



pennyappeal

ANNUAL ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023



CONTENTS

About Us	4
Letter from the CEO	6
A Heartfelt Message From The Founder	12
A Warm Welcome From The Chairman	14
Strategic Report	20
Our Campaigns	26
Objectives & Activities	60
Financial Review	62
The Trustees	72
Independent Auditor's Report	86
Financial Statements	94

ABOUT US

Penny Appeal, founded in 2009, is an award-winning humanitarian charity providing poverty relief both internationally and domestically.

We assist over 30 crisis-hit countries worldwide, as well as offering support within the UK. Our mission is straightforward: to transform lives and empower communities through immediate aid and sustainable long-term projects. Inspired by Islamic teachings, we uphold the sanctity of human life and embrace the selflessness reflected in the Qur'anic verse:

“...whoever saves a life, it is as if he has saved the entire humanity” (5:32).

Our programs include emergency support, short-term relief, and long-term sustainable interventions, reaching destitute, hard-to-reach, and disadvantaged communities globally.

Through providing emergency food and medical aid, supporting women's empowerment, creating water solutions, and caring for orphans, we break the cycle of poverty, empower communities, and foster lasting changes.

While we regularly operate in 30 countries, our efforts have spanned over 60 countries throughout our history. Penny Appeal achieves significant impact by encouraging people to donate just a few pennies each day, making charitable giving affordable and rewarding, and ensuring everyone can contribute to aiding the poor and needy.





LETTER FROM THE CEO

2023 - A Year of Resilience and Impact

Dear Supporters and Stakeholders,

I am pleased to present the annual report for Penny Appeal's journey throughout the fiscal year of 2023. As the Interim CEO of an organisation that is synonymous with perseverance and diligence, I have witnessed the reporting period to be a demanding yet an incredibly fulfilling time for the charity. I am deeply honoured to lead this extraordinary organisation as we continue to expand our positive influence on vulnerable communities worldwide.

Upon taking office as Penny Appeal's Interim CEO during August of 2024 post the reporting period and in my role as Director Of Programs during 2023, I have been fortunate to work with a team who really care about what we do. Together, we have made a lot of progress, overcome challenges, and improved our progression plans. We have also carefully looked at how we do things, making sure we are accountable, responsible, and making a real difference.

During the reporting period, as a key strategic focus to our tenure as a Senior Leadership Team alongside the Board Of Trustees, we have focused on strengthening governance and building a more robust Penny Appeal. This commitment is clearly reflected in the remarkable renewal and progress at our headquarters in the heart of Wakefield. We have embarked on an inspiring journey of governance reforms, enhancing our policies, processes, and procedures.

With the invaluable support of our Board of Trustees and the new Senior Leadership Team, I am delighted to report that at the time of writing, the Charity Commission, Fundraising Regulator, and Information Commissioner's Office (ICO) have all concluded their investigations into Penny Appeal. Our collaboration with these bodies continues as we pursue ongoing improvement.

These investigations have provided us with essential insights, and we have emerged as a stronger, more resilient organisation. Our dedication to excellence ensures a hopeful and positive future for Penny Appeal, as we continue to make a meaningful impact in the lives of those we serve.

Answering the Call: Emergency Response and Beyond

As a long-standing member of Penny Appeal's Emergency Response team, I am deeply thankful for leading an organisation known for swiftly providing vital assistance during crises.

Last year witnessed several heartbreaking events, including earthquakes in Türkiye and Morocco, devastating floods in Libya, and troubling developments in Palestine in October. These disasters caused immense hardships, displacing many families, and causing widespread damage.

In literally days after a devastating earthquake hit Türkiye, I was on the ground with the Penny Appeal team, helping with food packing and witnessing remarkable resilience. My emergency deployment to the earthquake zone allowed me to see first-hand the scale of devastation and just how cataclysmic the situation was. It was through the sheer generosity of our donors and the indomitable spirits of our team members and partners on the ground, we have been able to deliver lifesaving aid to communities who lost their homes and were left sleeping under open skies.

Moreover, in yet another instance of demonstrating perseverance of the highest standards, during the violence in Gaza that had initially claimed over 31,000 lives and continues to face unthinkable horrors, our partners have been actively involved in providing humanitarian assistance to those affected by the bombardment.

As the Director Of Programs at Penny Appeal, I've helped the organisation secure a vital Memorandum of Understanding between Penny Appeal and the Egyptian Red Crescent providing Penny Appeal unique access to get critical aid over the Rafah border into Gaza. We were one of very few charities around the world to be able to secure this access and we are delighted that this has helped us to save countless lives in Gaza itself.

Under our stewardship, I am honoured and humbled that Penny Appeal has become the charity of choice for the prestigious and highly acclaimed national media such as Sky News, the BBC and ITV when looking for humanitarian spokespeople to relay the heartbreaking catastrophe unfolding in Gaza.





2023 marked a continued commitment to supporting the vulnerable communities affected by the Beirut explosion, even four years after the tragic event. Despite the passing of time, the challenges of poverty, desperation, and overwhelming need remain ever-present.

Our teams were on the ground, delivering critical food, water, and emergency supplies, thanks to the generosity of our donors.

We were also proud to support young people from disadvantaged backgrounds as they participated in the Beirut marathon, a testament to the positive impact made possible through the kindness of the Penny Appeal family. In financial terms, our organisation recorded an income of £22,429,858 for the fiscal year 2023, a slight decrease when compared with our income in 2022 of £23,086,238, underscoring the unwavering support we receive from our generous donors.

Our expenditure on charitable endeavours amounted to £17,304,511, compared to £15,273,026 in the previous year, reaffirming our steadfast dedication to turning modest contributions into significant impact.

The financial year 2023 also witnessed significant investment in our governance, infrastructure, and technical transformation, in order to enhance our systems, controls and processes to maximise impact for those who need us most.

The increased prevalence of war, conflict and natural disaster combined with the ever-worsening global economic crisis have created a new and uncertain situation for charities. As we look to the future, we reaffirm our commitment to helping those in need, whether they are close to home or in other countries. While the challenges ahead may be significant, our determination to address them is even greater.

With your continued support, we will persevere in our efforts to improve the lives of those who rely on us. We sincerely thank you for choosing to support Penny Appeal and for playing a vital role in our mission to turn small change into a big difference.

Warm regards,

Muhammad Ishaq Israr

Ishaq Israr
Interim CEO, Penny Appeal



A HEARTFELT MESSAGE FROM THE FOUNDER

It is with great honour and humility that I present to you the remarkable achievements and milestones of Penny Appeal throughout the fiscal year of 2023.

This year has proved to be profoundly significant for us, marked by our relentless response to some of the most heartbreaking calamities, while simultaneously advancing, qualifying, and intensifying our endeavours to fulfil our mission: turning small contributions to substantial impact for those who depend on us the most. As I look back on our journey, I am overwhelmed with pride at the strides we have taken and the lives we have positively influenced.

I extend my deepest and most sincere gratitude to our unwavering board, committed staff, big-hearted donors, and relentless volunteers. Everyone has wholeheartedly supported all our charitable endeavours throughout 2023, enabling us to aid millions of people over the span of a decade and a half. As an organisation known for its unflinching grit and resolute, we embody the notion that even the smallest contribution can yield the most significant impact.

One Penny Appeal, Seven Offices, Five Continents And Growing Alhamdulillah. Thanks to supporters like you, our reach has expanded from local communities in Yorkshire to regions as far-reaching as Yemen. It was a truly humbling experience to visit both our fundraising and field offices around the world during the reporting period.

Seeing the end-to-end process of funds being collected to the same funds being distributed on the ground leaves me in absolute admiration of our amazing teams that live the legacy each and every day.

At Penny Appeal, we hold a steadfast belief in the transformative power of every contribution, no matter its size. While the path ahead presents its share of challenges, it also offers abundant opportunities. We have already reached millions, there are still millions more in need of our assistance.

Penny Appeal passionately believes that every life is precious and deserving of support. With your unwavering dedication, we stand ready to continue making a profound and enduring impact on the lives of the vulnerable, both within the UK and around the globe, for many years to come.

We extend our heartfelt gratitude to you for being an invaluable member of the Penny Appeal family and for your steadfast commitment to our shared vision. Together, we will continue to bring hope and positive change to those who need it most.



Adeem Younis
Founder & Trustee, Penny Appeal



A WARM WELCOME FROM THE CHAIRMAN

Navigating Through Change, Elevating Impact

Dear Friends and Supporters,

I am thrilled to extend a warm welcome to you as you delve into Penny Appeal's 2023 Annual Report. As Chair of the Board of Trustees, it is both an honour and a privilege to guide you through this remarkable journey, highlighting our collective efforts to effect momentous change for those most in need.

FORTIFYING FOUNDATIONS: A NEW ERA IN GOVERNANCE AND LEADERSHIP

We stand at a pivotal moment in our trajectory, reinforced by our collaboration with the Charity Commission.

Following their recommendations, we have undertaken a thorough examination of our governance practices, with a focus on areas such as historical record-keeping and contract management.

While the notice we received was of the least severe in nature, it served as a catalyst for indispensable changes, propelling us toward enhanced governance and best practices. As opposed to seeing this as a hurdle, we view this as an invaluable opportunity for self-reflection and advancement. We have not only implemented crucial corrective measures but have also embarked on a broader transformative journey.

This journey is notably characterised by the appointment of a revitalised, diverse, and exceptionally skilled Board of Trustees. Equally ground breaking is the installation of our new Senior Leadership Team (SLT), spearheaded by an exceptional CEO—the first Muslim woman to hold such a prominent position within the Muslim charities sector.





The current team, in tandem with the board, is steadfastly dedicated to embarking on a relentless pursuit of governance excellence. In line with this commitment, we have:

- Implemented rigorous procurement, tendering, and contracting protocols, under the oversight of a board-appointed audit, finance, and risk committee.
- Strategically retained two properties as enduring assets to bolster our financial resilience and propel our charitable endeavours forward
- Launched a comprehensive conflict of interest policy, crafted by external experts, to ensure the utmost integrity in all our operations. The Board of Trustees and Senior Leadership Team are continuously working to address any actual and perceived conflicts and we recognise the development work this integral governance process necessitates.

In 2023, under the dynamic leadership of our new team and by ensuring full cooperation with the ongoing investigations by the Charity Commission, Fundraising Regulator, and Information Commissioner's Office, significant progress was made.

At the time of writing, we are thrilled to announce that, thanks to everyone's dedicated efforts, these investigations have now concluded to a satisfactory standard. This outcome reflects the hard work and commitment of our entire organisation.

We have gained invaluable insights and developed robust action plans, which we are determined to implement across all departments of Penny Appeal. This achievement marks a significant milestone, and we remain steadfast in our mission to drive positive change and uphold the highest standards of excellence.

DRAWING FROM PAST CHALLENGES, SPARKING CHANGE

Reflecting on past hurdles has been both humbling and enlightening.

Our focus now shifts towards translating these lessons into tangible actions that elevate our service to communities. This report highlights a plethora of programs and initiatives, ranging from delivering vital humanitarian aid to promoting educational advancement, all of which reaffirm our dedication to fostering a profound and enduring impact.

FORGING A FUTURE THROUGH COLLECTIVE DEDICATION AND UNWAVERING DETERMINATION

As we embark on this new chapter, your ongoing presence and support remain indispensable.

Whether it's through financial contributions, volunteering, or advocacy, you play an irreplaceable role in the Penny Appeal family. The array of diverse and impactful campaigns we've initiated, spanning from Morocco to Pakistan, speaks volumes about what we can accomplish when we come together.

I extend to you an invitation to delve into this report, celebrating our shared accomplishments and sharing in our enthusiasm for a future where compassion and empathy prevail. Be assured, our forthcoming actions will continue to fortify our organisation, elevate our governance standards, and enhance the lives of those we serve.

In heartfelt appreciation,

Mohammed Jahangir

Mohammed Jahangir
Chair of the Board of Trustees



STRATEGIC REPORT

Penny Appeal was launched in 2009 with the objective of turning small change into BIG difference. The Charity has grown rapidly and now has programmes in over 30 countries around the world.

