

CARAVAN OF MERCY

Report and Financial Statements

Year ended: 31 March 2022

Charity no: 1115896

Contents

Legal and administrative information	1
Report of the trustees	2
Report of the accountants	5
Statement of financial activities	6
Balance sheets	7
Notes forming part of the financial statements	8

Legal and administrative information

Trustees:

Mr Ebrahim I Patel (Chairman)

Mr Moosa Patel

Sajjad Ahmed Dhariwal – resigned 27 March 2022

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 2022

The trustees present their report with the financial statements of the charity for the year ended 31st March 2022. 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

Assistance with regards to food, education, shelter, and clothing was provided for over 600 children in 2 boarding schools for the entire year and 7 water projects were completed in areas of need where over 2,500 people benefitted from clean drinking water.

Food distributions were carried out at numerous times during the year including Ramadhan and Eid ul Adha helping over 60,000 people with their needs. During the winter period over 2,500 winter blankets were distributed to the poor and needy and 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.

The charity has 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 several 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.

Caravan of Mercy installed over 75 hand pumps in different regions of Bangladesh where water wasn't easily accessible, some of which were delayed from the previous year due to lockdown restrictions.

In Ramadhan food hampers were given to over 12,500 families. During the winter period more than 2,000 blankets were distributed to the poor and needy. Over 100 eye (cataract) operations were completed for the poor and needy.

Bangladesh continued to host refugees from neighbouring Myanmar, and the charity delivered much needed food, blankets, and other supplies to spread the aid to needy locals and refugees, 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 and during the annual pilgrimage qurbani meat was distributed to over 1,500 families. The charity have started day schools also.

Gambia

Caravan of Mercy runs several day schools in The Gambia. These schools provide vital education to over 1,000 students, many of them being orphans and the majority coming from very poor backgrounds.

During the year over 2,000 families benefitted from the Ramadhan food distribution. During the annual pilgrimage the meat of animals was distributed amongst the poor and needy benefitting over 600 families. In addition, 2,000 widows and orphans continued to receive regular clothing supplies from our warehouse in Farato.

Ghana

During the month of Ramadhan 2,649 families in various parts of Ghana benefitted from food hampers and over 3,500 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.

Turkey

Caravan of Mercy continued relief projects to help displaced Syrian & Uighur refugees in Turkey. During the month of Ramadhan 1000 food parcels were distributed and during the annual pilgrimage Qurbani meat was distributed, benefitting hundreds of families.

During the winter season Syrian & Uighur refugees were given over 1,500 blankets and over 1,500 milk powder tins were distributed to mothers who were in need.

Liberia

During the month of Ramadhan 1,600 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 to needy families/widows throughout the year.

Kenya

Caravan of Mercy provided relief to affected areas of Kenya where that has been heavy drought. Caravan of Mercy sent aid for over 4,000 families.

Summary

- Caravan of Mercy continued orphan sponsorship programmes in The Gambia, Liberia, Bangladesh and West Bengal. This benefited 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 2022, the Charity received an income totalling £918,341 (2021: £794,549). Overall, there was a surplus of income over expenditure, including Funds brought forward, of £426,014 (2021: £441,628)

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 January 2023



Ahmad Ali Gulam Patel

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 2022

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

Ryalls HMB Ltd
5/1/23

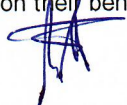
Caravan Of Mercy**Statement of Financial Activities for the year ended 31 March 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Year ended 31 Mar 2021 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	124,664	774,458	899,122	789,719
Investment income	3	3,719	-	3,719	4,830
Total incoming resources		128,383	774,458	902,841	794,549
Resources Expended					
Costs of Generating funds					
Fundraising costs -Advertising	4	2,590	-	2,590	2,767
Support costs	4	50,125	-	50,125	43,029
Charitable activities	5	-	832,822	832,822	754,524
Governance costs	6	1,690	-	1,690	1,722
Total resources expended		54,405	832,822	887,227	802,042
Net incoming (outgoing) resources		73,978	(58,364)	15,614	(7,493)
Transfers					
Gross transfers between funds		(60,000)	60,000	-	-
Net movement in funds		13,978	1,636	15,614	(7,493)
Reconciliation of Funds					
Total Funds brought forward		170,271	255,743	426,014	433,507
Total Funds carried forward		184,249	257,379	441,628	426,014

Caravan of Mercy
Balance Sheet as at 31 March 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	11	191	225
		<u>191</u>	<u>225</u>
Current assets			
Debtors	12	23,009	5,675
Cash at bank and in hand	13	422,609	426,700
		<u>445,618</u>	<u>432,375</u>
Creditors: amounts falling due within one year	14	4,181	6,586
		<u>441,437</u>	<u>425,789</u>
Net current assets			
		<u>441,437</u>	<u>425,789</u>
Creditors: amounts falling due after more than one year		-	-
		<u>-</u>	<u>-</u>
Net assets		<u><u>441,628</u></u>	<u><u>426,014</u></u>
Funds:			
Unrestricted funds	15	184,862	170,271
Restricted funds	15	256,766	255,743
		<u>441,628</u>	<u>426,014</u>
Total funds		<u><u>441,628</u></u>	<u><u>426,014</u></u>

The financial statements on pages 6 to 7 were approved by the trustees on 5 January 2023 and signed on their behalf by:



