

The Charity Registration Number is :- 1122376

MERCY RELIEF
Report and Accounts
31 December 2020



MERCY RELIEF

Report and accounts for the year ended 31 December 2020

Contents Contents

	Page
Independent Auditors' Report	
Charity information	1
Trustees' Annual Report	1 - 11
Statement of director's responsibilities	12
Independent Auditors' Report	13 - 16
 Funds Statements:-	
Statement of Financial Activities	17
Statement of Financial Activities - Prior Year statement	18
Movements in funds	19
Revenue Funds	19
Fixed Asset funds	19
Summary of funds	19
Income and Expenditure account	20
 Balance sheet	21 - 22
Cash flow statement	23
Notes to the accounts	24 - 32
Detailed Analysis of Income & Expenditure	33 - 39
Activity Analysis of Income & Expenditure	40 - 42

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

The Trustees present their Report and Accounts for the year ended 31 December 2020.

Reference and administrative details

The charity name.

The legal name of the charity is:- MERCY RELIEF.

The charity is also known by its operating name, MERCY RELIEF.

The charity's areas operation and UK charitable registration.

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1122376.

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

The charity is constituted as a Charitable Incorporated Organisation (CIO) in England & Wales. The governing document of the charity is the constitution of the CIO as approved by the Charity Commission in England & Wales (CCEW).

The governing document is dated 05 December 2007

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

The trustees are all individuals.

The principal operating address, telephone number, email and web addresses of the charity are:-

565 Coventry Road

Small Heath

Birmingham West

Midlands

B10 0LP

Telephone 0121 493 8909

Email Address info@mercyrelief.org.uk

Web address <https://www.mercyrelief.org.uk/>

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

The Trustees in office on the date the report was approved were:-

Mr Kamel Ahmed (Chairman) (Deceased July 2020)
Dr Abdullah Abdurrahman Dabwan Saif (Trustee)
Dr Nizar Al Korbani (Trustee)
Mrs Asma Ali Hussein (Trustee)
Mr Tarish Abdullah A Al-Thubhani (Trustee)
Mrs Sawsan Soliman A Sobhy (Trustee)
Mr Adbul Hakim Al-Qazi (Trustee) (Resigned October 2020)
Mr Abdul Wadod Mohamed (Trustee) (Appointed as Chairman in September 2020)
Dr Nabeil Maflahi (Trustee)

The following persons served as Trustees during the year ended 31 December 2020 :-

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts. The Charity delegate day-to-day management to Fountain of Knowledge.

Objects and activities of the charity

The purposes of the charity as set out in its governing document.

- 1) The relief of financial needs and suffering among the people living in Yemen and the United Kingdom, especially those of Yemini Origin
- 2) The relief of sickness and the preservation of health among people residing permanently or temporarily in the Yemen and the United Kingdom Especially those of Yemini origin.
- 3) The relief of poverty and the improvement of the condition of life in socially disadvantaged communities in the Yemen and the United Kingdom, especially those of Yemini origin.
- 4) To advance the general education of the public within the Yemen and the United Kingdom, especially those of Yemeni origin.

The main activities undertaken in relation to those purposes during the year.

- To sustain and increase orphan sponsorships.
- Several charity collections at various mosques.
- Family Fun days and Charity bazaars.
- Orphans in Yemen benefited from our sponsorship scheme.
- Bakeries for the poor were supplied to help them continue their work.
- Food parcels were distributed to the needy.
- A huge quantity of fresh meat (Qurbani) was distributed to the needy.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

The main activities undertaken during the year to further the charity's purpose for the public benefit.

- Encouraging the public to sponsor orphans.
- Providing the means to network through holding charity events days (e.g. Orphan Day, Family Fun Days, Charity Bazaars, Charity Dinners)
- Raising awareness regarding the various programmes through charity collections at various events and places of worship.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

The short term and longer term aims and objectives.

The 'Aims & Objectives' of the Charity are to promote any & all charitable purposes, for the benefit & improvement of the quality of life for the beneficiaries, including their rehabilitation & development. The Charity will undertake & facilitate these activities through any means that fulfil the aims, including:

- Provision of advice & guidance services
- Provision of practical support & assistance
- Promotion & provision of education
- Development of skills via work-based training
- Promotion & development of sport & physical training

The charity's strategies for achieving its aims and objectives in the future.

At the end of 2019 an estimated 80% of the population, 24 million people required some form of humanitarian or protection assistance.

An online strategy was developed to take advantage of the lockdown with the population forced to communicate, access services and work via online, the strategy enabled MR to rethink their plans, increasing capacity and reallocating funds to online marketing to start earlier than its competitors to market projects, build interest and donations before the start of the busiest period, Ramadan. This continued throughout 2020.

How the activities undertaken during the year contributed to the achievement of the aims and objectives.

This year, 2021 has been an exceptional year in many ways for MR, having major setback as the pandemic started to get hold and the lockdowns imposed prevented the pre-Ramadan fundraising events, volunteer led fundraising activities and challengers etc.

As the lockdown became widespread it became clear that the virus and the lockdown will be with us over the most busiest period of the year, Ramadan. With this in mind we started to develop a strategy on how best to take advantage of the lockdown and look at the opportunities it gave us.