Whilst the fundamental vision and mission has not changed, it is recognised that we must continue to evolve to ensure that we are prepared for the next phase of our development.

In 2020, we entered an internal consultation period to update our 5-year strategy, with the overarching vision of ensuring a caring world that empowers communities, provide sustainable solutions out of poverty and transform the lives of individuals. This review work continued during the reporting period, to finalise revisions.

All that we seek to do is built on a firm commitment to equal opportunities, inspired by the Islamic faith. We seek to deliver an integrated and holistic approach to addressing poverty and inequality working closely with communities, by building strong community-level partnerships ensuring that the voices of those we work with are at the front and centre of what we do.

Most recently the charity has implemented several key measures to ensure thorough monitoring and control of funds sent overseas. A dedicated resource within the Finance team is responsible for evaluating programmatic spending, enhancing oversight and accountability.

Our approval process has been strengthened with a three-stage review to ensure effective segregation of duties.

Furthermore, the vetting process for selecting overseas partners has been made more rigorous, ensuring that they meet our compliance standards. These procedures are supported by enhanced checks and audits of payments, ensuring the effective and responsible use of charitable funds.



OUR VISION

Transform small change into a BIG difference for those who need us most.

OUR MISSION

Inspired by the universal values of the Islamic faith, our mission is to serve all those in need at home and abroad.

HIGH-LEVEL STRATEGIC OBJECTIVES

1. Deliver high quality programmes
2. Raise and disburse funds ethically and effectively
3. Invest in our people and infrastructure
4. To build and strengthen our global organisation

FIVE-YEAR STRATEGIC OBJECTIVES

1. Become the best-in-class Muslim charity
2. Raise £100 million for good causes
3. Be among the Times top 100 employers
4. Be the most recognisable Muslim brand globally

Our commitment to delivering high-quality programmes is at the core of our existence. From sustainable development projects to emergency relief efforts, each initiative is meticulously designed to create a lasting impact. By focusing on the quality of our programmes, we are not only meeting the immediate needs of communities but also contributing to our overarching vision of making a significant difference.

Contributing to High-level Strategic Objectives 1 & 2, and to Five-year Strategic Objective 1, our programmes in 2023 exemplified a steadfast commitment to excellence. Each initiative, whether addressing the urgent needs in the aftermath of the Morocco earthquake or participating in the long-term recovery of Türkiye through our various appeals, was meticulously crafted to meet the highest standards of impact and effectiveness. By ensuring that our programmes are not only responsive but also sustainable, we are actively advancing our goal of becoming the best-in-class Muslim charity.

Moreover, our Thirst Relief programme stands as a testament to our dedication to delivering high-quality solutions to pressing global issues. Our WASH efforts extend beyond immediate relief, addressing the fundamental right to clean drinking water while also improving access to education and food security. This initiative aligns seamlessly with our commitment to excellence, ensuring that the impact of our programs reaches far beyond the initial intervention.

In tandem, Education First has been a beacon of transformative impact, breaking barriers and unlocking potential for countless children.

By constructing and refurbishing schools, providing educational resources, and promoting comprehensive welfare for vulnerable children, we not only meet the immediate educational needs but also contribute to sustainable community development. This focus on education aligns with our dedication to delivering high-quality programs and, in turn, supports our aspiration to become the best-in-class Muslim charity.

Our people are the heartbeat of Penny Appeal, and investing in them is investing in our future. By nurturing talent, providing opportunities, and strengthening our technological infrastructure (which includes our new CRM system), we ensure the sustainability and growth of our mission. Our dedication to our personnel and organisational structure is an embodiment of our strategic vision.

Aiming to be among the Times top 100 employers is a testament to our dedication to our people and culture. By creating a workplace that fosters growth, diversity, and inclusivity, we not only attract the best talent but also contribute to the broader narrative of responsible and compassionate corporate practices. In pursuit of recruiting a diverse and inclusive team, we have engaged both specialist recruiters as well as our own HR team to ensure candidates for vacant positions are drawn from the widest pool possible.

Our Performance and Development Review process ensures a bespoke level of support and monitoring for each colleague to help them grow and develop in their respective field. Additionally, our monthly 'Tea and Talk' all-staff meetings give colleagues from across the organisation the opportunity to present and showcase their work to our team across the UK.

We understand that our impact is not only measured in numbers but also in the strength of our family and brand. By fostering a sense of unity within the Penny Appeal family and working towards becoming the most recognisable Muslim brand globally, we amplify our reach and influence. This collective strength is pivotal in achieving our long-term strategic goals.

Our aspiration to be the best-in-class Muslim charity is more than a goal; it's a commitment to excellence. Through innovation, transparency, and a relentless pursuit of improvement, we aim to set the standard for impactful humanitarian work within the Muslim charity sector.

As we reflect on our past accomplishments and look forward to the future, each programmatic endeavour is a step toward realising our high-level and five-year strategic goals. With our vision as our guiding light, we are transforming aspirations into actions, turning small change into a big difference for those who need us most.



INTRODUCING ADOPT A GRAN

Supporting the elderly



ADDRESSING THE GROWING CONCERN OF ELDERLY CARE

As the global population ages, the issue of caring for the elderly has become more urgent. Many seniors are facing poverty and loneliness without the support they need.

That's where our 'Adopt A Gran' sponsorship program comes in. This program provides vital assistance to elderly individuals in need, including financial support, nutritious meals, and access to care facilities. Our goal is to ensure that every elderly person we help can live with dignity and comfort. Thanks to the generosity of our donors, we're dedicated to making sure no elderly person is forgotten or left vulnerable in the communities we serve.



CASE STUDY

Miss Wazir Bibi hails from Village Gakhra in District Rawalpindi. Born in 1947 in Mandra to a farming family, she was the eldest of four sisters and three brothers.

Due to her family's needs, she never attended school and remained illiterate, spending her childhood helping her mother with household chores. As she grew older, her father arranged her marriage to Mr. Allah Dad, also a farmer. Miss Wazir Bibi recalls her husband as a hardworking and caring man. Together, they raised one daughter and three sons, ensuring each of their children married and settled into their own homes. Tragically, her husband developed asthma in his 50s and passed away a decade later.

After her husband's death, Miss Wazir Bibi moved in with one of her sons, but as a daily wager, he struggled to support her. The situation worsened when her only daughter became widowed, prompting Miss Wazir Bibi to move in with her. Now, both women rely on local donations and support from Miss Wazir Bibi's sons. As an elderly woman, she finds it challenging to cover the costs of her medications and other necessities.

Miss Wazir Bibi shared her story: "One day, a relative asked for my CNIC, explaining that he was providing my information to an organisation that assists needy elders. This gave me a glimmer of hope and happiness. A few months later, a representative from Penny Appeal visited my home, confirmed my identity, and gave me PKR 4500. He assured me I would receive this amount regularly each quarter. Since October 2017, this stipend has helped me afford my medicines, fruit, and milk. I have no words to thank the person who sends me this money. May he live a contented life, and I am deeply grateful to Penny Appeal for being the source of this help!"

EDUCATION FIRST

*Unlocking future potential,
One child at a time*



Education holds immense power to transform individuals, communities, and society. However, it is concerning that 60 million primary-aged children globally are denied access to this fundamental right.

Various socio-economic, cultural, and political obstacles often stand in the way of children attending school. At Penny Appeal, we are dedicated to overcoming these barriers through impactful initiatives like our Education First programme. This initiative provides scholarships, financial assistance, and comprehensive support to families who struggle to cover the educational expenses of vulnerable children.

Child labour poses another significant challenge to education. In response, we have implemented livelihood projects that offer vocational training to parents. This empowers them to secure employment opportunities without compromising their children's access to education. Inadequate educational infrastructure remains a pressing issue, particularly in disadvantaged communities. Through our Education First programme, we address this challenge by constructing and renovating schools worldwide. Our aim is not only to meet essential standards but to provide children with the best possible educational environments.



CASE STUDY

Mim Akter is a determined student at the Uposhohor H Block 3 centre of Penny Appeal Bangladesh.

One of five siblings, Mim's family has faced significant hardships. Her father left them and remarried, leaving Mim's mother to support the large family by working as a maid in other people's homes. Despite her hard work, she struggled to provide education for all her children due to extreme poverty.

One day, Parvin Begom, a motivator for the Penny Appeal Bangladesh project, visited a house near Mim's home. Upon seeing her, Mim's mother called out to Parvin, eager to learn more about her purpose there. Parvin explained that Penny Appeal Bangladesh offers free education along with health and hygiene materials, education kits, school bags, uniforms, sandals, and more to underprivileged slum children who otherwise cannot afford schooling. Hearing this, Mim's mother earnestly requested Parvin to admit her daughter into the school bought into existence through the sheer dedication of Penny Appeal.

After discussing with the teacher at Uposhohor H Block 3 centre, Parvin was able to enrol Mim. Now, Mim benefits from all the facilities provided by Penny Appeal. She has learned the Bangla and English alphabets, counting from 1 to 20, various Bangla and English rhymes, and some Surahs and Duas. Mim's mother dreams of her daughter becoming well-educated and aspires for her to become a teacher in the future, spreading the light of education to other poor and helpless children. With hope and determination, Mim's mother prays for the prosperity of Penny Appeal for their invaluable service to humanity, believing that through education, Mim can rise above her circumstances and help others do the same.

EMERGENCY RESPONSE

Acting swiftly when every second matters



Prepared and Responsive

At Penny Appeal, our core mission is deeply rooted in long-term development projects that create substantial, lasting impacts on people's lives.

However, we recognise that the unpredictable nature of global events often necessitates swift, decisive action. When disasters strike, our organisation is poised to pivot rapidly, mobilising resources and expertise to provide critical emergency assistance and save lives across the globe. As a dedicated humanitarian organisation, we pride ourselves on our adaptability and responsiveness.

Our approach is tailored to the unique circumstances of each affected country, ensuring that our interventions address the specific needs of communities grappling with crises. This localised strategy allows us to maximise the effectiveness of our aid, considering cultural nuances, geographical challenges, and the particular vulnerabilities of each population we serve.

Our commitment extends far beyond the provision of immediate relief. We employ a comprehensive two-pronged strategy designed not only to help communities survive in the immediate aftermath of a disaster but also to foster long-term recovery and resilience. This dual focus ensures that our interventions have both immediate and enduring positive impacts. The first phase of our strategy concentrates on rapid emergency response. This includes the swift deployment of essential supplies such as food, clean water, medical aid, and temporary shelter.

Our teams work tirelessly to reach even the most remote or severely affected areas, often in challenging conditions, to deliver life-saving assistance. The second phase focuses on sustainable recovery and rebuilding. We collaborate closely with local partners and communities to implement projects that address long-term needs. This may include the reconstruction of homes and critical infrastructure, the restoration of livelihoods, and the implementation of disaster preparedness measures to mitigate the impact of future crises.

In 2023, our emergency response capabilities were put to the test with the launch of several critical appeals. We mobilised support for survivors of severe floods in Libya, where unprecedented rainfall led to catastrophic flooding, particularly in the eastern city of Derna. Our appeal aimed to provide immediate relief and support long-term recovery efforts in the affected regions.

Similarly, our responses to the devastating earthquakes in Türkiye and Morocco demonstrated our ability to act swiftly and effectively in the face of sudden, large-scale disasters.

In Türkiye, we focused on providing emergency shelter, medical aid, and essential supplies to those affected by the 7.8 magnitude earthquake that struck in February.

In Morocco, following the September earthquake, our efforts centred on reaching remote mountain communities with urgently needed aid and initiating plans for long-term reconstruction.

These appeals have been instrumental in raising funds to rebuild vital infrastructure, provide safe and shelter solutions, and offer comprehensive assistance to those whose lives have been upended by these crises. Our interventions go beyond meeting immediate needs; they aim to restore dignity, rebuild communities, and instil hope for a more secure future.

