

CARAVAN OF MERCY

Report and Financial Statements

Year ended: 31 March 2021

Charity no: 1115896

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Legal and administrative information

Trustees:

Mr Ebrahim I Patel (Chairman)
Mr Moosa Patel
Sajjad Ahmed Dhariwal
Ahmed Ali Gulam Patel

Chairman:

Mr Ebrahim I Patel (Chairman)

Address:

57 Smith Dorrien Road
Leicester
LE5 4BG

Independent Accountants:

Ryalls HMB Ltd
Chartered Certified Accountants
And Statutory Auditors
97 Evington Drive
Leicester
LE5 5PH

Bankers:

Natwest Bank PLC
121a East Park Road
Leicester
LE5 4NY

Al Rayan Bank
94a London Road
Leicester
LE2 0QA

Address for Correspondence and Donations:

57 Smith Dorrien Road
Leicester
LE5 4BG

Report of the trustees for the year ended 31 March 2021

The trustees present their report with the financial statements of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The charity, Caravan of Mercy, is an unincorporated trust, constituted under a constitution adopted 15th March 2006 as amended 25th July 2006 and is a charity registered with the Charity Commission under registration number 1115896.

Objectives and activities

To provide classes and projects to advance the general skills of people in farming, housing construction, health and other skills where a local need has been identified.

To advance the education of pupils by providing and assisting in the provision of facilities required and services for education at the school.

To relieve financial hardship in particular but not exclusively amongst victims of natural and other kind of disaster for persons, bodies organisations and or countries affected, by donating money, food, clothes and medical supplies and by such other means as deemed appropriate by the trustees.

Structure, governance and management

Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees have to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on a going concern basis
- Review major risks and establish systems or procedures to manage those risks

The trustees have overall responsibility of ensuring that the charity has appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993, The Charity (Accounts & Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Volunteers

The charity is grateful for the unstinting efforts of its volunteers who are involved in service provision and fundraising. It has not been possible to quantify the sterling efforts of our volunteers.

Achievements and performance

India

Caravan of Mercy continued to provide over 190 individuals with SSP (Self Supporting Projects) which enabled them to earn a livelihood where previously they were poor and needy. Food distributions were carried out at numerous times during the year including Ramadhan and Eid ul Adha helping over 56,620 people with their needs. During the winter period over 2,500 winter blankets were distributed to the poor and needy.

Assistance with regards to food, education, shelter and clothing was provided for over 600 children in 2 boarding schools for the entire year and 6 water projects were completed in areas of need where over 2,000 people benefitted from clean drinking water.

We have a medical clinic where doctors and opticians come 3-4 times a week and administer free medication where needed.

Bangladesh

Caravan of Mercy has continued to sponsor a number of day schools and boarding schools in different regions of Bangladesh. These schools cater for the educational needs of poor children and orphans. Other than education a number of these children are provided with clothing, food and medical aid whenever required. This year over 90 hand pumps were installed in different regions of Bangladesh where water wasn't easily accessible. In Ramadhan food hampers were given to over 12,000 families. During the winter period more than 2,000 blankets were distributed to the poor and needy.

Bangladesh continued to host refugees from neighbouring Myanmar and a large relief effort was organised. Caravan of Mercy delivered much needed food, blankets and other supplies in order to spread the aid to people as more refugees arrived in Bangladesh.

Cameroon

Caravan of Mercy has continued to provide much needed relief to the poor and needy who have settled in the refugee camps. In Ramadhan 1,200 food parcels were distributed to families by Caravan of Mercy personnel. During the annual pilgrimage qurbani meat was distributed to over 1,500 families.

Gambia

Caravan of Mercy runs a number of day schools in The Gambia. These schools provide vital education to over 1,000 students, a number of them being orphans and the majority coming from very poor backgrounds. During the year over 1,060 families benefitted from the Ramadhan food distribution. During the annual pilgrimage the meat of animals was distributed amongst the poor and needy benefitting over 500 families. In addition, 2,000 widows and orphans continued to receive regular clothing supplies from our warehouse in Farato.

