helps the charity remain focused on its core mission..

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

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### STRUCTURE, GOVERNANCE AND MANAGEMENT

HHUGS is an unincorporated charity registered with the Charity Commission under number 1117924, established under a Declaration of Trust dated 8 June 2006 as amended on 10 June 2008.

#### Names of trustees who served during the year:

- Shaheer Choudhury (Chair)
- Cerie Bullivant
- Yasser Khan

**Chief Executive Officer:** Imran Asif

Signed on behalf of Trustees:



Shaheer Choudhury (Chair)

10<sup>th</sup> February 2026

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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#### Opinion

We have audited the financial statements of HHUGS - Helping Households Under Great Stress (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Conclusions relating to going concern

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 the charity's 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 Trustee 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 annual report other than the financial statements and our auditor's report thereon. The Trustee are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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#### **Responsibilities of Trustees**

As explained more fully in the statement of trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the financial reporting framework, the Charities Act 2011 and the relevant tax compliance regulations.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection, health and safety legislation and fundraising regulations. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

We understood how the Charity is complying with those frameworks by making enquiries of management, staff and consultants and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and papers provided by the Trustees of the Charity.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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Audit procedures performed by the engagement team included:

- discussions with management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- assessing the design and implementation of the control environment to identify any areas of material weakness to focus the design of our testing;
- Establishing that fund classification of the charity's activities, are in keeping with any terms or restrictions imposed on those funds
- in addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular journals posted by senior management or with unusual account combinations.

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

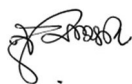
#### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Nur Ahmed Chowdhury (Senior Statutory Auditor)  
For and on behalf of Abacus Partners (Ldn) LLP  
Unit A, Abbots Wharf  
93 Stainsby Road  
London E14 6JL

10<sup>th</sup> February 2026

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2025**

	Notes	Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Restricted funds 2024	Total 2024
<b>Income from:</b>							
Donation & Legacies	2	401,858	537,890	939,748	697,413	729,541	1,426,954
Grants	2		80,020	80,020		113,424	113,424
<b>Total Income</b>		<b>401,858</b>	<b>617,910</b>	<b>1,019,768</b>	<b>697,413</b>	<b>842,965</b>	<b>1,540,378</b>
<b>Expenditure on :</b>							
Raising funds	3	289,974		289,974	252,075	-	252,075
Charitable activities	4	268,444	468,347	736,791	67,225	917,971	985,196
Support & governance	5,7	166,600		166,600	185,994		185,994
<b>Total Expenditure</b>		<b>725,018</b>	<b>468,347</b>	<b>1,193,366</b>	<b>505,294</b>	<b>917,971</b>	<b>1,423,265</b>
<b>Net Income/expenditure before other gains/losses</b>		<b>(323,160)</b>	<b>149,563</b>	<b>(173,597)</b>	<b>192,119</b>	<b>(75,006)</b>	<b>117,113</b>
Net gains on investment	10	72,796		72,796	516,123		516,123
<b>(Net Income/expenditure Before movement in funds)</b>		<b>(250,364)</b>	<b>149,563</b>	<b>(100,801)</b>	<b>708,242</b>	<b>(75,006)</b>	<b>633,236</b>
<b>Reconciliation of Funds:</b>							
<b>Fund balances At 1 April 2024</b>		<b>1,087,758</b>		<b>1,087,758</b>	<b>397,886</b>	<b>56,636</b>	<b>454,522</b>
Transfer between funds	17				(18,370)	18,370	
<b>Fund balances at 31 March 2025</b>		<b>837,394</b>	<b>149,563</b>	<b>986,957</b>	<b>1,087,758</b>	<b>0</b>	<b>1,087,758</b>

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

**BALANCE SHEET**  
**AS AT 31 MARCH 2025**

	Notes	£	2025 £	£	2024 £
<b>Fixed assets</b>					
Tangible assets	12		98		195
Investments	13		<u>728,231</u>		<u>876,778</u>
			728,329		876,973
<b>Current assets</b>					
Debtors	14	47,452		179,998	
Cash at bank and in hand		<u>258,761</u>		<u>92,980</u>	
		306,213		272,978	
<b>Creditors: amounts falling due</b>					
<b>within one year</b>	15		<u>47,585</u>		<u>62,193</u>
Net current assets			258,628		210,785
<b>Total assets less current liabilities</b>			<u>986,957</u>		<u>1,087,758</u>
<b>The funds of the charity</b>					
Restricted income funds	17		149,563		-
Unrestricted funds			<u>837,394</u>		<u>1,087,758</u>
			<u>986,957</u>		<u>1,087,758</u>

The financial statements were approved by the Trustees on 10<sup>th</sup> February 2026



Shaheer Choudhury  
Trustee



Yasser Khan  
Trustee

## HHUGS-HELPING HOUSEHOLDS UNDER GREAT STRESS STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	£	2025 £	£	2024 £
<b>Cash Outflow from Operating Activities</b>				
Operating Profit	(100,801)		633,236	
Depreciation	97		97	
Unrealised gains on cryptocurrency	<u>(72,796)</u>		<u>(565,730)</u>	
<b>Operating Profit Before Working Capital Charges</b>	(173,500)		67,603	
(Increase)/Decrease in Debtors	132,546		16,301	
Increase/(Decrease) in Creditors	<u>(14,607)</u>		<u>(46,708)</u>	
<b>Cash from Operations</b>	117,939		(30,407)	
<b>Net Cash Generated from Operations</b>		<u>(55,562)</u>		<u>37,196</u>
<b>Cash Outflow from Investment Activities</b>				
Purchase of Cryptocurrency Investments				
Investment disposals		221,343		
<b>Net Cash inflow/outflow from investment Activities</b>		0		0
<b>Cash Outflow from Financing Activities</b>		0		0
Increase/(Decrease) of Long Term Loans				
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>		165,781		37,196
Opening Cash and Cash Equivalents		92,980		55,784
Closing Cash and Cash Equivalents		<u>258,761</u>		<u>92,980</u>
<b>Reconciliation:</b>				
Cash at bank and in hand		258,761		92,980
		<u>258,761</u>		<u>92,980</u>

The charity had no material debt during the year

# HHUGS –HELPING HOUSEHOLD UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

#### Charity information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 4th Floor, 43 Berkeley Square, London, W1J 5FJ, ENGLAND

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for 12 months from the date of signing of accounts. The charity

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustee in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income; Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. This includes all grant Income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured.

Investment income is earned from increases year on year in fair value of direct donations made directly to the Charity block chain ledgers their donations are currently held as digital assets (cryptocurrency)

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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(Continued)

### 1.5 Expenditure

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

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

### 1.7 Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

**Computers**      25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the SOFA

Transaction costs are expenses as incurred. All fixed asset investments are currently digital assets (crypto currency)

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### Accounting policies

(Continued)

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### Accounting policies

(Continued)

#### Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to the defined contribution pension schemes are charged as an expense as they fall due.

#### 1.14 Funds and allocation of costs

Costs are allocated between restricted and unrestricted funds according to the terms of the Income.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 2 Income from donations & Legacies

	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £
Donations & Gift Aid	394,124	537,890	932,014	547,704	729,541	1,277,245
Gift Aid	-	-	-	149,709		149,709
Grants Receivable	-	80,020	80,020	-	113,424	113,424
Interest income	7,734		7,734			
	<u>401,858</u>	<u>617,910</u>	<u>1,019,768</u>	<u>697,413</u>	<u>842,965</u>	<u>1,540,378</u>

#### 3 .Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Fundraising and publicity</b>		
Fundraising staff costs	83,064	45,594
Advertising	176,212	162,445
Other fundraising costs	30,698	44,036
	<u>289,974</u>	<u>252,075</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 4. Expenditure on Charitable Activities

	2025	2024
	£	£
<b>Direct costs</b>		
Counselling	8,734	10,890
Other Financial/Financial Support	360,378	537,029
Driving lessons/Empowerment	472	798
Education	11,680	6,313
Staff costs	102,532	128,743
Living expenses	30,098	66,584
Practical	152,553	167,614
IT and consulting costs	70,344	67,225
	<b>736,791</b>	<b>985,196</b>
<b>5. Governance costs</b>		
Audit & Accountancy fees	6,000	6000
Legal and professional fees	3,480	-
Consultancy	26,850	61,226
	<b>36,330</b>	<b>67,226</b>

### 6. Description of Charitable Activities

Supporting families - this is the primary activity of the charity and funds are raised through donations and grants. Helping households encompasses a broad spectrum of support as categorised in Note 4. These include support for individuals and families facing financial and emotional hardship. The charity does not provide direct financial aid to individuals, but rather pays third parties on their behalf, where there is a sufficient case for support. For example, this could take the form of shopping vouchers for groceries.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

### 7. Support costs

	2025	2024
	£	£
Staff costs	82,848	75,563
Office Rent	15,814	12,339
Other premises expenses and office supplies	17,530	25,024
Telephone	3,507	2,422
Training	0	3,323
Depreciation	97	97
Subscriptions	4,490	0
Bank charges	288	0
HR Costs	5,697	0
	<b>130,270</b>	<b>118,768</b>

### 8 .Related party transactions

There were no related party transactions during the year.

### 9. Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Charitable	3	4
Admin and operations	5	5

### Employment costs

	2025	2024
	£	£
Wages and salaries	214,914	226,360
Social security costs	18,180	20,580
Other pension costs	35,349	2,960
	<b>268,444</b>	<b>249,900</b>

Key management personnel were remunerated £33,451 during the year

There were no employees whose annual remuneration was more than £60,000.

### 10. Gains and losses on investments

	Unrestricted funds	Unrestricted funds
	2025	2024
	£	£
Gains/(losses) arising on:		
Revaluation of investments	72,796	516,123

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

#### 12 Tangible fixed assets

	Computers £
<b>Cost</b>	
At 1 April 2024	11,358
At 31 March 2025	11,358
<b>Depreciation and impairment</b>	
At 1 April 2024	11,163
Depreciation charged in the year	97
At 31 March 2025	11,260
<b>Carrying amount</b>	
At 31 March 2025	98
At 31 March 2024	195

#### 13 Investments (Digital assets)

	Donations received in crypto currency
<b>Cost or valuation</b>	
<b>At 1 April 2024</b>	876,238
Additions(withdrawals)	(220,803)
Valuation changes	72,796
<b>At 31 March 2025</b>	728,231
<b>Carrying amount</b>	
At 31 March 2025	728,231
At 31 March 2024	876,238

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 14 Debtors

	2025	2024
	£	£
<b>Amounts falling due within one year:</b>		
Gift Aid debtors	46,952	174,132
Other debtors	500	5,866
Prepayments and accrued income	-	-
	<u>47,452</u>	<u>179,998</u>

#### 15 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	-	3,052
Trade creditors	27,137	23,859
Other creditors	14,448	29,282
Accruals and deferred income	6,000	6,000
	<u>47,585</u>	<u>62,193</u>

#### 16 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted fund 2025 £	Total 2025 £
<b>Fund balances at 31 March 2025 are represented by:</b>			
Tangible assets	98		98
Investments	728,231		728,231
Current assets	156,649	149,563	306,212
Current Liabilities	(47,585)		(47,585)
	<u>837,394</u>	<u>149,563</u>	<u>986,957</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
<b>Fund balances at 31 March 2024 are represented by:</b>			
Tangible assets	195	-	195
Investments	876,778		876,778
Current assets	272,978		272,978
Current Liabilities	(62,193)		(62,193)
	<u>1,087,758</u>	<u>-</u>	<u>1,087,758</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2025

#### 17 Movement in Funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Unrestricted Fund £	Restricted Fund £	Total Fund £
<b>At 1 April 2024</b>	1,087,758	0	1,087,758
<b>Surplus/ (Deficit)</b>	(323,160)	149,563	(173,597)
<b>Gains</b>	72,796		72,796
<b>Transfers</b>	0	0	0
<b>At 31 March 2025</b>	837,394	149,563	986,957

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These can include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes. There are no such designated funds set aside in the year by the charity.

During the year, there was a transfer of £16,349 out of unrestricted funds to cover the deficit of expenditure in restricted projects, namely Zakah and grant income distributions. After this transfer, the charity had £0.9m in unrestricted reserves at year-end.

**HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

England & Wales - Charity number 1117924

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# Accounts

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Charity registration number 1117924



**HELPING HOUSEHOLDS UNDER GREAT STRESS  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustees**

Muhammad Junade (Resigned 23/09/2024)  
Zakir Fahad Ansari (Resigned 28/03/2024)  
Adnan Aly (Resigned 23/09/2024)  
Shaheer Choudhury (Appointed 28/03/2024)  
Cerie Bullivant (Appointed 23/09/2024)  
Yasser Khan (Appointed 23/09/2024)

**Charity number**

1117924

**Auditor**

Abacus Partners (LDN) LLP  
93 Stainsby Road  
Abbott's Wharf

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# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

***FOR THE YEAR ENDED 31 MARCH 2024***

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The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that year.

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

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH

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### CHAIR'S FOREWORD

Assalamu alaykum wa rahmatullahi wa barakatuh,

The year 2023-2024 has been one of profound challenges and remarkable unity. As we reflect on this period, we are reminded of the resilience shown not only by the families we support but by the wider Muslim community in the face of global and local adversities.

The escalating situation in Palestine has deeply affected us all. We have witnessed unprecedented solidarity as people from all backgrounds united in calling for justice. This collective response embodies the hadith of our beloved Prophet Muhammad (peace be upon him): "The believers are like a single body; when one part aches, the whole body feels the pain."

This spirit of unity has strengthened our work at HHUGS. We don't merely provide services to our beneficiaries – we stand shoulder to shoulder with them, recognizing that their struggles are our struggles, their pain our pain. The families we support, who face isolation and hardship due to counter-terrorism measures, have shown remarkable steadfastness despite their circumstances.

Throughout this year, we have continued to provide comprehensive support to families affected by national security legislation. From financial assistance to emotional support, our aim remains to preserve dignity and foster independence among those we serve. The numbers presented in this report reflect not just statistics, but lives touched, burdens eased, and hope restored.

As we move forward, we carry with us the lessons of solidarity and resilience that have defined this year. We remain committed to standing with those who feel forgotten, to amplifying voices that go unheard, and to working toward a society where compassion and justice prevail.

May Allah accept our collective efforts and continue to guide our path.

With gratitude for your unwavering support,

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH

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Chair of HHUGS

## OUR MISSION AND IDENTITY

HHUGS stands as the UK's only registered charity dedicated to supporting households affected by counter-terrorism, national security, and extremism-related measures. Founded in 2004 by a group of Muslim mothers responding to the rise in anti-terror arrests in London, we have evolved into a vital lifeline for families experiencing the devastating ripple effects when a household member is detained.

Our vision is clear: a world where every family affected by national security legislation feels supported and embraced by their communities. We work tirelessly to ensure that these families – predominantly women, children, and elderly individuals – are not left to navigate their challenges alone.

The core values that guide our work are:

- **Trust** – Building reliable relationships with those we serve
- **Excellence** – Striving for the highest standards in all we do
- **Respect** – Honoring the dignity of every individual
- **Responsibility** – Maintaining our commitments to beneficiaries and supporters

Our commitment extends beyond immediate relief. We aim to:

- Provide tailored, high-quality support that addresses each family's unique needs
- Restore confidence, hope, and dignity to those who have been marginalized
- Improve both mental and physical well-being among our beneficiaries
- Combat social isolation through community connection
- Strengthen family bonds despite challenging circumstances
- Enhance life skills that promote independence and resilience
- Raise awareness about the impact of imprisonment on families
- Challenge discrimination against children and families of detainees
- Break cycles of intergenerational hardship
- Empower families to rebuild their lives with confidence

In the past year, we have supported 94 families, each with their own story, their own struggles, and their own path to recovery. Our approach recognizes that each family's situation is unique, requiring personalized support rather than one-size-fits-all solutions.

## PUBLIC BENEFIT

In accordance with Section 4 of the Charities Act 2011, the trustees confirm that all activities undertaken by HHUGS serve the public benefit. Our operations focus on alleviating hardship and improving lives through:

- Relief of financial hardship for vulnerable families
- Housing support for those facing accommodation insecurity
- Educational funding and training to build future opportunities
- Counseling services to address trauma and emotional distress
- Mentoring programs that provide guidance and encouragement
- Mental health support tailored to unique circumstances
- Social and recreational activities that foster community connection

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH

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The trustees have carefully considered the Charity Commission's guidance and are confident that our work fulfills our charitable objectives while providing significant public benefit.

## ACHIEVEMENTS AND IMPACT

### Core Support Services

This year, we have continued to provide comprehensive support across multiple areas of need. Our financial assistance has been a lifeline for families struggling with basic necessities:

- **Food and Essential Supplies:** £519,830 in vouchers, ensuring families can access nutritious food and basic household items with dignity
- **Housing Security:** £101,413.52 in rent support for 27 families, preventing homelessness and providing stable living environments
- **Utility Bills:** £59,792.12 to help 32 families maintain heating, electricity, and water services
- **General Bills:** £11,473.67 supporting 15 families with various essential expenses
- **Debt Relief:** £31,646.43 assisting 27 families to overcome financial burdens and achieve greater stability
- **Prison Visits:** £2,594.87 enabling 5 families to maintain crucial family connections
- **Empowerment Initiatives:** £17,728.43 invested in 21 beneficiaries through education, training, and personal development

Behind each of these figures are real families whose lives have been transformed through support that preserves their dignity while addressing their most pressing needs.

### Seasonal Campaigns

#### Ramadan: A Season of Unity and Renewal

Ramadan 2023 embodied the spirit of solidarity that has characterized our year. For families separated from loved ones, this holy month can intensify feelings of isolation and hardship. Our campaign sought to transform this experience by creating moments of connection and joy.