Through these efforts, Penny Appeal continues to demonstrate its commitment to being a responsive, effective, and compassionate force in global humanitarian aid. Our ability to rapidly mobilise resources, coupled with our dedication to sustainable, community-driven recovery, positions us as a reliable partner in times of crisis and beyond.





Libya Floods: A Disaster Still Unfolding

In September 2023, eastern Libya was struck by an unprecedented humanitarian crisis following catastrophic floods caused by Storm Daniel.

As the torrential rains subsided and the floodwaters receded, the true magnitude of the devastation began to emerge, revealing a landscape of destruction that shocked the world.

The impact of this disaster was staggering. Reports indicated that over 10,100 people were missing, a figure that highlighted the sheer scale of the calamity. The death toll continued to rise alarmingly as search and rescue efforts progressed, with each passing hour bringing more heartbreaking news.

The coastal city of Derna bore the brunt of the disaster, where the collapse of two dams led to a massive torrent of water that swept away entire neighbourhoods. In the face of this overwhelming tragedy, Penny Appeal's Emergency Response team mobilised swiftly, demonstrating remarkable dedication and resilience. The team worked tirelessly, often in hazardous conditions, to provide essential aid to those caught in the disaster's wake.

The team on the ground faced numerous challenges, including damaged infrastructure, limited access to affected areas, and the potential for secondary disasters such as landslides. Despite these obstacles, they persevered, navigating through devastated landscapes to reach those in dire need.

Their efforts went beyond providing material support; they offered compassion, empathy, and a beacon of hope to communities overwhelmed by grief and uncertainty.

The Libya flood response served as a poignant reminder of the power of collective action in the face of adversity. It demonstrated how the compassion and dedication of humanitarian workers, coupled with global support, can make a significant difference in the lives of those affected by disasters.

As Libya begins its long journey towards recovery, the continued support and solidarity of the international community remains crucial in helping the nation rebuild and heal from this unprecedented catastrophe.

Moroccan Tragedy An unimaginable horror

On 8 September 2023, Morocco was struck by a catastrophic earthquake, the most severe to hit the nation in over six decades.

The epicentre was located near the town of Ighil in the High Atlas Mountains, a rugged and remote region that posed significant challenges for rescue and relief efforts. The earthquake, measuring 6.8 on the Richter scale, caused widespread destruction across several provinces, with many of the fatalities occurring in hard-to-reach mountainous areas. The impact of this natural disaster was devastating. Initial reports indicated a death toll of nearly 3,000, with 5,674 individuals reported as injured.

These figures, however, were expected to rise as rescue teams reached more isolated communities. The earthquake's destruction was particularly severe due to the vulnerability of traditional mud-brick buildings common in the region, which crumbled under the intense seismic activity. The calamity itself was unbearable but our grit and determination even more indomitable, Alhamdulillah!

Despite the severity of the aftermath, reported to be the worst since the 1960 Agadir earthquake, and the seemingly insurmountable obstacles, Penny Appeal has worked tirelessly alongside local partners to deliver essential aid to those most in need. Their efforts were crucial in the race against time to save as many lives as possible in the critical hours and days following the disaster. Penny Appeal's emergency response for the Morocco earthquake aimed to address both immediate and long-term needs of the affected population. A key focus of their efforts was providing safe housing options for those who had lost their homes, offering shelter and hope for a more stable future to families who had lost everything.

The commitment to providing long-term, reliable support remained steadfast. By collaborating with local organisations, Penny Appeal was able to offer not only immediate assistance but also sustainable solutions for recovery. This approach recognised that the duty of humanitarian organisations extends beyond emergency aid to supporting communities through the lengthy process of rebuilding and recovering from such devastating crises.

As Morocco began its long journey towards recovery, the international community continues to play a vital role in supporting reconstruction efforts. The disaster served as a poignant reminder of the unpredictable nature of natural calamities and the critical importance of swift, coordinated responses coupled with long-term commitment to affected communities.



Türkiye Earthquake: Shattered hopes, scattered lives

In February 2023, a catastrophic 7.8 magnitude earthquake struck near Gaziantep in southeastern Türkiye, unleashing unprecedented devastation across Türkiye and neighbouring Syria.

This seismic event was the most severe to impact the region in a century, causing widespread destruction and loss of life. The initial tremor was swiftly followed by a second powerful earthquake measuring 7.5 in magnitude, centred in Türkiye's Kahramanmaraş province. A third significant quake, registering 6.0 on the Richter scale, further compounded the chaos and despair in the already ravaged areas.

The human toll of this disaster was staggering. It was estimated that over 50,000 people perished in the immediate aftermath, with the death count continuing to climb as rescue efforts progressed. Tens of thousands more were injured, and millions were left homeless or displaced. The earthquakes' impact was exacerbated by the collapse of numerous buildings, many of which were not constructed to withstand such intense seismic activity.

Compounding the tragedy, the affected regions faced severe weather conditions in the days following the earthquakes. Storms bringing heavy winds, rain, and snow battered the area, significantly hampering rescue and relief efforts. These adverse weather conditions not only made it more challenging to locate and extract survivors from the rubble but also posed additional risks to those left without shelter.

Penny Appeal rapidly mobilised to provide assistance, deploying teams to the ground, working in collaboration with local partners to deliver critical aid. Our efforts focused on providing emergency medical assistance, distributing essential supplies such as food, water, and blankets, and offering temporary shelter to those displaced by the disaster.



Horrors unheard of: Palestine Emergency



The ongoing tragedy in Palestine has left countless families in dire circumstances, facing daily challenges of survival amidst a backdrop of conflict and instability.

Homes have been destroyed, lives lost, and the hope for a peaceful future seems increasingly distant. The humanitarian crisis is profound, with thousands lacking access to basic necessities such as food, clean water, and medical care. Children, in particular, suffer the most, with their education disrupted and their futures uncertain. The emotional and physical scars borne by the Palestinian people call for urgent and compassionate intervention.

Thanks to our Memorandum of Understanding with the Egyptian Red Crescent, we began to deliver the following life critical aid to the people of Gaza during the reporting period.

RELIEF ACTIVITIES	QUANTITIES	NUMBER OF BENEFICIARIES
Hot Meals	10,000	10,000
Food Packs	3,600	18,000
Number of Hot Meals	270,000	
Water (litres)	25,600	25,600
Blankets and NF's	500	500
Hygiene and Dignity Kits	2,200	11,000
Fruits and Vegetables	1,000 Packs	5,000
Medical Supplies	20,000	20,000

Additionally, we are focused on long-term solutions, such as building and rehabilitating schools and providing psychosocial support to help children and families heal from their trauma.

The charity's comprehensive approach ensures that immediate needs are met while also fostering resilience and hope for a brighter future. Through our tireless efforts, brings not only relief but also a sense of solidarity and hope to the people of Palestine.

Our efforts have focused on delivering emergency aid to civilians caught in the crossfire, including food, water, shelter, and medical supplies. We have worked tirelessly to ensure that vulnerable individuals, such as women, children, and the elderly, receive the support they desperately need to survive and cope with the trauma of displacement and violence.

Additionally, we have collaborated with local partners and organisations to facilitate access to essential services and resources in affected areas.

Through our humanitarian activities, we remain committed to alleviating the suffering of Palestinian communities and promoting peace and stability in the region.



NOURISHING LIVES

Bringing hope to the hungry worldwide

FEEDING THE HUNGRY, ONE MEAL AT A TIME

Food is a basic need for all, yet more than 2 billion people worldwide face hunger every day.

Since it began in 2013, Penny Appeal's Feed Our World program has been a vital source of support, providing essential food aid to millions in Africa, Asia, and the Middle East – regions often affected by famine, conflict, and natural disasters.

But we don't just provide immediate relief. We also focus on empowering families through sustainable farming practices and agricultural training for those in need. Donations to Feed Our World go directly towards providing nutritious meals, farming supplies, and training for sustainable agriculture. Each donation has a significant, positive impact on those who need it most. Driven by the dedication of our frontline partners, we are committed to our mission of creating a future filled with hope and food security for everyone.

CASE STUDY:

In the village of Sunamgonj District, 300 families live, with a total population of 2,155, more than half of whom are day labourers.

Among them is Minara Begum, who has five family members. One is male, and the rest are female. As a landless woman, she typically works as a day labourer, and her family's food depends on her earnings. However, unfair circumstances had made it impossible for her to work due to the ongoing lockdown in the country. With no food at home, her family was starving. Compounding the difficulty, it was the month of Ramadan, and she had to consider Iftar and Seheri as well. Minara found herself in a desperate and helpless situation. In this moment of despair, she learned that Penny Appeal were providing relief support to 182 families in the village, and her name was on the list.

This relief brought a ray of hope and happiness into her life. She attended the program and received 30 kgs of relief and Iftar materials. In a conversation with a Penny Appeal representative, she expressed her profound gratitude, saying, "These relief materials are not just relief for us; they are like a blessing from Allah. Without this food, my family and I might have had to die of hunger." She thanked Penny Appeal for this heavenly initiative and prayed for the wellbeing of all the staff involved.

BUILDING MOSQUES

Fostering community connection



MOSQUES: VITAL HUBS FOR COMMUNITY WELL-BEING

Mosques play a significant role in Muslim communities, serving as more than just places of worship.

They are vital hubs offering essential services and acting as social centres. However, many rural Muslim communities lack dedicated spaces for prayer and community activities due to financial constraints. In these areas, prayers often take place in open spaces designated for mosques but remain unbuilt.

Consequently, these communities also lack crucial facilities for administration, prayer, and education. Penny Appeal is committed to addressing this need by constructing mosques in rural communities, particularly those reliant on farming and livestock for income and where poverty is prevalent. Through the generous donations of supporters, we are able to make a significant difference in the lives of these communities by providing them with essential spaces for worship and community engagement.

FULFILLING A DREAM: A NEW MOSQUE TRANSFORMS A VILLAGE

In the quiet village of Attock in Pakistan, Mr. Haji Ahmed's lifelong wish for a nearby mosque has become a reality. Living with his family in this rural area, the 55-year-old Imam had always hoped for a local place to worship.

Despite the village's limited resources, Penny Appeal's support has made it possible for a new mosque to be built just a short distance from Mr. Haji Ahmed's home. This new facility provides a safe and convenient space for prayer, Quranic study, and Islamic education.

Previously, residents faced challenges reaching the nearest mosque, especially during extreme weather conditions. Now, thanks to Penny Appeal's intervention, daily prayers, including Jummah and Eid, can be easily observed in this well-equipped mosque.

Featuring amenities such as a dedicated ablution area, proper lighting, a submersible water pump, and sturdy construction, the mosque not only enhances prayer accessibility but also improves the comfort and convenience of daily ablution rituals.

COMMUNITY EMPOWERMENT THROUGH MOSQUE CONSTRUCTION

The building of the mosque has gone beyond meeting spiritual needs; it has also brought technical knowledge and skills to the community. With guidance from Penny Appeal and our local partners, villagers have gained valuable experience in construction techniques, contributing to the overall development of their community.

Mr. Haji Ahmed expresses profound gratitude. He is deeply moved by the generosity of Penny Appeal's donors and the positive changes he has witnessed in his community. For Mr. Haji Ahmed and his fellow villagers, this mosque represents more than just a structure; it embodies the hopes and dreams of their community brought to life. They are forever grateful for the support they have received and look forward to a bright future, guided by faith and the generosity of Penny Appeal donors.

BRIDGING THE GAP IN GLOBAL EYE CARE

Penny Appeal's vision illuminating Opportunities ahead

An estimated one billion people worldwide struggle with preventable or treatable vision impairments.

As the global population grows, more individuals face challenges that limit their vision. Fortunately, many of these impairments can be reversed through simple medical interventions.

Vision problems have wide-ranging effects. Adults may struggle to find or maintain employment, parents may face difficulties caring for their children, and young people may encounter obstacles in their education. These challenges often trap individuals in a cycle of poverty and darkness. Yet, many of these situations could be prevented with regular medical check-ups or straightforward procedures.