During the year solar panels were installed in one of the schools. The school has over 550 students who benefitted from the installation as power outages occur frequently in Gambia.

Ghana

During the month of Ramadhan 2,649 families in different parts of Ghana benefitted from food hampers and over 2,000 water packs were distributed to provide clean drinking water. 1000 families were able to experience the joys of Eid as a result of the distribution of meat from sacrificial animals. During the year the Aisha Siddique

Islamic Girls Academy (ASIGA) which began in 2013 provided education for nearly 300 students.

Turkey

Caravan of Mercy continued relief projects to help displaced refugees. During the month of Ramadhan 100 food parcels were distributed. Qurbani meat was distributed during the annual pilgrimage that benefited hundreds of families. During the winter season refugees were given 800 blankets and 3,500 milk powder tins were distributed to mothers who were in need. Finally, 2 boreholes were constructed benefitting over 600 people.

Liberia

During the month of Ramadhan 1,000 families received food parcels that were distributed amongst the poor and needy, with supplementary aid being provided throughout the year as needed.

Financial assistance was given several times throughout the year.

Summary

- Caravan of Mercy continued orphan sponsorship programmes in Ghana, The Gambia and West Bengal benefiting hundreds of children
- The Ramadan food distribution project was conducted for the 5th year in Cameroon and Liberia
- Containers carrying clothing and aid were sent to Cameroon
- Emergency aid was provided to Rohingya refugees in Bangladesh
- Meat was distributed in many countries during the yearly pilgrimage, for some this was the only meat they had eaten in months.

Financial review

During the year ended 31 March 2021, the Charity received an income totalling £794,549 (2020: £478,541). Overall, there was a surplus of income over expenditure, including Funds brought forward, of £426,014 (2020: £433,507)

Plans for future periods

The charity will continue to support all the existing projects and aims to complete all of the outstanding projects in the coming year. The charity is looking at expanding its operations in Cameroon and Liberia after successful completion of risk and viability assessments and subject to approval of trustees.

Independent Examiner Accountant

A resolution proposing that Ryalls HMB Ltd, Chartered Certified Accountants & Statutory Auditors be re-appointed as an independent examiner accountant of the charity will be put to the Annual General Meeting.

This report was approved by the Board on 5 November 2021



Sajjad Dhariwal

INDEPENDENT EXAMINERS ACCOUNTANTS REPORT TO THE TRUSTEES OF CARAVAN OF MERCY

We report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement on page 2, the trustees are responsible for the preparation of financial statements which give a true and fair view.

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied ourselves that the accounts of the charity are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, we report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

Opinion on financial statements

We have completed our examination. We confirm that no material matters have come to my attention (other than that disclosed below) which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

Matters on which we are required to report by exception

We have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Ryalls HMB Ltd
Chartered Certified Accountants
And Statutory Auditors
97 Evington Drive
Leicester
LE5 5PH




Caravan Of Mercy**Statement of Financial Activities for the year ended 31 March 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Year ended 31 Mar 2020 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	78,765	710,954	789,719	475,055
Investment income	3	4,830	-	4,830	3,486
Total incoming resources		83,595	710,954	794,549	478,541
Resources Expended					
Costs of Generating funds					
Fundraising costs -Advertising	4	2,767	-	2,767	-
Support costs	4	43,029	-	43,029	29,139
Charitable activities	5	-	754,524	754,524	377,420
Governance costs	6	1,722	-	1,722	2,121
Total resources expended		47,518	754,524	802,042	408,680
Net incoming (outgoing) resources		36,077	(43,570)	(7,493)	69,861
Transfers					
Gross transfers between funds		(50,000)	50,000	-	-
Net movement in funds		(13,923)	6,430	(7,493)	69,861
Reconciliation of Funds					
Total Funds brought forward		184,194	249,313	433,507	363,646
Total Funds carried forward		170,271	255,743	426,014	433,507