The strategy and the fundraising activities enabled MR to deliver essential aid to improve the lives' of thousands of the most in need in Yemen, to sponsor orphans.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

Resources used in the activities undertaken during the year.

Our resources moved from the traditional fundraising activities to focusing on activities that engaged supporters online. Resources were directed towards online marketing using google and show casing the lifesaving projects on YouTube building the profile of MR online. Resources enabled our volunteers, supporters and influencers to raise funds via our website by dedicating website pages to showcase certain key projects and campaigns throughout key dates in the year.

The main achievements and performance of the charity during the year.

By raising new funds and carefully managing our existing funds, MR supported over 300 orphans and their families over the year. Providing much needed clean water to over 11,000 people and food including regular bread to over 20,000 people most of which are families with young children.

When considering where to focus our attention our teams assess the needs of the people and priorities lifesaving interventions.

This year we continued to build on our success of:

Sponsoring over 300 orphans and supporting their families with £69,410 of aid. The support was over the full year.

Providing lifesaving interventions; £61,439 of Emergency aid to beneficiaries that have been displaced due to the conflict.

Facilitating new bread factories in key locations and supporting the existing bread factories with £172,351 of funding for flour and running costs etc, enabling our teams on the ground to reach even more people desperate to find food.

MR made real progress to tackle the shortage of food to those in need providing £102,806 of food aid comprising of food parcels for the whole family.
£72,852 feed the fasting over the Ramadan month.
£196,096 of Qurbani for the hard to reach displaced families.

Many life's have been saved tackling malnutrition and lack of food.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

Fundraising activities during the year.

Our resources moved from the traditional fundraising activities to focusing on activities that engaged supporters online. Resources were directed towards online marketing using google and showcasing the life saving projects on YouTube building the profile of MR online.

The Charity saw an increase in the number of individuals contributing to its work, ending 2020. This increase has contributed to a £806K growth in donations from supporters and Gift Aid Refunds compared to 2019, at £1,215.9K in 2020. Raising funds from individuals continues to be our main source of funding to invest in humanitarian aid in Yemen, income source diversification continues to be critical in the current climate. We plan to do this by focusing on building income, working with our partners, implementing innovative online campaigns and developing excellent donor care support. In 2020 our partners contributed over £302K to those hard to reach communities in Yemen.

We have continued to innovate and in 2020 launched Donor Care department a team dedicated to supporting our supporters ensuring they receive feedback of the work we do. Innovation and developing our case for support both contribute towards diversifying our fundraising and growing income.

The charity follows a set of five fundraising principles, which we use to guide our fundraising policy, strategy and the behaviour of our fundraisers and the professional fundraising agencies we work with. These principles lay out our commitment to our supporters:

- 1.Our fundraising respects and protects our mission.
- 2.We fundraise with integrity
- 3.We work in partnership with those who support us
- 4.We value and respect our supporters
- 5.We are transparent in our fundraising and use of funds.

The Charity's fundraising activity complies with all relevant legislation and regulation. The Charity complies with the Code of Fundraising Practice and is registered with the Fundraising Regulator.

Training and procedures are provided to enable staff to put the fundraising policy and principles into practice and to carry out fundraising activities in compliance with relevant legislation, regulation and the standards set out in the Code of Fundraising Practice.

Our Donor care team received a total of 7 complaints in relation to the website and the Charity's fundraising activities in 2020. Of these complaints, we identified that all 5 related directly a bug on the website of the Charity. We respond to all complaints, and ensure corrective action is taken if required. Those corrective actions might include updating the website, retraining fundraisers and revising our fundraising activities. We recognise the need to ensure we respond appropriately when our fundraisers engage with people who may be in vulnerable circumstances. We are committed to showing respect and empathy towards people in vulnerable circumstances and we ensure that no donation is sought from someone who may not have the capacity to make an informed and considered decision.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

The difference the charity's performance during the year has made to the beneficiaries of the charity.

Many lives have been saved tackling malnutrition and lack of food.

Due to the conflict, many medical institutions / centres have closed down or do not have essential medicine. MR medical fund supported thousands of people given £125,138 worth of medicines and medical aid to those in deep poverty or have been displaced.

The degree to which the achievements and performance during the year have benefited wider society.

Public benefit that is provided by the charity is:

To educate the public of the conflict Yemeni people are facing, and how they can help to alleviate their suffering.

How the achievements during the year measure up to the objectives set.

Raising awareness regarding the various programmes through charity collections at various events.

The performance of material fundraising activities during the year against the fundraising objectives set.

Performance of the organisation has exceeded the charities expectation to maintain last year's income due to the effects of the lockdown on the fundraising activities. The charity has raised this year £1,215,953 almost 3 times the amount raised last year of £409,906 which allowed that charity to delivery £937,870 worth of life saving aid compared with only £371,852 last year.

Structure, governance and management of the charity

The methods used to recruit and appoint new charity trustees.

The trustees are selected from the members of the local community who regularly attend events and functions organised by the charity.

The policies and procedures for the induction and training of trustees.

The trustees are selected from individuals who are active in the local community. A comprehensive induction process and ongoing training in new or emerging areas of responsibility ensure we benefit from a professional and appropriate board of trustees.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

The charity's organisational structure.

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits for completing their duties as a charity trustee.