We distributed:

- Ramadan gift packs valued at £9,207.86 to 152 households
- Food vouchers worth £6,710 to 68 families, ensuring they could prepare nutritious meals for iftar and suhoor
- Eid gift vouchers totaling £11,220 to 165 beneficiaries, allowing parents to experience the joy of giving to their children

The total investment in our Ramadan campaign was £27,137.86, but the impact extends far beyond this figure. As one beneficiary shared: **[INSERT: Beneficiary quote about Ramadan support]**

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH

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### **Qurbani: Reviving a Tradition of Care**

While many direct their Qurbani abroad, HHUGS recognizes the acute need among families in the UK who are often overlooked. Our Qurbani campaign ensures that these families can participate in this important tradition and enjoy nutritious meat that might otherwise be unaffordable.

In 2023, we:

- Invested £28,186 in Qurbani meat for 145 beneficiaries
- Provided special Eid treats worth £6,881.06 to 182 beneficiaries

Our total Qurbani campaign expenditure was £35,067.06, bringing moments of celebration to families who often have little to look forward to.

### **Back to School: Building Confidence Through Education**

The start of a school year brings particular challenges for families already struggling financially. Children from HHUGS families face not only the practical difficulties of affording uniforms and supplies but also the emotional impact of feeling different from their peers.

Our Back to School campaign addressed these challenges by providing:

- £14,860 for school uniforms
- £4,250 for essential stationery and learning resources
- Support to 46 beneficiaries in total

This investment of £19,110 goes beyond meeting material needs – it helps children maintain their dignity, confidence, and sense of belonging in the school environment.

### **Winter: Warmth and Comfort in Challenging Times**

The winter months pose significant hardships for families already facing financial constraints. Rising energy costs and the need for warm clothing create impossible choices between heating and eating for many HHUGS families. Our Winter campaign provided comprehensive support including:

- £11,691.37 in fuel assistance for 45 beneficiaries
- £12,835 in clothing vouchers for 138 adults
- £8,920 in clothing vouchers for 90 children
- £1,090.65 for winter duvets to 18 beneficiaries
- £666.43 for heaters to 22 beneficiaries
- £489 for radiator reflectors to 22 homes
- £300 for draught excluders to 20 families

The total Winter campaign expenditure was £35,992.40, helping families maintain warmth, health, and dignity during the coldest months.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH

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#### **Beneficiary Case Studies: HHUGS Impact on Families**

*We received extensive feedback across multiple campaigns; below is a selection of responses from our Ramadan and Winter programmes.*

#### **Ramadan Feedback**

I have a heavy heart most Ramadhans but I try my best to not show it so that my daughter has happy experiences. I honestly think these HHUGS Ramadan packs lift the heaviness for me. It reminds me I'm not alone. Alhamdulillah.

Alhamdulillah for HHUGS. Every year we receive gifts for Ramadan/Eid. They smile it puts on my children's faces—alhamdulillah. For me, getting these beautiful gifts from HHUGS says "we are here for you," and to me that means a lot. May Allah SWT reward every staff member who takes the time and effort to beautifully wrap the things and put together something for every family member.

"The importance of HHUGS is very important to me because they have been there for me in my heart—helping me all the way through in counselling, financially, and other ways also. If they weren't a part of my life, I surely know I would have struggled a lot. I am saying this on behalf of other families who have been in my situation."

We appreciate everything you do for us and other families like us in this difficult time. May Allah SWT reward you immensely and give you barakah in the work that you do, inshallah ameen.

It has helped me feel part of a loving family of HHUGS even though we aren't related. It makes me feel thought about. Plus, the food vouchers help me too. Thank you so much for everything—you are all amazing, and I love you all for the sake of Allāh. Jazākumullāhu khāyran.

#### **Winter Feedback**

I believe my and my family's life without HHUGS help would be very scary. I feel the winter is like a monster eating my health and my kids' health, especially when you live in a Victorian house that is extra cold and always has damp mold. Without HHUGS, alhamdulillah, we have a warm house, safe from lots of stress about the winter bills, and my kids and I have fewer illnesses compared to the winter before HHUGS. Thank you HHUGS and JZK.

Honestly, sometimes I think if Allah didn't choose HHUGS to help me, my life could be hard and disappointing, especially in winter when bills are very high. I feel relaxed in winter because I know there is Allah and His human beings who will help me, alhamdulillah.

It has really helped my family stay out of debt in order to stay warm; my children have warm winter clothes and we are so grateful. It means a lot to us, the help we have received from HHUGS.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH

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HHUGS plays a huge role—without them I don't know where I'd be or how I'd get through winter. They always support me, ensuring I am comfortable and providing necessities like blankets and a heater, and making sure bills are paid and that everyone has received the help they need.

Without the help of HHUGS, we would definitely be in a great deal of struggle and hardship. Throughout the yearly service and support we receive, it has helped us in many ways, including mental health and emotional distress. Allāh bless the donors and facilitators for their efforts always.

HHUGS is our favourite charity, on and off. They have been a great support for us for more than 20 years, but recently, with the cost-of-living crisis, they have been our only supporter. My kids always look forward to and keep asking me if HHUGS is sending Eid and Ramadan treats. The vouchers I receive are amazing. They really took a lot of pressure off us this winter and gave us spare coins to enjoy something else with the kids.

## FINANCIAL REVIEW: SUSTAINING OUR MISSION

### Financial Sustainability and Community Support

The continued generosity of our donors remains the cornerstone of our ability to serve families in need. Their unwavering support enables us to provide essential services and develop new initiatives that respond to evolving challenges.

For the financial year ending 31 March 2024:

- Total donations and grants received: **£1,540,378**
- Total expenditure: **£1,423,265**
- Operating result: **£117,113**

### Community Fundraising Initiatives (2023–24)

In 2023–24, our community-centred fundraising approach remained the bedrock of HHUGS' resilience and growth. Despite a challenging economic climate, the passion and creativity of families, friends, schools and local groups enabled us to sustain — and even expand — our services. Hundreds of supporters organised and took part in events that combined faith, fitness and fellowship to raise vital funds and awareness. Highlights included:

#### Meet and Greet HHUGS

HHUGS organized the "Meet and Greet HHUGS" event on January 15th, 2023, to engage the community and showcase their charity activities.

# **HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH**

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### **Ramadan Race 2 Jannah**

Participants aimed to raise either £1,000 or £100 each for HHUGS families during Ramadan. This challenge involved regional teams competing to raise funds, with child participants also encouraged to become "Child Champions" by setting personal fundraising challenges like fasting or memorizing Quranic verses.

### **Dhul Hijjah Race to Jannah**

The "Dhul Hijjah Race to Jannah 2023" event highlights HHUGS' initiative to engage the community in fundraising during the blessed days of Dhul Hijjah. It encourages participants, including children, to contribute through various challenges like fasting, memorizing Surahs, or doing sponsored activities.

### **HHUGS Annual Dinner – No Place Like Home**

This event aimed to raise funds and awareness for HHUGS families facing challenges due to family members' detentions, providing critical support for single mothers, children, and elderly parents left vulnerable.

### **Give It Up for HHUGS 2023**

This fundraising initiative encouraged participants to sacrifice something they love during the first 10 days of Dhul Hijjah. Participants raised funds through sponsorship by giving up habits like caffeine, sugar, junk food, or social media. The initiative commemorated the sacrifice of Prophet Ibrahim (AS) and aimed to raise awareness and funds for vulnerable families supported by HHUGS.

### **The Akhirah Project Snowdon Hike**

Dozens of trekkers conquered Mount Snowdon during Dhul Hijjah, raising awareness of HHUGS families while enjoying breathtaking views and team camaraderie.

### **Al-Noor Dragon Boat Race**

The Al-Noor Boat Race 2023 at Fairlop Waters aimed to unite the community through a fun-filled day of dragon boat racing and fundraising. Participants were encouraged to register, fundraise a minimum of £250, and join in the racing activities. The event was open to men and women, with no prior experience required.

### **Back to School Fundraiser**

The Back to School Fundraising event aimed to provide uniforms and school supplies for children supported by HHUGS. This initiative helped alleviate financial burdens faced by families affected by poverty and parental incarceration. The campaign ran from July 27th to September 4th, focusing on ensuring children start the school year with dignity and readiness.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH

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### **Sisters' Combat Archery Challenge**

In 2023, HHUGS organized the Sisters' Combat Archery Challenge to raise funds for vulnerable families. Participants engaged in a themed archery competition, blending the excitement of Archery Tag with elements of dodgeball. The event aimed to combine physical activity with fundraising, requiring each participant to raise a minimum of £150. It provided a platform for women to compete while supporting a noble cause, echoing the spirit of community and charity.

### **Warmer Winter Challenge 2023/24**

The Warmer Winter Challenge 2023/24 aimed to support HHUGS families facing fuel poverty in the UK during the cold season. Participants were encouraged to raise £3.33 daily for 90 days, totaling £300 per family supported. This initiative provided crucial aid to vulnerable households, including single mothers, children without fathers, and elderly parents of detained sons, ensuring they could afford heating and essential winter supplies.

Each of these campaigns did more than generate income: they strengthened community bonds, amplified our profile, and embodied the very spirit of HHUGS. We extend our deepest gratitude to every volunteer, participant and donor whose dedication made 2023–24 our most impactful year yet.

### **Grant Partnerships**

Strategic partnerships with grant-giving organizations have helped diversify our income streams. These collaborations not only provide financial support but also strengthen our position within the wider charitable sector. They included the below:

**Ummah Welfare Trust £73,424**

**Zouq Foundation £30,000**

**Global Relief Trust £10,000**

### **Investment Management**

In accordance with Islamic financial principles, we maintain a careful approach to investment management, ensuring that all funds are utilized in ways that align with our values while maximizing benefit to our beneficiaries.

During the 2023–2024 financial year, no investment gains or losses were recorded, as the charity did not engage in any investment activity. All funds were held in accordance with our values to prioritise liquidity and financial security for our beneficiaries.

# **HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 31 MARCH  
2024**

### **Reserves and Risk Management**

To ensure organizational resilience, our trustees maintain a reserves policy that requires unrestricted funds not designated for specific use to be maintained at a level equivalent to between three and six months' expenditure. This strategic approach allows us to weather periods of financial uncertainty while continuing to provide uninterrupted support to our beneficiaries. This year, we successfully maintained that policy, ensuring we had adequate reserves in place to navigate financial uncertainty while continuing to provide uninterrupted support to our beneficiaries.

The Board of Trustees regularly reviews the charity's risk register, identifying potential threats to our operations and implementing mitigation strategies. This proactive approach to risk management has enabled us to navigate challenges effectively while maintaining our focus on our core mission.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

HHUGS is an unincorporated charity registered with the Charity Commission under number 1117924, established under a declaration of Trust dated 8 June 2006 as amended on 10 June 2008.

Names of trustees who served during the year:

**Muhammad Junade Zakir**

**Adnan Aly**

**Fahad Ansari**

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH

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The Board of Trustees, elected by the Members of Association at the Annual General Meeting, are the charity's trustees and legal directors. Members of the Board serve until resignation, with new trustees selected through an open recruitment process that includes advertising and targeted searches.

New appointees receive a personalized induction program tailored to their expertise and governance obligations, with ongoing training opportunities provided to all trustees. The board composition is regularly reviewed to ensure an appropriate balance of skills, diversity, and geographical representation.

The Board of Trustees maintains ultimate responsibility for:

- Formulating and implementing strategy
- Overseeing implementation through annual operating plans and budgets
- Monitoring progress
- Ensuring sound professional, legal, and financial management

The charity employs staff and engages volunteers to deliver its charitable aims. The trustees consider remuneration, set pay policy for all staff, and determine the basis for annual pay increases, ensuring fair compensation while maintaining financial responsibility.

## LOOKING AHEAD: OUR VISION FOR 2024-2025

At the close of the 2023–2024 financial year, HHUGS was focused on continuing its core services while laying the groundwork for internal improvements. The plan moving into 2024–2025 was to maintain our key campaigns — Ramadan, Dhul Hijjah, Back to School, and Winter — and ensure the consistent delivery of support to our beneficiaries.

In parallel, we began initiating internal change, including efforts to strengthen governance at trustee level, improve financial oversight, and review internal systems with external input. This included, for example, seeking a qualified scholar to review and sign off on our Islamic financial policies, ensuring our approach aligns with our values and the expectations of our supporters.

We also aimed to increase our capacity to apply for and secure grant funding, recognizing the importance of diversifying income to safeguard the charity's future.

Although the year ahead brought significant challenges, our intention was always to stabilize and future-proof the organization — so that it can continue serving families with dignity, compassion, and integrity.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH

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## TOGETHER TOWARDS TOMORROW

Reflecting on this year puts our work into perspective. Despite the challenges we've faced – and continue to face – the essence of HHUGS shines through: unwavering solidarity and support in the face of adversity.

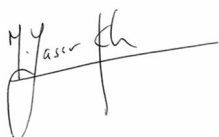
With our brothers and sisters facing persecution globally, maintaining optimism can be difficult. Yet as Muslims, we remain hopeful, steadfast, and firm. We draw strength from each other and from our faith, knowing that Allah's help is constant.

At HHUGS, we're building a community that uplifts its members, standing in solidarity and connection. As we've been part of our beneficiaries' lives since 2004, we invite you to join us in this mission.

Our work continues, and with your support, we face the future with readiness and hope.

The trustees' report was approved by the Board of Trustees.

**Yasser Khan**

A handwritten signature in black ink, appearing to read 'Yasser Khan', with a long horizontal line extending to the right.

29.04.25

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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#### Opinion

We have audited the financial statements of HHUGS - Helping Households Under Great Stress (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Conclusions relating to going concern

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 the charity's 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 Trustee 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 annual report other than the financial statements and our auditor's report thereon. The Trustee are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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#### **Responsibilities of Trustees**

As explained more fully in the statement of trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the financial reporting framework, the Charities Act 2011 and the relevant tax compliance regulations.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection, health and safety legislation and fundraising regulations. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

We understood how the Charity is complying with those frameworks by making enquiries of management, staff and consultants and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of minutes and papers provided by the Trustees of the Charity.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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Audit procedures performed by the engagement team included:

- discussions with management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- assessing the design and implementation of the control environment to identify any areas of material weakness to focus the design of our testing;
- Establishing that fund classification of the charity's activities, are in keeping with any terms or restrictions imposed on those funds
- in addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular journals posted by senior management or with unusual account combinations.

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

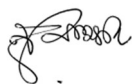
#### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Nur Ahmed Chowdhury (Senior Statutory Auditor)  
For and on behalf of Abacus Partners (Ldn) LLP  
Unit A, Abbots Wharf  
93 Stainsby Road  
London E14 6JL

29<sup>th</sup> April 2025

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
<b>Income from:</b>							
Donation & Legacies	2	697,413	729,541	1,426,954	654,980	598,089	1,301,567
Grants	2		113,424	113,424		47,068	47,068
<b>Total Income</b>		<b>697,413</b>	<b>842,965</b>	<b>1,540,378</b>	<b>654,980</b>	<b>645,157</b>	<b>1,301,567</b>
<b>Expenditure on :</b>							
Raising funds	3	252,075	-	252,075	205,829	-	205,829
Charitable activities	4	67,225	917,971	985,196	357,876	848,877	1,206,753
Support & governance	5,7	185,994		185,994			
<b>Total Expenditure</b>		<b>505,294</b>	<b>917,971</b>	<b>1,423,265</b>	<b>563,705</b>	<b>848,877</b>	<b>1,412,582</b>
<b>Net Income/expenditure before other gains/losses</b>		<b>192,119</b>	<b>(75,006)</b>	<b>117,113</b>	<b>91,275</b>	<b>(203,720)</b>	<b>(111,015)</b>
Net gains on investment	12	516,123		516,123	228,661		228,661
<b>(Net Income/expenditure Before movement in funds)</b>		<b>708,242</b>	<b>(75,006)</b>	<b>633,236</b>	<b>319,936</b>	<b>(203,720)</b>	<b>117,646</b>
<b>Reconciliation of Funds:</b>							
<b>Fund balances At 1 April 2023</b>		<b>397,886</b>	<b>56,636</b>	<b>454,522</b>	<b>76,520</b>	<b>260,356</b>	<b>336,876</b>
Transfer between funds	16	(18,370)	18,370				
<b>Fund balances at 31 March 2024</b>		<b>1,087,758</b>	<b>0</b>	<b>1,087,758</b>	<b>396,456</b>	<b>56,636</b>	<b>454,522</b>

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


**BALANCE SHEET**  
**AS AT 31 MARCH 2024**

	Notes	2024		2023	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		195		292
Investments	12		876,778		311,048
			<u>876,973</u>		<u>311,340</u>
<b>Current assets</b>					
Debtors	13	179,998		196,299	
Cash at bank and in hand		92,980		55,784	
		<u>272,978</u>		<u>252,083</u>	
<b>Creditors: amounts falling due within one year</b>	14		62,193		108,901
Net current assets			<u>210,785</u>		<u>143,182</u>
<b>Total assets less current liabilities</b>			<u><u>1,087,758</u></u>		<u><u>454,522</u></u>
<b>The funds of the charity</b>					
Restricted income funds	16		-		56,636
Unrestricted funds			1,087,758		397,886
			<u>1,087,758</u>		<u>454,522</u>

The financial statements were approved by the Trustees on 29 April 2025



Shaheer Choudhury  
Trustee



Yasser Khan  
Trustee

## HHUGS-HELPING HOUSEHOLDS UNDER GREAT STRESS STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2024

		2024		2023
	£	£	£	£
<b>Cash Outflow from Operating Activities</b>				
Operating Profit	633,236		117,646	
Depreciation	97		97	
Unrealised gains on cryptocurrency	<u>(565,730)</u>		<u>(228,661)</u>	
<b>Operating Profit Before Working Capital Charges</b>	67,603		(110,918)	
(Increase)/Decrease in Debtors	16,301		(40,803)	
Increase/(Decrease) in Creditors	<u>(46,708)</u>		<u>49,108</u>	
<b>Cash from Operations</b>	(30,407)		8,305	
<b>Net Cash Generated from Operations</b>		37,196		(102,613)
<b>Cash Outflow from Investment Activities</b>				
Purchase of Cryptocurrency Investments			(82,387)	
Investment disposals				
<b>Net Cash inflow/outflow from investment Activities</b>		-		(82,387)
<b>Cash Outflow from Financing Activities</b>				
Increase/(Decrease) of Long Term Loans				
<b>Net Increase/(decrease) in Cash and Cash Equivalents</b>		37,196		(185,000)
Opening Cash and Cash Equivalents		<u>55,784</u>		<u>240,784</u>
Closing Cash and Cash Equivalents		92,980		55,784
<b>Reconciliation:</b>				
Cash at				
Bank		<u>92,980</u>		<u>55,784</u>

The charity had no material debt during the year

# HHUGS –HELPING HOUSEHOLD UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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### 1 Accounting policies

#### Charity information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 4th Floor, 43 Berkeley Square, London, W1J 5FJ, ENGLAND

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for 12 months from the date of signing of accounts.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustee in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income; Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. This includes all grant Income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured.

