



**Muslim Aid**

*Serving Humanity since 1985*

Annual Report 2022



Essential items distribution during drought in IDP camp in Bardhere District.

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# Connection through crises

## Chair's message

2022 was a year that taught the world that any one of us could be **afflicted by poverty** or a natural disaster.

The global cost of living crisis affected both developing and advanced nations. Inflation surged to double digits even in western economies, causing shortages of goods not seen since the early days of the Covid-19 pandemic. This was a stark reminder that **we are all interconnected**, with conflicts and emergencies in one part of the world affecting food prices and energy security everywhere else.

Moreover, the escalating climate crisis reveals our deep connection to the environment in which we live, highlighting that our actions and lifestyles have long-term consequences felt by the entire planet, be it with the floods in Pakistan and Bangladesh or the wild-fires and heatwaves experienced in the US and Europe.

The awareness of our interconnectedness has inspired the **kindness of our donors**, who know that they cannot stand idly by while their fellow human beings suffer. They understand that these tragedies can happen to any of us and have extended their hands to support, hoping to make a difference and to receive the pleasure of Allah both in this life and the hereafter.

Muslim Aid remains committed to being at the forefront of this support and in this year's report, you can read about the many **inspiring stories** of those who we have been able to assist thanks to your kind donations.

Some stories closer to home are ending this year. Our former Chair, Iftikhar Awan, has announced his retirement from the board after four decades of service to various charitable causes. His leadership steered Muslim Aid through some challenging times, and the trustees are grateful for his faithful stewardship over the last five years.

Likewise, Kashif, our Chief Executive, has also decided to move onto a new chapter in his career and has given us time to find a suitable successor. We are thankful for the lasting positive changes he has made and wish him well in his future endeavours.

With change comes the opportunity for renewal however and I am pleased to welcome some new additions to the board in 2022 with Shaharuddin Zainuddin, Andleen Razzaq and Saima Raza all joining us. As a result, we now have a gender balanced board of highly qualified professionals, which is unique in the Muslim charity sector and makes us well equipped to deliver our goals in 2023 and beyond inshaAllah.



**Mustafa Faruqi**  
Chair of Trustees



# Striving for excellence

## Chief Executive's message

Despite the ongoing Ukraine/Russia conflict being a focus for governments, NGOs, and the media across the world, Muslim Aid has remained committed to **delivering lifesaving support** around the world to those in need.

I'm proud to share this report and demonstrate the meaningful impact your donations are having on people's lives.

This includes ongoing support for the humanitarian crises in Syria, Yemen, Palestine and what is expected to be the most devastating famine in the horn of Africa for over 40 years. We have also responded to natural disasters in Bangladesh and Pakistan and provided support to displaced communities in Myanmar, Somalia, and Sudan, among other countries.

Whatever the crisis, the Muslim Aid family, including Muslim Aid USA and Muslim Aid Sweden and our partners, work hard to strike the balance between long-term development and emergency relief. Our teams on the ground have the resources, knowledge, and networks to respond immediately but our goal is always to establish long-term development programmes for all emergency affected communities that we have **supported over the past 38 years**.

Looking ahead to 2023, we are developing an effective trigger system for emergencies. We are empowering our country teams and building further capacity with better skills, organisational structure, processes, and access to local funding opportunities. We are

focused on delivering the most effective interventions with excellence, efficiency, and consistency, while balancing our development, humanitarian, and emergency programmes.

Our teams are working hard to increase the diversity and value of our long-term sustainable income sources, so that the critical long-term development work in the regions we work in can continue without restriction. We have also led and completed a transformation programme that has delivered consistent growth in terms of income and output.

I have had the greatest privilege of leading this immense institution over the past three years. I would like to thank the Board and staff, volunteers, and donors for supporting me and although I am stepping down as Chief Executive, we believe we have re-laid the foundations for Muslim Aid to continue to serve humanity for many years to come, with **Dignity, Excellence, Justice, Service, and Compassion**.



**Kashif Shabir**  
Chief Executive



# About us

## Who we are

**For over 38 years, Muslim Aid has been tackling poverty and relieving human suffering guided by our Islamic values.**

As an international relief and development agency operating in 16 countries, we focus on delivering effective emergency responses, securing sustainable livelihood opportunities, providing access to education, and improving access to healthcare services.

### Our objectives

Our chief objective is to serve humanity. We prioritise:

- **Emergency relief** To deliver an effective emergency response globally which includes basic need such as food, clean water, shelter and medicine.
- **Sustainable livelihoods** To secure sustainable livelihood opportunities for the marginalised and poorest communities.
- **Access to education** To provide access to education to people who have limited opportunities.
- **Health and sanitation** To improve access to WASH (Water, Sanitation and Hygiene) services and primary healthcare services where needed most.

### Our vision

Contribute to a world that is just and harmonious, as ordained by God, where everyone can achieve their potential with dignity.



### Our mission

- **Provide effective relief** - with emergency support and long-term development.
- **Applying our values** - to achieve a just and sustainable future for the places we are supporting.
- **Working together** - with communities, people, and partners to respond to crises and increase resilience and self-sufficiency on their own terms.

### Our values

- **Dignity (Karamah)** Treating people with respect and valuing their agency, reflected in our practices and success.
- **Justice (Adl)** Placing justice at the heart of our work and aiming to provide just outcomes for the communities we support.
- **Excellence (Ihsan)** Striving for excellence in all aspects by holding ourselves accountable and constantly improving our systems and processes.
- **Compassion (Rahma)** Building strong relationships based on mercy and compassion, showing understanding and empathy for people's needs.
- **Service (Khidma)** Putting the needs of our beneficiaries first so that we can serve them in the way that they want.



## What we do

**We strive to serve humanity by responding promptly and effectively to emergencies offering humanitarian relief and rehabilitation to the victims of natural and man-made disasters.**

Beyond emergencies, we seek to provide sustainable outcomes rather than responding to a temporary problem.

Our programmes improve the livelihoods of the poor and marginalised, enabling them to live with dignity through improving agriculture productivity, enabling access to microfinance, improving skills and the creation of new enterprises with appropriate training and logistical support.

Our education programmes enable children, in particular girls, to attend school which in turn will create opportunities to break out of the lifelong cycle of poverty for future generations.

We provide primary health care to help the prevention, early detection, and treatment of life-threatening childhood diseases and promote the health and well-being of all but particularly children and mothers.

## Where we work

**Muslim Aid operates from its Head Office in the UK, through a network of Country offices, Affiliate offices and local Implementing Partners.**

These are set up as:

- locally registered NGOs - managing their own governance and financial obligations.
- international registration – operating as branch offices.

This structure allows us to reach those in need and act quickly during emergencies and crises but also maintain a long-term presence.



- Country offices
- Affiliated offices
- Countries with Implementing Partners
- Partner offices

These entities work closely to allow Muslim Aid to deliver its objectives and work closely with the Head Office to monitor and deliver our programmes.

Their financial statements are incorporated into the consolidated Muslim Aid financial statements that follow in this report. At all times, these entities Country Offices are funded through a combination of their own income generation initiatives (such as grants and contracts secured in-country from institutional donors and grant funders) in addition to funding secured by Head Office primarily derived from public fundraising.

The Muslim Aid family also includes Muslim Aid USA and Muslim Aid Sweden as sister entities delivering on our core objectives.

## Our global partners

We are committed to a partnership-based approach to poverty eradication and empowerment. As a result, we also work in partnership with, or as part of, a consortium with a growing variety of international donors including NDRM, OCHA, UNOPS, Start Fund, IsDB and WFP.



# Programmes summary

2022 continues to see us build on the work of previous years and the development of new programmes and strategies to combat the increasingly volatile situations emerging throughout the world.

From military and political conflicts to natural disasters and economic downturns, our efforts meant that Muslim Aid was the first point of relief for hundreds of thousands of people.

Below is a breakdown of our work in 2022.



Winter clothing distribution for children before winter in Gazza.

**124**  
Projects

**16**  
Countries

**13.9**  
million pounds

**2.5**  
million people supported

(Direct support 54%, Indirect support 46%)

Category	Support (k)
Women	~500
Men	~450
Girls	~750
Boys	~700
Older People	~100

**35**  
thousand people with disabilities supported

**People supported by development area:**

**Emergency relief**  
81 projects - 710,833

**Health & Sanitation**  
11 projects - 1,720,516

**Livelihoods**  
11 projects - 43,833

**Education**  
21 projects - 44,530



## Sustainable Livelihoods

Our primary goal is to empower vulnerable communities to become self-sufficient and resilient.

Through skills training, microfinance, and entrepreneurship support, these programmes enable individuals and families to generate income and improve their economic well-being. With a focus on sustainable development, we provide the tools and resources necessary for people to build better futures for themselves and their families.

## Education

We improve access to quality education and promote lifelong learning for children and adults alike using our community-based model (CBM).

The programmes provide support for not only the students, but their families, teachers, and schools. It includes the provision of school supplies, teacher training, and infrastructure improvements, vocational training, and scholarships for higher education. We are helping to build stronger and more resilient communities and break the cycle of poverty.

## Emergency Relief

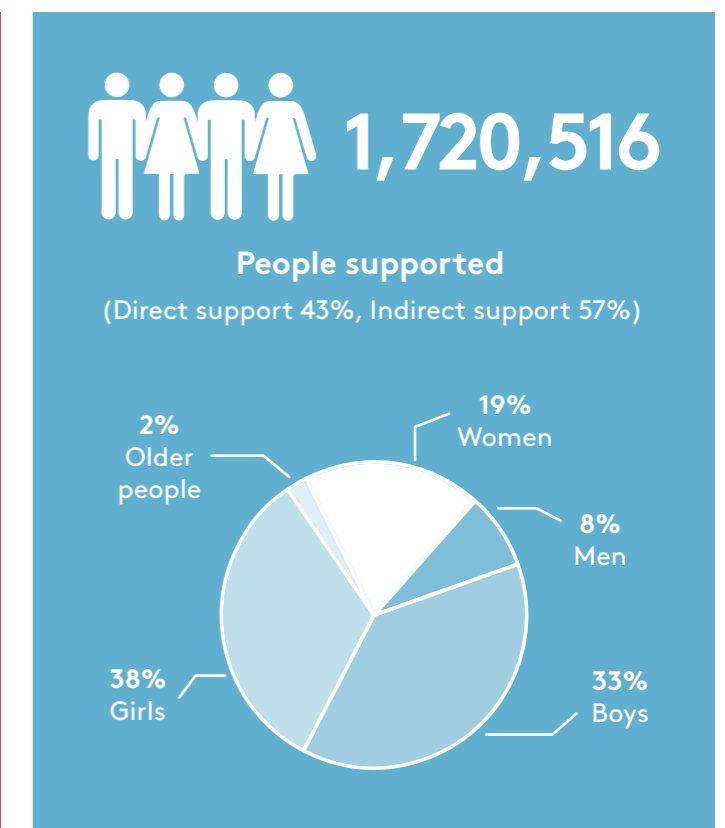
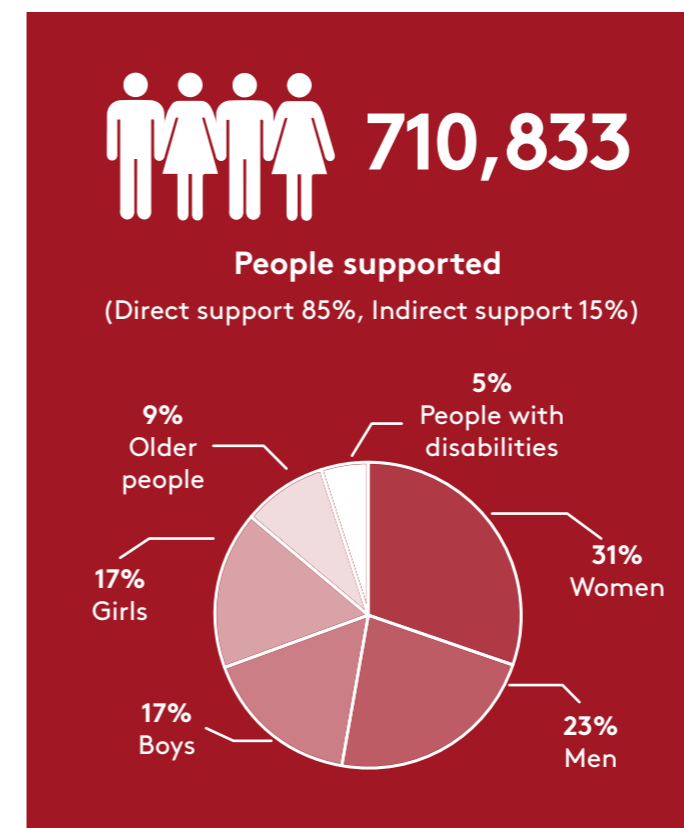
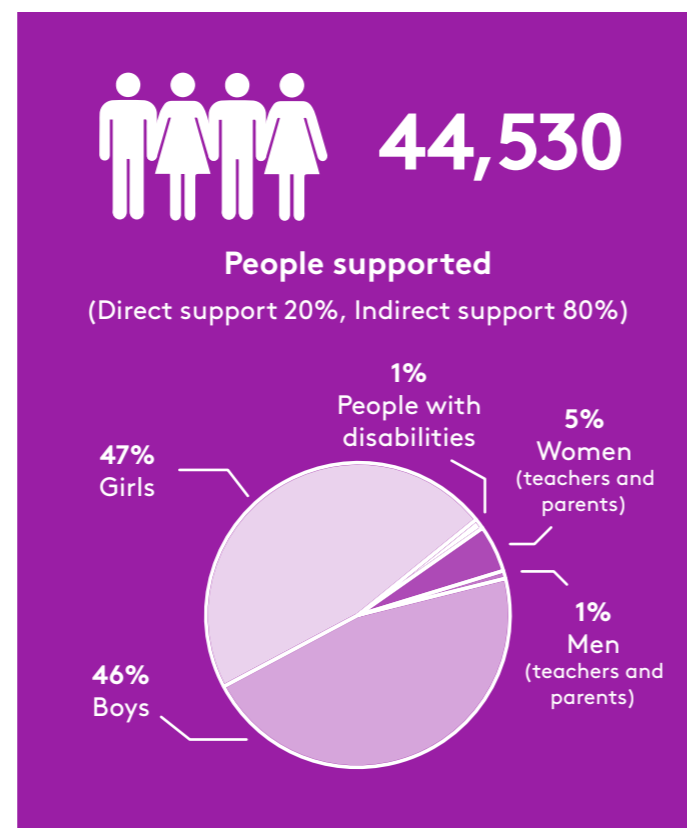
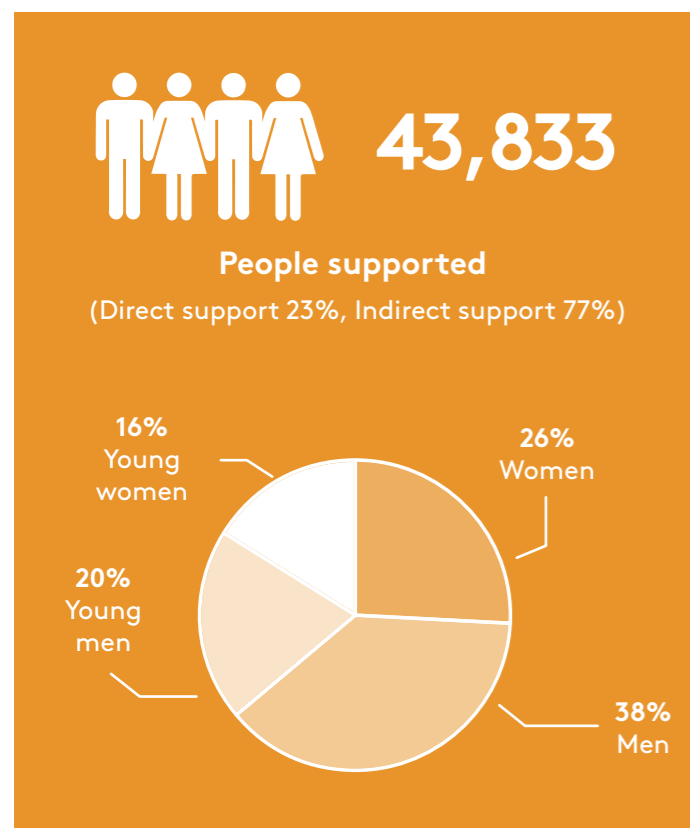
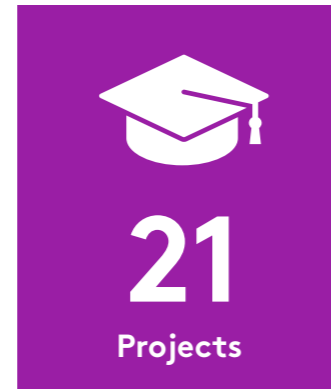
We provide rapid response to communities affected by emergencies, including natural disasters, conflict, and displacement.