The trustees currently meet together usually 4 times per year and discuss decisions in relation to running the charity. To assist in the smooth running of the charity, the trustees have set up a lead trustee supported by other trustees to help oversee the smooth running of the day to day activities of the charity.

How the charity makes decisions and how decisions are delegated.

The major decisions are taken with a vote from the board of trustees.

Setting pay and remuneration of key management personnel

There is no pay or remuneration to key management personnel. All key personnel are offering their services voluntarily.

Trustees remuneration and other benefits would be nil during the year.

The charity's relationships with related parties.

Bankers	TSB, 134 New Street, Small Heath, Birmingham, B2 4NS
Solicitors	Simons Muirhead Burton LLP, 87-91 Newham Street, London , W1T 3EY
Accountants	Midas Financials, 20-22 Wenlock Road, London, N1 7GU

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

Financial review

The charity's financial position at the end of the year ended 31 December 2020

The financial position of the charity at 31 December 2020 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2020 £	2019 £
Net income	39,565	31,970
Unrestricted Revenue Funds available for the general purposes of the charity	12,483	54,052
Restricted Revenue Funds	103,979	22,845
Total Funds	116,462	76,897

Financial review of the position at the reporting date, 31 December 2020 .

The trustees consider the financial position at the reporting date to be of a healthy nature and will be able to continue to provide charitable activities in the future.

Policies on reserves.

Restricted reserves represent donations and grants for specific projects that are unspent at the balance sheet date, and which will be spent on the specified programmes in the coming financial years.

General reserves (also known as unrestricted reserves) are not restricted to specific projects but ensure that the delivery of our vital programmes is not disrupted by unforeseen circumstances, such as a fall in income or rise in expenditure.

The reserves is necessary to ensure that the charity's activities can continue on a day-today basis and, in particular, can continue in the event of a major unforeseen reduction of income or increase in expenditure. These reserves provide a contingency to enable the charity to take the necessary actions to bring income and expenditure into line.

In line with recommendations of the Charity Commission, the Charity have adopted a risk-based reserves policy which is reviewed annually. The target range of reserves is determined by considering the key strategic and operational risks facing the charity, as well as the strategic plans and current financial position. Considering these factors, the charity have determined that reserves should be within the range of £150K to £250K.

We have set a balanced budget for 2021, and undertake financial planning which delivers reserves within our target range.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

Going Concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Availability and adequacy of assets of each of the funds

In view of the financial performance and the reserves position as at the balance sheet date, the Board of trustees has a reasonable expectation that Mercy Relief will have the resources to continue in operational existence for the foreseeable future.

The Trustees believe there are no material uncertainties that call into doubt our ability to continue as a going concern. The annual financial statements have therefore been prepared on the basis that the charity is a going concern.

Significant events which have affected the financial performance and the financial position.

Due to the current Covid-19 pandemic, the usual ways to raise money for the charity was challenged. Due to government restriction fundraising activities could not take place. Even with restrictions in place the charity have performed excellently and is in a strong financial position to maintain the charitable work in the future.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

The major risks to which the Charity is exposed and reviews and systems to mitigate them.

The implications and consequences of the current Covid-19 pandemic cannot be easily quantified at this early stage, but could have the potential to be extremely far-reaching both financially and operationally. It is difficult to accurately predict how Mercy Relief's donations will be affected in 2021, but it is anticipated that the coronavirus pandemic will hamper our ability to fundraise in the usual way. Resources are currently being redirected to alternative methods of fundraising that does not require face-to-face interaction, such as online platforms. Plans are being implemented to reduce costs. Mercy Relief is also reviewing its business model to further stabilise its funding and unrestricted income. It is anticipated that these efforts should, at least in part, mitigate the expected drop in income.

Risk and assurance risk management is an integral part of our governance. We identify and address our key strategic risks in order to mitigate their likelihood and impact. There are two levels to the risk and assurance process. Our strategic risk approach is designed to identify the key risks which could prevent the Charity from achieving its strategic objectives. It also identifies the assurance processes which we have in place to mitigate these risks and any outstanding actions around these assurance processes.

We also consider the operational risks which underpins the strategic risk framework, dealing with a greater number of potential risks at a more detailed level.

The Covid-19 global crisis impacted the Charity's operations significantly in 2020. The fundraising environment has been impacted, with more fundraising now happening online, and activities requiring face to face interaction curtailed. This is particularly the case for fundraising events such as speaker tours. Our supporters have maintained their regular payments, with lower cancellation rates throughout 2020 than in prior years. That highly valued support has helped limit the overall financial impact of Covid-19.

The major strategic risks of the Charity, together with plans and strategies in managing these risks, are shown below.

Financial	We have a fundraising strategy which supports growth and a return on fundraising investments Approval of budgets and KPT Oversight of spending and performance Periodic review of Financial Sustainability
Reputational	We have policies and procedures in place to manage these risks covering acceptance of donations, unauthorised fundraising, fundraising by third parties, data protection and social media.
Compliance	Staff are trained on data protection and GDPR The Donor care department monitors GDPR preferences of supporters with their data We undertake regular fundraising compliance checks and monitor developments in the sector.
Safeguarding	Policies and procedures safeguarding our beneficiaries, supporters and staff are in place. Reporting of any safeguarding concerns to management and board. Training for our partners on keeping beneficiaries and children safe.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

Factors likely to affect future financial performance .

