

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016  
FOR  
MEHR MUTUAL CONCERN**

GB Accounting Solutions Limited  
Building 115  
Bedford Technology Park  
Thurleigh  
Bedford  
Bedfordshire  
MK44 2YA

**MEHR MUTUAL CONCERN**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 December 2016**

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	Page
Report of the Trustees	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Financial Statements	10 to 14
Detailed Statement of Financial Activities	15

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## **MEHR MUTUAL CONCERN**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 December 2016**

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The trustees present their report with the financial statements of the charity for the year ended 31 December 2016. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The principal objectives of the charity are:

1. Social welfare and educational causes for people either in or from overseas underprivileged countries.
2. Such charitable purposes as the trustees in their absolute discretion think fit and, in particular, without prejudice to the generality of the foregoing, the relief of poverty of persons resident in Lucknow, Uttar Pradesh, India.

##### **Public benefit**

The charity exists for the public benefit. Our deed of trust commit us to annual financial donations to (1) students attending Shia College; (2) institutions supported by the Tauheedul Muslimeen Trust; (3) welfare and educational support to individuals in India (Lucknow) and Pakistan; (4) other charitable organisations that support our objectives.

The trustees have given regard to the Charity Commission's guidance on public benefit when setting the aims and objectives for the year.

The main policies adopted are to ensure basic welfare of students and individuals to help them successfully complete their educational studies to allow them to support themselves when they become adults.

Children and students receive financial support from the charity either directly or indirectly via registered charities nominated and identified by educational institutions based on those most in need.

##### **Volunteers**

The charity receives no material donated services and places a minimal reliance on external volunteers.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

In the current year we have increased funding to directly supported students to 7 students (2015: 4). Two of the students have started their studies in year 1 and it is our aim to support the students we sponsor all the way up to University graduation. We are very aware as students move up the education system costs increase significantly. Therefore we have to balance how many students we can support at the same time. We do not want a situation where we have to stop supporting a student if they wish to continue their studies at university due to a lack of funds.

Since 2014 we have engaged with the Tauheedul Muslimeen Trust (TMT), a non-profit organisation for educational and charitable purpose, registered by the Indian Government. They have helped us co-ordinate our efforts in Lucknow. This partnership has been very successful in identifying needy students across various university colleges and distribution of funds to them. This year 48 students have been given scholarship or hardship funds ranging from Indian Rupees Rs1,500 to Rs7,100. We look forward to working with the TMT in future to identify other social welfare and educational projects that need funding.

Finally, our trustees have identified a number of charities to support and we slightly increased funding to them to £1,320 (2015: £1,200). Charities supported during the year were HASTE, Medecins Sans Frontieres (MSF), African Village Support, Medical Aid Palestine and WaterAid. To date, the charity has donated £33,656 to various charitable causes including £12,578 on scholarship/hardship funds, £8,203 sponsoring students and £10,055 in donations to various registered charities.

Thanks to our founder, the late Dr Fakhir Hussain, leaving the bulk of his estate to the charity, we look forward to a positive new year with hope and determination that we will be able to support bigger projects and help more students.

## **MEHR MUTUAL CONCERN**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 December 2016**

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#### **FINANCIAL REVIEW**

##### **Financial position**

Total incoming resources for the year amounted to £603,548 (2015: £17,641) of which £600,000 (2015: £13,281) was from Dr Hussain's estate.

Total payments and support costs to fund students, educational institutes and other charities amounted to £8,233 (2015: £8,293).

Total income excluding monies from Dr Hussain's estate amounted to £3,549 (2015: £4,360). In both the current year and previous year we have overspent on donations as we anticipate a significant increase in income in future years. Due to this overspend, our historical income reserve (based on 85% income available for donations) is running at a deficit of £8,790 (2015: £4,106).

##### **Investment policy and objectives**

Mehr Mutual Concern is dependent on investment income generated from a portfolio of investments held at Hargreaves Lansdown. The charity does not benefit from local government grants and is solely dependent on its own fundraising.

Total assets now invested with Hargreaves Lansdown in a growth and income-focused portfolio spread across a number of funds (investment funds and investment trusts) and stocks for the year was £741,721 (2015: £145,139).