Our focus is on providing immediate relief to those in most need, delivering critical aid in the form of food, shelter, medical supplies, and other essential services. Our teams work tirelessly helping to alleviate the suffering of those affected and restoring their hope for a brighter future.

## Health & Sanitation

We provide access to quality healthcare and promote healthy living for vulnerable communities.

This includes providing access to clean water, sanitation, and hygiene (WASH) facilities such as basic toilets and training for good hygiene practices. Our programmes provide support for healthcare facilities, medical supplies, and healthcare education and training. By promoting access to quality healthcare and education, we are helping to improve the overall health and well-being of communities including the most vulnerable.



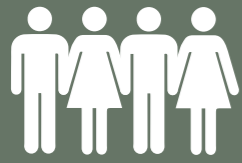
## Seasonal programmes

Our Seasonal programmes provide support to vulnerable communities during seasonal occasions such as Ramadan, Eid, and winter.

The programmes include the provision of food aid, clothing, fuel, and gifts to those in need. During these special occasions, we help to alleviate the financial burden faced by many families, and promote the spirit of generosity, compassion, and community.



Ramadan:



45,093

People supported



13

Countries

Included food vouchers and food parcels



Qurbani:



78,533

People supported



10

Countries

Included meat distribution from Qurbani sacrifices



Winter:



2,841

People supported



6

Countries

Included warm clothes, blankets and fuel



Woman receiving food package during Ramadan in Trincomalee.

## Micro-Finance Programme

As part of Muslim Aid's commitment to funding development work, we provided the initial grant of the microfinance Bangladesh in 2009 year, which has now become a successful self-sustaining entity that plays a crucial role in promoting sustainable development by providing financial services to underserved and marginalised communities.

Through the provision of shariah compliance small loans, the Bangladesh microfinance institution has empowered thousands of individuals, to start and expand their small businesses, improved livelihoods, and help aided in escaping the cycle of poverty. By fostering entrepreneurship and enabling income generation, it has contributed over the years to local economic growth and job creation, reducing inequality and enhancing social stability. Moreover,

the accessibility of financial services encourages communities to adopt responsible financial behaviours, promoting long-term financial planning and resilience. The services provided, does not only support individual advancement but also contributes to broader development goals, ensuring a more equitable and sustainable future.

As Muslim Aid, we are grateful to have played a part in this success over the years, from providing the initial funding to being involved in the governance and guidance to Bangladesh microfinance. Now that it has reached a desired level of independence and financial sustainability, we believe it is time for us to exit from this and focus our resources into the next project. Therefore, Bangladesh microfinance is de-consolidated from our financial statement.

# Country reviews

*Provision for winter in Yemen for internally displaced families.*





8 Projects

79,255 people supported



2 Projects

Over 1,450 students & teachers supported



4 Projects

Over 4,000 people supported



1 Project

Over 121,000 people supported



More than 4,000 households reached through food parcels or vouchers to purchase food



19,223 people received Qurbani meat

# Bangladesh

**Our presence in Bangladesh was critical with 15 key projects supporting 206,127 people.**

Due to the unprecedented flooding that the country suffered in May 2022, our emergency response programmes delivered essential supplies such as food, shelter, and hygiene kits. We also continued to support sustainable livelihoods during this difficult time, while our health and education initiatives were aimed to improve access to quality healthcare and education for marginalized communities. Through our comprehensive response, Muslim Aid has made a significant impact in Bangladesh, helping to improve the lives of thousands of people in the country.



Our humanitarian team at Muslim Aid Bangladesh.

**Almost 5,000 people accessed new skills training and knowledge to strengthen their livelihoods**

## A closer look

### Worst flooding in years

In May 2022, Bangladesh experienced some of the worst floods in its history, affecting over 7 million people across the country. Cherrapunji in Meghalaya state recorded 2,200mm of rainfall over eight days due to a hill dump from India causing flooding in low-lying areas of Sylhet and Sunamganj districts of Bangladesh. Within a few days, hundreds of thousands of people required emergency relief, as many places were submerged under water. As a result, food, water, and transportation were unavailable, children could not attend school and livestock feed was scarce.

With a long-standing presence in the country, we were quick to mobilize our resources and expertise to support those affected by the floods. Through a range of interventions, our staff including volunteers, worked tirelessly to provide life-saving assistance and to build the resilience of communities against future disasters.

**Nearly 40,000 people participated in health training**

## Our response

Muslim Aid with the support of its partners, including, START Fund, Association for Socio-Economic Development (ASED) and Jaintia Shinnomul Songstha (JASHIS) implemented an immediate flood response strategy that reduced the suffering of over 15,000 people. The emergency response provided unconditional cash grants, hygiene kits and sanitary products. In addition, over 1,000 education boxes were delivered to the most vulnerable schools, and dry foods including flattened rice, molasses, powder milk as well as water purifying tablets and bleaching powder for disinfecting drinking water were distributed.

Flooded areas in Bangladesh

## Flooded communities

**Mustofa Begum and her family were one of thousands facing extreme vulnerability due to second wave flooding in Sylhet.**

Most of their homes were submerged under water. The flood affected community were struggling to survive without food, cash, and transportation. Their children couldn't get to school, and their livestock suffered due to shortage of livestock feed. Our teams were on the ground distributing cash grants, dry food, and critical WASH items to get them through this emergency.



Mustofa Begum receiving support during the flooding in Sylhet.

“As Country Director, I am proud to lead an organisation with the reputation as one of the top INGOs in Bangladesh. For many years, Muslim Aid has been saving lives, alleviating suffering, and contributing to development in the country. We work across 4 important thematic areas covering Healthcare, Livelihoods, Humanitarian and Education programmes. I am focused on continuing the life-saving work, building the long-term resilience of communities and showcasing our impact.”

**Zareen Khair**  
Country Director  
Muslim Aid Bangladesh



Zareen Khair, Country Director at Muslim Aid Bangladesh

**1,643 people with disabilities received critical emergency support**

“We are very happy with the support provided by Muslim Aid and JASHIS. Specially, the children are delighted since their father's pain has been reduced a lot. Thank you very much for your support.”

**Mustofa Begum**  
50 years old  
Satkurikandi, Sylhet



12 Projects

101,470 people supported



2 Projects

1,727 children supported



2 Projects

722 people supported



More than 600 families provided with food parcels



Over 1,100 households & over 9,005 individuals received Qurbani meat

## Pakistan

Across 16 projects, we provided support to more than 240,000 individuals through our presence in Pakistan.

Our emergency programmes focused on dealing with the aftermath of earthquake and flooding that took place in 2022. Through our long-established network in the country, we were able to reach some of the most hard-to-reach communities, delivering vital aid such as food, water, shelter, and medical supplies.

Our health programmes provided access to healthcare and emergency medical assistance including medicines and treatment. In education, we continued to provide access for children through initiatives such as school rehabilitation and teacher training. Finally, our livelihood programmes focused on creating sustainable livelihoods by rebuilding homes and increasing income of individuals and small-scale businesses.



Village devastated in Balochistan.

Nearly 500 people provided healthcare across 5 hospitals



Our humanitarian team at Muslim Aid Pakistan

Over 350 safe drinking water points installed/ upgraded

## A closer look

### Victims of climate change

Pakistan is prone to natural hazards including earthquakes, floods, droughts, and cyclones. This is further exasperated by the impacts of climate change which was clearly witnessed and experienced in 2022. The severe flooding caused by heavy monsoon rains, resulted in widespread damage and displacement of communities throughout the country.

The Makran Coastal Highway was washed away after 20 hours on intense rain fall, blocking highways and cutting parts of the region off from each other. The power supply was suspended and other public sector infrastructures like link roads, schools and health facilities were also damaged. Heavy losses were reported including 1.3 million houses were damaged, 1,700 deaths, 12,900 injured, 4.4 million agricultural lands (acres) destroyed, and 1.2 million losses of livestock.

### Our response

To address these catastrophic floods, Muslim Aid's first task was to implement an emergency response strategy that covered multiple projects. Working with local partners and consortium members, our work covered 15 districts across Sindh and Balochistan. Our efforts helped over 90,000 people by providing non-food items, shelter, tents, roofing kits, WASH supplies, livestock distribution, vaccinations, and deworming medicines, distribution of clean drinking water, water treatment, chlorination and disinfection, dignity kits, training on disaster risk reduction and multipurpose cash grants for procurement of food.

## A farmer without crops

Rahmat is a farmer and father of five children living in Balochistan.

The flash flood washed away his crops and their possessions. Rahmat and his family were forced to flee to higher ground, with nothing but the clothes on their backs. The harsh winter was on its way without access to warm clothes and blankets.



Rahmat receiving his winter and hygiene essential items after flooding emergency.

Over 700 people accessed new skills training, livestock, and microfinance for income recovery

“Being a member of the HR team of Muslim Aid Pakistan (MAP) and a mother to a four-month baby is challenging, but the MAP Team is always supportive. They make me comfortable to balance work life and family commitments. Being a professional HR person, I always try my best to facilitate our staff by implementing new policies and procedures and bringing new talent to MAP”.

Madeeha Farooq  
Human Resources Officer  
Islamabad, Pakistan



Madeeha Farooq, HR Officer Muslim Aid Pakistan

“

“In the harsh winter season our children were trembling, it was hard to survive in the lowest financial circumstances, we hardly arrange two times food. You hold our hands tight in this difficult time, when helplessness and poverty prevailed. My family members are paying gratitude for provided support and keeping us protected from the harsh winter.”

Rahmat  
Father of five  
Balochistan



6 Projects

91,372 people supported



1 Project

2,459 children supported



1 Project

Over 450 people supported

## Myanmar

We provided support for over **120,000 individuals through 8 projects** due to our permanent presence in Myanmar.

As a result of the enduring crises in the country, displaced families continue to face severe food insecurity, malnutrition, and limited access to essential healthcare and education. In response, our emergency programmes provided essential support to affected communities, delivering life-saving aid such as food, water, and shelter. Muslim Aid also continued to support education in Myanmar, providing access to quality education for children through initiatives such as school rehabilitation and scholarships. Additionally, our teams focused on improving income generation and creating sustainable livelihoods by improving the skills of individuals and then giving them opportunities to use those skills.

Through our partnerships with local organisations and our dedicated staff, Muslim Aid has made a commitment to provide sustainable solutions to the challenges faced by vulnerable communities of Myanmar.



Advanced tailoring classes with equipment provision in Rakhine state.

## A closer look

### Displaced communities

Our work in Rakhine State has continued to progress but the operating environment for all NGOs in 2022 has become more constrained, leading to several obstacles faced by our teams on the ground.

Internally displaced persons (IDPs) continue to reside in overcrowded camps, isolated villages, and new displacement sites (NDS). Such individuals' displacement makes them even more vulnerable to already-limited access to healthcare, safe water, and sanitation services.

### Our response

Coordinating an emergency project funded by UNOCHA, Muslim Aid responded to the housing needs of affected people displaced by the conflict between the Arkan Army (AA) and Myanmar Armed Forces (MAF). Construction of 46 shelters in Sittwe township housed over 2,000 people. These shelters also provide a base for people to live together in security and to grow together as a community.

In the town of Khaung Doke Kar alone, we reconstructed 20 shelters which supported over 1,000 people to feel secure and live in dignity again.

Over 450 people accessed new skills training and knowledge to strengthen their livelihoods

More than 2,400 teachers and students received school kits, resources, or fee support

Home gardening growers participating in natural compost making in Ywama.





## Shelter and skills for life

**39-year-old Than Than Nu was not only supported with shelter but also cash payments and capacity building support to learn basic carpentry skills.**

The Cash for Work scheme (CfW) that Muslim Aid continued to implement, achieved positive outcomes by providing shelters for entire families whilst also offering a longer-term solution. This scheme improves the skills of individuals enabling them to be employed in the future. Than Than Nu received cash payment for her participation in the project to build shelters in Lo Daw Pyaw which is a new displacement site in Sittwe. She also learnt vital skills that she will be able to use in the future.



Our Yangon humanitarian team at Muslim Aid Myanmar.

Our Technical Specialist, Khin Maung Htay at Muslim Aid's office in Sittwe



**Over 75% of children supported (5-17 years old) now regularly attending school**

“

“In all my 25 years of experiences in INGOs, I found most satisfying working in MA-UK, Myanmar as we assist marginalized people living in Buthidaung, Northern Rakhine State without discrimination of race, religion and other status.”

**Khin Maung Htay**  
**Technical Specialist**  
 based in Sittwe Muslim Aid Office,  
 Rakhine State.

“

“As soon as I knew we had a new shelter, I was so happy that we could build it ourselves. I participated in the shelter construction and received daily wages for this. These funds can contribute to daily expenses. Additionally, women can work and received an equal cash amount.”

**Than Than Nu**  
**39 years old**  
**Sittwe**

Than Than Nu participating in the Cash for Work project in Sittwe





6 Projects

Almost 16,000 people supported



1 Project

Over 2,000 children supported



1 Project

Over 800 people supported



2 Projects

Over 50,000 people supported



1,903 people provided with food parcels



2,108 people received Qurbani meat

# Sudan

## Being present in Sudan was crucial as we supported over 100,000 people through 10 key projects.

The ongoing crises facing Sudan and its neighbours has led to an unprecedented volume of refugees, asylum seekers and internally displaced communities. Our emergency programmes have provided essential resources like food, water, and shelter to affected communities whilst our livelihood programmes assisted small-scale farmers and offered training. In 2022, Muslim Aid's health programmes were centred on increasing accessibility to quality healthcare services, such as supporting maternal and child health services, improving water and sanitation facilities.



Families looking for support with regular and nutritious meals.

# A closer look

## Malnutrition for millions

Sudan has been facing political unrest and economic challenges that have only been exacerbated by the COVID-19 pandemic, disease outbreaks, high rates of malnutrition and more than 1.1 million refugees and asylum seekers.

Access to food is a major issue faced by the people of Sudan with the rate of malnutrition in children under 5 alarmingly high. Approximately 700,000 children suffer from severe acute malnutrition (SAM) and about 2.5 million children suffer from moderate acute malnutrition (MAM).

Young children, as well as pregnant and lactating women (PLW) are more susceptible to being malnourished as their nutritional requirements are higher. Moreover, malnutrition poses a direct threat to people's health, limiting physical and cognitive development, and making children more susceptible to disease.

## Our response

During 2022, our teams conducted multiple nutrition intervention programmes that addressed some of these challenges. Through skilled and trained staff, Muslim Aid provided screening services, nutrition, and medical treatment to over 30,000 children, pregnant and lactating women.

The programmes were also able to educate the projects' beneficiaries and community members regarding nutrition practices especially those related to breast feeding, food preparations without losing nutritious value, and Infant and Young Child Feeding (IYCF). As a result, the intervention achieved a cure rate of 90% in Gazira State and 93% in Khartoum State for moderate acute malnutrition (MAM) cases.