Caravan of Mercy
Balance Sheet as at 31 March 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	11	225	265
		<u>225</u>	<u>265</u>
Current assets			
Debtors	12	5,675	223
Cash at bank and in hand	13	426,700	444,594
		<u>432,375</u>	<u>444,817</u>
Creditors: amounts falling due within one year	14	6,586	11,575
		<u> </u>	<u> </u>
Net current assets		<u>425,789</u>	<u>433,242</u>
Creditors: amounts falling due after more than one year		-	-
		<u> </u>	<u> </u>
Net assets		<u>426,014</u>	<u>433,507</u>
Funds:			
Unrestricted funds	15	170,271	184,194
Restricted funds	15	255,743	249,313
		<u> </u>	<u> </u>
Total funds		<u>426,014</u>	<u>433,507</u>

The financial statements on pages 6 to 7 were approved by the trustees on 5 November 2021 and signed on their behalf by:



Sajjad Dhariwal

Notes forming part of the financial statements for the year ended 31 March 2021

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP); "Accounting and Reporting by Charities" published in 2005 and applicable UK Accounting Standards and the Charities Act 1993.

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds (Sadqah / Zakaat) are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund where permissible, otherwise from the unrestricted fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, such as deposit interest, and gains are allocated to the appropriate fund.

(c) Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts / items donated by businesses & communities for distribution to the poor & needy are only included as income where a reliable valuation is available. Otherwise only the costs associated with the transportation and distribution of these items are shown in the financial statements. No amounts are included in the financial statements for services donated by volunteers.

(d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

(e) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Improvement to leasehold building	over 4 years
Fixture & fittings	over 4 years
Office equipment	over 4 years

Notes to the financial statements for the year ended 31 March 2021 (continued)

(f) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

(g) Taxation

The charity is exempt for Taxation purposes and is not registered for VAT. However, the charity is allowed to reclaim tax on donations received under Gift Aid scheme.

Caravan of Mercy
Notes to the Financial Statements for the year ended 31 March 2021 (continued)

2	Voluntary Income	Unrestricted Funds	Restricted Funds	Total 2021	Year ended 31 Mar 2020
		£	£	£	£
	Donations	78,765	710,954	789,719	475,055
		78,765	710,954	789,719	475,055
3	Investment Income	Unrestricted Funds	Restricted Funds	Total 2021	Year ended 31 Mar 2020
		£	£	£	£
	Deposit Interest	4,830	-	4,830	3,486
		4,830	-	4,830	3,486
4	Costs of generating voluntary income	Unrestricted Funds	Restricted Funds	Total 2021	Year ended 31 Mar 2020
		£	£	£	£
	Fundraising costs -Advertising	2,767	-	2,767	-
	Support costs	43,029	-	43,029	29,139
		45,796	-	45,796	29,139
5	Details of Charitable Activities	Unrestricted Funds	Restricted Funds	Total 2021	Year ended 31 Mar 2020
		£	£	£	£
	Food distribution inc animal sacrifice	-	127,234	127,234	51,062
	Home building and construction costs	-	119,140	119,140	86,925
	Religious schools' cost	-	3,550	3,550	-
	Quraan distribution	-	-	-	164
	Orphan sponsorship	-	35,492	35,492	11,193
	Fresh water / sewer projects	-	33,199	33,199	26,234
	International admin costs	-	8,854	8,854	9,957
	Self sustaining (SSP)	-	16,137	16,137	-
	Medical aid and emergency relief	-	6,352	6,352	2,034
	Helping the poor and needy	-	404,566	404,566	189,851
		-	754,524	754,524	377,420
		Unrestricted Funds	Restricted Funds	Total 2021	Year ended 31 Mar 2020
		£	£	£	£
	Gambia	-	65,090	65,090	47,998
	Bangladesh	-	179,716	179,716	48,259
	India	-	210,000	210,000	120,000
	Ghana	-	17,002	17,002	37,178
	Iraq	-	-	-	-
	Syria	-	-	-	-
	Cameroon	-	42,109	42,109	11,175
	Bangladesh (Rohingya)	-	15,284	15,284	31,741
	Turkey	-	48,495	48,495	4,560
	Liberia	-	176,828	176,828	76,509
		-	754,524	754,524	377,420