Due to the current Covid-19 pandemic the future financial performance can be affected as the usual mean of raising money for the charity needed to be reviewed in line with government restrictions.

Principal funding sources in the year and how these support the key objectives of the charity.

The charity's main source of income is from donations from those various fund-raising activities that take place during the year and online donations.

Plans For the Future

Summary of plans for the future and the trustees' perspective of the future direction of the charity.

Our plans are to continue to increase our level of fundraising to achieve our target of £1.5m a year which will help us work with our partners in delivering lifesaving sustainable projects to those most affected by the conflict and poverty in Yemen.

Details of The Auditor

MR P. JAYAWARDENE

Member of Institute of Chartered Accountants and Statutory Auditors

4A The Avenue

Highams Park

London

E4 9LD

Statement as to disclosure of information to auditors

The trustees state that so far as each of the trustees at the time this report was approved are aware:-

- a) There is no relevant audit information (as defined by section 418(3) of the Companies Act 2006) of which the auditors are unaware, and
- b) The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

MERCY RELIEF

Trustees' Annual Report for the year ended 31 December 2020

Statement of Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. 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.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the auditor in relation to the Trustees' report is limited to examining the report and ensuring that, the report is consistent with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 31 January 2022.



ABDUL WADOD MOHAMED
Chairman

MERCY RELIEF

Independent Auditors' Report to the Trustees of the charity on the accounts for the year ended 31 December 2020

Introduction

We have audited the financial statements of MERCY RELIEF for the year ended 31 December 2020, as set out on pages 18 to 32, which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements of the charity are prepared, in all material respects, in accordance with charity law applicable within the jurisdiction of England & Wales and, in particular, the accounts have been prepared in accordance with FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016, under the historical cost convention, and in accordance with the accounting policies set out on pages 24 to 28, which framework constitutes the applicable United Kingdom Generally Accepted Accounting Practice.

Limitation of liability

This report is made solely to the Trustees of the charity, as a body, in accordance with the requirements of Section 154 of the Charities Act 2011 (The Act). Our work has been undertaken so that we might state to the 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 liability or responsibility to anyone other than the Trustees as a body, for our work, for this report or for the opinions we have formed.

Basis for our opinion

We have been appointed as auditors under section 144(2) of The Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (ISAs-UK), issued by the Financial Reporting Council, and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 England & Wales, 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

As described on page 12, you, the charity's Trustees, are responsible for the preparation of the financial statements in accordance with the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees, who are charged with governance, are responsible for overseeing the charity's financial reporting process.

MERCY RELIEF

Independent Auditors' Report to the Trustees of the charity on the accounts for the year ended 31 December 2020

Management is responsible for the preparation of the financial statements in accordance with charity law of the jurisdiction of England & Wales and for such internal control as management determines 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, management is 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 management either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and ISAs-UK. Those standards require us to comply with the Ethical Standards for Auditors published by the Financial Reporting Council and to:-

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, to design and perform audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion;

To obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control;

To evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the charity;

To conclude on the appropriateness of the charity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern;

To evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.

We are required to report to the Trustees our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Charities (Accounts and Reports) Regulations 2008.

We are also required to report to you if, in our opinion, the Trustees' Annual Report is materially inconsistent with the financial statements, if the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

MERCY RELIEF

Independent Auditors' Report to the Trustees of the charity on the accounts for the year ended 31 December 2020

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

We conducted our audit in accordance with ISAs-UK and in accordance with the Practice Note 'The Audit of Charities in the United Kingdom', revised in March 2012.

We are required to plan and perform our audit so as to meet the above requirements and to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In the course of our audit, we communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

Assistance with accountancy and tax matters

In accordance with the exemption provided by APB Ethical Standard – Provisions Available for Smaller Entities, we have prepared and submitted the charity's returns to the tax authorities and assisted with the preparation of the accounts.

Prior Year figures

The charity was exempt from the requirements of a statutory audit in the prior period and availed itself of this exemption. Accordingly, the comparative figures for the prior period have not been audited, and our opinion does not extend to those figures, except where they impact on balances brought forward to the year ended 31 December 2020.

Eligibility of auditor and status of audit

We confirm that we are eligible under section 144(2) of the Charities Act 2011 to conduct this audit, and that this report is a report in respect of an audit carried out under the Act and in accordance with the related regulations.

Attention is drawn to the accounting policy stating that, notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, and in order to accord with current best practice, the Trustees have determined to prepare the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP). We concur with this approach, and any references in our report to the regulations should be read subject to this comment.

MERCY RELIEF

Independent Auditors' Report to the Trustees of the charity on the accounts for the year ended 31 December 2020

Opinion on the Financial Statements

In accordance with Regulations 25(g) and (h) of the Charities (Accounts and Reports) Regulations 2008, in our opinion the charity's financial statements:

- * Give a true and fair view of the state of affairs of the charity as at 31 December 2020 and of its Income and Expenditure for the financial year then ended and, in particular, the financial statements
- * have been properly prepared, in all material respects, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to entities of its size and have been properly prepared in accordance with the requirements of the Charities Act 2011;
- * and have been prepared in accordance with the methods and principles required by the FRS102 Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission in England & Wales (CCEW), effective January 2015 (The SORP), and those methods and principles have been followed.