In partnerships with UNHCR, WFP, and Global Medic/USAID, Muslim Aid improved access to nutrition services in 61 fixed nutrition centres. This enabled us to reach out to a wider range of the community that included refugees from Eritrea, Ethiopia, South Sudan, vulnerable host communities and internally displaced people from Kurdofan and Darfur regions of Sudan.

Our humanitarian team in Sudan.



Emergency support included hot meals for refugees and asylum seekers

## A family forced to flee

**Zafo is a 28-year-old, married woman with three children. When the war in Ethiopia started in 2020, her family was safe because her husband was able to protect them.**

When he was arrested, Zafo and her children were forced to flee. She reached the Sayteet riverbank at the Ethiopian border where she managed to cross by making a makeshift boat with empty plastic drums. All with a 5-month-old baby.

Muslim Aid was the first organisation that supported Zafo and her family. We provided her with hot food and other necessities so she could take respite from her ordeal.



*Zafo and her young family after fleeing conflict in Ethiopia.*

“I spent about 18 months in Sudan, Muslim Aid has supported me and my children since we arrived. Thanks to their help, my children’s health has improved a lot and even their weight has increased. Thanks so much to Muslim Aid and the team that is working at Hamdayeet”

**Zafo**  
28 years old  
Sudan

*Zafo with her children having breakfast provided by Muslim Aid*



**355,367 people**  
were screened for  
malnutrition especially  
children under 5 and  
pregnant/lactating  
women across 115  
hospital/health  
facilities



5 Projects

Over 35,000 people supported



2 Projects

Over 500 children supported



6 Projects

Over 180,000 people supported



1,560 people provided with food parcels



2,429 people received Qurbani meat

# Somalia

## Providing critical support in Somalia meant we helped 190,000 individuals through 13 significant projects.

The Somali people faced multiple crises with drought, population displacement, and overcrowding in IDP camps with outbreaks of infectious diseases. Our emergency response efforts provided essential resources such as food, water, and shelter, serving impacted communities. We helped to provide access to quality learning and to improve school facilities particularly WASH facilities and teacher training through our education programmes using our community-based model. Moreover, our health programmes concentrated on increasing access to medical care and prevention and control of diseases, including maternal and child health services, vaccination campaigns, and enhancing water and sanitation facilities.



The humanitarian team at Muslim Aid Somalia.

# A closer look

## Drought and displacement Our response

The humanitarian situation in Somalia has deteriorated at an alarming rate due to the prolonged drought in the country causing widespread famine and displacement. On the agricultural side, production relies highly on weather conditions and water availability. As the drought continues to bite, most of the households have suffered poor productivity, decreased fertility, poor animal health and a rise in livestock death which has rendered many families vulnerable.

An estimated 6.7 million people (or 41% of the total population) faced severe food insecurity during 2022. The impact of drought and climate change continues to displace the population creating new internally displaced communities in southern Somalia. About 671,000 people have been displaced internally, all struggling in their search for water, food, livelihoods, and pasture.

Muslim Aid's primary concern in Somalia was to deal with the consequences of the drought. Through co-ordinated efforts and effective strategies, our programmes were designed to reach as many people as possible. As a result, our response unit set up projects that focused on distributing food aid such as rice, sugar, white flour, and cooking oil as well as other non- food items including, mats, assorted household utensils, mosquito nets, lamps and jerricans for water storage. Our programme worked across 12 IDP camps in Gedo and Bardhere districts reaching over 15,000 people and vulnerable communities who were facing acute food insecurity and malnutrition.



39-year-old Kaituma and her family in Kahda IDP camp.

Nearly 6,000 households provided with basic supplies for survival and recovery

## A brave mother of six

### Shukri is a mother of six children. She and her children were displaced by the recent drought in Hareri village.

Shukri came to Habal-Cadey IDP camp in the outskirts of Bardheere town to look for food and water for her children. Her husband whom they depend on for a living had left them to search for a living in a neighbouring village.

Shukri was provided with shelter for her and her children, receiving both food aid and non-food items for her household including rice, flour, sugar, milk powder, blankets, mosquito nets and sleeping mats.



Shukri and her children at the Habal-Cadey IDP camp, Somalia.

“I have worked with Muslim Aid Somalia for more than 20 years, ensuring quality primary health care services are offered to vulnerable mothers and children including medical services, antenatal and postnatal care, immunisation for children and delivery by skilled birth attendants among others. The challenge has been the insecure environment where humanitarian workers are a target.”

**Hassan Mohamed Hassan**  
Health Officer  
Muslim Aid, Mogadishu

**Serving Humanitarian**

**Vision, Mission & Values**

**Vision**  
Working together for a world without poverty

**Mission**  
Based on our faith based values, we will work with communities to cope with disasters and to become resilient through sustainable development.

**Our Values**  
As an international NGO, Muslim Aid is committed to social action and working with partners to improve the lives of others in need. We are committed to working with:  
- Integrity (Ru'ufun and 'Adl) in all our dealings  
- Transparency (Muhasabat) to our stakeholders, especially those we work with.  
- Amal m'a Jawadah) – our actions are identified by the community as being based upon noble intentions, dignity and equality.

*Our Health Officer, Hassan Mohamed Hassan in Mogadishu.*

“

“We were unable to live in the village and I left my village to look for food and water for my children. When we arrived at the camp, we found it difficult to find place to settle as the space was limited and families arriving at the camp were very many. I would like to thank Muslim Aid for their donation of food aid and other items and assisting the most vulnerable families in the camp.”

**Shukri**  
Mother of six  
Somalia

**More than 500 people received hygiene kits including soap, towels, and sanitary products**



4 Projects

Over 7,300 people supported



2 Projects

Over 2,000 children supported



1,008 people provided with food parcels



3,834 people received Qurbani meat

## Bosnia

**By maintaining our presence in Bosnia and Herzegovina, we were able to extend support to more than 9,000 individuals through 6 projects.**

In Bosnia and Herzegovina, access to education remains a major challenge, particularly for those living in rural areas. Limited resources, lack of infrastructure, and a shortage of qualified teachers make it difficult for children to receive a quality education.

Muslim Aid's education initiatives included supporting access to quality education for children affected by poverty and who live in rural areas, as well as providing teacher training and supporting school refurbishment. Our emergency response programmes focused on providing food and shelter relief from the harsh winters for those living in Eastern Bosnia.



*Qurbani distribution in Bosnia and Herzegovina.*

## A closer look

### Helping to educate

Bosnia and Herzegovina is the most rural country in Europe with approximately 61% of the population living in rural municipalities leaving them at greater risk of social exclusion, denial of equal access to services and limited economic opportunities. This has affected schools in the regions, many of which are in poor conditions with limited facilities. By focusing on the development of infrastructure, provision of school supplies, and teacher training, we are helping to ensure that children in Bosnia and Herzegovina have the opportunity to receive the education they deserve.

### Our response

Our association office located in Bosnia, Muslim Aid Association (MAA) has been supporting the education sector in the region for the past 15 years and has worked with over 40 schools.

In 2022, a 1-year project was launched as a continuation of the Community based model to provide support to 8 schools in Kalesija and Sapna. These projects have been designed to target key areas with the goal to improve the quality of education and learning opportunities for young people in the region.

## A student should be able to study

### Emir, age 12, is attending 6th grade in one of the beneficiary schools.

His father was on minimum wage and Emir had to travel 15km every day to get to school. Due to the economic situation of his family, Emir was unable to afford school supplies or a good-quality backpack. Moreover, the school he was studying had poor heating system and students felt very cold in winter. After the intervention from Muslim Aid and MAA, the conditions of the school improved, and Emir was able to learn and enjoy his school experience.

“This project provided heating to our school and now we have a pleasant and warm environment to study in. We are also provided with school supplies and backpacks. It meant a lot for us that we didn't have to buy it because it meant we can save that money to buy clothes and shoes. Thank you very much!”

**Emir**  
Age 12  
Gornja Glumina, Zvornik,  
Bosnia and Herzegovina

More than  
900 teachers  
and students  
received school  
kits, resources,  
or fee support

Emir attending school with his new school supplies.





2 Projects

Over 22,000 people supported



2 Projects

Over 6,000 children & teachers supported



1 Project

Over 2,000 people supported



3,590 people provided with food parcels



Over 1,100 households & over 9,005 individuals received Qurbani meat

## Sri Lanka

Our presence in Sri Lanka was essential with **5 key projects supporting 30,000 people.**

In 2022, Muslim Aid continued its humanitarian efforts in Sri Lanka, a country that has faced numerous challenges in recent years. Political instability, economic downturn, and a drastic fall in tourism has led to a compound effect leaving the country and its people in a difficult situation.

Our work in Sri Lanka included food distribution, developing community projects, and providing educational support.



Students in Sri Lanka supported with additional resources.

## A closer look

### Strengthening livelihoods

In May 2022, the government defaulted on debt payments and were thus unable to import necessities such as fuel and some medical supplies. This along with high inflation, left many vulnerable communities struggling to access basic needs.

Food security and livelihoods had been impacted the most because of the economic crisis, while access to basic services such as education and healthcare were also disrupted. A serious decline in domestic agricultural output brought on by an unsuccessful agricultural transition to organic farming deepened the crisis. Now, at least 5.7 million people (or 26 per cent of the population) require humanitarian assistance.

### Our response

During 2022, we implemented a multisector programme to improve the socio-economic condition and to increase the resilience and income of various farming, fishing communities and rural schools. Under this programme, 78 families were supported through direct agriculture inputs such as seed and seedlings: cash for crops, tools, training on sustainable land management practices, micro irrigation system and greenhouse cultivation. Additionally, a total of 16 cattle farmers were on fodder development and training.

Furthermore, a fishing community of 45 families increased their inputs and managed to develop a sustainable income under the diversification of the product and industry. Muslim Aid provided community-oriented crab ornamental fish culture and mushroom farming.

Emergency support included food distribution and the delivery of sustainable home gardens for food security

Parents working in the school garden at Tamil Vidyalam School.



## A school garden for the community

The drop-out rate of students is high in Trincomalee district due to local poverty.

Muslim Aid helped to create school gardens to support the economic livelihood of 6 schools and families in need. These projects ensure food security for the local children and to promote nutritional education, reinforce social cohesion among parents and teachers, and to increase school attendance. The harvest from these gardens is distributed among the local people and families who now have access to fruit and vegetables. The students also received nutritional meals and the schools earn an income with the extra harvest. Vulnerable families who have children over 17-years-old are given vocational training and necessary input after trainings to continue their income generation activities.



- Food pack distribution during Ramadan in Trincomalee.

Farmers, fisherman and young people accessed new skills training and knowledge to strengthen their livelihoods

Principal Sujandini, in front of her new school garden.



“With the harvest produced by the school garden, we will provide nutritious food to our students. With the surplus of the production, we will pay the running costs of electricity and water for the school and cover some fees for the students”.

**Sujandini**  
Principal of Barathi Tamil Vidyalam School, Trincomalee





8 Projects

22,000 people supported



3 Projects

12,000 children supported



1 Project

600 people supported



1 Project

27,000 people supported



2,820 people provided with food parcels



10,976 people received Qurbani meat

## Palestine

We provided support for over **62,000 individuals** through **13 projects** this year in Palestine.

With Palestine's ongoing humanitarian crises, our focus had to target every aspect of life for the local community. Our education initiatives provided educational resources to improve literacy and numeracy whereas our livelihood programmes focused on supporting and training the youth with skills that can increase their chances of employment. In addition, our emergency and health programmes provided critical support by improving WASH facilities throughout Gaza and improving the nutritional health status of malnourished children and those suffering from Coeliac disease.



Children of Gaza receiving winter clothing.

## A closer look

### Limited access to the basics

The people of Palestine continue to face several challenges across multiple sectors. Political tensions, conflict, and economic sanctions have made life incredibly difficult for the residents of the country. Access to education, healthcare, employment and even food is becoming increasingly difficult. 1.1 million of the population of Gaza is considered food unsecured and in need of assistance. Additionally, regarding WASH services, today only 4% of household members in Gaza have access to "safely managed water that is free of pollution."

Economic empowerment training for the youth in Gaza.



### Our response

Our teams continued to work in Palestine to address the challenges faced by the people. We tackled unemployment issues by facilitating economic empowerment workshops for the youth ranging from woodwork and sweet making to sewing and video creation training. Muslim Aid and its partner, the Association for Women and Child Protection (AISHA) also responded to the deterioration of WASH (water, sanitation, and hygiene) conditions and services among vulnerable households in 2 districts. We focused on vulnerable households headed by women in Gaza to provide improved access to sanitation and hygiene services with dignity, in order to improve their daily lives. This involved rehabilitation of damaged WASH facilities, provision of hygiene materials, training sessions on effective water management.

84% of mothers improved their knowledge of better health and nutrition

# Everything but the kitchen sink

**Abeer, 35 years old, is a widow with 8 children.**

She had no income and relied only on subsidies from the authorities every three months, which meant she could not support her family in a dignified manner. Basic things like a kitchen sink were a dream for her. She spent years washing the dishes on the floor for her large family because her home did not have a countertop in the kitchen. Muslim Aid’s partner AISHA renovated her kitchen, including a countertop and installing a new toilet and wash basin facilities.



Before and after images of Abeer’s kitchen.

“The intervention solved a huge problem my family and I have suffered for a long time. Now my life is easier, cleaner, and better. We want to express our happiness and thank Muslim Aid and AISHA”

**Abeer**  
Mansoura District  
Shujaia Province, Gaza



85% of children improved their signs and symptoms of wasting and anaemia



Winter clothing provision for children in Gaza.



12 Projects

Over 50,000 people supported



2 Projects

Almost 2,000 children supported



1 Project

600 people supported



1 Project

Nearly 21,000 people supported



4,583 people provided provided with food parcels



5,578 people received Qurbani meat

## Syria

Across 16 projects, we provided support to more than 77,000 individuals through our presence in Syria.

Syria has been in the midst of a devastating civil war for over a decade now, with millions of people forced to flee their homes and livelihoods. For the past decade, Muslim Aid has been working to assist those affected by the crisis by providing vital aid such as food, shelter, and medical care. Despite the ongoing challenges, we remain committed to providing support to the people of Syria and will continue to work towards building a brighter future for the country and its people.

Our education programmes provided access to schools in Idlib whereas our livelihood and emergency programmes focused on improving the overall wellbeing of individuals by providing access to facilities, resources, and training. Our teams also arranged limb replacement surgeries and improved WASH facilities throughout different regions.



Reviewing recipients of Ramadan food parcels.

Revitalisation of the Olive farming value chain for small and mid-sized olive farmers

Olive farming project to support livelihoods for local community.

## A closer look

### Making ends meet

Due to several destabilising factors, the economy of Syria is practically non-existent and opportunities to find employment are very scarce leaving many families struggling to meet their basic needs. This issue has trickled down to impact all other areas of the country from health care to education.

### Our response

Muslim Aid and its partner Ihsan Relief and Development (IhsanRD) ran a number of programmes in 2022 that aimed to increase the resilience and livelihood opportunities of the most vulnerable olive farmers in 12 communities in Harim, Idlib and Salqin sub-districts, where olive farming was a major pillar of providing employment opportunities. The programme targeted farmers and offered them tools, fertilizers, pesticides, and training programmes on agricultural practices. At the same time, female led households were recruited for short-term job opportunities by harvesting the olive orchards owned by the farmers.

## A widow in need

**Khitam is a 40-year-old widow from Idlib, responsible for her family of 8 people.**

They lived in difficult conditions with a home that required major maintenance. She had no additional income for medical support and food. She owned an olive field that she could not invest in due to her low income.

With the support of IhsanRD, Muslim Aid were able to provide Khitam with resources and materials to invest into her olive field including fertilizer and insecticide, plus training on how to extract the most from her land.

This support has given her a livelihood opportunity which in turn has allowed her to earn more money to provide for her family.



