

CARAVAN OF MERCY

Report and Financial Statements

Year ended: 31 March 2023

Charity no: 1115896

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Legal and administrative information

Trustees:

Ebrahim I Patel (Chairman)
Moosa Patel
Sajjad Ahmed Dhariwal – resigned 27 March 2022
Ahmed Ali Gulam Patel

Chairman:

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 2023

The trustees present their report with the financial statements of the charity for the year ended 31st March 2023. 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 aid in India, West Bengal region with food distributions which 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.

Assistance with regards to food, education, shelter and clothing was provided for over 600 children in 2 boarding schools for the entire year and 1 water project was 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. We also had an eye camp where over 300 beneficiaries received free eye tests & glasses.

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. 149 hand pumps were installed in different regions of Bangladesh where water wasn't easily accessible. In Ramadhan food hampers were given to over 12,500 families. During the winter period more than 1,500 blankets were distributed to the poor and needy. Over 450 eye Cataract operations were completed for the poor and needy.

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 750 food parcels were distributed to families by Caravan of Mercy personnel.

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 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.

One water pump was replaced and fixed this benefitted over 1500 people.

Ghana

During the month of Ramadhan 450 families in different parts of Ghana benefitted from food hampers and over 3,500 water packs were distributed to provide clean drinking water.

Caravan of Mercy installed 4 boreholes and 1 hand pump where over 500 families benefit daily by getting clean drinking water.

Turkey

Caravan of Mercy continued relief projects to help displaced refugees. During the month of Ramadhan 1000 food parcels were distributed to Syrian & Uighur refugees. Qurbani meat was distributed during the annual pilgrimage that benefited hundreds of families. During the winter season Syrian & Uighur refugees were given over 2,200

blankets and over 8000 milk powder tins were distributed to mothers who were in need.

Caravan of Mercy also assisted with the earthquake disaster by distributing over 2,000 food parcels, 18 tents, 700 blankets, 700 hygiene packs and over 2000 flour bags.

Liberia

During the month of Ramadhan 928 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.

Kenya

Caravan of Mercy provided relief to affected areas of Kenya where that has been a heavy drought. Caravan of Mercy sent aid for over 50,000 families.

Yemen

Caravan of Mercy provided food parcels during Ramadhan to over 2,000 families.

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 6th year in Cameroon and Liberia
- Containers carrying clothing and aid were sent to Liberia
- 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 2023, the Charity received an income totalling £897,524 (2022: £902,841). Overall, there was a surplus of income over expenditure, including Funds brought forward, of £560,567 (2022: £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 26 January 2024

Ebrahim I 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 2023

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
25/1/24

Caravan Of Mercy**Statement of Financial Activities for the year ended 31 March 2023**

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Year ended 31 Mar 2022 £ |
|--|-------|----------------------------|---|--------------------|--------------------------------|
| Incoming resources | | | | | |
| Incoming resources from generated funds | | | | | |
| Voluntary income | 2 | 91,770 | 799,829  | 891,599 | 899,122 |
| Investment income | 3 | 5,925 | -  | 5,925 | 3,719 |
| Total incoming resources | | 97,695 | 799,829 | 897,524 | 902,841 |
| Resources Expended | | | | | |
| Costs of Generating funds | | | | | |
| Fundraising costs -Advertising | 4 | 2,010 | -  | 2,010 | 2,590 |
| Support costs | 4 | 55,321 | -  | 55,321 | 50,125 |
| Charitable activities | 5 | - | 719,384  | 719,384 | 832,822 |
| Governance costs | 6 | 1,870 | -  | 1,870 | 1,690 |
| Total resources expended | | 59,201 | 719,384 | 778,585 | 887,227 |
| Net incoming (outgoing) resources | | 38,494 | 80,445 | 118,939 | 15,614 |
| Transfers | | | | | |
| Gross transfers between funds | | | | - | - |
| Net movement in funds | | 38,494 | 80,445 | 118,939 | 15,614 |
| Reconciliation of Funds | | | | | |
| Total Funds brought forward | | 184,862 | 256,766 | 441,628 | 426,014 |
| Total Funds carried forward | | 223,356 | 337,211 | 560,567 | 441,628 |