Matters upon which we are required to report by exception

We have nothing to report in respect of the following matters where the Charity Commission requires us to report to you, if in our opinion:

- * the charity has not kept adequate accounting records; or
- * the financial statements are not in agreement with the accounting records and returns; or
- * if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.
- * we have not received all the information and explanations we require for our audit.

Signed:-

peter jayawardene

MR P. JAYAWARDENE - Senior Statutory Auditor

For and on behalf of Gardezi Jay & Company - Registered Auditors

Chartered Accountants and Statutory Auditors

4A The Avenue
Highams Park
London
E4 9LD

This report was signed on 31 January 2022

MERCY RELIEF - Statement of Financial Activities for the year ended 31 December 2020

Statement of Financial Activities for the year ended 31 December 2020

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2020 £	2020 £	2020 £	2019 £
Income & Endowments from:					
Donations & Legacies	A1	276,658	939,295	1,215,953	409,906
Total income	A	276,658	939,295	1,215,953	409,906
Expenditure on:					
Raising funds	B1	234,998	-	234,998	6,084
Charitable activities	B2	83,229	858,161	941,390	371,852
Total expenditure	B	318,227	858,161	1,176,388	377,936
Net income for the year		(41,569)	81,134	39,565	31,970
Net income after transfers	A-B	(41,569)	81,134	39,565	31,970
Net movement in funds		(41,569)	81,134	39,565	31,970
Total funds brought forward		54,052	22,845	76,897	44,927
Total funds carried forward		12,483	103,979	116,462	76,897

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

The notes attached on pages 24 to 32 form an integral part of these accounts.

MERCY RELIEF - Statement of Financial Activities for the year ended 31 December 2020

MERCY RELIEF - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	SORP Ref	Prior Year Unrestricted Funds 2019 £	Prior Year Restricted Funds £	Prior Year Total Funds 2019 £
Income & Endowments from:				
Donations & Legacies	A1	191,019	218,887	409,906
Total income	A	191,019	218,887	409,906
Expenditure on:				
Raising funds	B1	6,084	-	6,084
Charitable activities	B2	145,810	226,042	371,852
Total expenditure	B	151,894	226,042	377,936
Net income for the year		39,125	(7,155)	31,970
Net income after transfers		39,125	(7,155)	31,970
Net movement in funds		39,125	(7,155)	31,970
Total funds brought forward		14,927	30,000	44,927
Total funds carried forward		54,052	22,845	76,897

All activities derive from continuing operations

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.'

The notes attached on pages 24 to 32 form an integral part of these accounts.

MERCY RELIEF - Statement of Financial Activities for the year ended 31 December 2020

MERCY RELIEF - Resources applied in the year ended 31 December 2020 towards fixed assets for Charity use:-

	2020 £	2019 £
Funds generated in the year as detailed in the SOFA	39,565	31,970
Net resources available to fund charitable activities	39,565	31,970

Movements in revenue and capital funds for the year ended 31 December 2020

Revenue accumulated funds

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last year Total Funds 2019 £
Accumulated funds brought forward	54,052	22,845	76,897	44,927
Recognised gains and losses before transfers	(41,569)	81,134	39,565	31,970
	12,483	103,979	116,462	76,897
Closing revenue funds	12,483	103,979	116,462	76,897

Summary of funds

	Unrestricted and Designated funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last Year Total Funds 2019 £
Revenue accumulated funds	12,483	103,979	116,462	76,897
Total funds	12,483	103,979	116,462	76,897

The notes attached on pages 24 to 32 form an integral part of these accounts.

MERCY RELIEF - Statement of Financial Activities for the year ended 31 December 2020

MERCY RELIEF

Income and Expenditure Account for the year ended 31 December 2020

	2020 £	2019 £
Income		
Income from operations	1,184,792	409,906
Refunds from HMRC on gift aided donations	31,161	-
Gross income in the year before exceptional items	1,215,953	409,906
Gross income in the year including exceptional items	1,215,953	409,906
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	936,490	371,452
Depreciation and amortisation	400	400
Fundraising costs	234,998	6,084
Governance costs	4,500	-
Total expenditure in the year	1,176,388	377,936
Net income before tax in the financial year	39,565	31,970
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	39,565	31,970
Retained surplus for the financial year	39,565	31,970

All activities derive from continuing operations

The headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 24 to 32 form an integral part of these accounts.

MERCY RELIEF - Balance Sheet as at 31 December 2020

	SORP		2020	2019
	Note	Ref	£	£
Fixed assets		A		
Tangible assets	9	A2	1,200	1,600
Current assets		B		
Cash at bank and in hand		B4	122,718	75,297
Total current assets			<u>122,718</u>	<u>75,297</u>
Creditors: amounts falling due within one year	10	C1	<u>(7,456)</u>	<u>-</u>
Net current assets			115,262	75,297
The total net assets of the charity			<u>116,462</u>	<u>76,897</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

Restricted funds				
Restricted Revenue Funds	14	D2	103,979	22,845
			103,979	22,845
Unrestricted Funds				
Unrestricted Revenue Funds	14	D3	12,483	54,052
			12,483	54,052
Designated Funds				
Total charity funds			<u>116,462</u>	<u>76,897</u>

MERCY RELIEF - Balance Sheet as at 31 December 2020

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to audit under charity legislation, and the report of the Charities Act auditor is on pages 13 to 16.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.



