

Charity Registration No. 1129396

Company Registration No. 06875037 (England and Wales)

**MUSTARD SEED RELIEF MISSION**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

## MUSTARD SEED RELIEF MISSION

### LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	L Smart S McWall C Walker
Secretary	L Smart
Charity number	1129396
Company number	06875037
Registered office	213 Kings Drive Eastbourne East Sussex BN21 2UJ
Independent examiner	Price & Company 30-32 Gildredge Road Eastbourne East Sussex BN21 4SH
Solicitors	Lawson Lewis Blakers 11 Hyde Gardens Eastbourne East Sussex BN21 4PP

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# MUSTARD SEED RELIEF MISSION

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## **MUSTARD SEED RELIEF MISSION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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The trustees present their annual report and financial statements for the year ended 30 September 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 2019)".

#### **Objectives and activities**

Mustard Seed Relief Mission is an international, non-governmental and non-political Charity.

The objects clause defines the charity's objects' as being:

- a) to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind in such parts of the World as the Trustees from time to time may think fit;
- b) to advance the Christian faith in accordance with the Statement of Beliefs appearing in the schedule hereto in such parts of the world as the trustees of the Charity may from time to time think fit and to fulfil such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

#### **Public benefit**

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

Due to the Ukraine crisis last year the trustees decided that the Love in a box project 2022 should be suspended for a year. This was a very difficult decision but at the time the decision was made it was the correct one.

The good news is the 2023 project will be going ahead

Preparations are already in full flow to ensure we continue to send as much love to the children at Christmas as possible.

#### **Financial review**

There was a deficit on the general fund activities of £12,762 for the year, compared to a deficit of £9,777 in the previous year.

#### **Reserve policy**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a suitable level to maintain operations in the event of a significant fall in funding. A level of three months operating expenditure has been set as a target. Operating expenditure includes costs such as fundraising, support costs (staff, travel and property overheads) and governance and it is the trustees estimate that 3 months of these costs total £12,500. At the year end the charity held reserves on the General Fund of £11,257. A legacy of £20,000 has been notified post year end and it has been estimated that this will be received in July 2023 and this will improve the reserve position of the charity.

## **MUSTARD SEED RELIEF MISSION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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#### **Risk policy**

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Structure, governance and management**

The charity is a company limited by guarantee and established on 9 April 2009. The assets of the unincorporated trust Mustard Seed Relief Mission were transferred across on 1 October 2009.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

L Smart

S McWall

C Walker

Trustees are appointed by a majority vote of the existing trustees. Suitable training is provided.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity is principally UK based with its headquarters in Eastbourne.

The charity is managed on a day to day basis by its trustees and support staff, most of which are voluntary.

## **MUSTARD SEED RELIEF MISSION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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The trustees' report was approved by the Board of Trustees.

**L Smart**

Trustee

Dated: 17 June 2023

## MUSTARD SEED RELIEF MISSION

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF MUSTARD SEED RELIEF MISSION

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I report to the trustees on my examination of the financial statements of Mustard Seed Relief Mission (the charity) for the year ended 30 September 2022.

#### **Responsibilities and basis of report**

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I 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 financial statements to be reached.



Nathan Coker FCCA  
30-32 Gildredge Road  
Eastbourne  
East Sussex  
BN21 4SH

Dated: 17 June 2023

# MUSTARD SEED RELIEF MISSION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
	Notes		
<b><u>Income from:</u></b>			
Donations and legacies	3	43,731	49,549
Investments	4	9	3
		<hr/>	<hr/>
<b>Total income</b>		43,740	49,552
		<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
Raising funds	5	-	1,108
		<hr/>	<hr/>
Charitable activities	6	56,502	58,221
		<hr/>	<hr/>
<b>Total expenditure</b>		56,502	59,329
		<hr/>	<hr/>
<b>Net expenditure for the year/ Net movement in funds</b>		(12,762)	(9,777)
Fund balances at 1 October 2021		24,019	33,796
		<hr/>	<hr/>
<b>Fund balances at 30 September 2022</b>		11,257	24,019
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.



## MUSTARD SEED RELIEF MISSION

### BALANCE SHEET

AS AT 30 SEPTEMBER 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		299		862
<b>Current assets</b>					
Debtors	12	227		946	
Cash at bank and in hand		14,732		27,011	
		<u>14,959</u>		<u>27,957</u>	
<b>Creditors: amounts falling due within one year</b>	13	(4,001)		(4,800)	
Net current assets			10,958		23,157
<b>Total assets less current liabilities</b>			<u>11,257</u>		<u>24,019</u>
<b>Income funds</b>					
Unrestricted funds			11,257		24,019
			<u>11,257</u>		<u>24,019</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 17 June 2023

L Smart

Trustee

Company Registration No. 06875037

# MUSTARD SEED RELIEF MISSION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

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### 1 Accounting policies

#### Charity information

Mustard Seed Relief Mission is a private company limited by guarantee incorporated in England and Wales. The registered office is 213 Kings Drive, Eastbourne, East Sussex, BN21 2UJ.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The charity operates one general fund that can be used in accordance with the charitable objects at the discretion of the trustees.

