



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

LEGAL AND ADMINISTRATIVE INFORMATION

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

The Trustee 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 Trustee 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 Trustee 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 Trustee 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.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH

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

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

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH

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

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

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. The 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.

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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.

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FOR THE YEAR ENDED 31 MARCH

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.

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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

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

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.

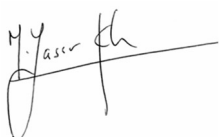
With our brothers and sisters facing persecution globally, maintaining optimism can be difficult. Yet as Muslims, we remain hopeful, steadfast, and firm. We draw strength from each other and from our faith, knowing that Allah's help is constant.

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 stroke 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

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

Responsibilities of Trustees

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

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.

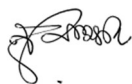
Other matters

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

29th 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
Income from:							
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
Total Income		697,413	842,965	1,540,378	654,980	645,157	1,301,567
Expenditure on :							
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			
Total Expenditure		505,294	917,971	1,423,265	563,705	848,877	1,412,582
Net Income/expenditure before other gains/losses							
		192,119	(75,006)	117,113	91,275	(203,720)	(111,015)
Net gains on investment	12	516,123		516,123	228,661		228,661
(Net Income/expenditure Before movement in funds)		708,242	(75,006)	633,236	319,936	(203,720)	117,646
Reconciliation of Funds:							
Fund balances At 1 April 2023		397,886	56,636	454,522	76,520	260,356	336,876
Transfer between funds	16	(18,370)	18,370				
Fund balances at 31 March 2024		1,087,758	0	1,087,758	396,456	56,636	454,522

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

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		195		292
Investments	12		876,778		311,048
			<u>876,973</u>		<u>311,340</u>
Current assets					
Debtors	13	179,998		196,299	
Cash at bank and in hand		92,980		55,784	
		<u>272,978</u>		<u>252,083</u>	
Creditors: amounts falling due within one year	14	62,193		108,901	
Net current assets			<u>210,785</u>		<u>143,182</u>
Total assets less current liabilities			<u>1,087,758</u>		<u>454,522</u>
The funds of the charity					
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
	£	£	£
Cash Outflow from Operating Activities			
Operating Profit	633,236		117,646
Depreciation	97		97
Unrealised gains on cryptocurrency	(565,730)		(228,661)
Operating Profit Before Working Capital Charges	67,603		(110,918)
(Increase)/Decrease in Debtors	16,301		(40,803)
Increase/(Decrease) in Creditors	(46,708)		49,108
Cash from Operations	(30,407)		8,305
Net Cash Generated from Operations		37,196	(102,613)
Cash Outflow from Investment Activities			
Purchase of Cryptocurrency Investments			(82,387)
Investment disposals			
Net Cash inflow/outflow from investment Activities		-	(82,387)
Cash Outflow from Financing Activities		-	-
Increase/(Decrease) of Long Term Loans			
Net Increase/(decrease) in Cash and Cash Equivalents		37,196	(185,000)
Opening Cash and Cash Equivalents		55,784	240,784
Closing Cash and Cash Equivalents		92,980	55,784
Reconciliation:			
Cash at Bank		92,980	55,784

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

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

(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 £
Direct costs		
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>

5 Governance costs

Professional fees	<u>67,226</u>	<u>157,208</u>
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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
	<hr/>	<hr/>
	118,768	134,333
	<hr/>	<hr/>

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

Employment Cost:

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

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

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

12 Investments (Digital assets)

	Donations received in crypto currency
Cost or valuation	
At 1 April 2023	311,048
Additions	49,067
Valuation changes	516,123
At 31 March 2024	876,238
Carrying amount	
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
	£	£
Amounts falling due within one year:		
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	Restricted fund	Total
	2024	2024	2024
	£	£	£
Fund balances at 31 March 2024 are represented by:			
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	Restricted funds	Total
	2023	2023	2023
	£	£	£
Fund balances at 31 March 2023 are represented by:			
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.

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