ABDUL WADOD MOHAMED

Chairman

Approved by the board of trustees on 31 January 2022

The notes attached on pages 24 to 32 form an integral part of these accounts.

MERCY RELIEF

Cash Flow Statement for the year ended 31 December 2020

	2020 £	2019 £
Cash flows from operating activities		
Net cash provided by operating activities as shown below	A 47,421	32,370
Overall cash provided by all activities	A 47,421	32,370
Cash movements		
Change in cash and cash equivalents from activities in the year ended 31 December 2020	47,421	32,370
Cash and cash equivalents at 1 January 2020	75,297	-
Cash at bank and in hand less overdrafts at 31 December	122,718	32,370
Reconciliation of net income to net cash flow from operating activities		
Net income as shown in the Statement of Financial Activities	39,565	31,970
Adjustments for :-		
Depreciation charges	400	400
Decrease in debtors	-	-
Increase in creditors, excluding loans	7,456	-
Net cash provided by operating activities	A 47,421	32,370
Analysis of cash and cash equivalents		
	2020 £	2019 £
Cash in hand at for the year ended 31 December 2020	122,718	75,297
Total cash and cash equivalents	122,718	75,297
Analysis of change in net debt		
	<i>At start of year</i>	<i>Cash Flows and At end of year</i>
Cash	75,297	47,421
Total	75,297	122,718

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , effective January 2016, , and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Going Concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Risks and future assumptions

The charity is a public benefit entity and is essentially there to;

- Deliver an effective emergency response for the people of Yemen.
- Secure sustainable livelihood opportunities for the marginalised and the poorest communities.
- Provide access to essentials for day to day living.

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value of donations received from donors.

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

Staffing - on the basis of time spent in connection with any particular activity.

Staffing - on a per capita basis, based on the number of people employed within any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 5.

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

Policies relating to assets, liabilities and provisions and other matters.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Plant and machinery	20 % straight line
---------------------	--------------------

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

2 Liability to taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

4 Net surplus before tax in the financial year

	2020 £	2019 £
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	400	400
Auditors' remuneration	4,500	-
	4,900	400

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

5 The contribution of volunteers

The charity depends on the support of its volunteers, which is much appreciated. The charity had a number of Volunteers who donate a considerable amount of time and their resources to help the charity run on a daily basis. The arrangements with volunteers are difficult to value precisely in monetary terms and have not been recognised in the Statement of Financial Activities. The volunteers and the charity accept and agree that no contract of employment is created by these arrangements.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

7 Trustees' expenses

No trustee expenses were incurred, either in the current or prior year.

8 Heritage assets not included in the accounts

There are no Heritage assets.

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

9 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 January 2020	-	2,000	-	2,000
At 31 December 2020	-	2,000	-	2,000
Depreciation				
At 1 January 2020	-	400	-	400
Charge for the year	-	400	-	400
At 31 December 2020	-	800	-	800
Net book value				
At 31 December 2020	-	1,200	-	1,200
At 31 December 2019	-	1,600	-	1,600
<i>Prior Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
01 January 2019	-	2,000	-	2,000
01 January 2020	-	2,000	-	2,000
Depreciation				
Charge for the year	-	400	-	400
01 January 2020	-	400	-	400
Net book value				
01 January 2020	-	1,600	-	1,600
01 January 2019	-	2,000	-	2,000

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

10 Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals	7,456	-
	7,456	-

11 Income and Expenditure account summary

	2020	2019
	£	£
At 1 January 2020	76,897	44,927
Surplus after tax for the year	39,565	31,970
At 31 December 2020	116,462	76,897

12 No related party transactions

There were no transactions with related parties in the year.

13 Particulars of how particular funds are represented by assets and liabilities

At 31 December 2020

	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	1,200	-	-	1,200
Current Assets	18,739		103,979	122,718
Current Liabilities	(7,456)	-	-	(7,456)
	12,483	-	103,979	116,462

At 1 January 2020

	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	1,600	-	-	1,600
Current Assets	52,452	-	22,845	75,297
	54,052	-	22,845	76,897

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

14 Change in total funds over the year as shown in Note 13 , analysed by individual funds

	Funds brought forward from 2019	Movement in funds in 2020	Transfers between funds in 2020	Funds carried forward to 2021
	£	See Note 15 £	See Note 0 £	£
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	54,052	(41,569)	-	12,483
Total unrestricted and designated funds	54,052	(41,569)	-	12,483
<i>Restricted funds:-</i>				
Donations & Legacies	22,845	939,295	-	962,140
Expenditure on charitable activities	-	(858,161)	-	(858,161)
Total restricted funds	22,845	81,134	-	103,979
Total charity funds	76,897	39,565	-	116,462

MERCY RELIEF

Notes to the Accounts for the year ended 31 December 2020

15 Analysis of movements in funds over the year as shown in Note 14

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2020	2020	2020	2020
	£	£	£	£
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	276,658	(318,227)	-	(41,569)
<i>Restricted funds:-</i>				
Donations & Legacies	939,295	-	-	939,295
Expenditure on charitable activities	-	(858,161)	-	(858,161)
	1,215,953	(1,176,388)	-	39,565

16 The purposes for which the funds as

Unrestricted and designated funds:-

Unrestricted Revenue Funds	These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.
Unrestricted Revaluation Reserve	This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.