*Khitam, 40-year-old widow from Idlib reviving her livelihood.*



“I want to thank Ihsan Organisation and Muslim Aid for what it has provided and what it will support me with in the future, and I ask you to support us in the future with inter-cropping system and water harvesting projects.”

**Khitam**  
**40-year-old**  
**Idlib**

*Olive farmer harvesting olives in Northern Syria.*



**Those most in need were provided shelter and additional housing construction**



5 Projects

Over 39,000 people supported



More than 3,200 people provided with food parcels



15,105 people received Qurbani meat

## Yemen

**Our presence in Yemen was critical with 5 key projects supporting 39,000 people.**

The ongoing conflict in Yemen has resulted in one of the world's worst humanitarian crises. The war has disrupted the country's already fragile healthcare system, leaving millions of people without access to basic medical care. Coupled with a severe economic crisis and the COVID-19 pandemic, the situation has truly become dire for the people of Yemen.

In response to this state of emergency, Muslim Aid initiated emergency response projects that provided life-saving assistance to those most affected by the conflict. Our teams were on the ground delivering medical assistance, shelter, and food aid to displaced families. We also supported hospitals and clinics with essential medicines and medical supplies, helping to mitigate the impact of the conflict on the health of the Yemeni people. Despite the challenging circumstances, we remain committed to our work in Yemen and providing hope for a better future.



Medical supply distribution team in Yemen.

## A closer look

### Health crisis

Currently, only 50 percent of the health facilities in the country are functioning, and these facilities face severe shortages in medicines, equipment, and staff. Add to this, the poor economic situation, lack of employment and access to education and we truly have a tragic situation where millions of people are suffering every day.

### Our response

In Hadhramaut, Muslim Aid, and its partner Yemen Family Care Association (YFCA) launched a healthcare project to provide emergency healthcare services and promotion of personal hygiene to internally displaced people. The programme supported two health facilities in Rakhia and Huraidhah by providing medicines and supplies that supported primary health care services such as children's vaccinations, children-illnesses healthcare, and reproductive healthcare. Moreover, health promotion sessions were conducted in the targeted health facilities and the surrounding communities to increase the community's knowledge and awareness of personal healthcare and the available services provided by their local health facilities.

## A father and son

**Adeeb, a 16-month year old baby, suffered from fever, which made him cry all night preventing him from sleeping.**

In the past, Adeeb's father would not have been able to buy medicines required or pay for tests. This time, his father took him to the Huraidhah hospital to receive much needed medical attention. Adeeb was provided with the treatment he needed and made a speedy recovery.

"Before the intervention, we used to take our children to the hospital, but we found it difficult to buy medicines and do tests because of the high cost. I hope that the support to the hospital continues so that we can get the treatment as well as the medicines our children need."

**Adeeb's father**  
A'andel Village  
Huraidhah District, Yemen

Adeeb with his father after treatment.





5 Projects

Over 12,000 people supported

## Afghanistan

Across **5 projects**, we provided support to more than **12,000 individuals** through our presence in Afghanistan.

We have been providing crucial support in Afghanistan, a country that has long been plagued by internal conflict and instability. In recent years, the country has faced even greater challenges with the economic downturn that has left many families struggling to make ends meet. The ongoing conflict has also taken a heavy toll on the people, causing displacement, and limiting access to essential services such as healthcare and education.

In 2022, natural disasters including an earthquake and flooding compounded issues. We continued efforts to support vulnerable communities in Afghanistan which meant we delivered life-saving aid such as food, water, and medical assistance to affected communities. We also aided displaced families, supporting them with shelter and basic necessities.



Emergency relief for earthquake survivors.

## A closer look

### State of emergency

Many years of internal conflict have crippled Afghanistan's economy, which is already heavily dependent on aid. Almost half of the country's population is experiencing acute hunger and to make things worse, a severe earthquake measuring 5.9 occurred on 22nd June 2022, in Khost and Paktika provinces, killing and injuring more than 1,000 people. In addition, hundreds of traditional mud-made houses were damaged, leaving many residents homeless and forcing them to migrate to other locations without having any means for housing or shelter.

### Our response

In response to the emergency, Muslim Aid and its implementing partner Organisation for Research and Community Development (ORCD) quickly conducted a needs assessment and implemented a relief plan. Our primary concern was to help provide shelter, basic food supplies and essential non-food items such as blankets and hygiene kits for 215 families. With effective management and a well deployed strategy, our teams on the ground worked tirelessly to reach as many people as possible and in some cases our help was the difference between life and death.

## Earthquake survivor

**Asal Deen, 28 years old, has a family of 5. As a farmer, he and his family were severely affected by the earthquake which took place in Paktika.**

Their house was destroyed, and they lost most of their possessions. His family members were also injured due to the collapse of their house. Thankfully, with the emergency relief provided from ORCD and Muslim Aid, Asal was able to rebuild his life. They were provided with food and essential household items to deal with their immediate crisis.

"After that horrendous earthquake, we lost many things. This is the first time that we are receiving aid. It is very useful for me and my family. Thank you very much".

**Asal Deen**  
Maston Village  
Paktika Province, Afghanistan





2 Projects

Over 2,700 children supported

## Sierra Leone

**Providing support in Sierra Leone was crucial as we helped over 2,700 people through 2 key education projects.**

Sierra Leone has faced significant challenges in recent years, with poverty and conflict creating hardship for many of its people. In 2022, Muslim Aid worked to support those affected by these issues, particularly those who have been internally displaced by the country's civil war. Our team in the country implemented two education projects that improved access to educational resources and facilities as well teacher training. Our work in Sierra Leone is an important part of the organisation's efforts to promote education as a key driver of development and to support vulnerable communities around the world.



*Livelihood support for the poorest households.*

## A closer look

### A vicious cycle

Extreme poverty and internal displacement left by the civil war has left many children without access to quality education in Sierra Leone. Those who do have access often end up leaving school to become breadwinners for their families creating a cycle of poverty that needs to be addressed urgently.

### Our response

In early 2022, Muslim Aid and its implementing partner Islamic Dawah Teaching Centre (IDTC) completed a Community-Based Model (CBM) education programme in Mile 91, Tonkolili District in Sierra Leone. This community is generally poor, and school dropout rates are high. The programme provided learning opportunities to 500 of the most vulnerable and marginalised children through covering their school fees, uniforms and stationery thus encouraging them to continue their studies and achieve good academic results at school. As a result of the CBM approach, the schools and the community also benefited through improvement in the schools' facilities, teacher trainings and small business trainings for vulnerable households.



*Students benefitting from new uniforms and resources.*

## The good teacher

**Sulaiman was one of the teachers who benefited from the CBM teachers training programme.**

Though he graduated with a Higher Diploma in History, he did not go through a teachers' training college. Thanks to the CBM training programme, he learnt new techniques and methods on lesson planning, leadership and classroom management enabling to improve his ability as an educator and thus improving the quality of teaching for the students.



*Sulaiman, age 27, teaching his class after his training.*



"It is a great experience for me going through this training. I found a lot of my flaws and gaps during the training session which I was not aware of before. I think after this training I have got the opportunity to make amends".

**Sulaiman**

**School teacher at Rainbow Secondary School Masorie Mile 91 Sierra Leone**

## Income generation and marketing

Where would an NGO be without its donors and supporters? A critical part of our work is maintaining this relationship through our income generation and marketing work.

### Fundraising disclosure

Without the generosity of our supporters, we would be unable to fund our vital work. Our fundraising efforts include a range of marketing and campaign plans, such as social media campaigns, direct mail, SMS, and mail shots. These campaigns are a crucial revenue stream for us, allowing us to reach both our grass roots donors and new demographics. Our digital fundraising has seen significant growth through channels such as Google AdWords and social media giving.

We are committed to transparency and accountability in all our fundraising activities, and we work with trusted third-party agencies to help us reach new donors and expand our impact. All our third-party fundraising consultants are carefully assessed and required to adhere to our policies, including safeguarding. We also provide training to ensure that all fundraising activities are carried out in a way that reflects our values and mission.

Our fundraising activities are carefully monitored, planned, and budgeted through regular supervision. We received a total of 17 complaints during the year. We take all complaints seriously and work to address them promptly and appropriately.

We are grateful to our supporters for their continued generosity, which allows us to provide life-changing assistance to those in need.

### Code of fundraising practice

At Muslim Aid, we are committed to upholding the highest standards of fundraising ethics and compliance.

We regularly review our policies and procedures to ensure that they meet the highest ethical and legal standards. In addition, our fundraising department undergoes periodic training through a Data Privacy, Cyber Security, and GDPR (General Data Protection Regulation) external agency. This training helps to ensure that our supporters' personal information is handled with the utmost care and that we are in compliance with all relevant data protection laws.

### Protection of vulnerable people

All of us at Muslim Aid, are committed to protecting the most vulnerable people in our society. We believe that every person deserves to be treated with dignity and respect, free from abuse and neglect.

To this end, we prioritise the protection of vulnerable people in everything we do. We carefully screen all our staff and volunteers to ensure that they are fully aware of our policies and procedures around the protection of vulnerable people. We also abide by and uphold the Fundraising Regulator's Code of Fundraising Practice, which includes guidelines for working with vulnerable people.

All referrals we receive related to vulnerable people are followed up expeditiously, and we work closely with relevant authorities and organisations to ensure that vulnerable people receive the support and care they need.

### Community fundraising

Building strong relationships with our supporters is key to our success. That is why we engage with our target demographic through community fundraising activities and events.

In 2022, we organised a range of activities, including live appeals, challenges, and events, all with the goal of raising awareness of our international work and building connections within the community. These activities not only help us to increase our presence within the community but also to build our donor database and increase our volunteer network.

Through community fundraising, we have been able to implement our UK Programmes and build goodwill within the community. These activities are essential for building a sustainable and engaged supporter base, which is critical to achieving our mission of making a positive difference in the lives of those in need around the world.

We are grateful to all our supporters who have participated in our community fundraising activities and events, and we look forward to continuing to work together to make a difference in the world.

*Our valuable volunteers ready to fundraise and distribute aid!*





## Fundraising in Ramadan

Ramadan is a special time of year for Muslim Aid and our donor base, as it is a time of increased giving and generosity. In 2022, we developed a comprehensive strategy that capitalised on this opportunity to raise vital funds for our global programmes.

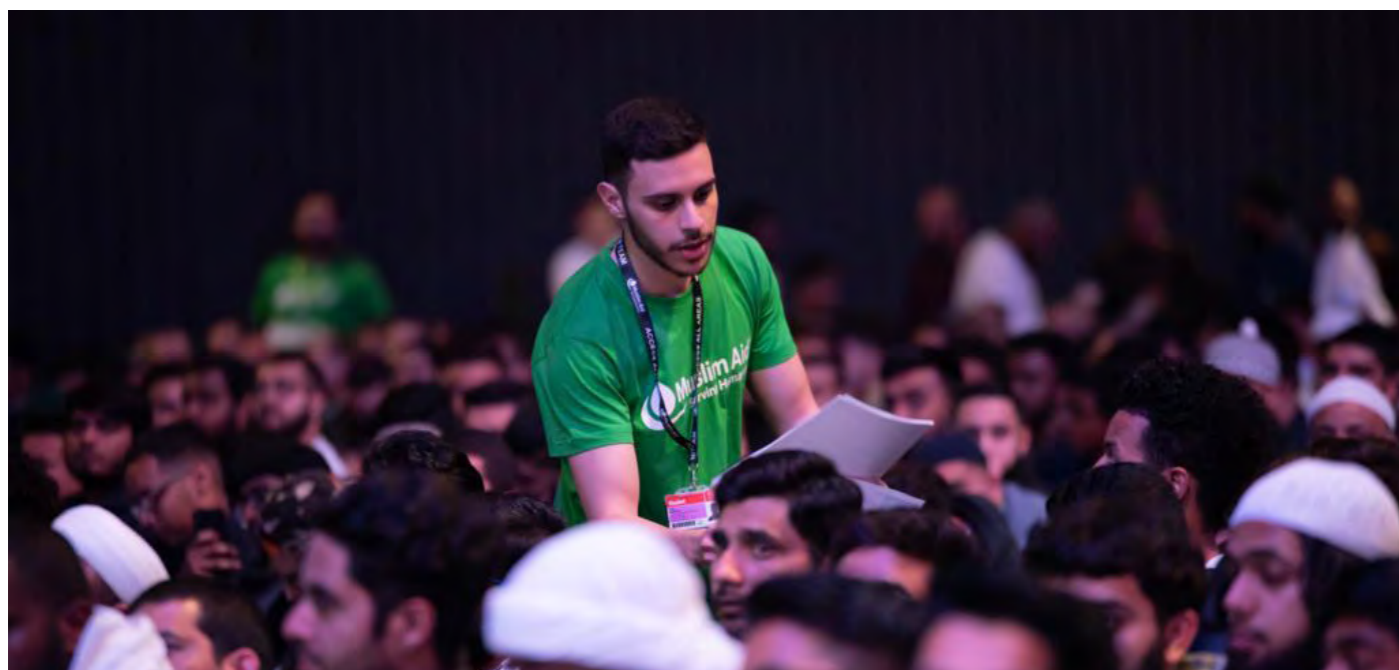
Our main tagline for the Ramadan campaign was 'This Ramadan, Giving is Believing', with a call to action 'Give, Gain, Grow'. We focused on several key campaigns, including Defend Masjid Al-Aqsa, Feed The Fasting, Syria Homes, and the Yemen Emergency.

In terms of large in-person events, we reduced these activities due to the return-on-investment and instead focused on dominating the digital space through online events and increasing social media

engagement. Instead, we held third-party small-scale mosque events and iftars which proved more cost effective.

As part of our strategy, we identified key online influencers and volunteers who set up their own fundraising pages, helping to increase our digital presence and raise awareness of our Ramadan campaign. Additionally, we invested in our own automated donation platform (Nights of Power), which allowed donors to automate their donations according to their preferences.

Overall, our Ramadan campaign was a great success, thanks to the generosity of our donors and the hard work of our team. We are grateful for their support and look forward to continuing to make a positive impact in the world.



Fundraising appeals and events with the help of our teams, volunteers, and generous donors.



Our Islamic wills campaign with Islamic Finance Guru

## Philanthropy

Our Leadership and Fundraising teams focused on building a network of donors who have supported our work on a prolonged basis for the last four years. To achieve this, we follow a specific procedure which involves identifying our major donors, collating detailed information on their interests, hobbies, and the campaigns they are most likely to support, cultivating existing and new donors, developing relationships with key donors, increasing new donors by 15%, and retaining donors at a rate above 65%.

In 2022, Muslim Aid organised several high-level events for high net-worth individuals and stayed in touch through bespoke emails and calls to keep them engaged with our activities. By doing so, we aim to foster a sense of connection between donors and our mission, encouraging them to support our work on a long-term basis.

## Islamic wills and legacy

Legacy income has the potential as a future source of income for our organisation. With the current legacy income in the UK standing at £2.5 billion, we believe that this is an untapped market for the Muslim charity sector.

To further our commitment to being a faith-driven organisation, we expanded on last year's launch of our Islamic wills and legacy service. We partnered with the Islamic Finance Guru to draft wills and legacies online and to help us reach the Islamic wills market.

As Islamic wills are a grey area for the community, we are proud to have taken this initiative to provide a service that aligns with our strategic priorities. By offering this service, we hope to raise awareness and encourage our supporters to consider leaving a gift in their wills to help support our work in the long-term.

## Trusts and foundations

Our charity recognises that many Muslim businesses and high net worth individuals have established trusts and foundations as part of their charitable activities, and they often seek to partner with trusted organisations to deliver their desired outcomes. Muslim Aid's reputation for effective delivery and transparency makes us a natural choice for these partners.

## Core funding

Raising unrestricted income has been a priority for us as it is crucial for our long-term sustainability. To address this challenge, we implemented a number of strategies:

**Unrestricted Income Drive:** Between September and December 2022, we campaigned to raise unrestricted income and address the organisational deficit. The drive consisted of drafting and implementing Muslim Aid's Funds Allocation Guidance paper, which sets out our approach and process for ensuring that donated funds are appropriately classified as unrestricted and restricted. We also conducted bespoke community fundraising activities, including live appeals, fundraising dinners, and an email and SMS campaign under the banner of the Give to Everything Campaign.