The charity's funds have been applied as follows:

1. Donations to charities that support our objectives (5 charities to date)
2. Donations supporting school fees, uniforms, transport, books and stationery for 7 children (from class 1 to 12)
3. Donations to TMT to fund hardship funds for students across various degree colleges and universities in Lucknow including TMT institutes, Shia PG College and Shri Jai Narain PG College
4. Administration costs to help sell Dr Hussain's flat and postage costs.

##### **Reserves policy**

Reserves now stand at 2 years of expenditure on donations. In the medium term, the trustees wish to increase the charity's reserves to at least 3 years' worth of activity. This will enable the charity to function without financial worry when we support students on 3 year degree courses. A new reserves policy will be discussed during the next AGM, as our assets and income will increase significantly.

## **MEHR MUTUAL CONCERN**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 December 2016**

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#### **FUTURE PLANS**

The charity remains cautious in the present financial climate. However, at the year end, we received £600,000 from Dr Fakhir Hussain's estate. This donation has significantly increased our assets. In line with our founder's wishes, even though the money was not specifically donated as an endowment in the Will, the trustees have decided to treat this donation as an endowment. We look to donate 85% of the income to good causes. This donation has now been invested and is generating monthly income for the charity.

The charity has proposed a visit by one of the trustees to Lucknow, India. The trip is planned as a soft audit where our charity partners other charities that carry out the work on the ground. The objectives of the trip are:

- Visit current students in receipt of the charity's support (TMT institutes, Shia College and Shri Jai Narain College)
- Investigate potential viable opportunities to make significant educational investments for students currently attending Shia College, Shri Jai Narain College or other institutions in line with the charity's objectives. These investments could include capital investments (for example to support the building of infrastructure and purchasing of IT equipment for students) as well as supporting a greater number of students.
- Re-establish a relationship with orphanages in Lucknow, to primarily focus on orphan's educational attainment.

Once the charity receives income from Dr Hussain's estate, there may be further opportunities. At the same time, this must be balanced with the available resources (especially the time of the volunteer trustees) to devote to further projects.

The charity also wishes to encourage trustees to reach out to other charities to help those charities achieve projects that would have a significant impact in line with the charity's core objectives.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

##### **Recruitment and appointment of new trustees**

The charity seeks to have on its board members with the right skills set to enable it to be managed in an effective manner. Any new appointment is made at a properly constituted trustees' meeting or during the AGM.

##### **Organisational structure**

Essential administrative duties are carried out by the Chairman (Yasir Hussain), Secretary (Martin Lister) and Treasurer (Raj Saini). Occasional administrative support is hired in on an ad-hoc basis. No fundraising activities are carried out by the charity. The trustees are all volunteers. All charitable commitments and donations are agreed at the AGM by the trustees, with the option to have extraordinary meetings if necessary (so far not realised). All cheques are signed off by at least two trustees.

##### **Induction and training of new trustees**

New trustees receive the necessary induction in regard to responsibilities, looking through the charity literature including recent accounts and minutes of trustees' meetings and finally meeting with existing trustees.

##### **Risk management**

The Trustees will continue to monitor and review the risk assessment process on an ongoing basis. This is discussed at the AGM as part of the analysis of the portfolio of investments and charitable commitments. In the opinion of the trustees there are adequate internal controls in place to cover any significant risks to the charity.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1072561

**MEHR MUTUAL CONCERN**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 December 2016**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Principal address**

17 Mortimer Crescent  
Worcester Park  
Surrey  
KT4 7QL

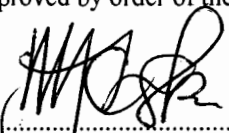
**Trustees**

P Hussain	- resigned 16.4.17
M Hussain	
T P Day	- resigned 16.4.17
N Farkhondeh	- resigned 16.4.17
Mrs R Iqbal	
D Iqbal	
M Holland	
R Saini	
M Lister	
Ms O Hassim	
A Moosvi	
P B Reynolds	

**Independent examiner**

Gerald Bygraves  
FMAAT  
GB Accounting Solutions Limited  
Building 115  
Bedford Technology Park  
Thurleigh  
Bedford  
Bedfordshire  
MK44 2YA

Approved by order of the board of trustees on 17/10/2017 and signed on its behalf by:

  
.....  
M Lister - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
MEHR MUTUAL CONCERN**

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I report on the accounts for the year ended 31 December 2016 set out on pages six to fourteen.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of FMAAT.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Gerald Bygraves  
FMAAT  
GB Accounting Solutions Limited  
Building 115  
Bedford Technology Park  
Thurleigh  
Bedford  
Bedfordshire  
MK44 2YA

Date: .....17/10/2017.....