Restricted funds:-

Restricted Fixed Asset Funds	The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.
Restricted Revaluation Reserve	This fund represents the restricted surplus arising on the revaluation of the charity's assets.
Donations & Legacies	Restricted for the purpose restricted by the donor.

17 Ultimate controlling party

The charity is under the control of its legal members.

MERCY RELIEF

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

This analysis is classsified by conventional nominal descriptions and not by activity.

18 Donations, Grants and Legacies

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
Donations and gifts from individuals				
Small donations individually less than £1000	235,497	637,174	872,671	409,906
Refunds from HMRC on gift aided donations	31,161	-	31,161	-
Human Appeal	-	164,625	164,625	-
One Ummah Charity	-	112,188	112,188	-
Muslim Charity	-	25,308	25,308	-
Total donations and gifts from individuals	266,658	939,295	1,205,953	409,906

All the donations and gifts in the prior year were unrestricted and restricted.

Donations and gifts from individuals (Include HMRC refunds on gift aided donations) - Prior Year analysis

<i>Prior year</i>	Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
	2019	2019	2019
	£	£	£
Small donations individually less than £1000	191,019	218,887	409,906
Refunds from HMRC on gift aided donations	-	-	-
Prior year	191,019	218,887	409,906

MERCY RELIEF

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

Revenue grants from government and public bodies - Current Year analysis

<i>Current Year</i>	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Revenue grants from government and public bodies				
Birmingham City Council - Covid Grant	10,000	-	10,000	-
Total public sector revenue grants	10,000	-	10,000	-

Revenue grants from government and public bodies - Prior Year analysis

<i>Prior Year</i>	Prior Year Unrestricted Funds 2019 £	Prior Year Restricted Funds 2019 £	Prior Year Total Funds 2019 £	
Small donations individually less than £1000	-	-	-	
Prior Year	-	-	-	
Total Donations, Grants and Legacies				
Total Donations, Grants and Legacies A1	276,658	939,295	1,215,953	409,906

All the donations and gifts in the prior year were unrestricted and restricted.

<i>Prior year</i>	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Prior Year Total Funds 2019 £
Total Donations, Grants and Legacies A1	191,019	218,887	409,906

MERCY RELIEF

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

19 Expenditure on charitable activities- Grant funding of activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020 £	2020 £	2020 £	2019 £
Grants made to organisations	14,700	858,161	872,861	359,959
Total grantmaking costs B2c	14,700	858,161	872,861	359,959

Breakdown of Grants made to organisations

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds
	2020 £	2020 £	2020 £
Bakery for the poor		172,351	172,351
Cholera Project		44,244	44,244
Eid gifts		769	769
Emergency		61,439	61,439
Fedyah		634	634
Feeding The Fasting		72,852	72,852
Food Parcels - Yemen		102,806	102,806
General fund		-	-
Ledsmosque		1,363	1,363
Malnutrition		1,470	1,470
Medical		20,338	20,338
Mosque		2,405	2,405
Orphan Funds		36,409	36,409
Orphan Sponsorship		33,009	33,009
Qurbani		196,096	196,096
Water Tanks or Water Wells		12,912	12,912
Winter Aid		45,300	45,300
Zakat-ul-Fitr		166	166
Zakat-ul-Maal	14,700	53,598	68,298
	14,700	858,161	872,861

All the expenditure in the prior year was unrestricted and restricted.

MERCY RELIEF

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

<i>Prior Year</i>	Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
	2019	2019	2019
	£	£	£
Grants made to organisations	133,917	226,042	359,959
Total grantmaking costs	133,917	226,042	359,959

All the expenditure in the prior year was unrestricted and restricted.

Breakdown of Grants made to organisations

<i>Prior Year</i>	Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
	2019	2019	2019
	£	£	£
Food Parcels - Yemen	133,917	-	133,917
General fund		226,042	226,042
	133,917	226,042	359,959

MERCY RELIEF

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

20 Support costs for charitable activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
Premises Expenses				
Rent, Rates and water charges	8,800	-	8,800	9,570
Property insurance	559	-	559	391
Administrative overheads				
Telephone, fax and internet	312	-	312	424
Stationery and printing	1,555	-	1,555	-
Software licences and expenses	3,116	-	3,116	-
Advertising and marketing	16,404	-	16,404	-
Professional fees paid to advisors other than the auditor or examiner				
Accountancy fees other than examination or audit fees	11,640	-	11,640	-
Legal fees	2,400	-	2,400	-
Consultancy fees	17,700	-	17,700	-
Financial costs				
Bank charges	1,143	-	1,143	1,108
Depreciation & Amortisation in total for	400	-	400	400
Support costs before reallocation	64,029	-	64,029	11,893
Total support costs - Current Year B2d	64,029	-	64,029	11,893

The basis of allocation of costs between activities is described under accounting policies

<i>Prior Year</i>	Prior Year	Prior Year	Prior Year
	2019	2019	2019
Premises Expenses			
Rent, Rates and water charges	9,570	-	9,570
Property insurance	391	-	391
Administrative overheads			
Telephone, fax and internet	424	-	424
Financial costs			
Bank charges	1,108	-	1,108
Depreciation & Amortisation in total for	400	-	400
Support costs before reallocation	11,893	-	11,893
Total support costs - Prior Year B2d	11,893	-	11,893