**Amazon Smile:** This platform was wound down on 20th February 2023 so we began to close our campaign through the latter part of 2022.

**Friends of Muslim Aid:** We engaged with high-net worth individuals, inviting them to join us on the journey of raising unrestricted income.

**Riba-Reinvest Your Interest:** We launched a campaign and web page to encourage donors to reinvest their interest.

**Support Our Work:** We launched a campaign requesting support for our work, including the option to donate £5 in addition to any donation made, and also asking for £5 as an ongoing regular donation.



Support from the Tower Hamlets Staff Muslim Forum for our Global Winter campaign

## Corporate social responsibility (CSR)

At Muslim Aid, we recognise the importance of Corporate Social Responsibility (CSR) as an area of charitable giving that is often overlooked by Muslim charities. In 2022, we continued our work with the SME Muslim market by engaging with local Chambers of Commerce. Our actions included:

- Building relationships with our existing donor base and engaging with external consultants and experts in CSR to devise a strategy for Muslim Aid, which will be built upon in 2023.
- Increasing income through using the mutual benefit route of sponsorship, Gifts-in-Kind, and match funding.
- Targeting corporate ISOCs to arrange small fundraising activities to introduce them to the organisation.
- Promoting Give as You Earn (GAYE) as the preferred donation method for employees.

At the latter part of 2022, we commenced a review of CSR in the Muslim charity sector to create a strategy for Muslim Aid UK in this area. This will enable us to further develop our engagement with the business community and maximise the potential of CSR as a source of income for the charity.

## Marketing and campaigns

In 2022, we launched several major campaigns in addition to our flagship Ramadan activities, including Muharram, Need is Greatest, Qurbani, and Winter. We also responded to emergencies as part of our Global Emergency campaign, providing support to victims of the Afghanistan earthquake, Pakistan and Bangladesh floods, and the Gaza and Yemen crises. Moreover, we launched a Rabi Al-Awwal campaign that commemorated the birth, life, and teachings of Prophet Muhammad.

Our all-inclusive approach has enabled us to create a portfolio of content, both digital and non-digital, that we can use to promote our campaigns. We showcase our campaigns on all of our social media platforms, including Facebook, LinkedIn, Instagram, and Twitter, and we engage in open dialogue with our audience through daily posts and uploads. Each platform has its own strategy based on posting etiquette and our audience demographic.



Our Global winter campaign raising awareness and critical funds.

# Structure, governance and management

## The Board of Trustees have overall responsibility for the oversight, management and good governance of Muslim Aid and its affairs.

The Leadership Team have delegated executive powers to effectively implement the global strategic, governance and operational matters including programme or project selection and delivery as well as managing and communicating organisational policies and procedures across Head Office, Country, and Partner Offices. The aim is to ensure that our work is carried out efficiently and transparently in accordance with the mission, aims and objectives of the charity.

In 2022, the Board of Trustees continued the important journey of recruiting new trustees with the right skill sets and expertise to help strengthen the Board in their overall leadership, management and administration of the charity and its affairs. A new Finance Trustee (Treasurer) and two further Trustees were appointed in 2022 which added to the wealth and breadth of experience at Board level. Our Board has equal representation of male and female trustees to ensure we are representative of the community we serve. This is an achievement we are proud of and will strive to maintain.

### Charity governance code

Muslim Aid remains committed to adopting the principles of best practice as set out in the Charity Governance Code. The Board of Trustees and Leadership Team have continued with their efforts to update and develop the governance model and framework across the charity's global operations in accordance with the principles of the Charity Governance Code.

### Public benefit

The Board of Trustees confirm that they abide by the Charity Commission's general guidance on public benefit in accordance with the Charities Act 2011 and to have due regard to public benefit in pursuance of the Charity's aims as described in its strategic report.

### Organisational structure

The Board of Trustees delegate the day-to-day administration of the charity to the Chief Executive and Leadership Team. This team reports directly to the Board of Trustees and its Sub-Committees.

### International structure

Muslim Aid operates in several countries around the world using three main approaches:

1. Country offices establish a branch of the Muslim Aid entity, which is then responsible for all operations in that country.
2. Affiliate offices establish a permanent presence in a country through a separate local entity that operates independently of Muslim Aid.
3. Implementing partners conduct emergency or short-term responses using a team from an

existing Muslim Aid office, or through a partner organisation. These partners are independent of Muslim Aid and present an opportunity to work directly with frontline local responders and agencies with strong community acceptance. They implement both short to long term projects on our behalf.

Muslim Aid has Country Offices in Bangladesh, Myanmar, Pakistan, Somalia, Sudan, and Affiliate offices in Bosnia and Sri Lanka. In countries where Muslim Aid does not have a permanent presence, it engages with local implementing partners who can deliver aid on its behalf. Additionally, Muslim Aid has established Partner offices, such as Muslim Aid USA and Muslim Aid Sweden, which are part of and contribute to the Muslim Aid Global Family's priorities.

### Trustees' responsibility

The Board of Trustees are responsible for preparing the Trustees' Report and the financial statements for each financial year, in accordance with all legal and regulatory requirements applicable to registered charities in England and Wales.

The Board of Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law, and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS102)).

Under charity law the Board of Trustees must not approve the financial statements unless they are satisfied that it gives a true and fair view of the state of affairs of the charity, its income and application of resources.

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

- Select suitable accounting policies and then apply them consistently; to observe the methods and principles in the Charities SORP (FRS102).
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Board of Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions and disclose with reasonable accuracy, at any given time, the financial position of the charity to ensure that its financial statements comply with the Charities Act 2011.

They are also responsible for safeguarding the assets of the charity and taking reasonable steps in relation to the prevention and detection of fraud and other irregularities.

As far as each of the Trustees are aware, at the date of this report, there is no relevant audit information of which the charity's auditor is unaware. Each Trustee has taken all the steps that he/she ought to have taken in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The Board of Trustees of Muslim Aid are guided by the founding principles of the organisation and have thus exercised due diligence and care in protecting the integrity of the charity and its reputation. The Board of Trustees have reviewed the financial accounts placed in the public domain in line with the legislation in the United Kingdom governing the preparation and dissemination of financial statements.

## Finance, audit and risk committee

The Finance, Audit and Risk Committee is a key sub-committee, comprising Trustee members, non-Executive advisers, and senior operational personnel. The Committee has oversight of financial management, counter fraud and corruption, internal and external audit, compliance and risk management, pensions, and investment arrangements.

## Nominations committee

The primary function of the Nominations Committee is to make key decisions in relation to the recruitment, selection, and appointment of new Board members. Trustees are appointed in accordance with the

constitution of Muslim Aid. The Nominations Committee has developed and maintains a skills matrix to identify and recruit trustees needed for the effective administration of the charity. The Committee comprises of Trustee members.

## Programme committee

The Programmes Committee also comprises of Trustee members, non-Executive advisers, and senior operational personnel. It is mandated to ensure the charity continues to have the capacity to respond to emergencies and disasters worldwide and ensure the charity's strategic programme priorities are being fully and properly adhered to at an operational level.

## People and culture committee

The People and Culture Committee comprises of Trustee members and senior operational personnel. It is tasked with overseeing the implementation of the charity's strategy on human resources based on its strategic plan as well as the development of HR policies. It also ensures that appropriate and effective safeguarding measures are in place across the charity and its operations across the globe.

## Income generation and marketing committee

The Income Generation and Marketing (IGM) Committee is a key subcommittee comprising of Trustees, non-Executive advisers, and senior operational staff. It is charged with overseeing and monitoring the charity's fundraising strategies and working with the IGM team. The role of the Committee is to understand industry trends and supporter feedback. The committee and operational team aim to leverage emerging technologies and methods to help increase, diversify, and improve the type and quality of Muslim Aid income.

## Key management personnel and remuneration policy

Muslim Aid operates with a structured departmental system, where each unit functions independently but has clear reporting lines. To ensure effective management and staff development, the organisation has put in place systems for line management, staff appraisals, supervision, and an accountability framework. The organisation also has grievance and complaints procedures to ensure a transparent and fair process.

The management team comprises key personnel, including the Chief Executive and Heads of Department, who lead different divisions within the organisation.

In terms of remuneration, the salaries of senior staff members, including the CEO, are determined based on a general evaluation of their performance throughout the year by the CEO and or Chairman, as well as the prevailing market rates for similar roles.

## Equality, diversity, and inclusion

Muslim Aid adopts a zero-tolerance approach to discrimination on any of the protected grounds in the Equality Act 2010.

We are committed to providing equal opportunities to all its employees regardless of age, disability, sex, sexual orientation, pregnancy and maternity, race or ethnicity, religion or belief, gender identity or marriage and civil partnership.

We have a diverse workforce and work hard to build a more inclusive workplace, where people of different backgrounds can work together to ensure better and more positive outcomes for all staff and ultimately our beneficiaries.

Our Dignity at Work and related policies set out our approach to equal opportunities and the avoidance of discrimination at work. Our policies are applicable to all trustees, employees, consultants, contractors, volunteers, casual workers, and agency workers and cover all aspects of employment including recruitment, pay and conditions, training, appraisals, promotion, conduct at work, disciplinary and grievance procedures, and termination of employment.

Throughout 2022, we took steps to protect employees from harassment and abuse including management training in relation to conducting investigations, bullying and harassment, grievances and managing a fair disciplinary process. The vetting and screening in place before engaging employees involves:

- References (including character references).
- Validation of Qualifications where applicable.
- Background checks.
- Basic DBS checks and enhanced DBS checks subject to roles and responsibility.
- Verification of applicants' identity and right to work in the UK; and Credit checks where applicable.

Prior permission must be sought to use employees' photos for social media purposes in accordance with our social media policy.

## Operational activities

Muslim Aid has a dedicated Safeguarding Policy and framework which aligns with general

safeguarding values, principles, and best practice in the international charity sector. Muslim Aid has continued its engagement of Safecall as its external provider giving staff and connected persons access to a confidential 24 hour a day whistleblowing service, allowing employees and other stakeholders to report wrongdoing. The service is available at Head Office, Country, and Partner Offices.

Safeguarding and PSEA training (Prevention of Sexual Exploitation and Abuse) continues to be delivered to all staff at Head Office and Country Offices, as part of periodic and ongoing safeguarding training.

## Pension

The charity has complied fully with auto-enrolment legislation and all new employees are offered a shariah compliant pension scheme. The minimum employee contribution to the scheme is 5% and with the employer contribution of 3%.

## Auditor

Sayer Vincent has been appointed as the charity's statutory auditor commencing with the audit of the financial statements for the year ending December 2019.

## Principal risks and uncertainties

Muslim Aid is committed to its journey of reconnecting and nurturing new relationships with its donors and beneficiaries and as part of this continues to embed risk management into its day-to-day behaviour and culture across its global operations.

The Board of Trustees and Leadership Team continue to keep risks under periodical review as part of their administration and management of the organisation. Risk management forms a central component of the daily strategic and operational decision making required to effectively oversee the humanitarian work of Muslim Aid and in the regions within which it operates which can be high risk at varying times.

Sub-committees of the Board, namely the Finance and Audit Committee alongside the Programmes Committee, have delegated powers to oversee risk management and report back to the Board. The Leadership and Management Teams periodically review and assess the major risks to which Muslim Aid is exposed to those relating to the operations, income generation and finances of Muslim Aid.

We have robust management systems in place that provide reasonable assurance that identifiable risks can be properly and proportionately managed at any given time.

## Assurance framework

Muslim Aid has a dedicated Internal Audit supported by an outsourced provider committed to improving governance, risk management, and internal controls. We have a fit for purpose “Third Line of Defence” that provides an additional and independent layer of assurance to our stakeholders that Muslim Aid is doing the right things and doing them effectively and efficiently as and when required.

## Major risks

The following major risks were identified at an organisational level. For each risk, specific actions and performance indicators relating to them were monitored by the SLT (Senior Leadership Team) and Board of Trustees.

Risk	Management actions
<p><b>Financial Resilience</b></p> <p>There is Risk of MA fund raising being dependant on seasonal streams which might push unrestricted reserves to low levels.</p>	<ul style="list-style-type: none"> <li>Continued focus on diversification of income streams.</li> <li>Work collaboratively with Muslim Aid Family to enhance the business model and productivity.</li> <li>We will continue to ensure an appropriate level of cost recovery model for better recovery of administration costs.</li> </ul>
<p><b>International Money &amp; Foreign Exchange</b></p> <p>Foreign Exchange implications impeding on business activity with overseas offices.</p>	<ul style="list-style-type: none"> <li>Continue to maintain good relationship with financial service providers.</li> <li>Engage with the wider sector to explore mitigating approaches to FX challenges.</li> </ul>
<p><b>Country Operations and impact on global funding</b></p> <p>Weak oversight of Global operations leading towards high global funding risks.</p>	<ul style="list-style-type: none"> <li>Continue to ensure appropriate level of oversight of country offices through assurance framework.</li> <li>Continuous training on policies and procedures for all staff.</li> <li>Regular country office audits to mitigate risks and assess effectiveness.</li> <li>Explore other income streams from regional donors and trust and foundations to support global programmes.</li> </ul>
<p><b>Building Resilience in operations and rising costs of operations</b></p> <p>Rising costs may impede on the Charities resilience in delivering programmes overseas.</p>	<ul style="list-style-type: none"> <li>Increased communications to donors on the true cost of delivering their aid.</li> <li>Continuous review of operational cost and impact.</li> </ul>

# Financial review

The financial statements have been prepared in accordance with the accounting policies set out on pages 90 to 105 of the attached Financial Statements.

They comply with applicable laws and requirements of the 'Accounting and Reporting by Charities: Statement of Recommended Practice' (Charities SORP (FRS102) issued by the Charity Commission' October 2019.

## Consolidation

The financial statements incorporate the transactions and balances of each of Muslim Aid's 5 country offices and 2 affiliated offices, alongside the activity arising from its UK operations.

MA Bangladesh - Micro-Finance activities were consolidated with MA UK Operations as part of MA Bangladesh country office till 2021. In 2022, the net assets of MA Bangladesh Micro-Finance are shown as a transfer of Net Assets from MA UK on 31st Dec 2022 -See exceptional item on SOFA, Note 14 and also disclosure under Note 20.

## Overview

We continue to enjoy the support of our donors for our work to eradicate poverty and bring a lasting change to the lives of our beneficiaries. In 2022, we raised a total of £20.8m (2021: £20.3m).

Our total income excluding Gifts in Kind is £20.1m (2021: £19.0m), plus an additional £0.7m of Gifts in Kind (2021: £1.2m).

Over this year, we spent a total of £20.1m (2021: £21.7m) of which £18.5m (2021: £19.9m) was spent on our charitable activities (humanitarian/emergency response, education, healthcare and livelihood programmes). The higher spend on charitable activities in 2021 was mainly due to the carry forward balance from 2020 resulting from suspension of projects due to Covid19.

Our net income was a surplus of £0.7m for the year (2021: deficit £1.4m).

## Our income

All of our income comes primarily from two areas: community fundraising and institutional funding (grants and contracts).