Investment income is earned from increases year on year in fair value of direct donations made directly to the Charity block chain ledgers their donations are currently held as digital assets (crypto.currency)

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

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(Continued)

### 1.5 Expenditure

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

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

### 1.7 Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

**Computers**      25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the SOFA

Transaction costs are expenses as incurred. All fixed asset investments are currently digital assets (crypto currency)

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2024**

### Accounting policies

(Continued)

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.12 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

Payments to the defined contribution pension schemes are charged as an expense as they fall due.

#### **1.14 Funds and allocation of costs**

Costs are allocated between restricted and unrestricted funds according to the terms of the Income.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 2 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations	547,704	729,541	1,277,245	512,477	598,089	1,254,499
Gift Aid	149,709		149,709	142,503		142,503
Grants receivable	-	113,424	113,424	-	47,068	47,068
	<u>697,413</u>	<u>842,965</u>	<u>1,540,378</u>	<u>654,980</u>	<u>645,157</u>	<u>1,440,070</u>

### 3 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Advertising	162,445	166,584
Other fundraising costs	44,036	39,245
Fundraising staff costs	45,594	
	<u>252,075</u>	<u>205,829</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 4 Expenditure on charitable activities

	2024 £	2023 £
<b>Direct costs</b>		
Staff costs	128,743	113,691
Counselling	10,890	5,991
Financial Support	537,029	662,205
Empowerment	798	32,503
Living expenses	66,584	23,370
Education	6,313	7,242
Rent, Recreation and Resettlement	167,614	70,209
IT and consulting costs	67,225	
	<u>985,196</u>	<u>915,211</u>
<b>5 Governance costs</b>		
Professional fees	<u>67,226</u>	<u>157,208</u>

### 6 Description of charitable activities

#### Helping Households

Supporting families - this is the primary activity of the charity and funds are raised through donations and grants. Helping households encompasses a broad spectrum of support as categorised in Note 4. These include support for individuals and families facing financial and emotional hardship. The charity does not provide direct financial aid to individuals, but rather pays third parties on their behalf, where there is a sufficient case for support. For example, this could take the form of shopping vouchers for groceries.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

### 7 Support costs

	2024	2023
	£	£
Staff costs	75,563	96,812
Office Rent	12,339	11,081
Training	3,323	3,652
Telephone	2,422	2,304
Other premises expenses	25,024	20,387
Depreciation	97	97
	<u>118,768</u>	<u>134,333</u>

### 8 Related party Transactions:

Adnan Aly, who is not a Trustee at the time of signing the financial statements, but was a trustee during the financial year, received £39,975 during the year, for outsourced professional services. (2023: £ 32,443).

### 9 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Charitable	4	
Admin and operations	5	7
	<u>          </u>	<u>          </u>

#### Employment Cost:

Wages and salaries	226,360	191,743
Social security costs	20,580	16,534
Other pension costs	2,960	2,226
	<u>249,900</u>	<u>210,503</u>

There were no employees whose annual remuneration was more than £60,000.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

#### 11 Tangible fixed assets

	<b>Computers £</b>
<b>Cost</b>	
At 1 April 2023	11,358
At 31 March 2024	11,358
<b>Depreciation and impairment</b>	
At 1 April 2023	11,066
Depreciation charged in the year	97
At 31 March 2024	11,163
<b>Carrying amount</b>	
At 31 March 2024	195
At 31 March 2023	292

#### 12 Investments (Digital assets)

	<b>Donations received in crypto currency</b>
<b>Cost or valuation</b>	
<b>At 1 April 2023</b>	311,048
Additions	49,067
Valuation changes	516,123
<b>At 31 March 2024</b>	876,238
<b>Carrying amount</b>	
At 31 March 2024	876,238
At 31 March 2023	311,048

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 13 Debtors

	2024	2023
	£	£
<b>Amounts falling due within one year:</b>		
Gift Aid debtors	174,132	194,540
Other debtors	5,866	1,000
Prepayments and accrued income	-	759
	<u>179,998</u>	<u>196,299</u>

#### 14 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	3,052	6,733
Trade creditors	23,859	58,891
Other creditors	29,282	21,500
Accruals and deferred income	6,000	21,777
	<u>62,193</u>	<u>108,901</u>

#### 15 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted fund 2024 £	Total 2024 £
<b>Fund balances at 31 March 2024 are represented by:</b>			
Tangible assets	195	-	195
Investments	876,778	-	876,778
Current assets/(liabilities)	210,785	-	210,785
	<u>1,087,758</u>		<u>1,087,758</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Fund balances at 31 March 2023 are represented by:</b>			
Tangible assets	292	-	292
Investments	311,048	-	311,048
Current assets/(liabilities)	86,546	56,636	143,182
	<u>397,886</u>	<u>56,636</u>	<u>454,522</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2024

#### 16 Movement in Funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	<b>Unrestricted Fund £</b>	<b>Restricted Fund £</b>	<b>Total Fund £</b>
<b>At 1 April 2023</b>	397,886	56,636	454,522
<b>Surplus/ (Deficit)</b>	192,119	(75,006)	117,113
<b>Gains</b>	516,123		516,123
<b>Transfers</b>	(18,370)	18,370	0
<b>At 31 March 2024</b>	1,087,758	0	1,087,758

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These can include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes. There are no such designated funds set aside in the year by the charity.

During the year, there was a transfer of £18,370 out of unrestricted funds to cover the deficit of expenditure in restricted projects, namely Zakah and grant income distributions. After this transfer, the charity still had £1.08m in unrestricted reserves at year-end. Only £0.2m of these reserves however, are considered immediately available, as the majority of the charity's unrestricted reserves are in the form of cryptocurrency.

**HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

England & Wales - Charity number 1117924

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# Accounts

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Charity registration number 1117924

**HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustee</b>	Muhammad Junade Zakir Fahad Ansari Adnan Aly
<b>Charity number</b>	1117924
<b>Auditor</b>	AGP Consulting

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# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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# **HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2023***

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The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that year.

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

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

**FOR THE YEAR ENDED 31 MARCH 2023**

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### INTRODUCTION

At HHUGS, we know that many families feel embarrassed, ostracised, and reluctant to seek help for what seems like small, everyday necessities that were once so easily acquired.

We understand and realise the importance of preserving dignity. We start our help with understanding what each family needs, we want to help them live a normal life as possible, therefore the need for each of our families is bespoke and support is tailored to suit the specific needs of the individual beneficiary.

Largely, the main obstacle for our families is trying to navigate their lives with insufficient income or funds, unable to live even hand to mouth. Living without the most basic of necessities can threaten to strip anyone of their independence and self-worth.

In the past year we have continued to support over 225 families.

Our aim is to restore and preserve dignity through core financial support. We extend our aid by offering emotional and pastoral support. To lighten the burden, we provide financial support in the form of food and clothing shopping vouchers, direct payments to cover the costs of utility bills and rent, purchasing furniture items and appliances, bedding, phone bills, transportation costs, vocational and educational tuition, and debt relief.

At HHUGS, we seek to eliminate the humiliation that is often felt by many families struggling to survive. Our aim is to restore and preserve dignity through core support.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's declaration of Trust dated 8th June 2006 and amended on 10th June 2008, the Charities Act 2011 and "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 2019).

### Objectives and activities

#### Who we are?

HHUGS is a UK registered charity that provides financial, pastoral, and practical support and advice to households impacted by counterterrorism, national security and extremism-related laws, policies and procedures, in the UK and abroad. HHUGS have supported over 380 families since its establishment in 2004. These are families that have been impacted by a member of the household being detained, which devastates the daily lives of the families, with over 80% of the individuals being women, children and elderly, of state pension age.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Public Benefit**

The trustees recognise their obligation under Section 4 of the Charities Act 2011 to follow the Charity Commission's general and relevant sub-sector instructions on public benefit.

All activities undertaken by the Charity are for the public benefit. With a focus on providing financial, emotional support, empowerment and rehabilitation support. The Charity's operation is geared towards improving the lives of the families impacted as is highlighted by the activities reported herein.

The charity fulfil the public benefit requirement in some of the following ways, which is not only limited but:

- Relief of Financial Hardship
- Providing Housing support
- Providing funding for Education and Training
- Providing Counselling
- Providing Mentoring support
- Providing Mental Health support
- Providing social and recreational activities

The Trustee have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### **Volunteering Programme**

Since its inception, HHUGS has established a database of over 1,600 volunteers around the UK. Over time, the charity volunteer scheme has been impacted heavily, something we have not been alone in experiencing but felt across the wider charity sector. NCVO have reported a decline in volunteers supporting charities of an estimated all-time drop of 19% in 2021 compared to previous years. With changes in staff and the cessation of in-person events for a time, we have equally found it difficult to engage volunteers in the same way as we once did, in a now post pandemic era.

HHUGS has begun to revitalise its HHUGS volunteer programme which builds bridges between the community and the charity service users. We undertook a volunteer audit, ascertaining recent and accurate levels of interest from historic volunteers and assessing that against the needs of the charity, cleansing our database, ensuring all reference checks are made. We have reviewed the volunteer strategy in an attempt to revitalise our volunteer network, looking at measures to engage and improve the overall volunteer journey and stewardship experience within the charity to attract and retain high caliber volunteers. In the process, we have reviewed and revised our induction and training processes for frontline beneficiary support volunteers and to develop a strong induction process for our general volunteers, delivering weekly and monthly inductions throughout Autumn and Winter 2022-2023. With more engaged and fully trained volunteers, key programmes will proceed again such as renewed frontline 1-2-1 support through keyworkers, the introduction of male keyworker befrienders and youth mentors.

The charity aims to improve its outreach and income generation activity across the UK, particularly by trying to attract new volunteers through student networks.

The volunteer programme and strategy allows the charity to maintain active volunteers in all departments, ensuring cost saving for the charity, increase in brand awareness and also increase in income generation that will be reinvested in the charity. Furthermore, this will allow the community to be more involved in and more aware of the charity, but also provide them skills and experiences which they can add to their CV, leading to a more meaningful volunteering experience.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### Achievements and performance

**We delivered the following support to our beneficiary this financial year:**

- *Food and clothing vouchers - £467,263*
- *Utilities - £60,712*
- *Rent - £122,852*
- *Empowerment - £32,503*
- *Debt Relief – £13,892*
- *Therapy - £5,994*

### CAMPAIGNS

HHUGS manage most of the fundraising through some of the campaign management. This comes through the support of majority of the income from the community. The key element of the fundraising is 'community fundraising'. This is to ensure, maximum income, through transparent services provided for our families, so the community are clear on the need for effective spending. Some of the campaigns are as below:

#### Ramadhan Campaign

The absence of a loved one is not felt more so than at times of family and religious celebration. Ramadhan, the annual Islamic month of fasting ending with a festival called Eid al-Fitr, is a particularly difficult time for the families we support. For most of the community, Ramadhan is a time for families to reconnect, but many children with fathers in prison are deprived of these moments of togetherness. This time to customarily nurture spirituality is sadly particularly challenging for many of the mothers we support, who are preoccupied with their overwhelming financial burdens. Vulnerable families desperately trying to cope with the anxiety, dread and pain of an uncertain future. The absence of a father can taint the days of celebration for many HHUGS families. Our families can become increasingly lonely, isolated and depressed. Remembering the good years that have passed before, they now face the daunting task of spending Ramadan alone or without their loved ones, children without one of their parents.

Due to this, HHUGS endeavours to make this time special for families by providing Ramadhan gift boxes, to bring joy to the families, remind them that they are not forgotten and spiritually uplift them, in a month in which they feel lonelier than most. We provided 352 adults and 186 children Ramadhan gift packs.

Beneficiaries described gave us the following types of feedback

“JazakAllah Khair for the gift box. There was something for everyone inside it. All my children were happy. May Allah ta’ala shower you all with his mercy and blessings and screen you on the Day of Judgment for making life that much easier for the prisoners’ families. Ameen. You sure know how to brighten up a family’s day when they are struggling.”

“JazakAllah Khair for the gift box. There was something for everyone inside it. All my children were happy.”

Given the increased financial burden upon families during this period, we assisted fasting families prepare for Ramadhan by providing 68 families, 265 recipients, with food pack vouchers, equivalent to £6660 to ensure they did not face food insecurity in the blessed month.

We also provided 173 of our families vouchers (total £12,500) to purchase gifts for Eid al-Fitr, this is a total of 625 recipients. This allowed our mothers and fathers the opportunity to restore the joyous gift giving for their children but also for the parents to receive a gift from HHUGS where they are typically forgotten.

We also organised social gatherings, giving our families a chance to break their fasts with others who may be in similar situations as themselves, as well as Eid parties to celebrate the end of the holy month. Our 4 Eid Parties, last year, were attended by 458 people across London, Bradford and Birmingham. As one sister remarked, “It was the first time I’ve been able to socialise comfortably in many years.”

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Qurbani**

Qurbani is an Islamic animal sacrifice taking place each year during the festival of Eid al-Adha. During this festival, most Muslims consider it is highly recommended to sacrifice an animal, and to distribute part or all of the meat that has been slaughtered to the poor and needy. Common practice sees the meat sent abroad, where millions of families are living in extreme poverty. But HHUGS encourages and facilitates the distribution of Qurbani meat to needy and poor families often overlooked in the UK, reviving a neglected practice, recommended in our faith. Many underestimate the desperate financial constraints of families in the UK, especially those whose husband and main breadwinner is no longer able to support them. Our families at HHUGS are in dire need. As such, we facilitated the distribution of Qurbani meat to their homes, providing relief and solace to families who often have little to look forward to. We want families to forget their troubles for at least one day, enjoy a celebratory meal and share in the joys of Eid al-Adha. Last year we distributed over 2063kg of meat in total; which was distributed amongst 545 people – 358 adults and 153 children in 213 HHUGS families.

“Since our loved one was arrested last year I’ve had to cut right back on extras like meat because there are many additional demands now on our low income, sending him money for phone calls and other essential items, travel costs to visit him, his clothing, books, paying off his bills etc. Having meat again in the freezer is something we will all benefit from during the months ahead and at each meal we will remember HHUGS and all those who donated to HHUGS for this generous gift.”

Similarly to last year, HHUGS wanted to make sure Eid is a special day for our families. We selected a box of mini Brownies as a sweet treat for our families (nut free and wheat free options were available) for Eid Ul Adha. The Eid treat was sent to 179 families.

“It’s such a thoughtful gift to give to struggling families. The brownies were amazing. The kids loved them.”

### **Back to School**

HHUGS children often live single parent households where the hard choice between food on the table or heating in the winter is a daily reality. When they outgrow shoes or school attire, their mothers struggle to afford new ones. Buying a uniform can mean spending up to two thirds of their household income in August, or borrowing money to do so. With the average cost of a uniform is £337 per year for each secondary school child and £315 a year for each primary school child, for HHUGS families, already wrestling with uncertain finances, and the weight of debts, costly school necessities fast become another burden they cannot afford.

Having the correct uniform and the right stationery not only lifts the burden financially for HHUGS households but improves the confidence of young children in HHUGS families. Many children, already traumatised by their circumstances, would normally experience bullying due to not having the correct kit.

HHUGS distributed £18,407, providing 86 children in 40 households with school uniforms and essential stationery and learning resources. For families already on the breadline, the cost of living crisis brings with it further stress and anxiety, so the added cost of going back to school can push them to the edge.

“The time before back to school is the hardest time for me. I am very grateful for the help that HHUGS gave us. My kids are going to be able to have nice clothes and shoes for school Alhamdulillah.”

“Having moved areas and schools, I don’t know how I would’ve managed without the help from HHUGS.”

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### Winter

Winter is a challenging time for the HHUGS families, already in a financially difficult situation but now having to brace themselves for the rise of energy bills, expensive winter clothing and bedding in the hope to keep themselves and family warm. Unable to afford their energy bills or buy additional clothes, our families often have no choice but to refrain from using the heating or else cut back on food.

Our Winter campaign is our main campaign that runs from October to February, this year we provided warm winter clothes, warm bedding, radiators reflectors and heaters as well as monthly stipends to cover the costs of heating bills, varying our stipends in accordance with the financial status of each family.