Notes to the Financial Statements for the year ended 31 March 2021 (continued)

6 Governance costs

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Year ended 31 Mar 2020 £
Auditors' remuneration				
Statutory accounts	1,722	-	1,722	1,501
Legal & professional	-	-	-	620
	<u>1,722</u>	<u>-</u>	<u>1,722</u>	<u>2,121</u>

The Legal & professional costs relate to Legal and payroll administration costs. For the payroll administration, the accountants have taken advantage of the exemption in ES-PASE

7 Support Costs

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Year ended 31 Mar 2020 £
Staff costs	22,281	-	22,281	18,109
Office costs	18,174	-	18,174	9,415
Bank and credit card charges	2,534	-	2,534	1,568
Depreciation & disposal of fixed asset	40	-	40	47
	<u>43,029</u>	<u>-</u>	<u>43,029</u>	<u>29,139</u>

8 Staff numbers

	Total 2021 £	Year ended 31 Mar 2020 £
UK Activities		
Fundraising & marketing	2	3
Overseas Activities		
Charitable activities	5	5
	<u>7</u>	<u>8</u>

9 Staff costs

	Total 2021 £	Year ended 31 Mar 2020 £
Salaries and wages	22,221	18,035
Social security costs	60	74
	<u>22,281</u>	<u>18,109</u>

During the year, there were no highly paid employees and employers pension contributions were paid.

Notes to the Financial Statements for the year ended 31 March 2021 (continued)

10 Trustees' expenses and remuneration and related party transactions

Trustees are not remunerated. They can get paid expenses for attending meetings and duties directly related to their duties as trustee. During the year, the charity paid travel costs to Syria, Gambia, Ghana and India amounting to £7,941. All other services were provided voluntarily by Trustees including charitable activities. The associated costs have not been quantified.

11 FIXED ASSETS

	Office Equipment	TOTAL
Cost		
B/fwd	700	700
Additions	-	-
Disposals	-	-
	<u>700</u>	<u>700</u>
Depreciation		
B/fwd	435	435
Charge for year	40	40
Eliminated on disposal	-	-
	<u>475</u>	<u>475</u>
Net Book Value		
31 March 2021	<u>225</u>	<u>225</u>
31 March 2020	<u>265</u>	<u>265</u>

12 Debtors

	2021 £	2020 £
Tax recoverable	5,675	68
Prepayments & accrued income	-	155
	<u>5,675</u>	<u>223</u>

13 Cash at Bank and in hand

	2021 £	2020 £
Cash and bank balances	426,700	444,594
	<u>426,700</u>	<u>444,594</u>

Notes to the Financial Statements for the year ended 31 March 2021 (continued)

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	-
Wages & paye/ni	5,086	2,923
Others	-	-
Accruals & accountancy	1,500	8,652
	<u>6,586</u>	<u>11,575</u>

15 Statement of funds

	At 1 April 2020 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 March 2021 £
Unrestricted funds:					
Reserves	184,194	83,595	(47,518)	(50,000)	170,271
Total unrestricted funds	<u>184,194</u>	<u>83,595</u>	<u>(47,518)</u>	<u>(50,000)</u>	<u>170,271</u>
Restricted funds:					
Reserves	249,313	710,954	(754,524)	50,000	255,743
Total restricted funds	<u>249,313</u>	<u>710,954</u>	<u>(754,524)</u>	<u>50,000</u>	<u>255,743</u>
Total funds	<u>433,507</u>	<u>794,549</u>	<u>(802,042)</u>	<u>-</u>	<u>426,014</u>

The reserve represents the free funds of the charity which are not designated for particular purposes.