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**MEHR MUTUAL CONCERN****STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 December 2016**

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		<b>31.12.16</b>	<b>31.12.15</b>
		<b>Unrestricted</b>	<b>Total</b>
		<b>funds</b>	<b>funds</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	2	600,000	13,281
Other trading activities	3	299	1,825
Investment income	4	3,250	2,536
		<hr/>	<hr/>
<b>Total</b>		<b>603,549</b>	<b>17,642</b>
 <b>EXPENDITURE ON</b>			
Raising funds	5	1,010	3,143
Charitable activities	6		
Social welfare and education		7,223	6,205
Other		3,418	-
		<hr/>	<hr/>
<b>Total</b>		<b>11,651</b>	<b>9,348</b>
		<hr/>	<hr/>
<b>NET INCOME</b>		<b>591,898</b>	<b>8,294</b>
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>156,496</b>	<b>148,202</b>
		<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>748,394</b>	<b>156,496</b>
		<hr/> <hr/>	<hr/> <hr/>
 <b>CONTINUING OPERATIONS</b>			
All income and expenditure has arisen from continuing activities.			

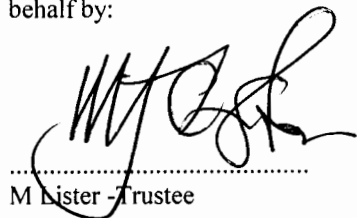


MEHR MUTUAL CONCERN

**BALANCE SHEET**  
**At 31 December 2016**

		<b>31.12.16</b>	<b>31.12.15</b>
		<b>Unrestricted</b>	<b>Total</b>
		<b>funds</b>	<b>funds</b>
	Notes	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>			
Investments	11	741,721	145,139
<b>CURRENT ASSETS</b>			
Cash at bank		6,673	11,357
<b>NET CURRENT ASSETS</b>		6,673	11,357
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		748,394	156,496
<b>NET ASSETS</b>		748,394	156,496
<b>FUNDS</b>	12		
Unrestricted funds		748,394	156,496
<b>TOTAL FUNDS</b>		748,394	156,496

The financial statements were approved by the Board of Trustees on 17 OCT 2017 and were signed on its behalf by:

  
.....  
M Lister - Trustee

**MEHR MUTUAL CONCERN****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 December 2016**

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	Notes	31.12.16 £	31.12.15 £
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>595,316</u>	<u>8,294</u>
<b>Net cash provided by (used in) operating activities</b>		<u>595,316</u>	<u>8,294</u>
 <b>Cash flows from investing activities:</b>			
Purchase of fixed asset investments		<u>(600,000)</u>	<u>(14,202)</u>
<b>Net cash provided by (used in) investing activities</b>		<u>(600,000)</u>	<u>(14,202)</u>
 <b>Cash flows from financing activities:</b>			
		<u>-</u>	<u>6,012</u>
<b>Net cash provided by (used in) financing activities</b>		<u>-</u>	<u>6,012</u>
 <b>Change in cash and cash equivalents in the reporting period</b>		<u>(4,684)</u>	<u>104</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>11,357</u>	<u>11,253</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>6,673</u>	<u>11,357</u>

The notes form part of these financial statements

**MEHR MUTUAL CONCERN**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 December 2016**

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1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.12.16	31.12.15
	£	£
Net income for the reporting period (as per the statement of financial activities)	591,898	8,294
Adjustments for:		
Losses on investments	3,418	-
Net cash provided by (used in) operating activities	<u>595,316</u>	<u>8,294</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 December 2016**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Allocation and apportionment of costs**

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**2. DONATIONS AND LEGACIES**

	31.12.16	31.12.15
	£	£
Donations	-	13,281
Legacies	600,000	-
	<u>600,000</u>	<u>13,281</u>