The basis of allocation of costs between activities is described under accounting policies

MERCY RELIEF

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

21 Other Expenditure - Governance costs

<i>Current Year</i>		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2020	2020	2020	2019
		£	£	£	£
Auditor's fees		4,500	-	4,500	-
Total Governance costs	B2e	4,500	-	4,500	-

<i>Prior Year</i>		Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds	
		2019	2019	2019	
		£	£	£	
Auditor's fees		-	-	-	
Total Governance costs	B2e	-	-	-	

22 Total Charitable expenditure

<i>Current Year</i>		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2020	2020	2020	2019
		£	£	£	£
Total direct spending	B2a	-	-	-	-
Total grantmaking costs	B2c	14,700	858,161	872,861	359,959
Total support costs	B2d	64,029	-	64,029	11,893
Total Governance costs	B2e	4,500	-	4,500	-
Total charitable expenditure	B2	83,229	858,161	941,390	371,852

MERCY RELIEF

Detailed analysis of income and expenditure for the year ended 31 December 2020 as required by the SORP 2015

<i>Prior Year</i>		Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
		2019	2019	2019
		£	£	£
Total direct spending	B2a	-	-	-
Total grantmaking costs	B2c	133,917	226,042	359,959
Total support costs	B2d	11,893	-	11,893
Total Governance costs	B2e	-	-	-
Total charitable expenditure	B2	145,810	226,042	371,852

23 Expenditure on raising funds and costs of investment management

<i>Current Year</i>		Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2020	2020	2020	2019
		£	£	£	£
Fundraising publicity & marketing		188,484	-	188,484	-
Cost of fundraising activities		28,969	-	28,969	6,084
Fundraising Website maintenance		17,545	-	17,545	-
Total fundraising costs	B1	234,998	-	234,998	6,084

<i>Prior Year</i>		Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
		2019	2019	2019
		£	£	£
Fundraising publicity & marketing		-	-	-
Cost of fundraising activities		6,084	-	6,084
Total fundraising costs	B1	6,084	-	6,084

MERCY RELIEF

Activity analysis of Income and expenditure for the for the year ended 31 December 2020

This analysis is classssified by activity and not by conventional nominal descriptions.

24 Analysis of income by activity

	SOFA ref	2020 £	2019 £
Summary of Total Income			
Donations & Legacies	A1	1,215,953	409,906
Total income as shown in the SOFA	A	1,215,953	409,906

25 Analysis of charitable expenditure by activity

Activity	Direct costs	Support costs	Grant funding of activities	Total	Total
	2020 £	2020 £	2020 £	2020 £	2019 £
Charitable Donations					
Premises expenses	-	9,359	-	9,359	9,961
Administrative overheads	-	21,387	-	21,387	424
Professional fees	-	31,740	-	31,740	-
Financial costs	-	1,543	-	1,543	1,508
Grantmaking costs	-	-	290,953	290,953	119,987
Total Charitable Donations	-	64,029	290,953	354,982	131,880

MERCY RELIEF

Activity analysis of Income and expenditure for the for the year ended 31 December 2020

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
<i>Orphan Sponsorship</i>					
Grantmaking costs	-	-	290,954	290,954	119,986
Total Orphan Sponsorship	-	-	290,954	290,954	119,986

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
<i>Other charitable activities</i>					
Grantmaking costs	-	-	290,954	290,954	119,986
Total Other charitable activities	-	-	290,954	290,954	119,986

Summary of charitable costs by activity

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
Total Charitable Donations	-	64,029	290,953	354,982	131,880
Total Orphan Sponsorship	-	-	290,954	290,954	119,986
Total Other charitable activities	-	-	290,954	290,954	119,986
Total Governance costs as detailed in Note 21	-	4,500	-	4,500	-
Total charitable expenditure	-	68,529	872,861	941,390	371,852

The basis of allocation of costs between activities is described under accounting policies

The breakdown of this expenditure by type of spending (ie nominal classification) is detailed in note 22

MERCY RELIEF

Activity analysis of Income and expenditure for the for the year ended 31 December 2020

Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human Resources	Other Overheads	Total
Charitable Donations	4,500	1,543	-	62,486	68,529
Grand Total	4,500	1,543	-	62,486	68,529

Summary of grant making by activity

	Grants to institutions	Grants to individuals	Support costs	Total	Total
	2020 £	2020 £	2020 £	2020 £	2019 £
Charitable Donations	290,953	-	-	290,953	119,987
Orphan Sponsorship	290,954	-	-	290,954	119,986
Other charitable activities	290,954	-	-	290,954	119,986
	872,861	-	-	872,861	359,959

Fuller details of grants made and related costs, including support costs, are shown in note 19.

26 Analysis of non charitable expenditure by activity

Activity

<i>Fundraising activities</i>	Fundraising activities 2020 £	Fundraising activities 2019 £
Direct fundraising costs	234,998	6,084
Total costs of Fundraising activities	234,998	6,084
<i>Governance costs</i>	Governance costs 2020 £	Governance costs 2019 £
Other Expenditure - Governance costs as detailed in Note 21	4,500	-
Total non charitable expenditure	2020 £ 234,998	2019 £ 6,084
Total non charitable expenditure	234,998	6,084