Distribution of Love in a Box has always been recognised as a major work of the charity and is thus part of the general fund.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

## MUSTARD SEED RELIEF MISSION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### 1 Accounting policies (Continued)

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

##### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised in the period in which it is incurred and allocated to the particular cost centre to which it relates.

##### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years on a straight line basis
Motor vehicles	5 years on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

## MUSTARD SEED RELIEF MISSION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### 1 Accounting policies (Continued)

##### 1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

##### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

## MUSTARD SEED RELIEF MISSION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

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#### **1 Accounting policies (Continued)**

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.10 Taxation**

In the opinion of the trustees, the income of the charity is not subject to Income or Corporation Tax.

#### **1.11 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.12 Foreign exchange**

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities are denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All differences are included in the net outgoing resources.

#### **1.13 Gifts in kind**

Blankets, clothing and other gifts received and given to overseas projects are not included in the financial statements. The trustees consider that it would be both impossible and impractical to measure the fair value of the many gifts that are donated to the charity throughout the year.

#### **2 Critical accounting estimates and judgements**

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

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

# MUSTARD SEED RELIEF MISSION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 3 Donations and legacies

	Unrestricted funds	Total
	2022	2021
	£	£
Donations and gifts	37,833	38,424
Grants	5,898	11,125
	<u>43,731</u>	<u>49,549</u>

### 4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	<u>9</u>	<u>3</u>

### 5 Raising funds

	Unrestricted funds	Total
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Fundraising & advertising costs	-	1,108
	<u>-</u>	<u>1,108</u>

## MUSTARD SEED RELIEF MISSION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 6 Charitable activities

	2022 £	2021 £
Rent of storage space	2,102	4,235
Love in a box costs	8,277	10,330
Transport, travel and overseas support	18,759	10,875
	<u>29,138</u>	<u>25,440</u>
Share of support costs (see note 7)	25,764	30,381
Share of governance costs (see note 7)	1,600	2,400
	<u>56,502</u>	<u>58,221</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>56,502</u>	<u>58,221</u>

# MUSTARD SEED RELIEF MISSION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	16,050	-	16,050	14,250	-	14,250
Depreciation	563	-	563	741	-	741
Printing, stationery and promotion	6,161	-	6,161	7,694	-	7,694
Computer expenses	272	-	272	1,169	-	1,169
Telephone	555	-	555	856	-	856
Rent	1,600	-	1,600	4,800	-	4,800
Cleaning and rubbish removal	-	-	-	17	-	17
Refreshment and volunteer costs	543	-	543	302	-	302
Bank charges	20	-	20	552	-	552
Accountancy	-	1,600	1,600	-	2,400	2,400
	<u>25,764</u>	<u>1,600</u>	<u>27,364</u>	<u>30,381</u>	<u>2,400</u>	<u>32,781</u>
Analysed between Charitable activities	<u>25,764</u>	<u>1,600</u>	<u>27,364</u>	<u>30,381</u>	<u>2,400</u>	<u>32,781</u>

Governance costs includes payments to the independent examiners of £750 (2021- £750) for independent exam fees.

### 8 Trustees

Lisa Smart, Trustee was paid £1,600 (2021: £4,800) for use of home and premises as office/storage during the year.

### 9 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
<u>1</u>	<u>2</u>



## MUSTARD SEED RELIEF MISSION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 9 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	16,050	14,250

There were no employees whose annual remuneration was more than £60,000.

#### 10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

#### 11 Tangible fixed assets

	Computers £	Motor vehicles £	Total £
<b>Cost</b>			
At 1 October 2021	2,229	4,500	6,729
At 30 September 2022	2,229	4,500	6,729
<b>Depreciation and impairment</b>			
At 1 October 2021	1,367	4,500	5,867
Depreciation charged in the year	563	-	563
At 30 September 2022	1,930	4,500	6,430
<b>Carrying amount</b>			
At 30 September 2022	299	-	299
At 30 September 2021	862	-	862

## MUSTARD SEED RELIEF MISSION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 12 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	227	546
Prepayments and accrued income	-	400
	<u>227</u>	<u>946</u>

#### 13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	<u>4,001</u>	<u>4,800</u>