HHUGS distributed £219,529 support to families, adults and children this Winter:

- £28,502 in fuel support for 44 families in need.
- £19,767, providing 61 families with clothing vouchers.
- £494 providing 33 families with draught excluders to protect their homes against the chill.
- £767 to maximise energy efficiency for 34 homes by providing radiator reflectors
- £1,032 to provide 24 families with heaters
- £1,600 to protect 37 families with winter duvets
- £29,756 to shelter 12 families throughout the Winter.
- £102,901 to feed 70 families during the Winter months.
- £34,709 to relieve their debts in this period.

“When their Dad is imprisoned, at the very least you want to provide warm clothing, food and a warm house to comfort your children. My children often fall ill with runny noses without the heating. So for HHUGS to have helped us this winter to keep warm has been such a huge relief. To be able to get fleecy pyjamas and warm bathrobes for the children has helped so much.”

#### Other Programmes

##### • **Connecting Families**

In an attempt to ease the burdens of our families and as part of our transport scheme, we facilitate prison visits. One of the most traumatic experiences that our families endure is visiting their loved one in detention. Not only do they have to worry about transportation, child minding and food and drink for the day, but they also witness their loved one in an alien, hostile and restricted environment. Entering a prison, undergoing fingerprinting, photographs, body searches and dog searches all contribute to the feeling of humiliation, causing many to feel as if they themselves have been convicted. Prison visits are also proven to help reduce re-offending rates and to rehabilitate prisoners.

To relieve the burden of prison visits, HHUGS strives to facilitate visits where possible, making it as smooth and easy as possible. We arrange for volunteers to collect the family from their doorstep and drive them to and from the prison. Saving energy and time, this allows the visit to become instantly easier.

##### • **‘Fathers Together’ in Partnership with Imperial College London**

We aim to work in partnership on a co-study, exploring how to better support young fathers in prison and their families. The development of this parenting programme draws on the work that HHUGS facilitates in improving the family relations and wellbeing of Muslim families that have been left with an empty seat in their household as a result of the arrest. This project hopes to draw on and present the experiences of prisoners, family members, ex-offenders and staff at HHUGS to provide valuable insight that will help produce the programme. We hope that this partnership allows us to prevent and mitigate the many adverse experiences that offenders and ex-offenders supported by HHUGS have, and support them in reintegrating with their families, communities and wider society.

##### • **International Committee of the British Red Cross**

HHUGS has had previous interactions with the ICRC to support and refer families that would be best supported by the services and programmes that HHUGS offers. ICRC has developed their work in the past few years especially in working to protect and assist people that have been affected by conflict and other situations of violence. They are currently visiting prisons in England and Wales, in order to evaluate the conditions of detention and treatment of people, specifically people that have been convicted of terrorism or held under counter terrorism powers. We were able to further discuss the work and support that HHUGS can offer the case studies and referrals that they may refer to HHUGS. We also discussed how to spread the work that HHUGS does, and how we can benefit the families of individuals that have been detained in UK prisons due to counter-terror charges.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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- **Confidence sessions with Life Coach Nasima**

HHUGS partnered with Life Coach Nasima in September 2022 for a 12 week programme set out to provide our mothers and sisters with skills and advice to use in their normal day to day life. The programme was held for 1 hour on a weekly basis over a course of 12 weeks. Each session varied and covered a range of topics from strengthening one's spiritual relationship to dealing with difficult times and burdens. Q&A's were held at the end of each session, which often resulted in healthy discussion. The beneficiaries were eager to attend these sessions and grateful for the safe space provided.

In the run up to Ramadhan 2023, the charity ran a similar series of online workshops as Preparation Sessions with an external community faith teacher.

### **Fundraising Events**

#### **Hampstead Heath Winter Walk**

As part of our Winter campaign, we also encourage our supporters, our generous community to understand the hardship our families will experience once the cold weather arrives. Our annual flagship Winter Walk returned once again in 2023, this year organised in Hampstead Heath but this was also our 10th year. As the UK faces a cost of living crisis, with inflation at a 40 year high and energy prices rocketing, vulnerable families will struggle through this season. With an energy hike in October 2022, nearly 7 million households will suffer from fuel poverty. These escalating costs are felt most harshly by HHUGS families, who were already facing immense financial challenges. We had over 100 participants. The walk was well received, the supporters and participants networking and building relationships with similar minded people was heartwarming and inspiring. It also proved positive with the funds raised to support our HHUGS families; we're pleased to say as a result of our participants' dedication, we raised £15,470, who walked in the shoes of our beneficiaries and embraced the cold.

#### **St Ives Winter Walk**

Our North walk was organised at the beautiful site of St Ives Estate, Harden. The park has Grade II listing in the English Heritage National Register of Historic Parks and Gardens of Special Interest. For the nature lovers, it's a wildlife destination with a mix of wooded areas, pine plantations, meadows, moorland and ponds. We were joined by over 40 brave individuals who completed the hike and raised a total of £5,290! They were able to enjoy stunning scenery, and the satisfaction of helping others.

#### **Partner Events - Al Noor Boat Race**

Year on year, HHUGS endeavour to partner with other charities and organisations to bring better support platforms for the families. The opportunity to partner with Al Noor was an opportunity to increase HHUGS profile within the charity sector but also as a networking opportunity to share knowledge with other charities. The Al Noor Dragon Boat Race is one of the key charity events amongst our community. It is a family fun day that involves approximately 20 various charities competing and striving to raise funds for their beneficiaries and passionate causes. This was the second year that HHUGS participated. Together we raised £7,733 to support the ever growing families who require urgent assistance.

We similarly took part in the community event, Muslim Charity Run, to raise funds for the families.

### **Legacies**

In an effort to further diversify our income streams, the charity has set up a legacy programme to further support our existing and ever-growing base of beneficiaries. We have partnered with Islamic Finance Guru, one of the largest Islamic finance groups in the UK to deliver will writing services, hosted on our website. Through specialist support, members of the public now have the opportunity to create and formalise their will for free, with the option of covering the cost of the will and to leave a gift for the charity in their bequest. These gifts will allow us to run our existing core services as well as allowing us to further develop our future programmes of financial capability, resettlement, empowerment and youth programmes. The gifts will also enable us to finance long term investments like our social enterprise.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Grants**

HHUGS have teamed with two of the largest charities to work together and develop a strong partnership in delivery support and aid to our beneficiaries where needed.

We have been fortunate to receive grants once again from Ummah Welfare Trust as well securing Global Relief Trust as our ongoing grant partners. In total, we received £55,000.

### **Financial review**

#### **Overview**

We continue to enjoy the support of our donors for our work to alleviate stress and hardship and bring a lasting change to the lives of our beneficiaries.

The charity received donations & grants totalling £1,300,137 (2022 - £1,388,432) After outgoing expenses of £1,412,582 (2022 - £1,216,60) and a gain of £228,661 on investment revaluation, the charity was left with a surplus of £45,522 (2022 - £336,876) carried forward at the year end.

The operating surplus for the year including the gain on investment was £109k (2022 - £172k). This is the total of the amount on the SOFA. The continued operating surplus is the result of the additional income generated due to the various campaigns. The related expenditure was not matched comparatively which has led to a surplus in funds for restricted funds. This was due to the timing of Ramadan coming early in the year in terms of collections and expenditure was made within 12 months if Ramadan which fell after the year end.

Due to the nature of the charity complying with Islamic investment principles there is no set investment strategy. In the previous year, a surplus of that level was not anticipated but it was an area the trustees looked into and funds were utilised and expenditure was more in line with funds raised.

#### **Reserves policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustee consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Reserves are set according to our budgeted income and against our obligations for continuous funding for supported charitable projects. It is intended to mitigate uncertainty relating to our cash flow and to ensure that there are sufficient reserves to cover any shortfalls against income. The reserves policy is only acted on when cash flow permits.

The Trustee have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Plans for future periods**

#### **Engagement**

In 2023-2024, the charity aims to build on the social gatherings by offering further structured virtual engagement programmes, with additional elements and themes, with external hosts, delivering training in their areas of expertise. This is an effort to improve attendance and engagement, and benefit the beneficiaries by empowering them with additional skills.

#### **Financial Capability Programme**

Whilst HHUGS hitherto has focused on providing grants to beneficiaries and providing more informal budgeting advice and signposting for benefits, the charity has for some time aimed to ensure that beneficiaries have access to sufficient resources and training to ensure that they have far greater financial capability. Ensuring the beneficiaries are well equipped in managing their money will further strengthen their ability to be debt free and enable them to spend according to their needs. To this end, caseworkers have undertaken training in benefits, debt management and will undertake further training in money management, giving them the tools to provide the best support and solutions for families that are struggling with their finances. We will also partner with existing third party experts in this area to provide the best form of coaching and training to beneficiaries.

#### **Resettlement**

To ensure former prisoners are fully supported and equipped upon their release and to engage in society, we intend to further develop the Resettlement Programme. The aim will be to ensure former prisoners are equipped with the right tools in order to be independent and confident enough to transition, reintegrate positively and give back to society, with the ultimate goal of being self-sufficient and independent from the charity's services.

This will include, but not limited to; CV support, interview preparation and application support. The delivery will vary over short workshops to long term coaching and support, where appropriate.

#### **Empowerment Programme**

Similarly, in parallel to the resettlement programme and with similar objectives, the charity aims to develop a stronger empowerment programme for its female beneficiaries. This largely consists of either single mothers or those with husbands detained indefinitely, in many cases with limited education, minimal work experience, and subsequently lacking in self-esteem and confidence when now faced with the prospect of managing without their male counterparts. Some of the women face language barriers too, making it extremely difficult for them to become independent and integrate into the wider society.

Through the HHUGS empowerment programme, we aim to ensure the women are afforded with the right tools and experiences to be confident enough to be independent and manage their household. The aim will be to develop their independence and become self-reliant practically and self-sustainable financially.

#### **Youth Mentoring**

The charity intends to roll out our Youth Mentoring programme, which was developed in previous years by staff following training by the XLM Project, who have trained hundreds of mentors and youth people, and now train organisations (mainly churches) to carry out similar training. Through weekly meetings with an assigned volunteer mentor, and adequate supervision from staff, the programme will provide an effective tool for developing long-lasting and consistent relationships that have an impact on vulnerable young people and their families. It aims to provide young people with individuals in their lives who they trust, and empower them to set goals and work hard to achieve them. The programme will also provide recreational activities and events for young mentees and mentors to meet

This project was launched as a pilot initiative, but was impacted considerably by COVID-19, with obstacles arising, in terms of recruiting and training mentors, as well as matching them with mentees and being able to establish a fulfilling relationship with youth, due to the lockdown. Whilst numerous volunteer applications were received following that time, given staff turnover and the demands of a small team, the charity has not had sufficient resources to match the demand. By recruiting additional staff in 2022-2023, undertaking further safeguarding training, and strengthening our internal policies and volunteering programme, as well as building relationships with other partners who can assist in the event of any issues that may arise, we hope to be able to start training volunteers and matching them with beneficiaries in the coming year.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Outreach**

As part of engaging the wider public and furthering awareness for the charity, HHUGS are developing programmes for university societies to engage student bodies as well as community youth groups and a school programme. This will aim to develop relationships in the community, to bring a new audience to the charity. The charity has developed a series of workshops tailored for different Key Stages of the curriculum and assembly plans. This will also allow us to raise awareness for the specific difficulties that the beneficiaries face, and equally to highlight wider related issues such as UK poverty, isolation, mental health, the importance of charitable giving and service to others. Building on our first interactive workshop for students, the aim for the coming year is to reach out to other student societies on campus across the UK, and to schools, starting in areas with a high percentage of BAME students or in faith-based schools in the London region. We will be looking at building relationships and delivering presentations to students and launching inter-school/inter-youth group fundraising competitions.

### **Social Enterprise**

One of the core aims of the charity is to develop more sustainable forms of income and reduce the reliance upon only community fundraising as a stream of funding. Despite efforts to diversify and excluding the £65,000 per annum that we currently receive in grants, HHUGS relies almost entirely upon community fundraising and individual giving to sustain our services, which is far from ideal. In relation to this, the charity will be launching a partner arm as a social enterprise. This innovative new approach will allow the charity to fulfil the obligations that it set for the beneficiaries. The aim will be to set up a CIC, in the model of a clothing bank.

Partnering with one of the leading clothing trading firms in Ghana, the aim will be to develop more sustainable methods of raising funds for the charity.

The clothing bank will source donated clothing items by the public, to one of the various warehouses/units around the UK, which will be sourced and picked by trained staff. All suitable items will be sent via a container to Ghana, where the items will be sold for a profit for the charity.

### **Structure, governance and management**

The charity is an unincorporated charity, registered with the Charities Commission under the number 1117924 and was established under a declaration of Trust dated 8 June 2006 as amended on 10 June 2008.

The Trustee who served during the year and up to the date of signature of the financial statements were:

Muhammad Junade Zakir

Fahad Ansari

Adnan Aly

The Board of Trustees, elected by the Members of Association at the Annual General Meeting, are the charity's trustees and the legal directors of the company. Members of the Board of Trustees serve a term until resignation. New trustees are selected through an open recruitment process, which generally includes advertising in the national press and online, and a targeted recruitment search. New appointees are given a personal induction programme tailored to their areas of expertise and governance obligations, and all trustees are provided with a range of training opportunities to help them meet their responsibilities. The balance of trustees is kept under review regarding skills, diversity and geographical spread. The Board of Trustees also places particular emphasis on appointing individuals who bring specific identified skills and experience.

The balance of trustees is kept under review regarding skills, diversity and geographical spread. The Board of Trustees also places particular emphasis on appointing individuals who bring specific identified skills.

A written schedule of matters is reserved for decision by the whole Board of Trustees, including:

- the formulation and implementation of strategy
- overseeing the implementation of the strategy through annual operating plans and budgets
- monitoring progress
- accepting ultimate responsibility for the sound professional, legal and financial management of the charity.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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To deliver our charitable aims and to meet the needs of our beneficiaries and other stakeholders, The Charity employs a significant number of colleagues alongside the vital support that our volunteers provide.

We recognise and value the unique worth and contribution of every colleague and are committed to ensuring that we pay our colleagues a fair and appropriate salary informed by the local labour market, while always making sure we can do so.

It is the Trustee's responsibility to consider the remuneration and set the pay policy for all staff and agree the basis for any annual increases in pay.

The trustees' report was approved by the Board of Trustee.

Muhammad Junade Zakir  
**Trustee**

Fahad Ansari  
Trustee

Adnan Aly  
Trustee

30 January 2024

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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#### Opinion

We have audited the financial statements of HHUGS - Helping Households Under Great Stress (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Conclusions relating to going concern

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 the charity's 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 Trustee 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 annual report other than the financial statements and our auditor's report thereon. The Trustee are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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#### **Responsibilities of Trustee**

As explained more fully in the statement of trustees' responsibilities, the Trustee 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 Trustee 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 Trustee are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the financial reporting framework, the Charities Act 2011 and the relevant tax compliance regulations.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection, health and safety legislation and fundraising regulations. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

We understood how the Charity is complying with those frameworks by making enquiries of management, staff and consultants and those responsible for legal and compliance procedures. We corroborated our enquires through our review of minutes and papers provided by the Trustees of the Charity.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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Audit procedures performed by the engagement team included:

- discussions with management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC, the Charity Commission for England and Wales.
- assessing the design and implementation of the control environment to identify any areas of material weakness to focus the design of our testing;
- reviewing any items included in the Charity's fraud and theft register;
- verification of a sample of Gift Aid claims and ensuring these have been made in accordance with the regulations;
- in addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular journals posted by senior management or with unusual account combinations.