Penny Appeal's "Open Your Eyes" initiative provides quality eye care to isolated communities in the developing world. Through initiatives like eye examinations, medication provision, eyeglass distribution, and surgical procedures, we restore sight and enhance the quality of life for thousands.

PENNY APPEAL'S COMMITMENT TO VISION IMPROVEMENT

At Penny Appeal, we are committed to ensuring universal access to top-tier eye care regardless of cost or location.

By restoring sight, we restore dignity and hope, breaking the cycle of poverty and offering individuals the chance for a brighter future. With the ongoing support of our donors, our campaign continues to be a bold effort to address the limitations imposed by vision impairments, allowing individuals to fully experience life's beauty and complexity.





ORPHANKIND

Providing safety for vulnerable young lives

CHANGING LIVES, ONE CHILD AT A TIME

No child should endure the heartache of losing their parents to war, disease, or natural disasters. Yet, sadly, many orphans find themselves in such tragic circumstances, where thriving seems like an impossible dream.

That is where our OrphanKind Programme comes in—a sanctuary of care, love, and support. Through this flagship initiative by Penny Appeal, we offer children a path out of poverty and the tools to build brighter futures.

From financial assistance and free education to counselling, health check-ups, hygiene training, academic support, and spiritual guidance, we are committed to standing by these children every step of the way.

We passionately believe that education is not a privilege but a fundamental right, and we provide even the most vulnerable children with quality schooling and opportunities for a better future.

A NEW BEGINNING: SANIA'S PATH TO STABILITY AND HOPE



Sania Zahoor, a 12-year-old girl from District Jhelum, faced unimaginable trauma after losing both of her parents.

Her father, a farmer with limited resources, had a large family to support, including two stepmothers, four stepbrothers, and five stepsisters. Sania's mother, the third wife, had six children with her father. When Sania was just ten years old, her father passed away, leaving her mother in a dire situation without any support.

At the age of 30, Sania's mother became a widow, entangled in a bitter land inheritance dispute. Tragically, six months after her husband's death, her relatives killed her. Sania witnessed the horrific incident, survived an attack herself, but was left severely traumatised. This loss not only left her orphaned but also deeply affected her 16-year-old elder brother, who struggled to care for his siblings while managing the household. In his desperation, he found out about Penny Appeal's Mera Apna Ghar (MAG) and enrolled Sania, hoping for a better future for her.

Sania arrived at MAG scared, depressed, and withdrawn. She had lost interest in all activities and isolated herself, unable to share her feelings. However, with the help of supportive sessions and activities at MAG, Sania slowly began to open up.

The foster mother and staff at the Orphan and Hifz Complex (OHC) gained her trust, providing her with a safe space to express her trauma. Gradually, Sania started participating in her studies and day-to-day activities, socialising with peers, and making friends, which restored her confidence and sense of security.

Now, Sania has many friends at MAG and school. She is excelling academically at Ibn-e-Sina Academy, achieving 90 percent marks in her last term exams. Provided with a protected and child-friendly environment, she thrives, enjoying creative activities and playing board games with her MAG friends. Sania dreams of becoming a teacher in the future. She and her elder brother are profoundly grateful to Penny Appeal for giving her the opportunity to cope with her trauma and develop in a nurturing, supportive environment.

"I am very thankful to the Almighty Allah, who gave me the shelter of Penny Appeal when I lost my loved ones. I was alone and scared with no support. But the situation has changed now. I have MAG, my friends, I am studying at school and have all the things I need. MAG is the candle that has filled my life with light."

Our mission is to ensure that no child faces life's challenges alone. We strive to provide every young soul with the chance to thrive in a positive and supportive environment. Sania's transformation is a powerful example of the significant impact this program can have on vulnerable young lives—a small change that can make an enormous difference for generations to come. Through initiatives like OrphanKind, we demonstrate our steadfast dedication to spreading hope and fostering transformation for those who need it most.





THIRST RELIEF

Providing Vital Water Access



Clean water access is a basic human right often overlooked. Shockingly, around the world, 2 billion people lack safe drinking water.

At Penny Appeal, we're making a difference by installing over 41,000 water systems and wells in countries like Pakistan, India, Bangladesh, Nepal, Sri Lanka, Somalia, Kashmir, and Uganda, serving as lifelines for entire communities. But Thirst Relief goes beyond water—it breaks the cycle of poverty. With nearby water sources, people no longer have to travel long distances for this essential resource. This frees up time for education, family care, and economic activities, adding precious hours to the lives of those we serve.

In recent years, Thirst Relief has expanded its reach. Our services now include a variety of water, sanitation, and hygiene (WASH) solutions. With donor support, our Solar Panel Water and Power Centers not only provide water but also power local schools and mosques. Rainwater Harvesting Systems capture and store rainwater, ensuring safe water during dry periods. Our comprehensive WASH village projects tackle the issue from all angles, from community water supplies and gender-sensitive toilets to hygiene education.

Transforming Lives in West Datterchar Village



In the heart of West Datterchar village, nearly five hundred households, primarily dependent on agriculture and agro-economy, face relentless challenges.

Many of the villagers, especially children and infants, are highly susceptible to diseases due to the poor quality of water they consume. The community often remains unaware of the dangers lurking in their drinking water.

Compounding this issue, the heavy rainy season frequently washes away installed water sources and toilets, leading to floods that destroy their investments in water and sanitation infrastructure.

Understanding the dire need for a comprehensive solution to combat water contamination and provide a reliable water supply, Penny Appeal took decisive action. We developed a small-scale underground piped water supply system, benefiting approximately 800 people directly. This project introduced modern sanitation blocks and ensured a steady supply of safe water by constructing a support structure for an overhead water reservoir.

Through these initiatives, the people of West Datterchar village now have access to safe water for drinking, food preparation, and personal hygiene. Our efforts have not only improved their health but also instilled hope and stability in their daily lives. This project stands as a testament to the hard work and dedication of Penny Appeal, transforming challenges into opportunities for a brighter, healthier future.



LOCAL SUPPORT WITH NATIONAL REACH

While Penny Appeal is recognized worldwide for its humanitarian work,

we are equally committed to addressing pressing issues right here in the United Kingdom. Our domestic initiatives play a crucial role in our mission to assist those in need, both locally and globally.

COMMUNITY KITCHEN

Combating hunger, one meal at a time

One notable UK project in 2023 was our Community Kitchen food truck initiative, aimed at addressing the growing issue of food insecurity among vulnerable groups across the UK.

This mobile kitchen travels to diverse communities, providing hot and nutritious meals to those who need them most. As an organisation that upholds the dignity of human lives above anything else, our community kitchen is not restricted to the city of Bradford but traverses across the country to provide comforting meals to those who need the most. Furthermore, our efforts to play a key role in supporting families in need during Eid-ul-Adha 2023, facilitating our endeavours for UK Qurbani donations to be delivered to the less privileged on their doorstep has imparted an indescribable sense of contentment.

However, the impact extends beyond simply providing meals. The food truck fosters a sense of community and solidarity, offering more than just sustenance. It provides a welcoming environment for individuals facing isolation or hardship, with service delivered with a smile. Additionally, this initiative collaborates closely with local businesses and volunteers, taking a community-based approach to alleviate hunger and poverty.

A year of new leadership and community commitment

we welcome new interim CEO, Mr Ishaq Israr alongside our Chair Mohammed Jahangir, both of whom have fostered an unwavering commitment to set a transformative path for our organisation with their visionary leadership

With a heartfelt promise that no one in Wakefield would go hungry, Ishaq and Jahangir both spearheaded the foundations of the development of a state-of-the-art community hub.

This initiative marks the beginning of a new chapter in our efforts to support young people, those in need within our community, and refugee families from places like Syria, Gaza, and Afghanistan.

These individuals, often arriving with little support and a profound need for a sense of belonging, will now find solace and assistance through our dedicated work. The journey that began in 2023 is a testament to our enduring spirit and our relentless dedication to making a tangible difference in the lives of those we serve.





A year of celebrating global partnerships and achievements

In 2023, our trustees Adeem Younis and Saeeda Amin embarked on an inspiring visit to Pakistan, where they reviewed several impactful projects that are being run in partnership with UNICEF.

These projects, focused on the educational advancement of children, left our trustees extremely proud as they provided valuable feedback and celebrated the remarkable achievements of our dedicated teams.

This visit, in particular, also allowed them to assess our operations in Pakistan and discuss the expansion of our services, particularly in the wake of natural disasters that had affected the region in the preceding year and whose aftermath was still prevalent in the overall environment of the land.

Their visit highlighted our commitment to global partnerships and our relentless pursuit of excellence in providing support and opportunities for children in need.

OBJECTIVES & ACTIVITIES

PENNY APPEAL'S VISION

Transform small change into a BIG difference for those who need us most.

At the heart of Penny Appeal is our determination to use every penny wisely, spending in cost-effective and efficient ways that ensure lives are transformed through sustainable, meaningful programmes. Our life-changing programmes encompass emergency support, short-term relief and long-term community improvements. Further information is included in the Our Campaigns sections.



MISSION

Inspired by the universal values of the Islamic faith, our mission is to serve all those in need at home and abroad.

VALUES

Our work is underpinned by the following values:

- + Collaboration Powers Progress
- + The Right Thing, The Right Way, With The Right Intentions
- + Live The Legacy
- + Champion The Underdog
- + Do It The Orange Way

These are designed to remain aligned to evolving challenges, providing focus and purpose to the way in which the Charity operates.

PENNY APPEAL'S OBJECTIVES

The Charity's objectives include:

- + To prevent and/or relieve poverty anywhere in the world through the promotion of education, human rights, social inclusion, and religious harmony for the public benefit.
- + To relieve the suffering and financial needs of victims of natural or other kinds of disasters through humanitarian assistance or other means.
- + To develop the capacity and skills of socially and economically disadvantaged communities in such a way that they are better able to identify and help meet their needs and participate fully for the betterment of society.

FINANCIAL REVIEW

Principle funding sources



Thanks to the generosity of our donors, the Charity's total income for the fiscal year ending December 31, 2023, was £22,429,858 [2022: £23,086,238].

As an organisation that relies solely on public donations, the current challenging macroeconomic environment is reflected in our income levels. Anticipating ongoing challenges, the Charity is committed to strong governance and financial prudence, as evidenced by our reserves calculation and going concern assessment.

Gift Aid, a crucial part of our revenue, amounted to £2,090,830, representing approximately 9.3% of total income for the year. This is a slight decrease from the previous year's 10.2% [2021: £2,190,340], but Gift Aid remains an essential resource. We strategically use these additional funds to cover key operational and administrative costs, ensuring that public donations make a significant impact. Despite the decline in Gift Aid as a proportion of revenue, we continue to encourage donors to apply Gift Aid to their donations where eligible.

During the year 2023, the Charity recorded a deficit of £1,386,785, following a surplus of £1,258,805 in 2022. This reflects our ongoing commitment to timely and impactful spending in programme areas, ensuring donations are utilised effectively. Additionally, the Charity continues to explore opportunities to accelerate spending in the field, working closely with partners on the ground to act on behalf of our donors and maximise the reach of their contributions. Expenditure on charitable activities increased to £17,304,511 for the year ending December 31, 2023, compared to £15,273,026 the previous year. This increase highlights our dedication to maximising the impact of donor contributions, as seen in the smaller surplus in 2023.

We have achieved efficiencies in our fundraising expenditure, amounting to £6,512,132 in 2023 compared to £6,845,407 in 2022. These activities are not only aimed at generating immediate income but are also viewed as strategic investments that support future revenue streams and enhance the Charity's profile. We continuously review and optimise our financial model and cost structure to ensure the best value for both the Charity and our donors.

Looking ahead, the Charity will continue to invest strategically in enhancing infrastructure and governance across all areas. These investments are incorporated into our financial plans and aim to maintain robust reserves. This commitment is a key part of our strategy to operate efficiently, controlled, and sustainably. It is a proactive measure to maximise the impact of our efforts, ensuring our work has lasting and transformative effects.