## Donated income

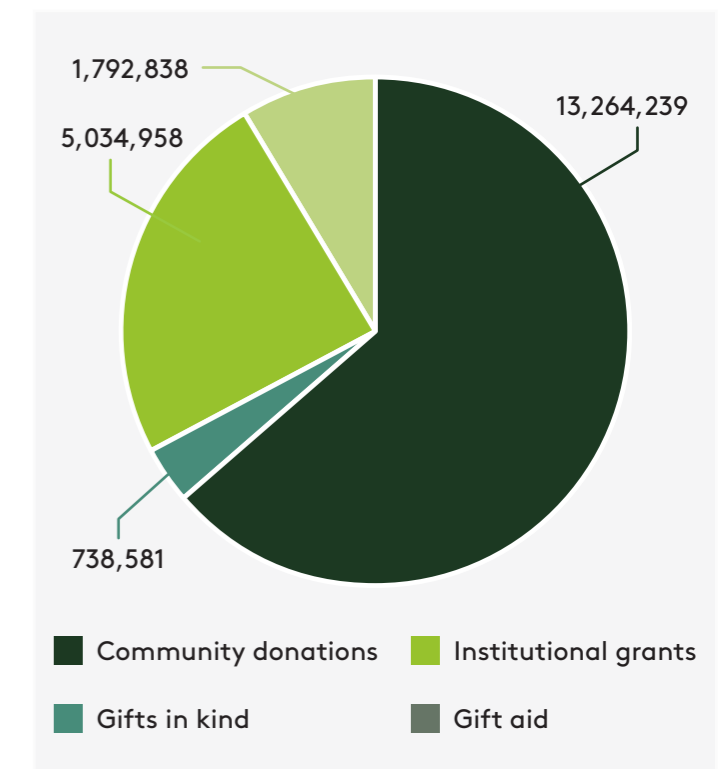
This year we raised £10.7m via our donated income from our generous UK donors (2021: £10.6m). Our Country Offices raised a total of £2.6m from their respective donors in their countries (2021: £1.6m).

Events and Challenges are part of our fundraising expenditures of £1.6m in the year, compared to £1.8m in 2021.

Income received from Gift aid claims was £1.8m for the year (2021: £1.5m).

Gifts in Kind comprised of medical and food items totalling £0.7m for the year (2021: £1.2m).

## Our income in 2022



## Income from charitable activities

We have continued to maximise our impact by co-financing our institutional funding with donated income to promote long-term development programmes. We recognised £5.0m in institutional funding during the year (2021: £5.3m). Our institutional funders during 2022 included European Commission, Humanitarian Organisation. Refer to Note 3 Charitable activities.

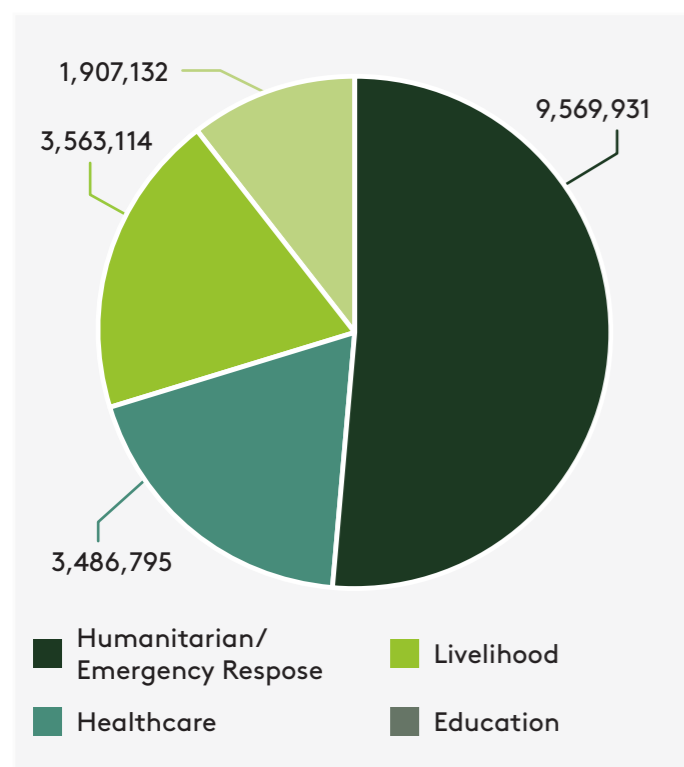
## Our expenditure

We spent £18.5m (2021: £19.9m) in support of our charitable activities (i.e., humanitarian/emergency response, education, healthcare and livelihood programmes) and £1.6m (2021: £1.8m) on raising funds through donations.

## Charitable activities

Of the £18.5m mentioned above, 52% (£9.6m) was spent on our strategic focus of humanitarian/emergency response. Education programmes represented 10% (£1.9m), healthcare programmes 19% (£3.5m) and livelihoods programmes 19% (£3.6m).

## Our expenditure in 2022



## Zakat

We recognise our donors need to have confidence that charities have implemented their Zakat donations to fulfil the noble values and demonstrated the impact of their activities towards socio economic justice.

We received £4.6m (2021: £4.7m) of our total donations as Zakat funds and we have expended in the year £7.2m (2021: £7.2m). We expended more in the year due to funds carried forward from prior years.

Muslim Aid understands from scholarly views that whilst there is no set amount for utilisation by the Amileena Alayha (collectors of zakat), our practice is not to use more than 12.5% (one-eighth) of the Zakat to cover our support costs. This is to protect the entitlements of other zakat recipients.

## Support costs

Support costs or admin costs are vital for effective charity management to ensure that our beneficiaries receive humanitarian and development programmes achieving long term benefits, with the ultimate aim for them to become self-sufficient.

Muslim Aid, by investing in our people and infrastructure (this includes staff, systems and core back-office functions such as Finance, HR, IT, procurement and administrative functions) are strengthening the organisation holistically to prevent loss, fraud and corruption of the entrusted funds. We aim to maintain a sensible ratio of programmatic delivery to infrastructure and guard the charity against over-ambition.

All our programmatic activities include planning and preparation in the pre-operation phase, together with sufficient reflective learning and development in the post programme phase.

To ensure we protect the entitlements of our beneficiaries, we aim to ensure that we do not take more than 25% from voluntary income. Support costs are covered by cost recovery from institutional donor grants/contracts and gift aid (our gift aid clause can be found on [www.muslimaid.org](http://www.muslimaid.org)), with voluntary income contribution at 25% target levels.

## Reserves - definition

The term "Reserves" is used to describe the part of a charity's income funds that is unrestricted and freely available for this its operating purposes not subject to commitments, planned expenditure and spending limits. Reserves do not include endowment funds, restricted funds and designated funds.

Restricted funds are subject to conditions either specified by the funder or restrictions imposed by the donor or Muslim Aid itself during its marketing campaigns. Zakat funds are classified as restricted funds by Muslim Aid.

## Reserves - policy statement

Reserves are defined as unrestricted funds that are freely available to spend on any of Muslim Aid's charitable purposes. This excludes restricted income funds, tangible fixed assets and any investment funds. Reserves should be held to service an unexpected need for funds for charitable purposes, covering unforeseen day-to-day operational costs, a shortfall in income or to fulfil the charity's obligations. Muslim Aid's sources of income are public fundraising, institutional grants and contracts.

Reserves are set according to our budgeted income and against our obligations for continuous funding for supported charitable projects. It is intended to mitigate uncertainty relating to our cash flow and to ensure that there are sufficient reserves to cover any shortfalls against income. The reserves policy is only acted on when cash flow permits. The costs of winding up Muslim Aid involve the six-month termination notice period. This represents approximately £2.9m (or 15% of the total income of the charity) to cover recommended 6 months provision.

## Going concern

The Trustees have considered the funding position and risks to which the organisation is exposed. The Trustees have a reasonable expectation that the charity has adequate resources to continue in existence for the foreseeable future. The Trustees believe that there are no material uncertainties which call into doubt the charity's ability to continue as a going concern. The financial statements have therefore been prepared on the basis that the charity is a going concern.

The Charity Commission Action Plan issued in 2018 has now been completed with full oversight and management of the Board and the Leadership Team. Final confirmation of this was received in November 2022 from the Commission.

## Free reserves

Unrestricted reserves as at 31st December 2022 were £4.7m (2021 £2.8m) excluding fixed assets of £1.5m equates to £3.2m (2021 £0.9m) free unrestricted reserves for seven months operational cost cover. This is before £0.7m emergency fund deficit which is reduced to £0 by April 2023.

The Board continues to monitor forecasts of income and expenditure against planned activities, assessing future needs, opportunities and contingencies.

## Net assets

The balance sheet for the Charity shows net assets of £7.4m, (2021: £8.9m). The decrease in funds is due to transfer of £1.9m Net Assets to Muslim Aid Bangladesh for Micro-Finance under exceptional Item.

## Intangible fixed assets

The changes in intangible fixed assets during the period are shown in Note 9 to the financial statements.

## Tangible fixed assets

The changes in tangible fixed assets during the period are shown in Note 10 to the financial statements.

## Investment policy

Muslim Aid's policy is to invest its temporary cash surplus in short-term and intermediate-term deposit accounts that generate a return of project without assuming undue risk to principal. The primary objectives of making such investments shall be preservation of capital, maintenance of liquidity and profit generated from sharia compliant products in accordance with Islamic Finance principles. Muslim Aid will assess the short term and long-term rating of the banking and financial institutions.

## Grant making policy

Muslim Aid as part of the grant making activities has two key channels, the Institutional Funding and the Community Fundraising. The Institutional Funding team works on the prospect research to identify potential donors and funding opportunities. This scoping is guided by the country offices and global donor mapping documents. On the other side, the Community Fundraising takes place at the Muslim Aid UK office and partner offices, including Muslim Aid Sweden and Muslim Aid USA offices. Where feasible and legally viable, this may be at country level as well.

The Fundraising department develops its plans for 3 major campaigns: Ramadan, Winter, and Qurbani, and emergency appeals based on programmatic needs and annual plans developed and approved for all Country Offices. The grant making activities support the programme funding, and are aligning with the Muslim Aid Global strategy, and Country Annual workplans.

Muslim Aid, in addition to implementing charitable projects with its Country Offices, works with a number of implementation partners. Within our country offices there may at times be sub-grant recipients.

Partner selection is carried out on a country or grant-by-grant basis. The criteria includes the expertise and geographical reach of the implementing partner and complementary core competence.

Before a formal grant agreement is signed with all potential grantees, Muslim Aid completes appraisals of the project and subjects the proposed implementing Partner to a due diligence process and vetting. This includes assessing the organisation's key management and organisational capability. The partner and its key officers are vetted against prescribed lists utilising Thomson Reuters World-Check.

A signed grant agreement is put in place with all Country Offices and partners, which covers the ways of working, delivery criteria, expected standard, policies, principles and reporting requirements.

Our teams monitor and evaluate progress throughout the period of the grant, according to the size of the grant and perceived level of risk. If Muslim Aid is not satisfied with how the grant is being managed, according to the partner agreement, Muslim Aid can discontinue the grant funding. All partners are subject to regular supervision and an annual appraisal.

The Board of Trustees has the responsibility to sign the Report and Accounts for the year ended 31 December 2022. The accounts were approved on the 21st Sept 2023.



Mustafa Faruqi  
Chairman  
21st September 2023



# Independent auditor's report to the trustees of Muslim Aid

## Opinion

We have audited the financial statements of Muslim Aid (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

## Basis for opinion

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

## Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Muslim Aid'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 trustees' 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.

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

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

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

## Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

### Capability of the audit in detecting irregularities

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

- We enquired of management, internal audit and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We reviewed processes for in place for monitoring and accounting for funds provided to partner organisations outside the UK.
- We reviewed the monthly financial reporting from country programmes and the outcomes of local external audits of country programmes.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business

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

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

### Use of our report

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date: 3 October 2023

*Sayer Vincent LLP*

Statutory Auditor  
Invicta House  
108-114 Golden Lane  
LONDON  
EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

# Statement of financial activities

		Unrestricted	Restricted	Total	Total
	Note	Funds £	Funds £	2022 £	2021 £
<b>Income from:</b>					
Donations and Legacies	2	4,139,747	11,655,911	15,795,658	14,973,441
Charitable Activities	3	195,270	4,839,688	5,034,958	5,264,890
Investment Income	4	43,977	-	43,977	29,816
<b>TOTAL INCOME</b>		<b>4,378,994</b>	<b>16,495,599</b>	<b>20,874,593</b>	<b>20,268,147</b>
<b>Expenditure on:</b>					
Raising Funds	5	787,205	826,580	1,613,785	1,780,773
Charitable Activities		1,093,076	17,433,895	18,526,971	19,874,764
<b>TOTAL EXPENDITURE</b>		<b>1,880,281</b>	<b>18,260,475</b>	<b>20,140,756</b>	<b>21,655,537</b>
<b>Net income / (expenditure) before Exceptional Item &amp; foreign exchange</b>		<b>2,498,713</b>	<b>(1,764,876)</b>	<b>733,837</b>	<b>(1,387,390)</b>
<b>Exceptional Item:</b>					
Transfer of Net Assets to MAB for Micro-Finance Operation	20	-	(1,918,112)	(1,918,112)	-
<b>Exchange surplus / (loss)</b>		<b>(3,591)</b>	<b>(342,285)</b>	<b>(345,876)</b>	<b>(291,081)</b>
<b>Transfer of Funds</b>		<b>(564,440)</b>	<b>564,440</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>1,930,682</b>	<b>(3,460,833)</b>	<b>(1,530,151)</b>	<b>(1,678,471)</b>
<b>Reconciliation of funds:</b>					
Funds at 31 December as previously stated		2,799,529	6,171,699	8,971,228	10,649,699
<b>Total funds at 31 December 2022</b>		<b>4,730,211</b>	<b>2,710,866</b>	<b>7,441,077</b>	<b>8,971,228</b>

The results for the year shown above all derive from continuing operations. All recognised gains and losses are reflected in the Statement of Financial Activities and therefore no separate statement of total recognised gains and losses has been presented.

The notes on pages 90 to 105 form an integral part of these financial statements.

# Balance sheet

## As at 31st December 2022

	Note	Total 2022 £	Total 2021 £
<b>Fixed Assets</b>			
Intangible Assets	9	20,856	29,518
Tangible Assets	10	1,529,652	1,854,371
		<b>1,550,508</b>	<b>1,883,889</b>
<b>Current Assets</b>			
Inventories		373,517	192,577
Debtors	11	1,606,175	7,055,945
Cash at bank and in hand		7,275,530	8,300,631
		<b>9,255,222</b>	<b>15,549,153</b>
<b>Creditors:</b> amounts falling due within one year	12	1,920,379	6,095,747
<b>Net Current Assets</b>		<b>7,334,843</b>	<b>9,453,406</b>
Provisions	13	1,444,274	2,366,067
<b>Total Assets Less Liabilities</b>		<b>7,441,077</b>	<b>8,971,228</b>
<b>The Total Funds of the Charity</b>	14		
<b>Unrestricted Income Funds</b>			
General Fund		4,730,211	2,799,529
<b>Restricted Income Funds</b>		2,710,866	6,171,699
		<b>7,441,077</b>	<b>8,971,228</b>

The financial statements were approved by the Trustees on 21st September 2023 and signed on its behalf by:



Chairman

The notes on pages 90 to 105 form part of these financial statements.

# Statement of cash flows

## As at 31st December 2022

	Total 2022 £	Total 2021 £
<b>Cash flows from operating activities:</b>		
Net movement in funds (as per the Statement of Financial Activities)	(1,530,151)	(1,678,471)
Depreciation charges	151,444	166,951
Loss on disposal of tangible fixed assets	13,120	36,359
Currency revaluation of tangible fixed assets	113,015	26,955
(Increase)/Decrease in inventories	(180,938)	(149,437)
(Increase)/Decrease in debtors	5,449,769	(1,347,664)
(Decrease) / Increase in creditors	(5,097,161)	2,134,123
Decrease/(Increase) Cash - MAB - MF	297,853	-
Investment income receivable	(43,977)	(29,816)
	<b>(827,026)</b>	<b>(841,000)</b>
<b>Cash flows from investing activities:</b>		
Purchase of tangible fixed assets	(242,052)	(99,180)
Interest Received	43,977	29,816
Exceptional Item		
	<b>(198,075)</b>	<b>(69,364)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>(1,025,101)</b>	<b>(910,364)</b>
Cash and cash equivalents at the beginning of the year	8,300,631	9,210,995
<b>Cash and cash equivalents at the end of the year</b>	<b>7,275,530</b>	<b>8,300,631</b>
<b>Analysis of cash and cash equivalents:</b>		
Cash in hand	7,275,530	8,300,631
<b>Total</b>	<b>7,275,530</b>	<b>8,300,631</b>

# Notes to financial statement

## 1 - Accounting policies

Muslim Aid is a Charitable Incorporated Organisation registered charity (registration number 1176462). The address of the registered office is PO Box 3, London E1 1WP. The charity is governed by its Memorandum and Articles of Association. The charity is a public benefit entity. More details on how the trustees have satisfied themselves that Muslim Aid has met the public benefit requirements are given in the trustees' report section.