Ahmad Ali Gulam Patel

Notes forming part of the financial statements for the year ended 31 March 2022

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 2022 (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 2022 (continued)

2	Voluntary Income				
		Unrestricted Funds £	Restricted Funds £	Total 2022 £	Year ended 31 Mar 2021 £
	Donations	124,664	774,458	899,122	789,719
		124,664	774,458	899,122	789,719
3	Investment Income				
		Unrestricted Funds £	Restricted Funds £	Total 2022 £	Year ended 31 Mar 2021 £
	Deposit Interest	3,719	-	3,719	4,830
		3,719	-	3,719	4,830
4	Costs of generating voluntary income				
		Unrestricted Funds £	Restricted Funds £	Total 2022 £	Year ended 31 Mar 2021 £
	Fundraising costs - Advertising	2,590	-	2,590	2,767
	Support costs	50,125	-	50,125	43,029
		52,715	-	52,715	45,796
5	Details of Charitable Activities				
		Unrestricted Funds £	Restricted Funds £	Total 2022 £	Year ended 31 Mar 2021 £
	Food distribution inc animal sacrifice	-	396,993	396,993	127,234
	Home building and construction costs	-	151,169	151,169	119,140
	Religious schools' cost	-	49,077	49,077	3,550
	Quraan distribution	-	-	-	-
	Orphan sponsorship	-	24,568	24,568	35,492
	Fresh water / sewer projects	-	61,701	61,701	33,199
	International admin costs	-	30,307	30,307	8,854
	Self sustaining (SSP)	-	14,184	14,184	16,137
	Medical aid and emergency relief	-	21,035	21,035	6,352
	Helping the poor and needy	-	83,788	83,788	404,566
		-	832,822	832,822	754,524
		Unrestricted Funds £	Restricted Funds £	Total 2022 £	Year ended 31 Mar 2021 £
	Gambia	-	89,783	89,783	65,090
	Bangladesh	-	156,022	156,022	179,716
	India	-	190,000	190,000	210,000
	Ghana	-	35,000	35,000	17,002
	Kenya	-	25,000	25,000	-
	Palestine	-	15,000	15,000	-
	Uighres Refugee	-	10,375	10,375	-
	Yemen	-	33,500	33,500	-
	Cameroon	-	32,000	32,000	42,109
	Bangladesh (Rohingya)	-	28,707	28,707	15,284
	Turkey	-	42,160	42,160	48,495
	Liberia	-	175,275	175,275	176,828
		-	832,822	832,822	754,524

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

6	Governance costs				
		Unrestricted Funds £	Restricted Funds £	Total 2022 £	Year ended 31 Mar 2021 £
	Auditors' remuneration				
	Statutory accounts	1,690	-	1,690	1,722
	Legal & professional	-	-	-	-
		<u>1,690</u>	<u>-</u>	<u>1,690</u>	<u>1,722</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 2022 £	Year ended 31 Mar 2021 £
	Staff costs	25,015	-	25,015	22,281
	Office costs	21,384	-	21,384	18,174
	Bank and credit card charges	3,692	-	3,692	2,534
	Depreciation & disposal of fixed asset	34	-	34	40
		<u>50,125</u>	<u>-</u>	<u>50,125</u>	<u>43,029</u>

8	Staff numbers			
		Total 2022 £	Year ended 31 Mar 2021 £	
	UK Activities			
	Fundraising & marketing	2	2	
	Overseas Activities			
	Charitable activities	5	5	
		<u>7</u>	<u>7</u>	

9	Staff costs			
		Total 2022 £	Year ended 31 Mar 2021 £	
	Salaries and wages	25,015	22,221	
	Social security costs	-	60	
		<u>25,015</u>	<u>22,281</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 2022 (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 £11,100. 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	475	475
Charge for year	34	34
Eliminated on disposal	-	-
	<u>509</u>	<u>509</u>
Net Book Value		
31 March 2022	<u>191</u>	<u>191</u>
31 March 2021	<u>225</u>	<u>225</u>

12 Debtors

	2022 £	2021 £
Tax recoverable	23,009	5,675
Prepayments & accrued income	-	-
	<u>23,009</u>	<u>5,675</u>

13 Cash at Bank and in hand

	2022 £	2021 £
Cash and bank balances	422,609	426,700
	<u>422,609</u>	<u>426,700</u>

Notes to the Financial Statements for the year ended 31 March 2022 (continued)

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	-	-
Wages & paye/ni	2,581	5,086
Others	-	-
Accruals & accountancy	1,600	1,500
	<u>4,181</u>	<u>6,586</u>

15 Statement of funds

	At 1 April 2021 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 March 2022 £
Unrestricted funds:					
Reserves	170,271	128,383	(53,792)	(60,000)	184,862
Total unrestricted funds	<u>170,271</u>	<u>128,383</u>	<u>(53,792)</u>	<u>(60,000)</u>	<u>184,862</u>
Restricted funds:					
Reserves	255,743	789,958	(848,935)	60,000	256,766
Total restricted funds	<u>255,743</u>	<u>789,958</u>	<u>(848,935)</u>	<u>60,000</u>	<u>256,766</u>
Total funds	<u>426,014</u>	<u>918,341</u>	<u>(902,727)</u>	<u>-</u>	<u>441,628</u>

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