CHARITABLE ACTIVITIES

Total expenditure on charitable activities of £17,304,511 represented 77.4% of total income raised (year ending 31st December 2022 £15,273,026: 66.1%).

Key areas of spend include the following:

	Total 31 December 2023 £m
General	3.5
Feeding	2.8
Emergency	3.3
Orphans	3.5
Water	2.6
Community Establishment	1.6

SUPPORT COSTS

The Charity's support costs during the period were £2,572,713 (year ending 31st December 2022: £2,041,978), representing 10.8% of the total income raised during the year.

Support costs represent the costs of running the operations, of the Charity, and include the costs of functions such as finance, administration, information technology and premises. Further details are provided in Note 9.

INVESTMENT POLICY AND OBJECTIVES

The majority of the Charity's funds are allocated to short-term expenditures.

However, we have also invested in sustainable assets that generate ongoing returns. These investments aim to create a diverse and sustainable income stream, enabling the Charity to advance our objectives more effectively.

As the Charity continues to grow, we will develop a policy to support longer-term investments. This policy will aim to ensure stability and adherence to both the Charity's objectives and all relevant regulations. It will also include guidelines for maximising returns from property investments.

RESERVES POLICY

The table below provides a breakdown of our reserves and shows comparison of its movement from it previous years.

	31 DEC 2023 £M	31 DEC 2022 £M
General Reserves	6.7	6.2
Restricted	0.6	1.2

The reserves are designed to provide the Charity with adequate financial stability and the means to meet its charitable objectives for the foreseeable future.

The Trustees propose maintaining the Charity's target reserves at a level equivalent to at least three months' operational expenditure, which includes salary costs and core operational spend. The Trustees consider this level adequate for managing the Charity's risks.

Currently, this equates to minimum reserves of £2.8 million, which have been maintained throughout the year. This policy is integral to the Trustees' assessment of the Charity's going concern status.

The Trustees diligently review the value of reserves annually to ensure they remain sufficient for the Charity's ongoing commitments. Regular monitoring throughout the financial year is conducted to adapt to the changing operational landscape. The levels of reserves are aligned with an evolving reserves policy.

Key Controls FUNDRAISING

Fundraising is not just a means to an end for us; it's a responsibility.

We strive to raise and disburse funds ethically and effectively, ensuring that every penny entrusted to us makes a meaningful impact. Our five-year objective of raising £100 million aligns with this commitment, reflecting our determination to do good on a larger scale.

The Charity is registered with the Fundraising Regulator and has developed procedures to comply with the Code of Fundraising Practice. Penny Appeal is also a member of the Institute of Fundraising and fundraising activities are designed to be legal, transparent and honest.

Fundraising teams utilise several different approaches, which include the following:

- Major donor giving
- Community fundraising
- Live TV appeals
- Volunteers
- Online giving
- Digital Marketing
- Corporate and institutional giving
- Challenges
- Events
- Direct mail
- Call Centres
- Social media

The aforementioned fundraising activities have been conducted in line with our High Level Objectives 2 (Raise and disburse funds ethically and effectively) and 4 (Strengthen the Penny Appeal family and global brand).

Our engagement with the Fundraising Regulator continued this year, and we were pleased to host fruitful discussions addressing their concerns. This collaboration aims to ensure that our fundraising materials and practices adhere to the highest ethical standards.



COMPLAINTS HANDLING

For instances where the Charity does not meet the high standards it sets itself, a complaints policy is in place.

A complaint can be submitted either in person, by telephone, email or online via the website contact form. Complaints are dealt with in accordance with the process laid down in the Charity's policy.

GOVERNANCE AND CONFLICTS OF INTEREST

2023 was a year in which significant progress has been made in the completion of the governance report, and efforts to enhance and improve the Charity's governance structures and processes are being facilitated.

The implementation of the governance action plan is ongoing at the end of the reporting period to ensure suitability and adequacy as the Charity continues to evolve. The Charity ensures that all actual and perceived conflicts of interest are correctly and properly identified, disclosed and managed to ensure transparency to donors and stakeholders. The Trustees have identified all such conflicts and have put in place adequate measures to ensure all conflicts are managed properly and adequately disclosed. As noted in previous Trustees' Reports, the Charity was notified by the Charity Commission in November 2020 that it was opening a Regulatory Compliance Case and had requested information relating to aspects of governance.

At the time of writing, as of the 20th June 2024, the charity commission's investigation into Penny Appeal was concluded and the organisation's commitment to robust governance continues. On this basis, there is not considered to be any impact, including any financial impact, to these financial statements arising from this Regulatory Compliance Case during this reporting period. Further information relating to the governance structures and processes in place at the Charity is shown in the Structure, Governance and Management section.

FUNDRAISING ACTIVITY

The Charity ensures that all fundraising activities are planned well in advance with clear responsibilities at the outset.

Locations, staff and volunteers are selected based on suitability of ability and skills. Only reputable contractors and venues are used. Where large or high-risk donations are collected, the Charity carries out appropriate due diligence checks to confirm the nature of the donation and the identity of the donor.

Phone calls to appeals on TV and radio are controlled with adequate delays built in to ensure nuisance or ill-intentioned calls are blocked.

GENERAL DATA PROTECTION REGULATION (GDPR)

The Charity provides GDPR training to all staff. A GDPR action plan is implemented and monitored for compliance.

A Data Protection policy and privacy statements are in place. In the year 2023, we have also maintained our engagement with the Information Commissioner's Office (ICO) and appointed Steven Abiona as our new Director of IT and Data Protection Officer.

Steven oversees all elements of data protection processes and procedures, ensuring we uphold the strictest standards of data security and privacy.

NON-COMPLIANCE TO COUNTER TERRORISM LEGISLATION

The Charity does not permit nor condone any form of Terrorism or Facilitation of Terrorism,

either through the activities of the Charity itself or through its international offices, donors, partners or associates. The Programme Risk Management Framework is applied to delivery partners to manage risks associated with programme delivery and non-compliance to counter terrorism legislation. This Framework is used to ensure all grants are used for donor intended purposes. The Charity has strict vetting processes in place for all employees, contractors, suppliers and delivery partners to ensure they are not on UK Government endorsed proscribed lists. The Programmes department conducts due diligence on all partners before they are engaged. The Charity conducts ongoing monitoring of projects through feedback reports and office visits and monitoring. This is to ensure the risks of non-compliance to counter terrorism legislation are minimised.

MAJOR RISKS & MANAGEMENT OF THOSE RISKS

The Charity maintains a risk register that captures key corporate risks and drives action plans to mitigate these risks.

The CEO leads this process working together with the Senior Leadership Team. The key inherent risks identified are listed below. This is an assessment of the main risks associated with the nature of operations that the Charity is involved with, for which processes and controls are implemented and monitored to ensure that risks are mitigated to an acceptable level:

- Safeguarding and child protection. Further details are included in the Safeguarding section above
- Breaches of regulatory requirements or policy
- Data protection and payment risks
- Political instability in programme areas
- Operational complexity and IT capability
- Staff skills and development

Management ensure that controls are designed and implemented to address the identified risks.

THE TRUSTEES



Mohammed Jahangir Khan

Chair of Board of Trustees, Chair of Safeguarding Committee

Jahangir is a distinguished Child Safeguarding specialist and business change practitioner who serves as Chair of the Penny Appeal Board of Trustees. He is also Chair of the Safeguarding Committee. In both roles, Jahangir ensures that the Charity adopts best practice in respect of child welfare and well-being in all of its work across the UK and around the world. Jahangir works as a lead practitioner specialist for children and young people at Wakefield Council and has over 33 years' experience within education and young people services.



Adeem Younis

Founder and Trustee

Adeem is a multi-award-winning entrepreneur, community leader and philanthropist hailing from inner city Wakefield. His inspired vision and tremendous hard work have helped build the industry-leading matchmaking platform, SingleMuslim.com, which has resulted in over 100,000 success stories and was hailed as the largest Muslim-run website globally. Building on this success, in 2009 he founded Penny Appeal, and under his stewardship the Charity expanded to serve the poor and vulnerable in over 60 countries, raising over £100 million in its first decade.



Gill Laidler

Trustee [resigned 16 September 2024]

Gill Laidler is a leading figure in the worlds of marketing, communications, and journalism. A member of the National Union of Journalists, she has over 35 years of industry experience working with a range of local, national and international businesses. Most notably as Group Editor & Founder of Topic UK B2B Magazine and Yorkshire Businesswoman magazine under which Gill recently launched the Yorkshire Business Woman Networking group. The group brings together a wealth of knowledge and skills to create a network of business services, meeting on a monthly basis. She also has a breadth of experience within the charity sector having held several senior management positions in local and national charities, as well as contributing her skills and expertise as a Trustee for charities addressing a range of issues.



Saeeda Amin

Trustee [resigned 31 August 2024]

Saeeda is the Chief Transformation Officer at Fox's Burton's Companies (FBC)UK. She has over 20 years' experience holding senior executive roles, she is a Chartered Accountant with a background as a CFO, Corporate Finance lead and Transformation leader. Her skills have been gained through delivering turnarounds, business integrations, mergers & acquisitions, supporting operational and commercial rationalisation and building empowered and engaged teams. Saeeda has a strong strategy and change management focus ensuring delivery of results for all stakeholders.

She is a passionate advocate for DE&I inside and outside of the company's walls and committed to building inclusive environments. She is highly motivated and enthusiastic and brings with her an impeccable reputation for providing insightful, direct and honest feedback as well as an incredible array of experiences, advice insights and industry know how, including skills that assist in improving governance, risk management and business transformation.



Umer Sheraz

Trustee, Chair of Finance, Audit & Risk Committee

Umer is a business transformation leader with experience across a range of sectors, including both private and public agencies. He specialises in digital transformation, change management, and sustainable growth. Umer brings over 20 years of strategic oversight to Penny Appeal, ensuring that organisations effectively execute their strategies by placing people and processes at the heart of progress.

In addition, Umer has extensive experience in finance and governance, offering valuable advice and guidance on Penny Appeal's audit and risk procedures. His contributions help ensure that the Charity's systems and processes are robust and effective, enabling maximum support to the vulnerable communities Penny Appeal is dedicated to serving.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Directors/Trustees:

Mr Mohammed Jahangir
Mr Adeem Younis
Mr Umer Sheraz

Ms Saeeda Amin
[resigned 31 August 2024]

Ms Gill Laidler
[resigned 16 September 2024]

Interim CEO:

Mr Ishaq Israr

Registered Office:

Penny Appeal Campus
Thornes Park
Wakefield
West Yorkshire
WF2 8QZ

Charity Registration Number:

1128341 SCO49025

Auditors

Armstrong Watson Audit Limited
Thornfield Business Park
Northallerton
DL6 2XQ

Legal Advisors

Wrigleys Solicitors LLP
19 Cookridge Street
Leeds
LS2 3AG

Bank:

Unity Trust Bank Plc
Four Brindley Place
Birmingham
B1 2JB

Company Registration Number:

06578382

THE BOARD OF TRUSTEES

The Board of Trustees is made up of volunteers, who each bring relevant skills and practical experience with them to help the Charity meet its objectives.

The Board is ultimately responsible for the operations of the Charity. The Trustees set the strategy and agenda for the Charity and drive good practice, with a real focus in this financial period on governance. The Board works with the CEO to monitor and ensure that the Charity is working towards achieving its objectives and operates in line with agreed strategy and plans.

BOARD COMMITTEES

In order to ensure the required level of focus and expertise on specialist matters, the Board of Trustees has established the following Board sub-committees:

- Safeguarding Committee
- Finance, Audit & Risk Committee

Each committee is chaired by a Trustee and comprises membership of those Trustees with specialist subject matter expertise and are attended by senior members of management from the respective areas of focus. The committees meet at least once every two months, or as otherwise required, and report work and recommendations to the Board.

INDUCTION AND TRAINING FOR TRUSTEES

The Charity provides support and development to its Trustees, so that they can understand their roles and responsibilities fully.