On 1 February 2018, the charity (MA 1985 registration number 295224) was dissolved with all remaining assets and liabilities transferred to a newly established Charitable Incorporated Organisation (registration number 1176462) of the same name and under the control of the existing Muslim Aid Board.

### a) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention unless stated otherwise on the relevant accounting policy notes and in accordance with the Statement of Recommended Practice SORP (FRS 102) and UK Generally Accepted Accounting Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Statement of Financial Activities (SOFA) and Balance Sheet include the results, assets and liabilities of the Charity and all its country offices. The results of the country offices are combined on a line-by-line basis.

The financial statements have been prepared on an ongoing basis as discussed in the trustee's report. There are no material uncertainties about the charity's ability to continue as a going concern.

### b) Key areas of Judgement

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

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

In the view of the trustees, no assumptions concerning the future or estimation uncertainty affecting the assets and liabilities at the balance sheet are likely to result in material adjustment to the carrying amounts in the next financial year.

### c) Going Concern

The charity can meet its obligations as they come due as such its a going concern. It continues to monitor cost and diversification of income streams. As at 31st December 2022, the charity reserves included £4,730,211 Unrestricted reserves of which £3,179,703 were free reserves. The charity cash position was £7,275,530.

### d) Funds Accounting

Funds held by the charity are:

- Restricted funds – these are funds which are subject to specific conditions imposed by the donors or when funds are raised for a particular restricted purpose.
- Zakat funds – these are funds which can be used in accordance with the Islamic religious conditions and parameters set in the Qur'an. The charity's policy defines the criteria for the fundraising, allocation and distribution of Zakat. The charity is required to record its justification as to how projects match the criteria of Zakat
- Unrestricted funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

### e) Income

- Income, including donations and gifts, gifts in kind and grants are recognised where there is entitlement, there is probability of receipt, and the amount is measurable.
- Tax recovered from income received under gift aid is recognised when the related income is recognised and allocated to unrestricted funds in line with the communication with donors to allocate the funds towards the core costs of the charity and its Need is greatest programmes to save and transform more lives.
- Gift in kind for use by the charity and donated services are included in the accounts at their approximate market value at the receipt. No amount has been included in the financial statements for services donated by volunteers.

- Gifts in kind for distribution are included in the accounts at the fair value to the charity (in the case of medicines, at the lowest value of the generic equivalent as approved by the WHO) when the goods are received and under the control of the charity. Amounts are recognised in inventory until distributed at which point the relevant cost is released to the statement of financial activities.
- When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- Income from other trading activities is recognised as it is earned, that is as the related goods or services are provided.
- Investment and rental income are recognised on a receivable basis.

## f) Expenditure

- Expenditure is recognised when a liability is incurred, irrecoverable VAT is included within the expense item to which it relates.
- Expenditure on charitable activities is reported as a thematic analysis of the work undertaken by the charity, against our thematic themes of humanitarian response, feed the fasting, qurbani, livelihoods, education and health. Under these headings are included grants payable and the costs of activities performed directly by the charity or its country offices, together with associated direct and indirect support costs. The costs include salaries and associated employment costs including pensions and termination payments.
- Expenditure on raising funds comprises salaries, direct expenditure and overhead costs of UK based staff who promote fundraising from all sources including major donors, corporates and individuals. The expenditure on third party agencies that promote fundraising on social media and other platforms is included.
- Indirect support costs include IT, HR, CEO's time or finance costs that are essential for the charity to deliver its projects of humanitarian response, feed the fasting, qurbani, livelihoods, education and health. Not to incur these costs would severely impair the quality of work and sustainability of the charity.
- Indirect support costs have been allocated to cost categories on a basis consistent with the level of activity.

## g) Pensions

- The charity operates a defined contribution pension scheme for the benefit of its employees. Pension costs are recognised in the month in which the related payroll payments are made. The money purchase nature of the scheme ensures there will be no funding deficit or surplus accruing to the Charity in the future. The pension scheme is independently administered, and the assets of the scheme are held separately from those of the Charity.

## h) Foreign currencies

The functional currency of the charity is considered to be pounds sterling that is the currency of the primary economic environment it operates in the UK. The consolidated financial statements are presented in pound sterling.

Transactions in foreign currencies are translated at the rate of exchange at the time of the transaction. Country office income and expenditure is included in the Statement of Financial Activities at the average exchange rate for the period.

Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date.

Foreign currency gains and losses are recognised through the Statement of Financial Activities for the period in which they are incurred. All exchange differences are recognised through the statement of financial activities.

## i) Operating leases

Rental payments under operating leases are charged as expenditure incurred evenly over the term of the lease. The benefit of any reverse premium received is also spread evenly over the term of the lease.

## j) Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as

Leasehold properties	Straight line over the life of the lease
Freehold properties	5% straight line
Computers and software	25% straight line
Fixtures and fittings	10% straight line
Office equipment	15% straight line
Motor vehicles	15% straight line

Assets that are subject to amortisation are tested for impairment whenever events or changes in circumstance indicate.

## k) Intangible fixed assets

Intangible fixed assets represent the costs associated with acquiring and bringing in to use computer software. Amortisation is calculated using the reducing balance method to write down the cost to its estimated residual value.

## l) Inventories

These are valued at the lower of cost and net realisable value and represent supplies received before the year end and distributed after the year end.

## m) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Financial assets comprise cash at bank and in hand, short term deposits trade and other debtors. Financial liabilities include trade and other creditors. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Details and carrying value of these financial assets and liabilities are given in the notes to the accounts.

## n) Micro Finance

The charity's overseas country offices provide unsecured credit to clients and savings account services to its beneficiaries so as to enable them to become self-sufficient and plan financial affairs to match their needs and provide capital for development. The income from lending and expenditure relating to lending and deposit taking activity is accounted for in the Statement of Financial Activities and the resulting assets (loans) and liabilities (deposits) are included in the balance sheet under debtors and creditors respectively.

## o) Taxation

The charity meets the criteria and tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK taxation purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992. No corporation tax liability arises in the accounts.

## 2 - Total Donations and Legacies income

	Unrestricted	Restricted	Total	Total
	£	£	2022 £	2021 £
Donations received in the UK	2,346,909	8,322,225	10,669,134	10,676,312
Donations received at the Field Offices	-	2,595,105	2,595,105	1,560,499
Gift Aid	1,792,838	-	1,792,838	1,538,357
Gifts in Kind	-	738,581	738,581	1,198,273
<b>Total Donations and Legacies income</b>	<b>4,139,747</b>	<b>11,655,911</b>	<b>15,795,658</b>	<b>14,973,441</b>

## 3 - Charitable Activities

	Unrestricted	Restricted	Total	Total
	£	£	2022 £	2021 £
Globus Relief	-	-	-	118,854
European Commission Humanitarian Organisation	-	54,974	54,974	-
Start Network	-	460,162	460,162	-
United Methodist Committee on Relief	-	202,120	202,120	1,232
Other Institutional Grants	-	564,510	564,510	205,413
Institutional Grants at Field Offices	-	3,557,922	3,557,922	4,939,391
Indirect Cost Recovery	195,270	-	195,270	-
<b>Total Charitable activities</b>	<b>195,270</b>	<b>4,839,688</b>	<b>5,034,958</b>	<b>5,264,890</b>

## 4 - Investment Income

	Total	Total
	2022 £	2021 £
Bank Deposit Interest	43,977	29,816
<b>Total Investment income</b>	<b>43,977</b>	<b>29,816</b>

Bank deposit income was related to unrestricted funds.

## 5 - Resources expended

	Direct Costs £	Staff Costs £	Support Costs £	Total 2022 Costs £	Total 2021 Costs £
<b>Raising Funds</b>	1,246,325	327,484	39,976	1,613,785	1,780,773
<b>Charitable Activities</b>					
Humanitarian/ Emergency Response	7,498,557	1,804,046	267,328	9,569,931	11,491,868
Education	1,069,123	774,326	63,683	1,907,132	2,410,233
Healthcare	2,185,924	1,199,493	101,378	3,486,795	2,355,151
Livelihood	3,109,518	421,079	32,517	3,563,114	3,617,512
<b>Total Charitable activities</b>	<b>13,863,123</b>	<b>4,198,943</b>	<b>464,905</b>	<b>18,526,971</b>	<b>19,874,764</b>
<b>Total Expenditure</b>	<b>15,109,448</b>	<b>4,526,427</b>	<b>504,881</b>	<b>20,140,756</b>	<b>21,655,537</b>

### Comparative - Resources expended

	Direct Costs £	Staff Costs £	Support Costs £	Total 2021 Costs £	Total 2020 Costs £
<b>Raising Funds</b>	1,304,848	426,355	49,570	1,780,773	2,270,708
<b>Charitable Activities</b>					
Humanitarian/ Emergency Response	9,507,482	1,635,799	348,587	11,491,868	8,562,648
Education	1,538,852	799,990	71,391	2,410,233	2,326,699
Healthcare	1,487,569	812,879	54,703	2,355,151	3,320,126
Livelihood	3,132,973	423,684	60,855	3,617,512	3,272,839
<b>Total Charitable activities</b>	<b>15,666,877</b>	<b>3,672,352</b>	<b>535,536</b>	<b>19,874,764</b>	<b>17,482,312</b>
<b>Total Expenditure</b>	<b>16,971,725</b>	<b>4,098,707</b>	<b>585,106</b>	<b>21,655,537</b>	<b>19,753,020</b>

## 6 - Support Costs

	Total 2022 £	Total 2021 £
Office Costs	127,415	129,387
Finance and IT	103,984	95,331
HR, Recruitment and Training Costs	155,900	196,853
Governance Costs	117,582	163,535
<b>Total Support Costs</b>	<b>504,881</b>	<b>585,106</b>



## 7 - Governance Costs

	Total 2022 £	Total 2021 £
Audit Fees - Sayer Vincent (including VAT)	55,688	46,500
Legal fees	43,967	43,571
Internal audit	17,928	73,464
<b>Total Governance Costs</b>	<b>117,582</b>	<b>163,535</b>

In addition to governance costs stated above, Muslim Aid also incurred £8,497 cost for the local regional audits of its overseas country offices (2021: £8,647)

No member of the Board received any remuneration for their work as Trustees (2021: nil).

During the year 0 trustee (2021:nil) received re-imbursment for travel and subsistence costs totalling £nil (2021: £nil)

## 8 - Staff cost and number of employees

	2022	2021
<b>Average number of employees during the year were:</b>	<b>Number</b>	<b>Number</b>
Fundraising	15	14
Information Public Affairs	5	1
International Programmes	456	877
Management & Finance	41	32
Corporate Services	144	80
Internal Audit	3	2
<b>Total Staff numbers</b>	<b>664</b>	<b>1,006</b>
Average number of country office employees included above	626	969
<b>Employment Costs</b>	<b>2022 £</b>	<b>2021 £</b>
Gross Pay	3,283,484	2,979,933
Employer's National Insurance	390,862	290,917
Pension Costs	21,111	23,686
<b>Total Employment Costs</b>	<b>3,695,457</b>	<b>3,294,536</b>

Staff costs includes the cost of 4 casual employees (2021:25) who are employed during the months of Ramadan and Qurbani

	2022 Number	2021 Number
£80,001-£90,000	1	1
	1	1

Total remuneration for senior employees was £337,229 (2021: £230,477). Employers NI was £42,566 (2021: £26,932) and employer pension costs were £8,849 (2021: £6,166). Senior employees are considered to be key management personnel and refers to the CEO, Head of Finance, Head of International Programmes, Head of People and Culture and Head of Income Generation and Marketing.

During the year there was no redundancy and termination payments in 2022 (2021:1 redundancy £1,076).

## 9 - Intangible Fixed Assets

	Computer Software
<b>Cost</b>	
At 1 January 2022	67,468
Additions	10,936
Disposals	-
<b>As at 31 December 2022</b>	<b>78,404</b>
<b>Amortisation</b>	
At 1 January 2022	37,950
Charge for the year	19,598
Disposals	-
<b>As at 31 December 2022</b>	<b>57,548</b>
<b>Net book values</b>	
At 31 December 2022	20,856
At 31 December 2021	29,518

## 10 - Tangible Fixed Assets

	Freehold & Leasehold Buildings	Computers & Software	Fixtures & Fittings	Office Equipment	Vehicles	Total
<b>Cost</b>						
At 1 January 2022	1,912,255	445,432	223,837	664,408	466,869	3,712,801
Additions	156,004	24,376	7,233	12,674	30,828	231,115
Disposals	(2,335)	(65,383)	(45,453)	(36,036)	(80,827)	(230,034)
Revaluation to closing rates	(104,067)	(29,314)	(13,936)	(63,989)	(36,896)	(248,202)
Adjustment-MAB-MicroFinance	(279,063)	(54,708)	(30,397)	(16,564)	(58,483)	(439,215)
<b>As at 31 December 2022</b>	<b>1,682,794</b>	<b>320,403</b>	<b>141,284</b>	<b>560,493</b>	<b>321,491</b>	<b>3,026,465</b>
<b>Depreciation</b>						
At 1 January 2022	525,369	341,606	149,214	498,743	343,497	1,858,429
(per stats)	41,435	34,897	10,661	22,227	22,628	131,847
Charge for the year	-	(62,772)	(38,134)	(54,063)	(61,945)	(216,914)
Disposals	-	(62,772)	(38,134)	(54,063)	(61,945)	(216,914)
Revaluation to closing rates	(14,889)	(25,978)	(10,416)	(53,077)	(30,828)	(135,188)
Adjustment-MAB-MicroFinance	(18,354)	(43,005)	(18,486)	(9,579)	(51,937)	(141,361)
<b>As at 31 December 2022</b>	<b>533,560</b>	<b>244,748</b>	<b>92,839</b>	<b>404,251</b>	<b>221,415</b>	<b>1,496,813</b>
<b>Net book values</b>						
At 31 December 2022	1,149,234	75,655	48,445	156,242	100,076	1,529,652
At 31 December 2021	1,386,887	103,826	74,623	165,665	123,372	1,854,371

## 10a - Inventories

### Inventories

Inventories consist mainly of undistributed emergency foods and medicines which are stored in warehouses across our field offices.

## 11 - Debtors

	2022 £	2021 £
Microfinance loans	29,421	5,521,808
Receivables from Institutions	3,234	156,457
Gift Aid	229,020	213,140
Prepayments and accrued income	1,344,500	1,164,540
<b>Total Debtors</b>	<b>1,606,175</b>	<b>7,055,945</b>

## 12 - Creditors

amounts falling due within one year	2022 £	2021 £
Programme creditors	1,117,322	2,566,991
Trade creditors	199,594	116,476
Taxation and social security	36,403	3,895
Accruals	305,942	65,502
Microfinance	-	3,180,496
Deferred income	261,118	162,387
<b>Total Creditors</b>	<b>1,920,379</b>	<b>6,095,747</b>

## 13 - Provisions

	2022 £	2021 £
Balance at the Beginning of the Period	2,366,067	1,569,522
Increase in the provision in the period	-	1,096,545
Decrease in the provision in the year	(921,793)	(300,000)
<b>Total Provisions</b>	<b>1,444,274</b>	<b>2,366,067</b>

The trustees have identified a number of potential liabilities arising from closed country programmes and have set aside a provision to cover these.