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

#### Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Forhad Ahmed (Senior Statutory Auditor)**  
for and on behalf of AGP Consulting

#### Chartered Accountants

##### Statutory Auditor

30 January 2024

AGP Consulting is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Income from:</b>							
Donations and legacies	3	654,980	645,157	1,300,137	534,741	853,691	1,388,432
Investments	4	1,430	-	1,430	-	-	-
<b>Total income</b>		<u>656,410</u>	<u>645,157</u>	<u>1,301,567</u>	<u>534,741</u>	<u>853,691</u>	<u>1,388,432</u>
<b>Expenditure on:</b>							
Raising funds	5	205,829	-	205,829	173,691	-	173,691
Charitable activities	6	357,876	848,877	1,206,753	449,576	593,335	1,042,911
Total expenditure		<u>563,705</u>	<u>848,877</u>	<u>1,412,582</u>	<u>623,267</u>	<u>593,335</u>	<u>1,216,602</u>
Net gains on investments	11	228,661	-	228,661	-	-	-
<b>Net income/(expenditure) and movement in funds</b>		<u>92,705</u>	<u>(203,720)</u>	<u>(111,015)</u>	<u>(88,526)</u>	<u>260,356</u>	<u>171,830</u>
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2022		<u>76,520</u>	<u>260,356</u>	<u>336,876</u>	<u>165,046</u>	<u>-</u>	<u>165,046</u>
<b>Fund balances at 31 March 2023</b>		<u><u>397,886</u></u>	<u><u>56,636</u></u>	<u><u>454,522</u></u>	<u><u>76,520</u></u>	<u><u>260,356</u></u>	<u><u>336,876</u></u>

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

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		292		389
Investments	14		311,048		-
			<u>311,340</u>		<u>389</u>
<b>Current assets</b>					
Debtors	15	196,299		155,496	
Cash at bank and in hand		55,784		240,784	
		<u>252,083</u>		<u>396,280</u>	
<b>Creditors: amounts falling due within one year</b>	16	108,901		59,793	
		<u>108,901</u>		<u>59,793</u>	
Net current assets			143,182		336,487
<b>Total assets less current liabilities</b>			<u>454,522</u>		<u>336,876</u>
<b>The funds of the charity</b>					
Restricted income funds	17		56,636		260,356
Unrestricted funds			397,886		76,520
			<u>454,522</u>		<u>336,876</u>

The financial statements were approved by the Trustee on 30 January 2024

Muhammad Junade Zakir  
Trustee

Fahad Ansari  
Trustee

Adnan Aly  
Trustee

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	21		(104,044)		54,287
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(93)	
Purchase of investments		(82,386)		-	
Investment income received		1,430		-	
		<u>          </u>		<u>          </u>	
<b>Net cash used in investing activities</b>			(80,956)		(93)
<b>Net cash used in financing activities</b>			-		-
			<u>          </u>		<u>          </u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(185,000)		54,194
Cash and cash equivalents at beginning of year			240,784		186,590
			<u>          </u>		<u>          </u>
<b>Cash and cash equivalents at end of year</b>			<u>55,784</u>		<u>240,784</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Charity information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 4th Floor, 43 Berkeley Square, London, W1J 5FJ, ENGLAND

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the Trustee have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustee continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustee in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.4 Income**

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

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### 1.5 Expenditure

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

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

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

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

#### 1.7 Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

**Computers** 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

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

#### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

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

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.12 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	654,980	598,089	1,253,069	534,741	781,569	1,316,310
Grants receivable	-	47,068	47,068	-	72,122	72,122
	<u>654,980</u>	<u>645,157</u>	<u>1,300,137</u>	<u>534,741</u>	<u>853,691</u>	<u>1,388,432</u>

### 4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	1,430	-
	<u>1,430</u>	<u>-</u>

### 5 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Fundraising and publicity</b>		
Advertising	166,584	133,962
Other fundraising costs	39,245	39,729
	<u>205,829</u>	<u>173,691</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 6 Expenditure on charitable activities

	Helping Households 2023 £	Helping Households 2022 £
<b>Direct costs</b>		
Staff costs	113,691	98,253
Depreciation and impairment	97	129
Counselling	5,991	6,779
Financial Support	662,205	562,814
Empowerment	32,503	816
Living expenses	23,370	28,150
Education	7,242	19,820
Practical	70,209	50,858
	<hr/>	<hr/>
	915,308	767,619
<b>Share of support and governance costs (see note 8)</b>		
Support	134,237	187,923
Governance	157,208	87,369
	<hr/>	<hr/>
	1,206,753	1,042,911
	<hr/>	<hr/>
<b>Analysis by fund</b>		
Unrestricted funds	357,876	449,576
Restricted funds	848,877	593,335
	<hr/>	<hr/>
	1,206,753	1,042,911
	<hr/>	<hr/>

### 7 Description of charitable activities

#### Helping Households

Supporting families - this is the main activity of the charity and funds are raised through donations, gifts and grants. There are various different types of expenditure in fulfilling this activity.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 8 Support costs allocated to activities

	2023 £	2022 £
Staff costs	96,812	156,163
Office Rent	11,081	10,744
Training	3,652	2,761
Telephone	2,304	2,104
General expenses	20,387	16,151
Governance costs	157,209	87,369
	<u>291,445</u>	<u>275,292</u>
<b>Analysed between:</b>		
Helping Households	<u>291,445</u>	<u>275,292</u>

### 9 Trustee

One of the trustees, Adnan Aly received fees during the year for professional services amount to £32,443 (2022 - £27,563)

### 10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Admin and operations	<u>7</u>	<u>9</u>
<b>Employment costs</b>	<b>2023</b> £	<b>2022</b> £
Wages and salaries	191,743	236,961
Social security costs	16,534	15,159
Other pension costs	2,226	2,296
	<u>210,503</u>	<u>254,416</u>

There were no employees whose annual remuneration was more than £60,000.

### 11 Gains and losses on investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	<u>228,661</u>	<u>-</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 13 Tangible fixed assets

	<b>Computers £</b>
<b>Cost</b>	
At 1 April 2022	11,358
At 31 March 2023	11,358
<b>Depreciation and impairment</b>	
At 1 April 2022	10,969
Depreciation charged in the year	97
At 31 March 2023	11,066
<b>Carrying amount</b>	
At 31 March 2023	292
At 31 March 2022	389

### 14 Fixed asset investments

	<b>Donations received in crypto currency £</b>
<b>Cost or valuation</b>	
At 1 April 2022	-
Additions	82,386
Valuation changes	228,662
At 31 March 2023	311,048
<b>Carrying amount</b>	
At 31 March 2023	311,048
At 31 March 2022	-

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 15 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	194,540	133,446
Other debtors	1,000	1,000
Prepayments and accrued income	759	21,050
	<u>196,299</u>	<u>155,496</u>

### 16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	6,733	13,293
Trade creditors	58,891	24,900
Other creditors	21,500	-
Accruals and deferred income	21,777	21,600
	<u>108,901</u>	<u>59,793</u>

### 17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2022	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
	260,356	645,157	(848,877)	56,636
	<u>260,356</u>	<u>645,157</u>	<u>(848,877)</u>	<u>56,636</u>
<b>Previous year:</b>				
	At 1 April 2021	Incoming resources	Resources expended	At 31 March 2022
	£	£	£	£
	-	853,691	(593,335)	260,356
	<u>-</u>	<u>853,691</u>	<u>(593,335)</u>	<u>260,356</u>

### 18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022	Incoming resources	Resources expended	Gains and losses	At 31 March 2023
	£	£	£	£	£
General funds	76,520	656,410	(563,705)	228,661	397,886
	<u>76,520</u>	<u>656,410</u>	<u>(563,705)</u>	<u>228,661</u>	<u>397,886</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 18 Unrestricted funds (Continued)

Previous year:	At 1 April 2021	Incoming resources	Resources expended	Gains and losses	At 31 March 2022
	£	£	£	£	£
General funds	165,046	534,741	(623,267)	-	76,520
	<u>165,046</u>	<u>534,741</u>	<u>(623,267)</u>	<u>-</u>	<u>76,520</u>

### 19 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Fund balances at 31 March 2023 are represented by:</b>			
Tangible assets	292	-	292
Investments	311,048	-	311,048
Current assets/(liabilities)	86,546	56,636	143,182
	<u>397,886</u>	<u>56,636</u>	<u>454,522</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Fund balances at 31 March 2022 are represented by:</b>			
Tangible assets	389	-	389
Current assets/(liabilities)	76,131	260,356	336,487
	<u>76,520</u>	<u>260,356</u>	<u>336,876</u>

### 20 Related party transactions

There were no disclosable related party transactions during the year (2022 - none), other than fees paid to Adnan Aly.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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<b>21 Cash generated from operations</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Surplus for the year	117,646	171,830
Adjustments for:		
Investment income recognised in statement of financial activities	(1,430)	-
Fair value gains and losses on investments	(228,661)	-
Depreciation and impairment of tangible fixed assets	97	129
Movements in working capital:		
(Increase) in debtors	(40,804)	(154,496)
Increase in creditors	49,108	36,824
	<u>          </u>	<u>          </u>
<b>Cash (absorbed by)/generated from operations</b>	<b>(104,044)</b>	<b>54,287</b>
	<u>          </u>	<u>          </u>

## **22 Analysis of changes in net funds**

The charity had no material debt during the year.

**HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

England & Wales - Charity number 1117924

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# Accounts

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Charity registration number 1117924

**HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## LEGAL AND ADMINISTRATIVE INFORMATION

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**Trustee**

Muhammad Junade Zakir  
Fahad Ansari  
Adnan Aly

**Charity number**

1117924

**Auditor**

AGP Consulting  
Chartered Accountants & Statutory Auditor  
Q West  
Great West Road  
Brentford  
TW8 0GP

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# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 31 MARCH 2022*

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### INTRODUCTION

HHUGS work with some of the most vulnerable individuals and families throughout UK. Many may be unable to fully appreciate the deep impact of an arrest or raid upon an individual and their extended families. HHUGS are at the forefront here supporting these individuals through emotional, social and financial means, enabling them to become independent and be confident in wider society.

Our primary goal has not changed, but only has been further enhanced. We aim to relieve the financial and emotional hardship of UK resident families of detainees held in the UK and abroad, impacted by counter-terror and national security measures, through the provision of financial, pastoral and practical support.

The burden of an outstanding debt or additional financial cost of supporting a prisoner can be overbearing for a mother carrying the new found responsibility of single-handedly supporting her household. On top of this, some families may have suddenly been denied access to their bank accounts, including all savings. In other cases, as foreign nationals who have only recently settled in the UK, families have limited access to state welfare. In all cases, families face financial difficulty and struggle to cover the cost of living.

At HHUGS, we know that many families feel embarrassed, and reluctant to seek help for what seems like small, everyday necessities that were once so easily acquired. Because we realise the importance of preserving dignity, we start our help at the core of each household. We want them to live as normal a life as possible and therefore dedicate a significant amount of our support to catering for every day needs and necessities. More often than not, the most troubling hurdle in their lives centres around an insufficient income. To lighten the load, we provide financial support in the form of food and clothing shopping vouchers, direct payments to cover the costs of utility bills and rent, purchasing furniture items and appliances, bedding, phone bills, transportation costs, vocational and educational tuition, and debt relief.

Our financial support is tailored and bespoke to suit the specific needs of the individual beneficiary. Every beneficiary is important to HHUGS and every individual being supported in the right way, to uplift them through support, is one of our key objectives. In the past year we have continued to support over 200 families with financial or emotional support.

Living without the most basic of necessities can threaten to strip anyone of their independence and self-worth. At HHUGS, we seek to eliminate the humiliation that is often felt by many families struggling to survive. Our aim is to restore and preserve dignity through core support.

The pandemic taught us the harsh lesson of surrendering control. It significantly impacted the charity's operations and our ability to raise funds. However, with the help of our supporters and donors, we were able to adapt and continue to support families throughout this time.

In 2021, we returned to face to face activities, more resilient than ever, despite the fact that after almost two years living with the pandemic, it had been a tough ride. As a charity, we had a duty to continue to strive to serve those whom we support, however difficult the circumstances. The responsibility we bear to the families who depend on our services is what drove us. We worked tirelessly to evolve, adapt and to accommodate to the new normal so that we were still able to deliver. That drive was supported by generous supporters who donated, volunteers who energetically fundraised and others who enthusiastically gifted their time.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **Objectives and activities**

#### **Who we are?**

Helping Households Under Great Stress (HHUGS) is a UK registered charity. HHUGS work with some of the most vulnerable individuals and families throughout UK. Many may be unable to fully appreciate the deep impact of an arrest or raid upon an individual and their extended families. HHUGS are at the forefront here supporting these individuals through emotional, social and financial means, enabling them to become independent and be confident in wider society.

Our primary goal has not changed, but only has been further enhanced. We aim to relieve the financial and emotional hardship of UK resident families of detainees held in the UK and abroad, impacted by counter-terror and national security measures, through the provision of financial, pastoral and practical support.

The burden of an outstanding debt or additional financial cost of supporting a prisoner can be overbearing for a mother carrying the new found responsibility of single-handedly supporting her household. On top of this, some families may have suddenly been denied access to their bank accounts, including all savings. In other cases, as foreign nationals who have only recently settled in the UK, families have limited access to state welfare. In all cases, families face financial difficulty and struggle to cover the cost of living.

#### **Main Objectives**

At HHUGS, we know that many families feel embarrassed, and reluctant to seek help for what seems like small, everyday necessities that were once so easily acquired. Because we realise the importance of preserving dignity, we start our help at the core of each household. We want them to live as normal a life as possible and therefore dedicate a significant amount of our support to catering for every day needs and necessities. More often than not, the most troubling hurdle in their lives centres around an insufficient income. To lighten the load, we provide financial support in the form of food and clothing shopping vouchers, direct payments to cover the costs of utility bills and rent, purchasing furniture items and appliances, bedding, phone bills, transportation costs, vocational and educational tuition, and debt relief.

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In 2021, we returned to face to face activities, more resilient than ever, despite the fact that after almost two years living with the pandemic, it had been a tough ride. As a charity, we had a duty to continue to strive to serve those whom we support, however difficult the circumstances. The responsibility we bear to the families who depend on our services is what drove us. We worked tirelessly to evolve, adapt and to accommodate to the new normal so that we were still able to deliver. That drive was supported by generous supporters who donated, volunteers who energetically fundraised and others who enthusiastically gifted their time.

The Charity considers the guidance of the Charity Commission's on public benefit, when reviewing our aims and objectives and in planning our future activities.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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The charity fulfil the public benefit requirement in some of the following ways, which is not only limited but:

- Providing funding for education and training
- Providing Counselling
- Providing Housing support
- Providing Mentoring support
- Providing Mental Health support
- Developing Partnership to restore Hope
- Providing Advice and Guidance where appropriate
- Relief of Financial Hardship

The Trustee have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

HHUGS manage most of the fundraising through some of the campaign management. This comes through the support of majority of the income from the community. The key element of the fundraising is 'community fundraising'. This is to ensure, maximum income, through transparent services provided for our families, so the community are clear on the need for effective spending. Some of the campaigns are as below:

#### **Achievements and performance**

##### **Ramadhan Campaign**

Ramadhan is a particularly difficult time for the families we support. For most of the community, Ramadhan is a time for families to reconnect, but many children with fathers in prison are deprived of these moments of togetherness. This time to customarily nurture spirituality is sadly particularly challenging for many of the mothers we support, who are preoccupied with their overwhelming financial burdens. Following the pandemic, with the rising costs of food, families struggle to make ends meet and spiral deeper into debt.

Vulnerable families desperately trying to cope with the anxiety, dread and pain of an uncertain future. The absence of a father can taint the days of celebration for many HHUGS families.

Due to this, HHUGS endeavours to make this time special for families by providing Ramadhan gift boxes, to bring joy to the families, remind them that they are not forgotten and spiritually uplift them, in a month in which they feel lonelier than most. Subsequently, we distributed 188 Ramadhan gift boxes, to 485 adults and 326 children across the UK, for a total of £7,098, each specifically chosen for them and age-appropriate.

Beneficiaries described it as feeling **“like a hug in a box! I’m so thankful.”**

**“Overall an amazing box. The kids were overwhelmed and the games have been a hit.”**

**“Clearly someone made efforts to tailor gifts sets for every particular family. Everyone was very happy.”**

**“Thank you for the thoughtful gift box, it was opened with such excitement by myself and my son. Lovely gifts, May God shower His blessings and Mercy upon you all at HHUGS and reward you all immensely.”**

Given the increased financial burden upon families in this time, we assisted fasting families prepare for Ramadhan by providing food packs or vouchers, to ensure they did not face food insecurity in the blessed month. A total of 251 recipients received food packs including adults and children, in addition to their monthly vouchers to cover their deficit, the majority preferring the independence and personal choice that came with food vouchers, with four receiving physical food packs. The food packs included staples ranging from rice and pasta, to dates to break their fasts.

The feedback from both the Ramadhan gifts, and food vouchers was overwhelmingly positive. Families were extremely grateful, and touched at the thoughtfulness and consideration of strangers who generously donated, and the team who worked hard to make it a success.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **Eid Gifts**

Children within HHUGS households are separated from their parent, and are unable to feel the joy as other children do normally on Eid. Eid is often just another day, as single mothers are unable to cook up a feast, or surprise them with gifts due to financial hardship. In households where food is scarce, gifts and new clothes are considered a luxury out of reach. HHUGS endeavours to provide children and families with gifts to lighten their load and bring joy to their young hearts.

HHUGS aim to restore the joy to the celebration of Eid, providing families with gift vouchers on the occasion of Eid al-Fitr, after Ramadhan, giving families the independence to choose a gift according to the child's age and interests. These allowed mothers to be autonomous in choosing gifts personally selected for their children; making it that extra bit special. We provided £13,085 to bring joy and boost the morale of families to 211 families, comprising of 731 individual adults and children, at a time when they feel most hardship, due to the separation from their loved ones and financial woes.

For Eid al-Adha, families were gifted Krispy Kremes and cakes, to bring a smile to their faces and make them feel the joy of Eid. Many of our families nationwide are isolated with no nearby friends or family to celebrate with or spend their Eid with. Providing a sweet treat was a gesture to remind the families that we celebrate with them. For those missing a family member on their table, or their presence in Eid festivities on the blessed day, we hoped that by sending an Eid gift to be a reminder of hope, love and family, offering a helping hand and warmth to those who are left alone, isolated and abandoned.

**“Truthfully, the smiles your gifts bring to our faces is inexplicable. Receiving any gifts is pleasurable but receiving it from HHUGS holds so much meaning and depth. It’s humbling and we are eternally grateful.”**

**“My children wait for the gifts from HHUGS. I can see the happiness in their eyes.”**

### **A Return to Social Events**

Due to the restrictions that the pandemic brought, we were unable to plan social events and activities for our families for over a year, besides the occasional coffee morning in the periods where restrictions were briefly relaxed. We knew our families were struggling with isolation, so our first return to in-person events was an outing organised for our Midlands families, where they could be able to spend time with other families and enjoy themselves.

This trip could only have taken place due to generous volunteer fundraiser who provided his minibus services pro bono, to families in Birmingham; many of whom had spent months isolated in lockdown.

With some still cautious due to the pandemic, 11 adults and 9 children ventured to Dovedale in the Peak District, most commonly known for the River Dove and limestone ravines. They had the opportunity to marvel at the most iconic part of Dovedale – the picturesque stepping stones.