This includes giving new Trustees an overview of the Charity's strategic and operational objectives, as well as a comprehensive welcome pack which includes a copy of the governing document, minutes of previous Board meetings and Charity Commission guidance.

They also receive inductions to the Charity from the Senior Leadership Team, in which they are given policies, reports and plans for upcoming campaigns, projects or events. All Trustees are required to read and sign a Trustees Code of Conduct, which details the standards of performance and behaviour expected of them.

This all combines to create a functional Board of Trustees, which can add value to the Charity through each of the individual Trustee's wide range of skills, expertise, and knowledge.

TRUSTEE APPOINTMENT

All nominations of potential new appointments are reviewed by the existing Board of Trustees.

Trustees are selected because they have the required range of skills, knowledge and experiences that is required to oversee and direct the Charity, complementing the skills and experience of other members of the Board.

Our most recent trustee recruitment was facilitated by an external appointments agency, Oxford HR. Oxford HR established the skills metrics, lead on the drafting of the role appointment descriptions, advertised the roles and conducted the shortlisting process as well as supporting the existing trustees in the facilitation of the subsequent interviews to ensure the best people with the appropriate skills were appointed to support the charity in the fulfilment of its objectives.

Furthermore, during this reporting period, in line with Penny Appeal's commitment to the highest standard of governance, our Board Of Trustees and Senior Leadership Team participated in an externally lead skills audit to identify any gaps that may exist which need to be filled to support the charity in particular areas of its work.

REPORTING

The CEO reports directly to the Board of Trustees and is responsible for managing the day-to-day operations of the Charity.

The CEO sets individual objectives for the Senior Leadership Team and assesses their performance against these set objectives. The senior leadership Team also meets on a weekly basis to discuss and agree key operational actions required. During the year, the Senior Leadership team was strengthened through the recruitment of further team members to provide additional skills and capacity.

GRANT MAKING POLICY

2023 was a time of strategic alignment for our Programmes department. During the process we sought to align our strategic organisational priorities with the increasing need that a post-Covid world presents for charities to address.

This included the formation and implementation of annualised budgets and forward planning to both promote long-term sustainability and to increase our emergency preparedness for when crisis strikes.

Post-Covid and along with the charity sector as a whole, in implementing our programmes and partner strategy, we had to contend with a limited financial outlay, leading to a greater focus on programme consolidation and high impact within the countries and communities we support.

Subsequently, this led to a large-scale review of our partners grounded within the principles and minimum-standard requirements as identified below, and in accordance with our HLOs 1 and 3, to pursue the delivery of high quality programmes and to invest in the development of our people and infrastructure.

Furthermore, this process has supported the Charity in assisting towards the fulfilment of our five-year strategic objective to become the best-in-casas Muslim charity and aligns with our mission to help those who need us most.

Partners are selected based on a due diligence exercise that confirms consistency of values with Penny Appeal and the ability to deliver projects. Grant proposals are received and appraised by the Penny Appeal Programmes team. A funding agreement is drawn up for all grants made.

PARTNERSHIP POLICY AND PRINCIPLES:

- We must both add value. Each partner brings different experiences, capacities and resources which all add value. Roles and contributions need to be made clear to ensure trust and deeper commitments can be made. This includes being open about limitations.
- We must respect each other. We recognise and celebrate differences in values and beliefs. In order to form strong partnerships, we must seek enough common ground to ensure both organisations' objectives are fulfilled. It is crucial that this common ground includes a commitment to gender equality and respect for diverse identities.
- We must understand our roles. It's essential that partner relationships are based on a clear understanding of the expected contribution of each party. A commitment to fulfilling roles will allow both organisations to share in success as well as learn together.
- We answer to the communities we serve. Ultimately accountability is to the communities we serve – those experiencing poverty or affected by disasters. But we are also accountable to other stakeholders including donors and governments. Across this spectrum of stakeholders, we must remain open to scrutiny and be ready to share information. Good financial management is essential and involves a high level of trust and shared knowledge.
- We are both committed. We have a commitment to building long-term partnerships. We recognise that this might involve capacity-building and multi-year funding. We will always try to listen to partners, so that changing circumstances and new strategic directions are carefully considered.

Minimum Partnership Requirements:

- Strategic fit – should we work together?

Penny Appeal is committed to developing effective partnerships across a wide range of contexts and countries. In all situations the organisation will ensure that any Potential Partner is a good 'strategic fit' and whether its culture and values align. Penny Appeal also assesses its own skills and experience to ensure that it has the necessary capacity to work with and support any Potential Partner.

Penny Appeal is committed to establishing equitable and accountable partnerships and will ensure that any Partner is aware of how both sides will hold themselves to account, most importantly to the communities we serve. Any Potential Partner would also need to demonstrate relevant compliance with financial, protection, statutory and legal standards.

- Assessing capacity – do we both have the capacity to deliver?

We both commit to assessing our capacity as part of the Partner Appraisal Process. This assessment will be completed for every Potential Partner.

- Partner Conversation – our roles and responsibilities

If a Potential Partner successfully completes a Partner Appraisal Process, we will not immediately prepare a Memorandum of Understanding (MoU). A good Partnership Conversation is simply a way of creating space and time to discuss these responsibilities and agreements so that we can agree and revisit them together and remind each other of them.

If Penny Appeal staff and Potential Partners have a clear understanding of what the partnership is for and what are responsibilities are, we can develop relationships based on trust and accountability.

- Memorandum of Understanding (MoU)

All Approved Partners will be invited to sign an MoU that establishes the broad partnership arrangements. The Charity works closely with its partners helping them develop their capacity so that they are effective in achieving Penny Appeal's grant objectives.

GOVERNING DOCUMENT

Penny Appeal is a charitable company limited by guarantee which was incorporated on 26 January 2009 and registered as a charity on 2 March 2009.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

Penny Appeal strives to appoint individuals with the appropriate skills and experience for each role, placing a deliberate emphasis on recruiting highly seasoned professionals for key management positions.

This approach is crucial to enhancing the organisation's overall capacity and capability. This strategic hiring strategy ensures that Penny Appeal maximises its resources, ensuring that every pound spent on beneficiaries makes a significant impact in meeting their needs.

The management team underwent significant reinforcement through new appointments during the reporting period. Remuneration for key management personnel is subject to approval by the Trustees and is benchmarked against industry norms and prevailing standards.

ORGANISATIONAL STRUCTURE

The reporting period was one of ongoing consolidation and improvement for the Charity.

New governance and operating structures were implemented, considering the completion of the External Governance Review by Wrigleys. The Trustees meet regularly to consider the activities of the Charity and approve its overall direction.

2023: A YEAR OF REMARKABLE GROWTH AND ACHIEVEMENT

In 2023, we successfully executed a governance action plan crafted independently by Wrigley's Solicitors LLP and endorsed by the Charity Commission.

Our newly appointed Senior Leadership Team (SLT) and expanded Board of Trustees worked tirelessly around the clock to advance this initiative.

We are delighted to announce that, as of June 20, 2024, the Charity Commission has officially concluded its investigation into Penny Appeal – a significant achievement for our organisation. Furthermore, 2023 saw our SLT conduct a thorough review of our policies and procedures which we continue to review on a periodic basis.

This rigorous process led to the implementation of a wide range of new policies, procedures, and processes, further fortifying our operational framework.

SAFEGUARDING

During the reporting period, the Safeguarding Directorate worked to embed safeguarding processes, procedures and policies, external reviews, as well as internal assessments had recommended and given rise to.

These additional processes and procedures included safeguarding training for colleagues based at our headquarters in Wakefield, safeguarding engagement with our international partners and affiliates, as well as departmental meetings established to discuss safeguarding on a regular basis. On a strategic level, the Chair of the Board of Trustees Mohammed Jahangir is a specialist in the safeguarding field, bringing this expertise to the Board.

The Safeguarding Committee is a sub-committee of the Board, established to ensure that sufficient focus and oversight is maintained over safeguarding-related matters. At an operational level, the Charity employs a Director of Programmes with a specific focus on Safeguarding, who brings extensive sector experience and expertise from work in many areas around the world.

These enhancements have been implemented to ensure that safeguarding processes and controls are adequate across all areas and countries of the Charity's operations. In 2023, we reinforced our commitment to safeguarding by appointing a new Head of Safeguarding Mr. Sayed Shah based at our headquarters in Wakefield.

This role is crucial in ensuring a safe environment not only in our offices but also across our global operations. We are also proud to announce that we have become the only Muslim charity to join the Bond's Safeguarding Steering Group and the UK's Safeguarding Leads Network-a prestigious achievement that underscores our dedication to excellence and leadership in the sector.

Our approach is comprehensive and proactive, ensuring that all necessary measures are in place to protect those we serve. Here is how we do it:

1. Substantial Policies and Procedures:

We have clear, detailed safeguarding policies that outline our commitment and the procedures to follow in various scenarios. These policies are regularly reviewed and updated to stay current with best practices and legal requirements.

2. Training and Awareness:

All our staff and volunteers undergo rigorous safeguarding training. This in turn equips them with the knowledge and skills needed to identify, report, and respond to safeguarding concerns effectively. Topics covered include recognising signs of abuse, understanding the reporting process, and creating a safe environment.

3. Dedicated Safeguarding Team:

We have a dedicated safeguarding team responsible for overseeing all safeguarding matters. This team ensures that our policies are implemented correctly and provides support and guidance to staff and volunteers.

4. Creating a Safe Culture:

Penny Appeal believes that everyone we come into contact with, regardless of age, race, religion or belief, sex or sexual orientation, gender reassignment, marriage, or civil partnership status, if parents, pregnant or otherwise has the right to be protected from all forms of harm.

We are committed to preventing any form of sexual exploitation, abuse, and sexual harassment (SEAH), including child abuse and adult at-risk abuse, and responding robustly when harm takes place.

We continue to adopt a comprehensive safeguarding practice and culture, with safeguarding of children and at-risk adults being the primary focus in all our programmes and operations.

5. Monitoring and Accountability:

We regularly monitor and evaluate our safeguarding practices to ensure their effectiveness. Feedback from staff, volunteers, and those we serve is crucial in this process. Any incidents are thoroughly investigated, and lessons learned are integrated into our practices.

OUR SAFEGUARDING TRAINING

Training is at the heart of our safeguarding strategy.

Penny Appeal being an organisation that is proud to have an all-inclusive and diverse staff ensures a harmonious and respectful relationship within ensures that every member of our staff and associates demonstrate the values of trust, integrity pertaining to the highest standards of moral and ethical behaviour in their day-to-day work.

Having said that, we advocate that every member of the Penny Appeal team, from front-line workers to senior management, participates in safeguarding training which includes:

Induction: New staff and volunteers receive initial training to understand the basics of safeguarding and their responsibilities.

Ongoing Education: Regular refresher courses and advanced training sessions keep everyone updated on the latest safeguarding techniques and information.

Specialised Training: Certain roles require specialised training to handle specific situations, such as working with children or vulnerable adults.

Our zero-tolerance approach means we will always take action when a safeguarding harm takes place. We ensure that support is offered to all those affected, and that the organisation learns from the harm, so it does not happen again.

Our staff and representatives accept and recognise their responsibility to provide an environment that promotes the safety of the people we always work with, and demonstrate the highest standards of behaviour towards children and at-risk adults, in both their professional and personal lives

Our training programs are designed to be engaging and practical, using real-life scenarios and interactive modules to ensure that everyone feels confident in their ability to protect and support those at risk.

Safeguarding is a cornerstone of our work at Penny Appeal.

We are committed to creating a safe, supportive, and respectful environment for everyone involved in our projects. Through robust policies, comprehensive training, and a culture of vigilance, we ensure that safeguarding is more than just a policy—it is an integral part of who we are and what we do.

We therefore require everyone contracted by Penny Appeal to sign and adhere to our Safeguarding Code of Conduct, referring to appropriate and inappropriate behaviour of adults towards children and at-risk adults, and providing rules that ensure the safety of children and at-risk adults, which can be found in appendix 2 of the Safeguarding Policy.