The provisions are calculated based on the trustees' assessment of the probability of these liabilities crystallising.

The decrease in the provision in the period relates to a settlement on a claim by OCHA (United Nation Office for coordinaton of humanitarian affairs) for a historic projects delivered in Iraq and also a settlement on a claim by a supplier in Iraq for a historic payment dispute.

## 14 - Statement of Funds (2022)

	Balance at 1st January 2022	Income	Expenditure	Exceptional Items	Gains/ (losses)	Transfers	Balance at 31st December 2022
<b>Restricted:</b>	£	£	£	£	£	£	£
<b>UK Institutional Grants</b>							
ECHO (Humanitarian/ Emergency Response)	-	54,974	42,689	-	-	-	12,285
UNOCHA	-	355,749	426,001	-	-	-	(70,252)
Start Network	-	460,162	457,919	-	-	-	2,243
United Methodist Committee on Relief	-	202,120	61,036	-	-	-	141,084
Other Institutional funds	83,314	1,195,914	639,208	-	-	(1,234)	638,787
<b>Field Offices</b>	<b>3,386,592</b>	<b>6,891,608</b>	<b>6,521,777</b>	<b>(1,918,112)</b>	<b>(342,285)</b>	<b>235,312</b>	<b>1,731,338</b>
<b>Muslim Aid: Emergency Funds</b>	<b>(70,637)</b>	<b>2,042,130</b>	<b>3,010,002</b>	<b>-</b>	<b>-</b>	<b>368,773</b>	<b>(669,736)</b>
<b>Muslim Aid: Other Funds</b>							
Development Fund	548,106	1,627,539	1,795,810	-	-	42,505	422,340
Zakat Fund	1,959,675	2,019,151	3,572,434	-	-	(91,354)	315,038
Religious Fund	264,649	692,036	834,507	-	-	10,438	132,616
Childcare and Sponsorship Fund	-	954,216	899,093	-	-	-	55,123
<b>Total Restricted Funds</b>	<b>6,171,699</b>	<b>16,495,599</b>	<b>18,260,475</b>	<b>(1,918,112)</b>	<b>(342,285)</b>	<b>564,440</b>	<b>2,710,866</b>
<b>Unrestricted Fund:</b>							
Fixed Asset Fund	1,883,889	-	340,727	-	(3,591)	10,936	1,550,508
General Fund	915,640	4,378,994	1,539,554	-	-	(575,376)	3,179,703
<b>Total Unrestricted Funds</b>	<b>2,799,529</b>	<b>4,378,994</b>	<b>1,880,281</b>	<b>-</b>	<b>(3,591)</b>	<b>(564,440)</b>	<b>4,730,211</b>
<b>Total Funds</b>	<b>8,971,228</b>	<b>20,874,593</b>	<b>20,140,756</b>	<b>(1,918,112)</b>	<b>(345,876)</b>	<b>-</b>	<b>7,441,077</b>

(i) Restricted funds are those project balances held on behalf of institutional donors, field offices, specific appeals and general emergency for future work. Any funds remaining in deficit on completion of programme will be cleared by transfers from general unrestricted funds.

(ii) Restricted funds - Exceptional Item - Transfer of Net Assets to MAB for Micro-Finance Operation

(iii) Restricted Emergency Fund deficit is due to spending in advance of raising emergency funds for emergency project. This deficit is cleared by April 2023

(iv) The fixed asset fund represents the net book value of tangible fixed assets that were originally funded out of unrestricted funds. Fixed assets are acquired out of general funds and the transfer from the fixed asset fund represents the difference between additions and charge for the year.

(v) General fund represents the amount that trustees are free to use in accordance with Muslim Aid's charitable objectives.

## 14 - Statement of Funds (2021)

	Balance at 1st January 2021	Income	Expenditure	Gains/ (losses)	Transfers	Balance at 31st December 2021
	£	£	£	£	£	£
<b>Restricted:</b>						
<b>UK Institutional Grants</b>						
ECHO (Humanitarian/ Emergency Response)	158,981	118,854	277,835	-	-	-
DFID	604,892	38,276	643,168	-	-	-
Start Network	-	-	-	-	-	-
United Methodist Committee on Relief	54,146	-	54,146	-	-	-
Other Institutional funds	40,895	125,778	83,359	-	-	83,314
<b>Field Offices</b>	3,250,516	7,698,163	7,271,005	(291,081)	-	3,386,592
<b>Muslim Aid: Emergency Funds</b>	2,799,505	2,447,583	5,317,725	-	-	(70,637)
<b>Muslim Aid: Other Funds</b>						
Development Fund	1,022,935	2,149,063	2,623,891	-	-	548,106
Zakat	1,169,116	1,975,846	1,185,287	-	-	1,959,675
Religious Fund	(33,431)	1,205,109	907,029	-	-	264,649
Childcare and Sponsorship Fund	(276,324)	1,448,431	1,172,107	-	-	-
<b>Total Restricted Funds</b>	<b>8,791,231</b>	<b>17,207,102</b>	<b>19,535,553</b>	<b>(291,081)</b>	<b>-</b>	<b>6,171,699</b>
<b>Unrestricted Fund:</b>						
Fixed Asset Fund	2,014,974	-	46,525	-	(84,561)	1,883,889
General Fund	(156,506)	3,061,045	2,073,459	-	84,561	915,640
<b>Total Unrestricted Funds</b>	<b>1,858,468</b>	<b>3,061,045</b>	<b>2,119,984</b>	<b>-</b>	<b>-</b>	<b>2,799,529</b>
<b>Total Funds</b>	<b>10,649,699</b>	<b>20,268,147</b>	<b>21,655,537</b>	<b>(291,081)</b>	<b>-</b>	<b>8,971,228</b>

## 15 - Analysis of net assets between funds

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Unrestricted £	2021 Restricted £	2021 Total £
Fixed Assets	1,550,508	-	1,550,508	1,883,889	-	1,883,889
Net Current Assets	3,179,703	4,155,140	7,334,843	915,640	8,537,766	9,453,406
Liabilities due > 1 year	-	(1,444,274)	(1,444,274)	-	(2,366,067)	(2,366,067)
	<b>4,730,211</b>	<b>2,710,866</b>	<b>7,441,077</b>	<b>2,799,529</b>	<b>6,171,699</b>	<b>8,971,228</b>

## 16 - Taxation

Muslim Aid is a registered charity and is not therefore liable to income or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

VAT is irrecoverable and has been charged to its associated expenditure.

## 17 - Post balance sheet event

Due to the outbreak of violence in Sudan in April 2023, operations at our Sudan branch have been put on hold from that date and so activities will be substantially reduced in the next reporting period. We aim to restart operations as soon as the security situation makes it safe to do so.

## 18 - Partners

	2022 £	2021 £
Amal Organization for Relief and Development	344,402	226,965
Ard El Insan Palestinian Association	142,884	117,108
Atfaluna Society for Deaf Children (ASDC)	184,368	104,788
Elaf for Relief and Development (ELAF RD)	376,554	710,795
Ensar Charity Association	-	161,756
Ihsan for Relief and Development	508,896	717,520
Mayar Foundation for Development	129,727	105,456
Organization for Research and Community	302,129	-
Tamer Institute for Community EducationTamer Insti	191,503	-
AISHA Association for Woman and Child protection	182,755	-
Palestinian Al Nakheel Association for Progress an	152,756	-
The Mines Advisory Group	111,087	-
National Zakat Foundation	100,000	-
Muslim Aid Association	-	183,092
Muslim Aid Bangladesh	-	496,760
Nahda Makers Organization	-	191,722
Palestinian Environmental Friends	-	104,535
Palestinian Association for Education and Environm	-	573,361
Sawaed Association for Relief and Development	-	102,615
Takaful Al Sham	278,758	3 73,552
Tayyab Hospital and Educational Trust	135,815	142,054
The Welfare Association	-	207,156
Yemen Family Care Association	300,890	353,442
YKMI (Yayasan Kemanusiaan Madani Indonesia	260,803	127,349
Partners below < £100k	558,336	743,908
	<b>4,261,663</b>	<b>5,743,935</b>

## 19 - Subsidiaries excluded from consolidation

Muslim Aid controlled the operations of the following subsidiary entities which are excluded from consolidation on the grounds of being not material in the context of the overall financial statements.

### MA (Micro credit) Guarantee Limited - Sri Lanka

Muslim Aid's Sri Lanka office previously controlled the operations and activities of Muslim Aid (Micro Credit) Guarantee Limited, which manages the microcredit operation in Sri Lanka on behalf of Muslim Aid. Results excluded from consolidation are as follows:

	2022 £	2021 £
Assets	95,931	134,234
Liabilities	(174,462)	(202,013)
Net assets	(78,531)	(67,779)
Income	18,865	28,655
Expenditure	(49,428)	(56,436)
Deficit/surplus	(30,561)	(27,782)

## 20 - MA Bangladesh - Micro-Finance

	2022 £
Assets	7,301,123
Liabilities	(5,383,011)
Net assets	1,918,112
Income	1,353,423
Expenditure	(1,133,211)
Deficit/surplus	220,212

- MA Bangladesh - Micro-Finance now operates as a Partner of Muslim Aid Under MOU
- Its constitution rings fences the funds to the charitable purposes of MA
- Having now fully established itself as independent entity within the MA movement, the MA trustees have ceded legal and accounting control of MA Bangladesh Micro-Finance with effect from 31st Dec 2022. This was minuted in 2022 Q4 Board minutes and 2023 Q1 Board minutes
- The net assets of MA Bangladesh Micro-Finance are shown as a transfer of Net Assets from MA UK on 31st Dec 2022 (See exceptional item on SOFA and on note 14)

## 21 - Related Parties

A number of MA key management personnel were either Trustees or Employees of other Charities who have received donations or payments for provision of services.

Key management personnel/ Relationship to MA	Payment to/Relationship	2022 Expenditure	2021 Expenditure
Abul Kalam Head of Income generation	Hayaa Foundation Hounslow Muslim Centre	-	800
	<b>Total</b>	-	800
Zakya Hussain Head of People and Culture	Trustee of Muslim Aid Sweden	-	-
	<b>Total</b>	-	-

## 22 - Comparative SOFA

### Muslim Aid Consolidated Statement of Financial Activities For the year ended 31 December 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £
<b>Income from:</b>				
Donations and Legacies	2	2,988,638	11,984,803	14,973,441
Charitable Activities	3	42,591	5,222,299	5,264,890
Investment Income	4	29,816	0	29,816
<b>TOTAL INCOME</b>		<b>3,061,045</b>	<b>17,207,102</b>	<b>20,268,147</b>
<b>Expenditure on:</b>				
Raising Funds	5	902,539	878,234	1,780,773
Charitable Activities		1,217,445	18,657,319	19,874,764
<b>TOTAL EXPENDITURE</b>		<b>2,119,984</b>	<b>19,535,553</b>	<b>21,655,537</b>
<b>Net income / (expenditure)</b>		<b>941,061</b>	<b>(2,328,451)</b>	<b>(1,387,390)</b>
Exchange surplus / (loss)		-	(291,081)	(291,081)
<b>Net movement in funds</b>		<b>941,061</b>	<b>(2,619,532)</b>	<b>(1,678,471)</b>
Total funds at 1 January 2021		1,858,468	8,791,231	10,649,699
<b>Total funds at 31 December 2021</b>		<b>2,799,529</b>	<b>6,171,699</b>	<b>8,971,228</b>

## 23 - Comparative - 2021 Notes

2	Donations and Legacies income	Unrestricted	Restricted	Total	Total
		£	£	2021 £	2020 £
	Donations received in the UK	1,450,281	9,226,031	10,676,312	10,336,429
	Donations received at the Field Offices	-	1,560,499	1,560,499	2,388,796
	Gift Aid	1,538,357	-	1,538,357	1,430,508
	Gifts in Kind	-	1,198,273	1,198,273	1,187,721
	<b>Total Donations and Legacies income</b>	<b>2,988,638</b>	<b>11,984,803</b>	<b>14,973,441</b>	<b>15,343,454</b>
3	Charitable Activities	Unrestricted	Restricted	Total	Total
		£	£	2021 £	2020 £
	DFID	(38,276)	38,276	-	686,687
	Globus Relief	-	118,854	118,854	-
	European Commission Humanitarian Organisation	-	-	-	207,239
	European Commission	-	-	-	-
	Start Network	-	-	-	-
	United Methodist Committee on Relief	-	1,232	1,232	-
	World Federation	-	-	-	-
	Other Institutional Grants	80,867	124,546	205,413	236,935
	Institutional Grants at Field Offices	-	4,939,391	4,939,391	3,477,581
	<b>Total Charitable Activities</b>	<b>42,591</b>	<b>5,222,299</b>	<b>5,264,890</b>	<b>4,608,442</b>

# Legal and administrative information

## Charity number (CIO) 1176462

### Chair

Mustafa Faruqi

### Vice Chair

Faria Ali

### Treasurer

Shaharuddin Bin Zainuddin

### Trustees

Aaqil Ahmed (Resigned 28 April 2023)

Andleen Razzaq (Appointed 1 November 2022)

Iftikhar Ahmed Awan (Resigned 7 December 2022)

Mohammed Abdul Aziz (Appointed 29 December 2017)

Sara Pantuliano (Appointed 29 December 2017)

Saima Raza (Appointed 3 October 2022)

### Members of the Nominations Committee

Mohammed Abdul Aziz (Chair of Committee)

Aaqil Ahmed (Resigned 28 April 2023)

Iftikhar Awan (Resigned 7 December 2022)

Khalid Javid

Mustafa Faruqi

Sara Pantuliano

Kashif Shabir (Resigned 27 January 2023)

### Members of the Finance and Audit Committee

Shaharuddin Bin Zainuddin (Chair of Committee)

Anila Hussain

David Skade

Furquan Ali

Haniya Dar (Resigned 7 March 2023)

Jay Hussain

Kashif Shabir (Resigned 27 January 2023)

Khalid Javid

Mustafa Faruqi

Rowena Collings (Resigned 31 January 2023)

David Skade (Appointed 14 February 2023)

### Members of the Programmes Committee

Mohammed Abdul Aziz (Chair of Committee)

Abu Akeem

Amjad Saleem

Andleen Razzaq

Geoffrey O'Donoghue

Kashif Shabir (Resigned 27 January 2023)

Khalid Javid

Sara Pantuliano

Saima Raza

### Members of the People and Culture Committee

Mustafa Faruqi (Chair of Committee)

Faria Ali

Kashif Shabir (Resigned 27 January 2023)

Khalid Javid

Zakya Hussain

### Members of the Income Generation and Marketing Committee

Faria Ali (Chair of Committee)

Aaqil Ahmed (Resigned 28th April 2023)

Hammad Mian

Kashif Shabir (Resigned 27 January 2023)

Khalid Javid

Muhammad Abul Kalam

Mustafa Faruqi

Shorful Islam

### Chief Executive

Khalid Javid (Interim) (Appointed 8 February 2023)

Kashif Shabir (Resigned 27 January 2023)

### Management Team

Abu Akeem Head of International Programmes

Anila Hussain Head of Finance

Muhammad Abul Kalam Head of Income Generation and Marketing

Zakya Hussain Head of People & Culture and Services

## Registered Office

PO Box 3  
London  
E11WP

## Principal Office

4th Floor  
LMC Business Wing  
38 – 44 Whitechapel Road  
London  
E11JX

## Bankers

Lloyds Bank plc  
Al Rayyan

## Solicitors

Simons Muirhead & Burton LLP  
87-89 Newman Street  
London  
W1T 3EY

## Internal Auditors

Azets  
6th Floor  
Bank House  
Cherry Street  
Birmingham  
B2 5AL

## Auditors

Sayer Vincent LLP  
Invicta House  
108-114 Golden Lane  
London  
EC1Y 0TL

*Essential items distribution during drought in IDP camp in Barakere District.*





**2022 Annual Report & Financial Statements**  
For the year ended 31st December 2022