**3. OTHER TRADING ACTIVITIES**

	31.12.16	31.12.15
	£	£
Fundraising events	299	1,825
	<u>299</u>	<u>1,825</u>

**MEHR MUTUAL CONCERN**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 December 2016**

**4. INVESTMENT INCOME**

	31.12.16	31.12.15
	£	£
Investments	<u>3,250</u>	<u>2,536</u>

**5. RAISING FUNDS**

**Raising donations and legacies**

	31.12.16	31.12.15
	£	£
Postage and stationery	-	27
Support costs	<u>10</u>	<u>-</u>
	<u>10</u>	<u>27</u>

**Investment management costs**

	31.12.16	31.12.15
	£	£
Professional fees	<u>1,000</u>	<u>3,116</u>
Aggregate amounts	<u>1,010</u>	<u>3,143</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Grant funding of activities (See note 7)	Totals
	£	£
Social welfare and education	<u>7,223</u>	<u>7,223</u>

**7. GRANTS PAYABLE**

	31.12.16	31.12.15
	£	£
Social welfare and education	<u>7,223</u>	<u>6,194</u>

**8. SUPPORT COSTS**

	Finance £
Raising donations and legacies	<u>10</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 December 2016**

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2016 nor for the year ended 31 December 2015.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2016 nor for the year ended 31 December 2015.

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	13,281
Other trading activities	1,825
Investment income	2,536
<b>Total</b>	17,642
 <b>EXPENDITURE ON</b>	
Raising funds	3,143
<b>Charitable activities</b>	
Social welfare and education	6,205
<b>Total</b>	9,348
 <b>NET INCOME</b>	8,294
 <b>RECONCILIATION OF FUNDS</b>	
<b>Total funds brought forward</b>	148,202
 <b>TOTAL FUNDS CARRIED FORWARD</b>	156,496

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 December 2016**

**11. FIXED ASSET INVESTMENTS**

	Listed investments £
<b>MARKET VALUE</b>	
At 1 January 2016	145,139
Additions	600,000
Impairments	(3,418)
	<u>741,721</u>
At 31 December 2016	<u>741,721</u>
 <b>NET BOOK VALUE</b>	
At 31 December 2016	<u>741,721</u>
At 31 December 2015	<u>145,139</u>

There were no investment assets outside the UK.

**12. MOVEMENT IN FUNDS**

	At 1/1/16 £	Net movement in funds £	At 31/12/16 £
<b>Unrestricted funds</b>			
General fund	10,357	(3,684)	6,673
Founder's Legacy	146,139	595,582	741,721
	<u>156,496</u>	<u>591,898</u>	<u>748,394</u>
 <b>TOTAL FUNDS</b>	<u>156,496</u>	<u>591,898</u>	<u>748,394</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	3,549	(7,233)	(3,684)
Founder's Legacy	600,000	(4,418)	595,582
	<u>603,549</u>	<u>(11,651)</u>	<u>591,898</u>
 <b>TOTAL FUNDS</b>	<u>603,549</u>	<u>(11,651)</u>	<u>591,898</u>

**13. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 December 2016.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 December 2016**

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**14. FIRST YEAR ADOPTION**

There were no changes as a result of the adoption of FRS 102.



**MEHR MUTUAL CONCERN****DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 December 2016**

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	31.12.16 £	31.12.15 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	-	13,281
Legacies	600,000	-
	<u>600,000</u>	<u>13,281</u>
<b>Other trading activities</b>		
Fundraising events	299	1,825
<b>Investment income</b>		
Investments	3,250	2,536
	<u>3,250</u>	<u>2,536</u>
<b>Total incoming resources</b>	<b>603,549</b>	<b>17,642</b>
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Postage and stationery	-	27
<b>Investment management costs</b>		
Professional fees	1,000	3,116
<b>Charitable activities</b>		
Grants to individuals	7,223	6,194
<b>Other</b>		
Impairment losses for tangible fixed assets	3,418	-
<b>Support costs</b>		
<b>Finance</b>		
Bank charges	10	11
	<u>10</u>	<u>11</u>
<b>Total resources expended</b>	<b>11,651</b>	<b>9,348</b>
	<u>11,651</u>	<u>9,348</u>
<b>Net income</b>	<b>591,898</b>	<b>8,294</b>
	<u>591,898</u>	<u>8,294</u>