By prioritizing safeguarding and adhering to it as one of our most upheld tenets, we continue to serve humanity across communities and continents, as selflessly as possible and toil hard to create a positive, lasting impact on the lives of those who have placed their trust in our dedication, ensuring they are safe, well-protected and prevented from any harm every step of the way. Together, these accomplishments reflect our unwavering dedication to growth, transparency, and ethical governance, setting a strong foundation for continued success in the years to come.

RELATED PARTIES

Procedures are in place to fully identify and disclose related parties. For further details refer to the Financial Statements.

STAFF

The Charity recognises the importance of its staff and their welfare.

Plans are in place to identify and meet staff training and development needs. An employee welfare and counselling service is available to all staff. Additional work has commenced, and is ongoing, to review all aspects of culture and engagement, to ensure that staff wellbeing is fully considered, and that appropriate support is in place for all aspects of employees' professional performance and development.

TRUSTEES RESPONSIBILITIES

The Trustees (who are also directors of Penny Appeal for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

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

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

The Report for the period, the Strategic Report and the Trustees' Report (including the Chair of Trustees' Statement) are approved by the Trustees of the Charity on 25 September 2024 and signed on its behalf by:

Mohammed Jahangir

Mohammed Jahangir
Chair of Board of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF PENNY APPEAL

OPINION

We have audited the financial statements of Penny Appeal (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities,

The Balance Sheet, the Statement of Cash Flows and related notes 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 charitable company's affairs as at 31 December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law.

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

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon.

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the strategic report and the trustees' report which includes the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the Trustees' report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations. This included, at the planning stage of the audit review, reviewing available communications with the Charity Commission regarding their concerns under investigation at that time to identify any actual non-compliance;
- We identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our knowledge and experience of the sector;

- We assessed the extent of compliance with the law and regulations identified as key to the entity through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.
- We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
 - Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
 - Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations. We have identified control observations over cost authorization process and have reported these back to those charged with governance; and
- Reviewing the key areas of the financial statements most susceptible to fraud.
- To address the risk of fraud through management bias and override of controls, we:
 - Performed analytical procedures to identify any unusual or unexpected relationships;
 - Tested journal entries to identify unusual transactions;
 - Assessed whether judgements and assumptions made in determining the accounting estimates; and
 - Investigated the rationale behind significant or unusual transactions.
- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
 - Agreeing financial statement disclosures to underlying supporting documentation. This included comparing disclosures made over the charity commission's findings to available public information from the charity commission;
 - Reading the minutes of meetings of those charged with governance. This included obtaining copies of responses made by the trustees to the charity commission in response to their enquiries;
 - Enquiring of management as to actual and potential litigation and claims. This included obtaining a specific representation in response to management's response to concerns raised by the charity commission and a review of correspondence provided to us by the trustees demonstrating their response to the charity commission's review of the charity; and
 - Reviewing correspondence with the funding bodies and the charitable company's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-f/description-of-the-auditor%E2%80%99s-responsibilities-for> – This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006.

Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Turner
(Senior Statutory Auditor)

for and on behalf of
Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Northallerton
Dated: 25 September 2024

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the strategic report and the trustees' report which includes the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the Trustees' report.

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

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



STATEMENT OF FINANCIAL ACTIVITIES



STATEMENT OF FINANCIAL ACTIVITIES

For the Year Ended 31 December 2023

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	NOTE	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL 31 DECEMBER 2023 £
Income and Endowments from:				
Donations and legacies	3	7,506,728	14,634,975	22,141,703
Investment income	5	40,845	-	40,845
Other income	6	247,310	-	247,310
Total income		7,794,883	14,634,975	22,429,858
Expenditure on:				
Raising funds	7	(2,279,376)	(4,232,756)	(6,512,132)
Charitable activities	8	(3,511,591)	(13,792,920)	(17,304,511)
Total expenditure		(5,790,967)	(18,025,676)	(23,816,643)
Net income/(expenditure)		2,003,916	(3,390,701)	(1,386,785)
Transfers between funds		(2,836,466)	2,836,466	-
Net movement in funds		(832,550)	(554,235)	(1,386,785)
Reconciliation of funds				
Total funds brought forward		7,544,192	1,128,837	8,673,029
Total funds carried forward	23	6,711,642	574,602	7,286,244

	NOTE	UNRESTRICTED FUNDS £	RESTRICTED FUNDS £	TOTAL 31 DECEMBER 2022 £
Income and Endowments from:				
Donations and legacies	3	8,010,937	14,814,336	22,825,273
Investment income	5	12,282	-	12,282
Other income	6	248,683	-	248,683
Total income		8,271,902	14,814,336	23,086,238
Expenditure on:				
Raising funds	7	(1,960,349)	(4,885,058)	(6,845,407)
Charitable activities	8	(1,943,341)	(13,329,685)	(15,273,026)
Total expenditure		(3,903,690)	(18,214,743)	(22,118,433)
Gains/losses on investment assets		291,000	-	291,000
Net income/(expenditure)		4,659,212	(3,400,407)	1,258,805
Transfers between funds		(3,339,655)	3,339,655	-
Net movement in funds		1,319,557	(60,752)	1,258,805
Reconciliation of funds				
Total funds brought forward		6,224,635	1,189,589	7,414,224
Total funds carried forward		7,544,192	1,128,837	8,673,029

(Registration number: 06578382)
Balance Sheet as at 31 December 2023

	NOTE	2023 £	2022 £
Fixed assets			
Intangible assets	15	153,523	174,542
Tangible assets	16	1,399,426	1,554,229
Investments	17	3,000,000	3,000,000
		4,552,949	4,728,771
Current assets			
Debtors	18	584,739	677,402
Cash at bank and in hand	19	3,951,738	4,333,541
		4,536,477	5,010,943
Creditors: Amounts falling due within one year	20	(1,803,182)	(1,066,685)
Net current assets		2,733,295	3,944,258
Net assets		7,286,244	8,673,029
Funds of the charity:			
Restricted income funds			
Restricted funds		574,602	1,128,837
Unrestricted income funds			
Unrestricted funds		6,711,642	7,544,192
Total funds	23	7,286,244	8,673,029

The financial statements on pages 96 to 119 were approved by the trustees and authorised for issue on 25 September 2024 and signed on their behalf by:

Mohammed Jahangir

Mohammed Jahangir
Chair of the Board of Trustees

CASH FLOW STATEMENT

For the Year Ended 31 Dec 2023

	NOTE	2023 £	2022 £
Reconciliation of net outflow to net cash flow from operating activities			
Net (expenditure)/income		(1,386,785)	1,258,805
Adjustments to cash flows from non-cash items			
Depreciation	7	300,176	300,924
Amortisation	7	21,019	210,439
Investment income	5	(40,845)	(12,282)
		(1,106,435)	1,757,886
Working capital adjustments			
Decrease/(Increase) in debtors	19	92,663	(307,892)
Increase/(decrease) in creditors	21	736,497	510,870
Net cash flows from operating activities		(277,275)	1,960,864
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(338,179)
Purchase of tangible fixed assets	17	(177,295)	(598,194)
Sale of tangible fixed assets		31,922	(1,037,703)
Net cash flows from investing activities		(145,373)	(1,974,076)
Cash flows from financing activities			
Interest Receivable and similar income	5	40,845	12,282
Interest on loans			
Loan paid back	21		(137,715)
Net cash flows from financing activities		40,845	(125,433)
Net increase/(decrease) in cash		(381,803)	(138,645)
Cash at bank and in hand at start of period		4,333,541	4,472,186
Cash at bank and in hand at end of period		3,951,738	4,333,541

All of the cash flows are derived from continuing operations during the above two periods.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2023

1. CHARITY STATUS

The charity is limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
Penny Appeal Campus
Thornes Park
Wakefield
WF2 8QZ

2. ACCOUNTING POLICIES

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Penny Appeal meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

To support the going concern assessment, the Charity conducted a series of stress tests on its income and expenditure to evaluate the impact of a reduction in income and/or the increase in expenditure. The tests were conducted over multiple financial years as it is expected any change will have ramifications on future years programme expenditure. The stress tests all concluded successfully and formed part of the basis of the going concern opinion.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2023

EXPENDITURE

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

RAISING FUNDS

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

CHARITABLE ACTIVITIES

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

GRANT PROVISIONS

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

SUPPORT COSTS

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

GOVERNANCE COSTS

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

TAXATION

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

INTANGIBLE ASSETS

Intangible assets are stated in the Balance Sheet at cost less accumulated amortisation and impairment. They are amortised on a straight line basis over their estimated useful lives.

TANGIBLE FIXED ASSETS

Individual fixed assets costing £1,000 or more are initially recorded at cost.

AMORTISATION

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Website development	Over a period of 3 years

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2023

DEPRECIATION AND AMORTISATION

The building purchased during the year is not use therefore not depreciated.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	15% reducing balance
Computer equipment	Over 3 years

INVESTMENT PROPERTIES

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

TRADE DEBTORS

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

TRADE CREDITORS

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

BORROWINGS

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2022

FOREIGN EXCHANGE

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

FUND STRUCTURE

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity. Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 December 2023

3. Income from donations and legacies

	UNRESTRICTED FUNDS			
	GENERAL £	RESTRICTED FUNDS £	TOTAL 2023 £	TOTAL 2022 £
Donations and Legacies;				
Donations to major appeals	5,415,898	14,634,975	20,050,873	20,634,933
Gift aid reclaimed	2,090,830	-	2,090,830	2,190,340
	7,506,728	14,634,975	22,141,703	22,825,273

4. Donations and legacies

	UNRESTRICTED FUNDS			
	GENERAL £	RESTRICTED FUNDS £	TOTAL 2023 £	TOTAL 2022 £
General	7,506,728	-	7,506,728	8,010,937
Feeding	-	2,311,711	2,311,711	2,686,698
Emergency	-	4,249,999	4,249,999	3,035,259
Orphans	-	4,611,544	4,611,544	5,451,755
Water	-	2,728,924	2,728,924	2,233,630
Medical	-	60,699	60,699	92,332
Community Establishment	-	672,098	672,098	1,314,662
	7,506,728	14,634,975	22,046,418	22,825,273

5. Investment income

	UNRESTRICTED FUNDS		
	GENERAL £	TOTAL 2023 £	TOTAL 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	40,845	40,845	12,282

6. Other income

	UNRESTRICTED FUNDS GENERAL £	TOTAL 31 DECEMBER 2023 £	TOTAL 31 DECEMBER 2022 £
Rental Income	247,310	247,310	124,360
Event ticket sales	-	-	124,323
	247,310	247,310	248,683

7. Expenditure on raising funds

a) Costs of trading activities

	DIRECT £	SUPPORT £	TOTAL 31 DECEMBER 2023 £	TOTAL 31 DECEMBER 2022 £
Events	578,743	46,378	625,121	657,114
Publicity	903,319	72,388	975,707	1,025,641
Fundraising	4,546,932	364,372	4,911,304	5,162,652
	6,028,994	483,138	6,512,132	6,845,407

8. Expenditure on charitable activities

	ACTIVITY UNDERTAKEN DIRECTLY £	GRANT FUNDING OF ACTIVITY £	ACTIVITY SUPPORT COSTS £	TOTAL 2023 £	TOTAL 2022 £
General	1,621,789	1,063,421	826,382	3,511,592	1,943,341
Feeding	1,092,457	1,482,348	259,581	2,834,386	4,279,553
Emergency	1,285,297	1,744,012	305,402	3,334,711	3,297,224
Orphans	1,349,908	1,831,683	320,754	3,502,345	2,959,895
Water	976,469	1,324,966	232,021	2,533,456	1,124,268
Community Establishment	612,071	830,515	145,435	1,588,021	1,668,745
	6,937,991	8,276,945	2,089,575	17,304,511	15,273,026

In addition to the expenditure analysed above, there are also governance costs of £689,704 (2022 - £482,978) which relate directly to charitable activities. See note 9 for further details.