**“Thank you, a much-needed trip. Bonded with the kids, the long walks did us good.”**

The day out allowed HHUGS families a moment to feel normal, to enjoy time out in nature with their family and others in a similar predicament, enjoying the light of good company after months of darkness.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **Qurbani Campaign**

Qurbani is an Islamic ritual animal sacrifice taking place each year during the festival of Eid al-Adha. During this festival, most Muslims consider it is highly recommended to sacrifice an animal, and to distribute part or all of the meat that has been slaughtered to the poor and needy. Common practice sees the meat sent abroad, where millions of families are living in extreme poverty. But HHUGS encourages and facilitates the distribution of Qurbani meat to needy and poor families often overlooked in the UK. We underestimate the desperate financial constraints of families in the UK, especially those whose husband and main breadwinner is no longer able to support them. Our families at HHUGS are in dire need. As such, we facilitated the distribution of Qurbani meat to their homes, providing relief and solace to families who often have little to look forward to. We want families to forget their troubles for at least one day, enjoy a celebratory meal and share in the joys of Eid al-Adha.

**"We are a large family of seven and very rarely eat meat, maybe a handful of times in a year as it is very expensive and unaffordable for us to eat. So to be able to enjoy some lamb on Eid was a rare pleasure for the entire family."**

This year, we were overwhelmed with the response and exceeded our target and were able to distribute 2,491kg of mutton to 522 people (327 adults and 195 children) due to the generous donations of the community once again. 905kg was delivered by courier outside London, and 900kg (48 Qurbanis) was delivered in London by our dedicated volunteers, who gifted us their precious time to deliver meat to approximately 70 households in London.

The excess 35% was distributed as follows: 235kg went to Al Suffa Food Bank, 451kg went to Syrian and other refugee families in Shropshire, Aberyswth and Cardiff, and the remainder was distributed amongst needy families by Masjid Al Falah (Birmingham).

Sometimes, people may not understand the huge impact it makes to the families. This includes changing the lives of people through gestures like this. Children beam in happiness as well as the pressure of mothers being lifted.

**"In all honesty, I have virtually stopped purchasing meat as the cost to buy it, for my family of seven, is well beyond my means. I have been unable to gain employment and even retain a bank account, as they continually get closed down so a normal life has been very difficult. To receive Qurbani meat during this period of our lives was a huge blessing and one that everyone in my family appreciated. It was an amazing gift at a very difficult time. The children know that it was gifted to them by HHUGS and I've asked them to pray for all those that made it happen for all the families in need, from the donors to the people that delivered it to my front door and everyone in-between."**

**"Due to the expenses of meat, I don't buy it more than twice a month. It's not in my budget. This has allowed me to be able to give it to my five children. Honestly, it's saved money and such a blessing because it's something we have so rarely."**

It offered single mothers suffering silently a brief respite, knowing that they were remembered this Eid.

**"It's such a benefit to single mothers like me. Going through all of the raids and arrests of myself and my ex (husband). You have provided me stability and this is yet another gift you have given myself and my children. The horrors are always with you, but you help, as a blessing from God to settle my heart."**

### **Eid Celebrations**

Due to the pandemic restrictions, we held no in-person Eid events for over a year and were forced to postpone our Eid parties until the Autumn.

The HHUGS Eid parties offered a brief respite for these families. They provide an opportunity to try to detach from their burdens, enjoy themselves and socialise with families in similar situations to themselves, without the fear of judgement. The Eid party is a time where the children who have been longing to have fun, single mothers with nowhere to go, and families who have been strained with the affect of an arrest come together. Even if it is once or twice in the whole year, whether you are on the north side or south side of UK; everyone should be celebrating. This is one of the highlights of the year for many and HHUGS will continue to provide these events, with the support of the community.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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We held three parties, in Birmingham, Bradford for our families in Yorkshire and Lancashire, and finally in London. We were surrounded by great food, great company, a bouncy castle, an opportunity to get your henna done and join in on a game of pass the parcel.

**“(It was) lovely to get to meet other people who understand and (have) been through similar circumstances.”**

**“I had a good time, it was really fun, I enjoyed the company. I haven’t left the house in two and a half years.”**

We provided entertainment in the form of a bouncy castle, games, a quiz and impromptu musical chairs. Children filled the hall playing games, mothers connected and bonded.

**“My wife and kids made new friends and got to meet new and old ones, it was a blast.”**

**“This has brought much happiness, laughter and fun for my children and I.”**

We would have been unable to organise these events without the generosity of our supporters and the volunteers who sacrificed their precious time and worked tirelessly to ensure the events were a success.

**“It is a stress reliever, coming and meeting the HHUGS team and all the families they bring together. It’s a bonding experience for the families. We share our pains and happiness of the past years, and our hopes and aspirations for the future.”**

### Back to School Campaign

HHUGS children often live single parent households where the hard choice between food on the table or heating in the winter is a daily reality. When they outgrow shoes or school attire, their mothers struggle to afford new ones. Buying a uniform means can mean spending up to two thirds of their household income in August, or borrowing money to do so. A school uniform therefore becomes a source of anxiety for single mothers crushed under debts, and children who dread starting the new term in last year’s clothes.

With the average cost of a uniform is £337 per year for each secondary school child and £315 a year for each primary school child, for HHUGS families, already wrestling with uncertain finances, and the weight of debts, costly school necessities fast become another burden they cannot afford.

Research shows that a worryingly high number of children from the UK’s poorest families have reported bullying, as a result of not being able to afford basic school essentials. Some even suffer the humiliation of being sent home for wearing ‘incorrect’ attire.

HHUGS distributed £14,861 in support to our families to prepare them for the start of term, providing 92 children with new school uniforms and 84 with stationery and essentials, reducing their worries, and enabling them to focus on their education.

**“My son didn’t have the uniform last year. The blazer is too expensive. He had my neighbour’s son’s old shoes and his clothes were second hand as well. Having brand new clothes is special.”**

Having the correct uniform and the right stationery not only lifts the burden financially for HHUGS households but improves the confidence of young children in HHUGS families. Many children, already traumatised by their circumstances, would normally experience bullying due to not having the correct kit.

**“My children have all of the equipment they need and won’t be teased about old, washed-out clothes.”**

*Thanks to the generosity of our supporters, the children can now go to school, without the fear of being the odd one out; wearing uniform that is old or torn, not having the correct equipment to study, or wearing shoes that no longer fit.*

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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***“Our child was very happy that he has everything that other school children have. That he was able to wear new clothes and not have anxiety about wearing ill-fitting, worn out things.”***

Every single one of the HHUGS families who received Back to School support in the past 4 years said it restored their dignity and reduced their worry and stress. 83% of our families rated the Back to School assistance a 10 on a scale of 1-10 in terms of helping them financially, and enabling them to stay out of debt.

***“It’s so financially difficult to find money for four children’s uniforms and equipment. This has taken away the stress and struggle. All of my children will have what they need and I no longer have to worry about how I will find it.”***

### **Winter Campaign**

HHUGS families spend the year already struggling with living costs and precarious financial security.

When women have suddenly become single parents overnight, the impact of a husband in prison runs deep. Burdened by ongoing debts and rising fuel bills, they are forced to make the agonising choice between whether to ‘heat or eat’.

Homes that require repair and are not fuel efficient will mean single-parent households will battle home inadequate, icy and unliveable conditions during these Winter months.

Children already dealing with the ramifications of losing their father face the challenge of Winter with clothing and outerwear that cannot keep them warm and protected against the elements.

The absence of a father and husband leaves an unimaginable trail of mental, emotional, psychological and financial burdens for everyone in the family. These struggles are only exacerbated by the difficulties of the Winter months.

At HHUGS we believe that no one should suffer due to the harsh cold weather. Everyone deserves to be warm during winter. One of the key milestones of the year, is to provide winter support; a time where we hope that families do not have to choose between food and heating their homes. Now in its ninth year, our Winter campaign has continued to provide families with vouchers for warm winter clothing for children, blankets and heaters, and monthly stipends to cover the costs of heating bills. This way we ensured that the neediest received enough support to stay warm the entire winter.

Through the Winter campaign, we raised a total of £96,083 – more than £76,000 of which was attained through the efforts of volunteer fundraisers, either through virtual challenges or and community fundraising event challenges such as the return of our in-person Winter Walks, for the first time after the pandemic - Walking Through History London Winter Walk, Dovestone Reservoir Winter Walk in the Peak District, our combat archery Challenge, and the Brecon Beacon Waterfall Trek. Some of our supporters preferred to continue to raise funds virtually, adopting methods that had become popular during the pandemic.

This enabled HHUGS families are able to survive through the Winter period. HHUGS distributed £170,488 and provided Winter campaign support to 59 families, 125 adults and 108 children.

- £8,640 to clothe 108 children
- £5,675 to clothe 67 adults
- £1,748 for 108 duvets
- £1,011 on 24 heaters
- £19,967 on winter fuel
- £43,495 on rent to shelter families for the Winter months
- £76,290 to provide 70 families with food vouchers for the Winter months
- £13,661 to relieve debts

Even more so as temperatures dropped, single mothers could keep their children warm due to the campaign support provided

***“Without HHUGS, this winter would have been difficult to get through. It was colder than we usually experience at this time of year so the heating was more expensive than is the norm.”***

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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When families were asked to 'what extent has winter support provided by HHUGS helped you to stay out of debt?' (1= not at all, and 10= helped a lot), 100% said seven and above. This support helped break the cycle, and relieved the financial stress of vulnerable families.

***"HHUGS for me is like water for the fish, I really can NOT survive without their help and support."***

***"The benefits are numerous to mention but for me and my family, HHUGS has been a pillar of support, without which we would have endured many hardships. God bless the donors and the entire team for all their continued support and hard work."***

***"I survive and I am here thanks to HHUGS"***

#### Connecting Families

In an attempt to ease the burdens of our families and as part of our transport scheme, we facilitate prison visits. One of the most traumatic experiences that our families endure is visiting their loved one in detention. Not only do they have to worry about transportation, child minding and food and drink for the day, but they also witness their loved one in an alien, hostile and restricted environment. Entering a prison, undergoing fingerprinting, photographs, body searches and dog searches all contribute to the feeling of humiliation, causing many to feel as if they themselves have been convicted. Prison visits are also proven to help reduce re-offending rates and to rehabilitate prisoners.

*To relieve the burden of prison visits, HHUGS strives to facilitate visits where possible, making it as smooth and easy as possible. We arrange for volunteers to collect the family from their doorstep and drive them to and from the prison. Saving energy and time, this allows the visit to become instantly easier. Though these visits were suspended during the pandemic, following the relaxation of restrictions we were able to provide this service again through the efforts of our volunteers.*

#### Events

With restrictions easing in 2021, we welcomed the opportunity to engage our supporters through in-person event, to work together towards better lives for HHUGS families.

The Box Hill Trek was the first face-to-face challenge event hosted by HHUGS since the pandemic, attended by 115 women and children, raising a crucial £45,866.

Following the success of these hikes, we arranged two further women only hikes in October, to Virginia Water, Surrey, with 60 women raising £18,176; and the Ingleton Waterfall Trail in Yorkshire, with just 17 women raising £11,768 for the charity.

Winter saw the return of our combat archery challenge and winter walks in London and Bradford. In total, £76,000 was raised towards our Winter campaign through a combination of in-person physical challenges and virtual events.

#### Partner Events

Year on year, HHUGS endeavour to partner with other charities and organisations to bring better support platforms for the families. Whether this is to sign post or join in fundraising activities to raise funds for our families, HHUGS are always certain to join.

One of the key events of the year through our partners is the Al Noor Dragon Boat Race. This is a fun family event that involves around 20 charities, all striving to raise funds for their beneficiaries. This was the second year that HHUGS participated.

After enduring a Winter of lockdown and restrictions, it was perfect to be outdoors, surrounded by family and friends and the wider community, all to raise funds whilst having a blast. We raced against other charity organisations who came out in full force to compete.

Together we raised £8,919 to support the ever growing families who require urgent assistance.

We similarly took part in the community event, Muslim Charity Run, to raise funds for the families.

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# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2022*

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### **Partnership**

HHUGS have teamed up with various charities and platforms to enable the correct and tailored support and advice is provided to the charity which can be directed towards the beneficiaries. This does not only include financial assistance to support the ever growing 230+ UK families but also direct guidance where appropriate in the delivering of excellence service in the charity industry to our beneficiaries.

HHUGS have also worked with many different organisations to help us raise much needed fund through your support. We have been fortunate to receive grants once again from Ummah Welfare Trust as well developing new partnerships with Global Relief Trust and One Nation, who awarded grants of £5,000 and £10,000 respectively.

Through our restaurant project, we have collectively raised almost £4,000 for the families. This would not be possible without the ongoing support from our existing and developing partners as well as the community.

### **Rebuilding Lives, Restoring Honour**

Being released from detention is a shock to the system in many ways. With no job, in some cases a criminal record, few qualifications, a strained marriage and family relations and the unforgiving stigma of having been detained as a terror suspect, the former detainee or prisoner has a harsh reality to face.

At HHUGS, we understand the importance of resettlement and reintegration into society and this is why we offer several services designed to ease the transition from prison to normality. We have provided business loans to those with viable business plans, educational scholarships, family or anger management counselling, housing advice, rental contributions and counselling schemes upon release from custody. When something ends, something new can blossom.

### **Financial review**

#### **Overview**

We continue to enjoy the support of our donors for our work to alleviate stress and hardship and bring a lasting change to the lives of our beneficiaries.

The charity received donations & grants totalling £1,388,432 (2021 - £950,894 After outgoing expenses of £1,216,602 (2021 - £ 804,489 ), the charity was left with a surplus of £336,876 (2021 - £165,046 ) carried forward at the year end.

The operating surplus for the year was £172k (2021 - £146k). This is the total of the amount on the SOFA. The continued operating surplus is the result of the additional income generated due to the various campaigns. The related expenditure was not matched comparatively which has led to a surplus in funds for restricted funds. This was due to the timing of Ramadan coming early in the year in terms of collections and expenditure was made within 12 months if Ramadan which fell after the year end.

Due to the nature of the charity complying with Islamic investment principles there is no set investment strategy. In the previous year, a surplus of that level was not anticipated but it was an area the trustees looked into and funds were utilised and expenditure was more in line with funds raised.

#### **Reserves policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2022*

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Reserves are set according to our budgeted income and against our obligations for continuous funding for supported charitable projects. It is intended to mitigate uncertainty relating to our cash flow and to ensure that there are sufficient reserves to cover any shortfalls against income. The reserves policy is only acted on when cash flow permits.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2022*

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### **Plans for future periods**

#### **Engagement**

During the pandemic, the charity moved to online gatherings via webinars, which had a core group of attendees nationwide on a monthly basis. Since the lockdown was lifted, the charity has endeavoured to revive the coffee morning programme but with varying success, given a move away from face to face events.

In 2022-2023, the charity aims to build on the social gatherings by offering further structured virtual engagement programmes, with additional elements and themes, with external hosts, delivering training in their areas of expertise. This is an effort to improve attendance and engagement, and benefit the beneficiaries by empowering them with additional skills. The charity will run a series of 12 weekly relationship and emotional well-being coaching sessions for with a professional therapist and coach. In the run up to Ramadhan 2023, the charity will run a similar series of workshops as Preparation Sessions with an external community faith teacher.

#### **Financial Capability Programme**

Whilst HHUGS hitherto has focused on providing grants to beneficiaries and providing more informal budgeting advice and signposting for benefits, the charity has for some time aimed to ensure that beneficiaries have access to sufficient resources and training to ensure that they have far greater financial capability. Ensuring the beneficiaries are well equipped in managing their money will further strengthen their ability to be debt free and enable them to spend according to their needs.

To this end, caseworkers have undertaken training in benefits, debt management and will undertake further training in money management, giving them the tools to provide the best support and solutions for families that are struggling with their finances. We will also partner with existing third party experts in this area to provide the best form of coaching and training to beneficiaries.

The charity also intends to apply for the relevant authorisation so that we are licensed to provide debt counselling and debt adjusting and have sufficient supervision to offer these services in future. This will enable us to provide debt advice formally to beneficiaries and to take a more pro-active approach to debt, contributing to the overall progression of our beneficiary services.

#### **Resettlement**

Hitherto, predominantly the services of the charity were designed and best served the family members of the prisoners, and particularly those most vulnerable, such as the wives or elderly parents of detainees. In relation to the charity endeavouring to address the holistic needs of the beneficiaries, the charity has intended to develop a stronger resettlement programme for prisoners upon their release, to enable more effective integration back into the family and also within the wider society.

This would involve extensive research and discussions with prisoner support and ex-offender organisations who offer such services presently. It will eventually comprise of developing print and digital resources to help them transition back into society, integrating into the home and help prepare and equip them to deal with the challenges they will face upon release

In preparation for this, the staff will first undertake an audit of our current risk assessment process. We will be developing a digital system to process our risk assessments from beneficiaries and ensure all risk assessments for former detainees are up to date before out-rolling these services.

#### **Parenting Programme**

In relation to this, we will be partnering with Imperial College London on a programme called 'Fathers Together'. The partnership will be on a co-study, exploring how to better support young fathers in prison and their families. The development of this parenting programme draws on the work that HHUGS facilitates in improving the family relations and wellbeing of Muslim families that have been left with an empty seat in their household as a result of the arrest.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **Volunteering Programme**

Since its inception, HHUGS has established a database of over 1,600 volunteers around the UK. Over time, the charity volunteer scheme has been impacted heavily, something we have not been alone in experiencing but felt across the wider charity sector. HHUGS aims to revitalise its HHUGS volunteer programme which builds bridges between the community and the charity service users.

The volunteer programme and strategy will allow the charity to maintain active volunteers in all departments, ensuring cost saving for the charity, increase in brand awareness and also increase in income generation that will be reinvested in the charity. Furthermore, this will allow the community to be more involved in and more aware of the charity, but also provide them skills and experiences which they can add to their CV, leading to a more meaningful volunteering experience.