Caravan of Mercy
Balance Sheet as at 31 March 2023

| | Notes | 2023 £ | 2022 £ |
|---|-------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 11 | 1,028 | 191 |
| | | <u>1,028</u> | <u>191</u> |
| Current assets | | | |
| Debtors | 12 | 19,651 | 23,009 |
| Cash at bank and in hand | 13 | 545,857 | 422,609 |
| | | <u>565,508</u> | <u>445,618</u> |
| Creditors: amounts falling due within one year | 14 | 5,969 | 4,181 |
| | | <u>559,539</u> | <u>441,437</u> |
| Net current assets | | | |
| | | <u>559,539</u> | <u>441,437</u> |
| Creditors: amounts falling due after more than one year | | - | - |
| Net assets | | <u>560,567</u> | <u>441,628</u> |
| Funds: | | | |
| Unrestricted funds | 15 | 223,356 | 184,862 |
| Restricted funds | 15 | 337,211 | 256,766 |
| Total funds | | <u>560,567</u> | <u>441,628</u> |

The financial statements on pages 6 to 7 were approved by the trustees on 26 January 2024 and signed on their behalf by:

Ebrahim I Patel



Notes forming part of the financial statements for the year ended 31 March 2023

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 2023 (continued)****2 Voluntary Income**

| | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Year ended 31 Mar 2022 £ |
|-----------|----------------------------|--------------------------|--------------------|--------------------------------|
| Donations | 91,770 | 799,829 | 891,599 | 899,122 |
| | 91,770 | 799,829 | 891,599 | 899,122 |

3 Investment Income

| | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Year ended 31 Mar 2022 £ |
|------------------|----------------------------|--------------------------|--------------------|--------------------------------|
| Deposit Interest | 5,925 | - | 5,925 | 3,719 |
| | 5,925 | - | 5,925 | 3,719 |

4 Costs of generating voluntary income

| | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Year ended 31 Mar 2022 £ |
|---------------------------------|----------------------------|--------------------------|--------------------|--------------------------------|
| Fundraising costs - Advertising | 2,010 | - | 2,010 | 2,590 |
| Support costs | 55,321 | - | 55,321 | 50,125 |
| | 57,331 | - | 57,331 | 52,715 |

5 Details of Charitable Activities

| | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Year ended 31 Mar 2022 £ |
|--|----------------------------|--------------------------|--------------------|--------------------------------|
| Food distribution inc animal sacrifice | - | 273,167 | 273,167 | 396,993 |
| Home building and construction costs | - | 116,494 | 116,494 | 151,169 |
| Religious schools' cost | - | 27,824 | 27,824 | 49,077 |
| Quraan distribution | - | - | - | - |
| Orphan sponsorship | - | 88,057 | 88,057 | 24,568 |
| Fresh water / sewer projects | - | 33,723 | 33,723 | 61,701 |
| International admin costs | - | 31,963 | 31,963 | 30,307 |
| Self sustaining (SSP) | - | 1,100 | 1,100 | 14,184 |
| Medical aid and emergency relief | - | 113,267 | 113,267 | 21,035 |
| Helping the poor and needy | - | 33,789 | 33,789 | 83,788 |
| | - | 719,384 | 719,384 | 832,822 |
| | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Year ended 31 Mar 2022 £ |
| Gambia | - | 41,073 | 41,073 | 89,783 |
| Bangladesh | - | 122,865 | 122,865 | 156,022 |
| India | - | 160,777 | 160,777 | 190,000 |
| Ghana | - | 21,100 | 21,100 | 35,000 |
| Kenya | - | 60,000 | 60,000 | 25,000 |
| Palestine | - | - | - | 15,000 |
| Uighres Refugee | - | 6,000 | 6,000 | 10,375 |
| Yemen | - | 10,000 | 10,000 | 33,500 |
| Cameroon | - | 20,000 | 20,000 | 32,000 |
| Bangladesh (Rohingya) | - | 10,000 | 10,000 | 28,707 |
| Turkey | - | 104,319 | 104,319 | 42,160 |
| Liberia | - | 130,650 | 130,650 | 175,275 |
| Pakistan | - | 32,600 | 32,600 | - |
| | - | 719,384 | 719,384 | 832,822 |