9. Analysis of governance and support costs

Support costs allocated to raising funds

	FINANCE COSTS £	INFORMATION TECHNOLOGY £	ADMINISTRATION COSTS £	OTHER SUPPORT COSTS £	TOTAL 2023 £	TOTAL 2022 £
Fund Raising	25,268	31,950	245,541	180,379	483,138	362,612

Support costs allocated to charitable activities

	FINANCE COSTS £	INFORMATION TECHNOLOGY £	ADMINISTRATION COSTS £	OTHER SUPPORT COSTS £	TOTAL 2023 £	TOTAL 2022 £
General	214,549	12,315	163,482	436,036	826,382	658,244
Feeding	5,145	17,166	125,892	111,378	259,581	327,837
Emergency	6,053	20,196	148,115	131,038	305,402	252,584
Orphans	6,357	21,212	155,560	137,625	320,754	226,743
Water	4,598	15,344	112,526	99,553	232,021	86,125
Community Establishment	2,882	9,618	70,534	62,402	145,436	127,834
	239,584	95,851	776,109	978,032	2,089,576	1,679,367

Governance costs

	UNRESTRICTED FUNDS GENERAL £	TOTAL 31 DECEMBER 2023 £	TOTAL 31 DECEMBER 2022 £
Audit of the financial statements	47,000	47,000	45,000
Legal and professional fees	642,704	642,704	437,978
	689,704	689,704	482,978

10. Grant-making

Analysis of grants

	GRANTS TO INSTITUTIONS	
	2023 £	2022 £
Analysis		
Sawaed Association for Relief and Development	206,115	920,000
Penny Appeal Pakistan	633,000	788,530
United Purpose	278,913	751,385
ILM	3,225,691	749,179
Muslim Charity	73,709	587,037
Others each less than £50k	366,719	574,419
ACRE Uganda	82,287	444,469
Mandwi	237,910	257,530
Organisation for Research and Community Development	112,974	231,302
Medical Aid for Palestinians (MAP)	-	194,080
African Development Trust (ADT)	118,181	182,788
Rural Aid Pakistan	-	139,900
Shushilan	75,147	115,370
HELP (Health, Education and Literacy Programme)	57,214	89,430
Nabd Development and Evolution Organisation	-	83,000
Responsiveness for Relief and Development	-	81,389
Al Makassed Islamic Charitable Hospital	-	80,361
Action for Humanity	274,865	63,575
Solution Focused Education Limited	-	60,000
Haji Superstore	-	59,613
Welfare Association - Taawon	-	57,500
Tamer Institute for Community Education	101,689	56,550
Penny Appeal Australia	161,000	-
Sheba Manab Kallyan Kendra (SMKK)	85,000	-
Fast Rural Development Program	96,405	-
Hayrat Yardim	107,138	-
HHWW LTD	91,748	-
Islamic Help	211,849	-
ORCD Global	250,000	-
Penny Appeal Middle East	212,933	-
Penny Appeal USA	55,397	-
Programmes for NGOs	447,630	-
Read Foundation	155,434	-
Other institutions	357,997	-
Trinamul Unnayan Sangstha	200,000	-
	8,276,945	6,567,407

11. Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2023 £	2022 £
Depreciation of fixed assets	300,176	300,924
Amortisation of goodwill	174,542	210,439

12. Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

13. Staff costs

The aggregate payroll costs were as follows:

	31 DECEMBER 2023 £	31 DECEMBER 2022 £
Staff costs during the year were:		
Wages and salaries	2,327,749	3,675,962
Social security costs	252,770	470,830
Pension costs	40,946	60,162
	2,621,465	4,206,954

14. Taxation

The charity is a registered charity and is therefore exempt from taxation.

15. Intangible fixed assets

	RESEARCH AND DEVELOPMENT £	TOTAL 2023 £
Cost		
At 1 January 2023	587,089	587,089
At 31 December 2023	587,089	587,089
Amortisation		
At 1 January 2023	412,547	412,547
Charge for the year	21,019	21,019
At 31 December 2023	433,566	433,566
Net book value		
At 31 December 2023	153,523	153,523
At 31 December 2022	174,542	174,542

Development costs

Development costs have been capitalised in accordance with FRS 102 Section 18 Intangible Assets other than Goodwill and are therefore not treated as a deficit to the charity.

16. Tangible fixed assets

	LAND AND BUILDINGS £	FURNITURE AND EQUIPMENT £	MOTOR VEHICLES £	TOTAL £
Cost				
At 1 January 2023	1,327,528	1,390,392	206,882	2,924,802
Additions	103,130	74,165	-	177,295
Disposals	-	-	(31,922)	(31,922)
At 31 December 2023	1,430,658	1,464,557	174,960	3,070,175
Depreciation				
At 1 January 2023	113,133	1,161,260	96,180	1,370,573
Charge for the year	117,778	155,930	26,468	300,176
At 31 December 2023	230,911	1,317,190	122,648	1,670,749
Net book value				
At 31 December 2023	1,199,747	147,367	52,312	1,399,426
At 31 December 2022	1,214,395	229,132	110,702	1,554,229

17. Fixed asset investments

	2023 £	2022 £
Investment properties	3,000,000	3,000,000

Investment properties

	INVESTMENT PROPERTIES £
Cost or Valuation	
At 1 January 2023	3,000,000
Provision	
At 31 December 2023	-
Net book value	
At 31 December 2023	3,000,000
At 31 December 2022	3,000,000

There has been an evaluation of investment property by an independent valuer in June 2023.

18. Debtors

	2023 £	2022 £
Prepayments	142,609	183,515
Accrued Income	(1,098,011)	-
Other debtors	1,520,141	493,887
	584,739	677,402

19. Cash and cash equivalents

	2023 £	2022 £
Cash on hand	-	15,225
Cash at bank	3,951,738	4,318,316
	3,951,738	4,333,541

20. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	864,811	249,051
Other taxation and social security	71,077	79,060
Other creditors	257,956	254,178
Accruals	609,338	484,396
	1,803,182	1,066,685

21. Pension and other schemes

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £40,946 (2022 - £60,162).

22. Funds

	BALANCE AT 1 JANUARY 2023 £	INCOMING RESOURCES £	RESOURCES EXPENDED £	TRANSFERS £	BALANCE AT 31 DECEMBER 2023 £
Unrestricted funds					
General					
General	7,544,192	7,794,883	(5,790,967)	(2,836,466)	6,711,642
Restricted funds					
Feeding	-	2,311,711	(3,502,984)	1,191,273	-
Emergency	-	4,249,999	(4,563,904)	313,905	-
Orphans	694,134	4,611,544	(4,836,106)	-	469,572
Water	372,818	2,728,924	(3,322,719)	220,979	2
Medical	61,885	60,699	(17,556)	-	105,028
Community	-	672,098	(1,782,407)	1,110,309	-
Total restricted funds	1,128,837	14,634,975	(18,025,676)	2,836,466	574,602
Total funds	8,673,029	22,429,858	(23,816,643)	-	7,286,244

	BALANCE AT 1 JANUARY 2022 £	INCOMING RESOURCES £	RESOURCES EXPENDED £	TRANSFERS £	OTHER RECOGNISED GAINS/ (LOSSES) £	BALANCE AT 31 DECEMBER 2022 £
Unrestricted funds						
General						
General	6,224,635	8,271,902	(3,903,690)	(3,339,655)	291,000	7,544,192
Restricted funds						
Feeding	-	2,686,698	(5,165,498)	2,478,800	-	-
Emergency	1,189,589	3,035,259	(4,298,107)	73,259	-	-
Orphans	-	5,451,755	(4,757,621)	-	-	694,134
Water	-	2,233,630	(1,860,812)	-	-	372,818
Medical	-	92,332	(30,447)	-	-	61,885
Community	-	1,314,662	(2,102,258)	787,596	-	-
Total restricted funds	1,189,589	14,814,336	(18,214,743)	3,339,655	-	1,128,837
Total funds	7,414,224	23,086,238	(22,118,433)	-	291,000	8,673,029

Unrestricted Funds

Donors do not designate a specific project or programme for their donations. The Trust's management allocates these funds where they are most needed.

Feeding

Operating in over thirty countries, we provide both short-term and long-term food solutions. During Ramadan, we deliver over a million meals to people living in poverty, distributing food parcels containing nutritious, culturally appropriate items.

Our long-term solutions involve teaching communities sustainable farming practices and delivering training sessions to help them adapt to climate changes. This enables them to maximise their crops, feeding their families and selling the surplus at markets for income.

Emergency

Our Emergency Response initiatives operate across several countries, including Syria, Palestine, Yemen, Bangladesh, Mozambique, Turkey, Indonesia, Nepal, Kashmir, Australia, and the UK. We begin by providing immediate relief, such as food, shelter, and water, and often continue our initiatives into second and third phases focused on recovery.

Our projects include long-term, sustainable solutions like disaster preparedness training and livelihood support. With a newly established Disaster Response Team, we can respond swiftly and appropriately to emergencies.

Orphans

We support orphans through projects designed to meet their specific needs holistically. Our orphan sponsorship initiative provides marginalised orphaned children with access to food, clean water, medical care, and high-quality education.

We also offer specialised support in areas such as nutrition, education, and advocacy. Additionally, where possible, we work with the child's remaining family members to empower them to care for the child and meet their needs.

Water

We provide clean drinking water to some of the world's poorest people through innovative programmes that include the installation of tube wells, deep wells, and solar-powered water and energy centres, serving entire communities.

Beyond simply supplying safe water, we also run awareness sessions on handwashing and water storage to ensure that communities can maintain good hygiene practices, reducing the spread of preventable diseases and waterborne illnesses.

Medical

We run various projects aimed at improving healthcare services for people living in poverty, as well as internally displaced persons (IDPs) living in temporary shelters. In conflict-affected countries, we supply hospitals with the resources and facilities needed to treat patients.

For IDPs, we establish medical camps and provide mobile medical services to ensure they can access essential healthcare.

Community

Community cohesion is central to Penny Appeal's work worldwide. Whether we are providing emergency relief or implementing holistic, sustainable projects, we carefully consider the community as a whole. This includes ensuring that our projects are accessible to the most marginalised members of society, taking their unique needs into account during planning. In the UK, our food provisions and events are designed to bring together people from all faiths and backgrounds in the spirit of unity.

Transfers

All costs are charged to the relevant funds, with transfers made from unrestricted funds to cover any deficits.

23. Analysis of net assets between funds

	UNRESTRICTED FUNDS		
	GENERAL £	RESTRICTED FUNDS £	TOTAL FUNDS AT 30 APRIL 2023 £
Intangible fixed assets	153,523	-	153,523
Tangible fixed assets	1,399,426	-	1,399,426
Fixed asset investments	3,000,000	-	3,000,000
Current assets	3,961,875	574,602	4,536,477
Current liabilities	(1,803,182)	-	(1,803,182)
Total net assets	6,711,642	574,602	7,286,244

	UNRESTRICTED FUNDS		
	GENERAL £	RESTRICTED FUNDS £	TOTAL FUNDS AT 30 APRIL 2023 £
Intangible fixed assets	174,542	-	174,542
Tangible fixed assets	1,554,229	-	1,554,229
Fixed asset investments	3,000,000	-	3,000,000
Current assets	3,882,106	1,128,837	5,010,943
Current liabilities	(1,066,685)	-	(1,066,685)
Total net assets	7,544,192	1,128,837	8,673,029

24. Related party transactions

Esplanade Vale Media Limited, trading as British Muslim TV (BMTV) During the period Penny Appeal paid £1,027,589 to BMTV for advertising and for producing a number of documentaries on behalf of the charity.

For transparency, it is disclosed that Esplanade Vale Media Limited had separate commercial agreements with companies owned or controlled by Adeem Younis, a Trustee of Penny Appeal prior to 2023. These commercial agreements were terminated between the two parties in 2023.



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PENNY APPEAL IS A UK REGISTERED CHARITY 1128341
AND UK REGISTERED COMPANY 06578382