### **Outreach**

As part of engaging the wider public and furthering awareness for the charity, HHUGS are developing programmes for university societies to engage student bodies as well as community youth groups and a school programme.

### **Social Enterprise**

One of the core aims of the charity is to develop more sustainable forms of income and reduce the reliance upon only community fundraising as a stream of funding. . In relation to this, the charity will be launching a partner arm as a social enterprise. This innovative new approach will allow the charity to fulfil the obligations that it set for the beneficiaries

Partnering with one of the leading clothing trading firms in Ghana, the aim will be to develop more sustainable methods of raising funds for the charity.

### **Legacies**

In an effort to further diversify our income streams, one of the charity aims is to set up a legacy programme of our own to further support our existing and ever-growing base of beneficiaries  
HHUGS will be working with one of the largest Islamic finance groups in the UK to deliver will writing services, hosted on our website. Through specialist support and our own lawyers, members of the public will have the opportunity to create and formalise their will for free, with the option of covering the cost of the will and to leave a gift for the charity in their bequest.

These gifts will allow us to run our existing core services as well as allowing us to further develop our future programmes of financial capability, resettlement, empowerment and youth programmes. The gifts will also enable us to finance long term investments like our social enterprise.

### **Structure, governance and management**

The charity is an unincorporated charity, registered with the Charities Commission under the number 1117924 and was established under a declaration of Trust dated 8 June 2006 as amended on 10 June 2008.

The Trustee who served during the year and up to the date of signature of the financial statements were:

Muhammad Junade Zakir

Fahad Ansari

Adnan Aly

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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The Board of Trustees, elected by the Members of Association at the Annual General Meeting, are the charity's trustees and the legal directors of the company. Members of the Board of Trustees serve a three-year term, after which they are eligible for re-election. New trustees are selected through an open recruitment process, which generally includes advertising in the national press and online, and a targeted recruitment search. New appointees are given a personal induction programme tailored to their areas of expertise and governance obligations, and all trustees are provided with a range of training opportunities to help them meet their responsibilities. The balance of trustees is kept under review regarding skills, diversity and geographical spread. The Board of Trustees also places particular emphasis on appointing individuals who bring specific identified skills and experience.

The Board of Trustees met five times for scheduled meetings in 2021/22 and holds occasional meetings for exceptional business if necessary.

During the year several additional meetings were held to address the impact of the COVID-19 pandemic and agree the steps to be taken to mitigate the risks to the charity.

The balance of trustees is kept under review regarding skills, diversity and geographical spread. The Board of Trustees also places particular emphasis on appointing individuals who bring specific identified skills.

A written schedule of matters is reserved for decision by the whole Board of Trustees, including:

- the formulation and implementation of strategy
- overseeing the implementation of the strategy through annual operating plans and budgets
- monitoring progress
- accepting ultimate responsibility for the sound professional, legal and financial management of the charity.

To deliver our charitable aims and to meet the needs of our beneficiaries and other stakeholders, The Charity employs a significant number of colleagues alongside the vital support that our volunteers provide.

We recognise and value the unique worth and contribution of every colleague and are committed to ensuring that we pay our colleagues a fair and appropriate salary informed by the local labour market, while always making sure we can do so.

It is the Trustee's responsibility to consider the remuneration and set the pay policy for all staff and agree the basis for any annual increases in pay.

The trustees' report was approved by the Board of Trustee.

Muhammad Junade Zakir  
**Trustee**

Fahad Ansari  
**Trustee**

Adnan Aly  
**Trustee**

31 January 2023

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

***FOR THE YEAR ENDED 31 MARCH 2022***

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The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources of the charity for that year.

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

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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#### Opinion

We have audited the financial statements of HHUGS - Helping Households Under Great Stress (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### Basis for opinion

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

#### Emphasis of matter - Prior Year Unaudited

The Prior Years financial statements for the year ended 31 March 2021, were below the audit threshold and as such did not require an audit, to this extent no work was carried out to give assurance on the prior years financial statements. The opening balances were verified as part of the audit for the current year

#### 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 the charity's 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 Trustee 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 annual report other than the financial statements and our auditor's report thereon. The Trustee are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of Trustee**

As explained more fully in the statement of trustees' responsibilities, the Trustee 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 Trustee 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 Trustee are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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, is detailed below.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the financial reporting framework, the Charities Act 2011 and the relevant tax compliance regulations.

In addition, the Charity is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: employment law, data protection, health and safety legislation and fundraising regulations. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence if any.

We understood how the Charity is complying with those frameworks by making enquiries of management, staff and consultants and those responsible for legal and compliance procedures. We corroborated our enquires through our review of minutes and papers provided by the Trustees of the Charity.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEE OF HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

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Audit procedures performed by the engagement team included:

- discussions with management and internal audit, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC, the Charity Commission for England and Wales.
- assessing the design and implementation of the control environment to identify any areas of material weakness to focus the design of our testing;
- reviewing any items included in the Charity's fraud and theft register;
- verification of a sample of Gift Aid claims and ensuring these have been made in accordance with the regulations;
- in addressing the risk of fraud through management override of controls; testing the appropriateness of journal entries and other adjustments, in particular journals posted by senior management or with unusual account combinations.

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

#### Other matters

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Forhad Ahmed (Senior Statutory Auditor)**  
for and on behalf of AGP Consulting

#### Chartered Accountants

##### Statutory Auditor

AGP Consulting  
Chartered Accountants & Statutory Auditor  
Q West  
Great West Road  
Brentford  
TW8 0GP

31 January 2023

AGP Consulting is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>							
Donations and legacies	3	534,741	853,691	1,388,432	631,342	319,552	950,894
<b>Expenditure on:</b>							
Raising funds	4	173,691	-	173,691	72,433	-	72,433
Charitable activities	5	449,576	593,335	1,042,911	412,504	319,552	732,056
<b>Total expenditure</b>		<b>623,267</b>	<b>593,335</b>	<b>1,216,602</b>	<b>484,937</b>	<b>319,552</b>	<b>804,489</b>
<b>Net (expenditure)/income for the year/</b>							
<b>Net movement in funds</b>		<b>(88,526)</b>	<b>260,356</b>	<b>171,830</b>	<b>146,405</b>	<b>-</b>	<b>146,405</b>
Fund balances at 1 April 2021		165,046	-	165,046	18,641	-	18,641
<b>Fund balances at 31 March 2022</b>		<b>76,520</b>	<b>260,356</b>	<b>336,876</b>	<b>165,046</b>	<b>-</b>	<b>165,046</b>

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

All income and expenditure derive from continuing activities.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## BALANCE SHEET

AS AT 31 MARCH 2022

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	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	10		389		425
<b>Current assets</b>					
Debtors	11	155,496		1,000	
Cash at bank and in hand		240,784		186,590	
		<u>396,280</u>		<u>187,590</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(59,793)</u>		<u>(22,969)</u>	
Net current assets			336,487		164,621
<b>Total assets less current liabilities</b>			<u>336,876</u>		<u>165,046</u>
<b>Income funds</b>					
Restricted funds			260,356		-
Unrestricted funds			76,520		165,046
			<u>336,876</u>		<u>165,046</u>

The financial statements were approved by the Trustee on 31 January 2023

Muhammad Junade Zakir  
Trustee

Fahad Ansari  
Trustee

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	15		54,287		145,796
<b>Investing activities</b>					
Purchase of tangible fixed assets		(93)		-	
<b>Net cash used in investing activities</b>			(93)		-
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			54,194		145,796
Cash and cash equivalents at beginning of year			186,590		40,794
<b>Cash and cash equivalents at end of year</b>			240,784		186,590

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# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2022**

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### 1 Accounting policies

#### Charity information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 4th Floor, 43 Berkeley Square, London, W1J 5FJ, ENGLAND

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Trustee have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustee continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustee in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

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

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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### 1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### 1.5 Expenditure

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

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

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

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

#### 1.7 Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

**Computers**      25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2022**

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### **1 Accounting policies**

**(Continued)**

#### **1.8 Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

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

#### **1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.10 Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

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

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

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	534,741	781,569	1,316,310	631,342	281,552	912,894
Grants receivable	-	72,122	72,122	-	38,000	38,000
	<u>534,741</u>	<u>853,691</u>	<u>1,388,432</u>	<u>631,342</u>	<u>319,552</u>	<u>950,894</u>

### 4 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Advertising	133,962	45,247
Other fundraising costs	39,729	27,186
	<u>173,691</u>	<u>72,433</u>
	<u>173,691</u>	<u>72,433</u>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 5 Charitable activities

	Helping Households 2022 £	Helping Households 2021 £
Staff costs	98,253	60,677
Depreciation and impairment	129	-
Counselling	6,779	1,059
Financial Support	562,814	353,242
Empowerment	816	1,035
Living expenses	28,150	22,300
Education	19,820	3,800
Practical	50,858	39,232
	<u>767,619</u>	<u>481,345</u>
Share of support costs (see note 7)	187,923	133,456
Share of governance costs (see note 7)	87,369	117,255
	<u>1,042,911</u>	<u>732,056</u>
<b>Analysis by fund</b>		
Unrestricted funds	449,576	412,504
Restricted funds	593,335	319,552
	<u>1,042,911</u>	<u>732,056</u>

### 6 Description of charitable activities

Helping Households

Supporting families - this is the main activity of the charity and funds are raised through donations, gifts and grants. There are various different types of expenditure in fulfilling this activity.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	156,163	-	156,163	114,013	-	114,013
Office Rent	10,744	-	10,744	6,727	-	6,727
Training	2,761	-	2,761	1,435	-	1,435
Telephone	2,104	-	2,104	2,201	-	2,201
General office expenses	16,151	-	16,151	9,080	-	9,080
Audit fees	-	9,600	9,600	-	-	-
Legal and professional	-	29,759	29,759	-	28,280	28,280
Professional fees	-	45,656	45,656	-	86,321	86,321
Independent examiners fees	-	2,200	2,200	-	2,500	2,500
Bank charges	-	154	154	-	154	154
	<u>187,923</u>	<u>87,369</u>	<u>275,292</u>	<u>133,456</u>	<u>117,255</u>	<u>250,711</u>
Analysed between Charitable activities	<u>187,923</u>	<u>87,369</u>	<u>275,292</u>	<u>133,456</u>	<u>117,255</u>	<u>250,711</u>

Governance costs includes fees to the auditors of £9,600 (2021- audit exempt) for audit fees.

### 8 Trustee

One of the trustees, Adnan Aly received fees during the year for professional services amount to £27,563 (2021 - £28,068)

### 9 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Admin and operations	<u>9</u>	<u>9</u>
<b>Employment costs</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	236,961	158,498
Social security costs	15,159	13,554
Other pension costs	2,296	2,638
	<u>254,416</u>	<u>174,690</u>

There were no employees whose annual remuneration was more than £60,000.

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 10 Tangible fixed assets

	<b>Computers</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2021	11,265
Additions	93
	<hr/>
At 31 March 2022	11,358
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2021	10,840
Depreciation charged in the year	129
	<hr/>
At 31 March 2022	10,969
	<hr/>
<b>Carrying amount</b>	
At 31 March 2022	389
	<hr/> <hr/>
At 31 March 2021	425
	<hr/> <hr/>

### 11 Debtors

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	133,446	-
Other debtors	1,000	1,000
Prepayments and accrued income	21,050	-
	<hr/>	<hr/>
	155,496	1,000
	<hr/> <hr/>	<hr/> <hr/>

### 12 Creditors: amounts falling due within one year

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	13,293	-
Trade creditors	24,900	7,227
Accruals and deferred income	21,600	15,742
	<hr/>	<hr/>
	59,793	22,969
	<hr/> <hr/>	<hr/> <hr/>

# HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	389	-	389	425	-	425
Current assets/(liabilities)	76,131	260,356	336,487	164,621	-	164,621
	<u>76,520</u>	<u>260,356</u>	<u>336,876</u>	<u>165,046</u>	<u>-</u>	<u>165,046</u>

### 14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none), other than fees paid to Adnan Aly.

### 15 Cash generated from operations

	2022 £	2021 £
Surplus for the year	171,830	146,405
Adjustments for:		
Depreciation and impairment of tangible fixed assets	129	-
Movements in working capital:		
(Increase) in debtors	(154,496)	-
Increase/(decrease) in creditors	36,824	(609)
<b>Cash generated from operations</b>	<u>54,287</u>	<u>145,796</u>

### 16 Analysis of changes in net funds

The charity had no debt during the year.

**HHUGS - HELPING HOUSEHOLDS UNDER GREAT STRESS**

England & Wales - Charity number 1117924

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# Accounts

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**Hhugs - Helping Households Under Great Stress**  
**Unaudited Financial Statements**  
**31 March 2021**

**BEGG, WILLIAMSON & CO**  
Chartered Certified Accountants  
24 Church Road  
Crystal Palace  
London  
SE19 2ET

# Hhugs - Helping Households Under Great Stress

## Financial Statements

Year ended 31 March 2021

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<b>The following pages do not form part of the financial statements</b>	
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# Hhugs - Helping Households Under Great Stress

## Trustees' Annual Report

Year ended 31 March 2021

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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

### Reference and administrative details

**Registered charity name** Hhugs - Helping Households Under Great Stress

**Charity registration number** 1117924

**Principal office** 4th Floor  
43 Berkeley Square  
London  
W1J 5FJ  
ENGLAND

**The trustees** F. ANSARI  
A. ALY  
M.J ZAKIR

**Independent examiner** Z F Begg- FCCA  
Begg Williamson & Co  
24 Church Road  
Crystal Palace  
London  
SE19 2ET

### Structure, governance and management

#### Governing document

The Trust is a registered Charity, number 1117924 and was established under a declaration of trust dated 8 June 2006 as amended 10 June 2008.

# Hhugs - Helping Households Under Great Stress

## Trustees' Annual Report *(continued)*

Year ended 31 March 2021

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### Objectives and activities

Who we are?

Helping Households Under Great Stress (HHUGS) is a UK registered charity that exists to provide financial, emotional, and practical support and advice to Muslim households impacted by counterterrorism, national security and extremism-related laws, policies and procedures, in the UK and abroad.

HHUGS have supported over 750 families over the 17 years in operations and continue doing so right here in the UK. These are families that deal with their main breadwinner getting arrested which ravishes the daily lives of the families, with over 80% of the individuals being women, children and elders which are of state pension age.

### Main Objectives

To support the families, we have specialists who are trained to deal with these families from various backgrounds, irrespective of race, gender or social status. We thrive to make change to those who do not get supported for various reasons including the specialism in supporting individuals impacted by counter terror measures.

Along with Activists, Patrons, Lawyers and Mental health specialists, we aim to relieve the financial and emotional hardship of detainees/former detainees & families held in the UK and Abroad, (so long as families are resident/citizens of the UK). By way of provision of counselling, emotional and practical support and financial assistance if the need arises.

On the guidance of the Charity Commission's on public benefit, when reviewing our aims and objectives and in planning our future activities.

The charity fulfil the public benefit requirement in some of the following ways, which is not only limited but:

Providing funding for Education and Training

" Providing Counselling

" Providing Housing support

" Providing Mentoring support

" Providing Mental Health support

" Developing Partnership to restore Hope

" Providing Advice and Guidance where appropriate

" Relief of Financial Hardship

HHUGS manage most of the fundraising through some of the campaign management. This comes through the support of majority of the income from the community. The key element of the fundraising is 'community fundraising'. This is to ensure, maximum income, through transparent services provided for our families, so the community are clear on the need for effective spending.

# Hhugs - Helping Households Under Great Stress

## Trustees' Annual Report *(continued)*

### Year ended 31 March 2021

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Some of the campaigns are as below:

#### 1. Ramadan

Ramadhan is the biggest campaign of the year for HHUGS. Through this month, almost 90% of the income raised from the charity comes through this specific 30 days of Fundraising. During the holy month of Ramadan, the annual Islamic month of fasting ending with a festival called Eid al-Fitr, our families can become increasingly lonely, isolated and depressed. Remembering the good years that have passed before, they now face the daunting task of spending Ramadan alone, with little money to feed their fasting families.

Many of the families simply cannot even apply for state benefits to support them, whether this is due to restrictions on the case or because they do not possess the right documents. HHUGS are there to make that change with the community's help. Some beneficiaries in such situations, they are unaware if they would have survived without this essential help.

"I couldn't apply for any benefits because I wasn't a UK national. It wasn't legal for me to work. I had no income. I was very depressed. HHUGS paid for my bills, my rent, my food. I think if HHUGS were not there I wouldn't be alive right now."

At HHUGS we want to lighten Ramadan, reviving the spirit of our families during this joyous month. As such, we provided food vouchers to allow them to spend according to their needs from specific super stores and other local stores to purchase the basics such as oil, bread, meat and chic peas. A supply of dates to last the entire month is also provided where needed, gift packs for children containing activities and sweets, and vouchers for our families to purchase gifts for Eid al-Fitr. Due to the pandemic, it was unfortunate that we were not able to organize social gatherings which we normally have. This gives the chance for our families a chance to break their fasts with others who may be in similar situations as themselves, as well as Eid parties to celebrate the end of the holy month. On the grounds of the pandemic, we organized online sessions to give the families solace to be around others in the same or similar situations.

As below, one of the beneficiaries stated:

"Eid was empty without my husband. These occasions are supposed to be spent with your loved ones so it was difficult to enjoy them without him. But HHUGS made it easier when they took me all the way to go and see my husband on Eid day. These volunteers who had their own families to deal with, actually took us all the way up north on Eid and I was so grateful to them for their generosity. HHUGS even arranged Eid parties where there were bouncy castles, a candy floss machine and lots of activities where my son got to play with other kids. They got us gifts and during Ramadan I received a food pack and a little outfit for my son."