Notes to the Financial Statements for the year ended 31 March 2023 (continued)

6 Governance costs

| | Unrestricted Funds £ | Restricted Funds £ | Total 2023 £ | Year ended 31 Mar 2022 £ |
|-------------------------------|----------------------------|--------------------------|--------------------|--------------------------------|
| Auditors' remuneration | | | | |
| Statutory accounts | 1,870 | - | 1,870 | 1,690 |
| Legal & professional | - | - | - | - |
| | <u>1,870</u> | <u>-</u> | <u>1,870</u> | <u>1,690</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 2023 £ | Year ended 31 Mar 2022 £ |
|--|----------------------------|--------------------------|--------------------|--------------------------------|
| Staff costs | 26,178 | - | 26,178 | 25,015 |
| Office costs | 24,291 | - | 24,291 | 21,384 |
| Bank and credit card charges | 4,667 | - | 4,667 | 3,692 |
| Depreciation & disposal of fixed asset | 185 | - | 185 | 34 |
| | <u>55,321</u> | <u>-</u> | <u>55,321</u> | <u>50,125</u> |

8 Staff numbers

| | Total 2023 £ | Year ended 31 Mar 2022 £ |
|----------------------------|--------------------|--------------------------------|
| UK Activities | | |
| Fundraising & marketing | 2 | 2 |
| Overseas Activities | | |
| Charitable activities | 6 | 5 |
| | <u>8</u> | <u>7</u> |

9 Staff costs

| | Total 2023 £ | Year ended 31 Mar 2022 £ |
|-----------------------|--------------------|--------------------------------|
| Salaries and wages | 26,135 | 25,015 |
| Social security costs | 43 | - |
| | <u>26,178</u> | <u>25,015</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 2023 (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 £14,940. 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 | 1,022 | 1,022 |
| Disposals | - | - |
| | <u>1,722</u> | <u>1,722</u> |
| Depreciation | | |
| B/fwd | 509 | 509 |
| Charge for year | 185 | 185 |
| Eliminated on disposal | - | - |
| | <u>694</u> | <u>694</u> |
| Net Book Value | | |
| 31 March 2023 | <u>1,028</u> | <u>1,028</u> |
| 31 March 2022 | <u>191</u> | <u>191</u> |

12 Debtors

| | 2023 £ | 2022 £ |
|------------------------------|---------------|---------------|
| Tax recoverable | 8,356 | 23,009 |
| Prepayments & accrued income | 11,295 | - |
| | <u>19,651</u> | <u>23,009</u> |

13 Cash at Bank and in hand

| | 2023 £ | 2022 £ |
|------------------------|----------------|----------------|
| Cash and bank balances | 545,857 | 422,609 |
| | <u>545,857</u> | <u>422,609</u> |

Notes to the Financial Statements for the year ended 31 March 2023 (continued)

14 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------|--------------|--------------|
| Trade creditors | - | - |
| Wages & paye/ni | 2,636 | 2,581 |
| Others | 1,583 | - |
| Accruals & accountancy | 1,750 | 1,600 |
| | <u>5,969</u> | <u>4,181</u> |

15 Statement of funds

| | At 1 April 2022 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | At 31 March 2023 £ |
|---------------------------------|-------------------------|----------------------------|----------------------------|----------------|--------------------------|
| Unrestricted funds: | | | | | |
| Reserves | 184,862 | 97,695 | (59,201) | - | 223,356 |
| Total unrestricted funds | <u>184,862</u> | <u>97,695</u> | <u>(59,201)</u> | <u>-</u> | <u>223,356</u> |
| Restricted funds: | | | | | |
| Reserves | 256,766 | 799,829 | (719,384) | - | 337,211 |
| Total restricted funds | <u>256,766</u> | <u>799,829</u> | <u>(719,384)</u> | <u>-</u> | <u>337,211</u> |
| Total funds | <u>441,628</u> | <u>897,524</u> | <u>(778,585)</u> | <u>-</u> | <u>560,567</u> |

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