And another quoted regarding the eid gifts:

"On Eid they sent us a box of gifts which had little presents and Surayah was so happy, I cannot express what her happiness did for me. She was asking, 'Who is HHUGS?' and I said, 'they are our helpers in Islam.'"

#### 2. Qurbani

Qurbani is an Islamic animal sacrifice taking place each year during the festival of Eid al-Adha. During this festival it is obligatory for all who qualify to sacrifice an animal and it is encouraged to distribute part or all of the meat that has been slaughtered to the poor and needy. Common practice sees the meat sent abroad, where millions of families are living in extreme poverty. But HHUGS encourages and facilitates the distribution of Qurbani meat to needy and poor families often overlooked in the UK.

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# Hhugs - Helping Households Under Great Stress

## Trustees' Annual Report *(continued)*

### Year ended 31 March 2021

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We underestimate the desperate financial constraints of families in the UK, especially those whose husband and main breadwinner is no longer able to support them. Our families at HHUGS are in dire need. As such, we facilitated the distribution of Qurbani meat to their homes, providing relief and solace to families who often have little to look forward to. We want families to forget their troubles for at least one day, enjoy a celebratory meal and share in the joys of Eid al-Adha.

"We would like to say a big thank you for the meat you gave and also for organising such a beautiful gathering. We pray that you carry on with your amazing work." Family of detainee

#### 3. Winter Campaign

The second biggest campaign of the year. With the families who have little or no income due to the arrest of their loved one, without any choice or fault of their own, the struggle with the rising costs during the winter periods.

For many of our families this year life won't be so cosy and warm. With forecasts predicting record lows in temperature and freezing blizzards, thousands of mothers and children will suffer the bite of the harsh frost, alone and isolated.

Unable to afford their energy bills or buy additional clothes, our families often have no choice but to refrain from using the heating or else go without food. A survey by Save the Children found almost half of the parents from the lowest income families have said they are considering cutting back on food in order to pay their energy bills whilst a NetMums survey found 1 in 4 families have had to choose between heating and food.

Many suffer physically as a result, with the cold increasing the susceptibility of illness and exacerbating pre-existing conditions. On average over the last 6 years alone, over 8,500 people have died annually due to living in cold homes as quoted by the . National fuel poverty charity NEA has highlighted that millions of people in cold homes are at greater risk this winter, as COVID-19 intensified seasonal stresses for those on lowest incomes and in the least efficient homes. It was revealed that 8,500 people died in England and Wales last winter due to cold homes. The figures are based on ONS figures released today which highlight that overall, there were 28,300 excess winter deaths, an increase of almost 20% on the previous winter.

At HHUGS we believe that no one should suffer the brittle pains of the harsh cold weather. Everyone deserves to be warm during winter. That's why, for the past few years, we've dedicated a significant portion of our time and efforts to our Winter Campaign and we intend to continue this campaign for many years to come. This year we provided warm winter clothes and monthly stipends to cover the costs of heating bills, varying our stipends in accordance with the financial status of each family. This way we ensured that the neediest received enough support to stay warm the entire winter.

"In Winter, they send us vouchers for clothing and sent us duvets to keep us warm. God knows the difference that HHUGS made to my life."

#### Relieving Burdens: Practical Support

In an attempt to ease the burdens of our families and as part our of transport scheme, we facilitate prison visits. One of the most traumatic experiences that our families endure is visiting their loved one in detention. Not only do they have to worry about transportation, child minding and food and drink for the day, but they also witness their loved one in an alien, hostile and restricted environment. Entering a prison, undergoing fingerprinting, photographs, body searches and dog searches all contribute to the feeling of humiliation, causing many to feel as if they themselves have been convicted.

To relieve the burden of prison visits HHUGS strives to facilitate each visit, making it as smooth and easy as possible. We arrange for volunteers to collect the family from their doorstep and drive them to

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# Hhugs - Helping Households Under Great Stress

## Trustees' Annual Report *(continued)*

### Year ended 31 March 2021

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and from the prison. Saving energy and time, this allows the visit to become instantly easier. In circumstances where we are unable to obtain a driver, we cover the costs of a taxi or train fare. To this end, we made financial payments to meet expenses associated with visiting imprisoned family members across the country. We also provided others forms of practical support such as general transport, grocery shopping, childcare, domestic help, assembling furniture, gardening, food rotas and anything that could help our families.

"We often take it for granted that we can see our loved ones on Eid...Even if it was the weekend after Eid that day would feel like Eid. Alhamdulillah we were able to see our relatives and spend time with them even if for only about 90 mins."

#### Rebuilding Lives and bring back Honour

At HHUGS we aim to empower the families. We have a non judgment policy, and go through a rigorous due diligence process to ensure the right support is provided for families and individuals, ensuring they are confident to make the right choices in life.

After the release from detention is a shock to the system in many ways. With no job, in some cases a criminal record, few qualifications, a strained marriage and family relations and the unforgiving stigma of having been detained as a terror suspect, the former detainee or prisoner has a harsh reality to face.

At HHUGS we understand the importance of resettlement and reintegration into society and this is why we offer several services designed to ease the transition from prison to normality. We have provided business loans to those with viable business plans, educational scholarships, family or anger management counselling, housing advice, rental contributions and counselling schemes upon release from custody.

#### Mentoring Scheme.

We are currently working with almost 750 individuals, more than 40% of those are young people. HHUGS have developed a pilot mentoring scheme which aims to enable our young people and the new generation to be empowered and determined to succeed in life with the relevant support and guidance by a trained mentee. With this project, we seek to help young beneficiaries with an opportunity to hone their talents, abilities, skills and capabilities.

We hope to encourage imagination, and creativity in order to view a future beyond circumstances, supporting them to improve their emotional, intellectual and spiritual responses to the challenges they face and beyond. Mentoring is a very personal and informal tool which can support young beneficiaries to deal with challenges they face on account of arrests, raids, and detention of a loved one. What matters most is that people are there to listen to you in your hour of need and offer sound advice at your most vulnerable. However, we went back to school to support everyone else. Once again.

Our aim is to provided the right tools and support, emotionally and mentally from skilled and trained mentors to develop the young person, in moving ahead with life.

#### Back to School

One for the school children. The trauma of a father arrested and in prison, the children often suffer the most. The families struggle to buy the bare minimum due to financial difficulties, such as shirts, trousers and any other outfits, let alone pay for curriculum activities and school trips. These children are often bullied for their attire and old clothes, and it is the children that do not know where to turn.

HHUGS manage the Back-to-School campaign in order to raise the much needed funds for the children to attend school, stand up tall and be confident in themselves. No children should be going through such trials.

# Hhugs - Helping Households Under Great Stress

## Trustees' Annual Report *(continued)*

Year ended 31 March 2021

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One of the beneficiaries wrote of their children to HHUGS:

"Our child was very happy that he has everything that other school children have. That he was able to wear new clothes and not have anxiety about wearing ill-fitting, worn-out things."

Partnership-Working together to restore Hope

HHUGS have teamed up with various charities and platforms to enable the correct and tailored support and advice is provided to the charity which can be directed towards the beneficiaries. This does not only include financial assistance to support the ever growing 230+ UK families but also direct guidance where appropriate in the delivering of excellence service in the charity industry to our beneficiaries.

HHUGS have also worked with many different organisations to help us raise much needed fund through your support. Through our restaurant project, we have collectively raised almost£4,000 for the families. This wouldn't be possible without the ongoing support from our existing and developing partners as well as the community.

Investing in the Future: Empowerment

For most of us a life without our husband, father or brother is difficult to envision. We take for granted how much they do for us and how much we rely on them for everyday support. But for many families, this sad reality has finally hit home. With no breadwinner in the house and no community support, many wives of detainees or those under house arrest are forced to rely on others. Thrown in the deep end and lacking key functional skills like the ability to speak English, drive or work, their day-to-day necessities become near impossible. As a result such women become entirely dependent upon the few charitable friends and family they have. As their confidence and self-worth declines, vulnerable mothers descend into isolation, falling behind with necessary duties like paying the bills or, in the initial upheaval, even taking the children to school.

To this end, we provided initial emergency support like food, transport services and financial assistance but our responsibility extended much further than this. We also organised English language courses for the wives of detainees where appropriate and paid for driving lessons so female beneficiaries could become more independent and less reliant on others. "HHUGS helped me gain independence by paying for my driving lessons and supporting me so I could pass my driving test. I cannot thank HHUGS enough for the help and support they have given us, the list of things they have done for us is endless!"

# Hhugs - Helping Households Under Great Stress

## Trustees' Annual Report *(continued)*

Year ended 31 March 2021

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### Financial review

The Trustees are satisfied the with the results of the Charity.

### RESERVE POLICY

The Charity aims to retain £ 114,000 as a reserve fund in the eventuality of the Charity winding down its activities.

The trustees' annual report was approved on 17 August 2022 and signed on behalf of the board of trustees by:

F. ANSARI  
Trustee

A. ALY  
Trustee

M.J ZAKIR  
Trustee

# Hhugs - Helping Households Under Great Stress

## Independent Examiner's Report to the Trustees

Year ended 31 March 2021

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I report to the trustees on my examination of the financial statements of Hhugs - Helping Households Under Great Stress ('the charity') for the year ended 31 March 2021.

### Responsibilities and basis of report

- to state whether particular matters have come to my attention.

The trustees are also the directors of the company for the purposes of company law are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of 'Accounting body'. Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

examine the accounts under section 145 of the 2011 Act;

follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants(ACCA), which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Z F BEGG-FCCA  
Independent Examiner

Begg Williamson & Co  
24 Church Road  
Crystal Palace  
London  
SE19 2ET

17 August 2022

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# Hhugs - Helping Households Under Great Stress

## Statement of Financial Activities

Year ended 31 March 2021

		2021		2020	
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>					
Donations and legacies	4	631,342	319,552	950,894	738,233
<b>Total income</b>		<u>631,342</u>	<u>319,552</u>	<u>950,894</u>	<u>738,233</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	5	72,433	–	72,433	62,475
Expenditure on charitable activities	6,7	412,505	319,552	732,057	724,635
<b>Total expenditure</b>		<u>484,938</u>	<u>319,552</u>	<u>804,490</u>	<u>787,110</u>
<b>Net income/(expenditure) and net movement in funds</b>		<u>146,404</u>	<u>–</u>	<u>146,404</u>	<u>(48,877)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		18,642	–	18,642	67,519
<b>Total funds carried forward</b>		<u>165,046</u>	<u>–</u>	<u>165,046</u>	<u>18,642</u>

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

The notes on pages 11 to 17 form part of these financial statements.

# Hhugs - Helping Households Under Great Stress

## Statement of Financial Position

31 March 2021

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	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible fixed assets	13	425	426
<b>Current assets</b>			
Debtors	14	1,000	1,000
Cash at bank and in hand		186,590	40,794
		<u>187,590</u>	<u>41,794</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>22,969</u>	<u>23,578</u>
<b>Net current assets</b>		<u>164,621</u>	<u>18,216</u>
<b>Total assets less current liabilities</b>		<u>165,046</u>	<u>18,642</u>
<b>Net assets</b>		<u>165,046</u>	<u>18,642</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>165,046</u>	<u>18,643</u>
<b>Total charity funds</b>	16	<u>165,046</u>	<u>18,643</u>

These financial statements were approved by the board of trustees and authorised for issue on 17 August 2022, and are signed on behalf of the board by:

F. ANSARI  
Trustee

A. ALY  
Trustee

M.J ZAKIR  
Trustee

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The notes on pages 11 to 17 form part of these financial statements.

# Hhugs - Helping Households Under Great Stress

## Notes to the Financial Statements

Year ended 31 March 2021

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### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 4th Floor, 43 Berkeley Square, London, W1J 5FJ, ENGLAND.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

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

#### Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company.

(b) Disclosures in respect of financial instruments have not been presented.

#### Fund accounting

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

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

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

# Hhugs - Helping Households Under Great Stress

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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### 3. Accounting policies *(continued)*

#### Incoming resources

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

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

#### Resources expended

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

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

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

#### Tangible assets

All fixed assets are initially recorded at cost.

# Hhugs - Helping Households Under Great Stress

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

---

### 3. Accounting policies *(continued)*

#### Depreciation

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

Office - 25% straight line

#### Impairment of fixed assets

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

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

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

#### Financial instruments

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

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

# Hhugs - Helping Households Under Great Stress

## Notes to the Financial Statements *(continued)*

### Year ended 31 March 2021

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#### 3. Accounting policies *(continued)*

##### Financial instruments *(continued)*

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

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

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

#### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Donations	565,472	281,552	847,024
<b>Gifts</b>			
GIFT AID	65,870	–	65,870
<b>Grants</b>			
Grants receivable	–	38,000	38,000
	<u>631,342</u>	<u>319,552</u>	<u>950,894</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
<b>Donations</b>			
Donations	268,918	363,622	632,540
<b>Gifts</b>			
GIFT AID	85,693	–	85,693
<b>Grants</b>			
Grants receivable	20,000	–	20,000
	<u>374,611</u>	<u>363,622</u>	<u>738,233</u>

#### 5. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Costs of generating income - EVENTS	<u>72,433</u>	<u>72,433</u>	<u>62,475</u>	<u>62,475</u>

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# Hhugs - Helping Households Under Great Stress

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Activity	161,795	258,874	420,669
Support costs	250,710	60,678	311,388
	<u>412,505</u>	<u>319,552</u>	<u>732,057</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Activity type 1	79,583	363,622	443,204
Support costs	281,429	–	281,431
	<u>361,012</u>	<u>363,622</u>	<u>724,635</u>

### 7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £	Total fund 2020 £
Activity	420,669	194,133	614,802	629,342
Governance costs	–	117,255	117,255	95,293
	<u>420,669</u>	<u>311,388</u>	<u>732,057</u>	<u>724,635</u>

### 8. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	–	140

### 9. Auditors remuneration

–

### 10. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>2,500</u>	<u>2,000</u>

### 11. Staff costs

The average head count of employees during the year was 9 (2020: 8).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

# Hhugs - Helping Households Under Great Stress

## Notes to the Financial Statements *(continued)*

### Year ended 31 March 2021

---

#### 12. Trustee remuneration and expenses

Payments of £ 28,068 under a Contractor and Consultancy agreement was paid to Mr A Aly who is a trustee .

No trustee expenses have been incurred;

#### 13. Tangible fixed assets

	<b>Fixtures and fittings £</b>
<b>Cost</b>	
At 1 April 2020 and 31 March 2021	11,265
<b>Depreciation</b>	
At 1 April 2020 and 31 March 2021	10,840
<b>Carrying amount</b>	
At 31 March 2021	425
At 31 March 2020	425

#### 14. Debtors

	<b>2021 £</b>	2020 £
Other debtors	1,000	1,000

#### 15. Creditors: amounts falling due within one year

	<b>2021 £</b>	2020 £
Trade creditors	7,228	960
Accruals and deferred income	15,741	22,618
	<u>22,969</u>	<u>23,578</u>

#### 16. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 20 21 £
General funds	18,642	631,342	(484,938)	165,046

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 20 20 £
General funds	67,519	374,611	(423,487)	18,643

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# Hhugs - Helping Households Under Great Stress

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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### 16. Analysis of charitable funds *(continued)*

#### Restricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 20 21 £
Restricted Fund	<u>–</u>	<u>319,552</u>	<u>(319,552)</u>	<u>–</u>

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 20 20 £
Restricted Fund	<u>–</u>	<u>363,622</u>	<u>(363,622)</u>	<u>–</u>

# **Hhugs - Helping Households Under Great Stress**

**Management Information**

**Year ended 31 March 2021**

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**The following pages do not form part of the financial statements.**

# Hhugs - Helping Households Under Great Stress

## Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2021

	2021 £	2020 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	847,024	632,540
GIFT AID	65,870	85,693
Grants receivable	38,000	20,000
<b>Total income</b>	<u>950,894</u>	<u>738,233</u>
	<b>2021 £</b>	<b>2020 £</b>
<b>Costs of raising donations and legacies</b>		
<b>Costs of generating income - EVENTS</b>		
Fund Raising expenses	27,186	13,461
Advertising	45,247	49,014
	<u>72,433</u>	<u>62,475</u>
<b>Costs of raising donations and legacies</b>	<u>72,433</u>	<u>62,475</u>
<b>Expenditure on charitable activities</b>		
<b>Activity type 1</b>		
<b><i>Activities undertaken directly</i></b>		
GRANTS- Emotional support	1,060	2,550
GRANTS- Financial support	353,242	187,311
GRANTS- Empowerment	1,035	3,199
GRANTS- Living expenses	22,300	206,219
GRANTS- Education	3,800	7,140
GRANTS- Practical	39,232	36,785
	<u>420,669</u>	<u>443,204</u>
<b><i>Support costs</i></b>		
Support charitable activity 1 - wages/salaries	161,136	143,639
Support charitable activity 1 - employer's NIC	13,554	10,635
Support charitable activity 1 - Office Rent	6,727	9,662
Support charitable activity 1 - Volunteer expenses	1,435	1,811
Telephone	2,201	2,846
Depreciation	-	140
General office running costs	9,080	17,405
	<u>194,133</u>	<u>186,138</u>
<b>Governance costs</b>		
Accountancy & bookkeeping fees	212	326
Examiners fees	2,500	2,000
Consultancy fees	28,068	30,944
Professional fees	86,321	61,958
Bank charges	154	65
	<u>117,255</u>	<u>95,293</u>
<b>Expenditure on charitable activities</b>	<u>732,057</u>	<u>724,635</u>