

REGISTERED CHARITY NUMBER: 1072561

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017
FOR
MEHR MUTUAL CONCERN**

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

MEHR MUTUAL CONCERN

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FOR THE YEAR ENDED 31 December 2017**

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MEHR MUTUAL CONCERN

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 December 2017

The trustees present their report with the financial statements of the charity for the year ended 31 December 2017. 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.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 December 2017

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In the current year we have increased overall donations that we have made by 65% to £11,922 (2016: £7,223).

Our donations/activities can be separated into 3 parts:

1. Donations to support students directly
2. Donations to the TMT
3. Donations to other registered charities

We directly supported 6 students (2016: 7). One student graduated from university and has found employment in a school. This can be seen as our first successful outcome as we have supported this student for 10 years. Indian inflation and children in higher classes has meant that school fees have increased. Overall, even though funding in Indian Rupee (Rs) terms was similar to previous years Rs338,394 (2016: Rs334,058), the £ to Rs has deteriorated by -13% to 82.29 (2016: 94.15) and thus funding has increased in £ terms to £4,112 (2016: £3,840).

As stated in the previous report, 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. The trustees are comfortable with the current number of students and do not see an increase in the near future. The situation is reviewed every year and due consideration is given to see if we can increase the number of students we support.

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 58 students (2016: 48) have been given scholarship or hardship funds ranging from Indian Rupees Rs1,200 to Rs10,000. Overall funding costs were £3,190 (2016: £2,063). The TMT have also been trying to re-establish our relationship with the Shri Jai Narain Post Graduate College, and have started corresponding with them with the aim of getting their students on to the scholarship scheme that we wish to fund. The correspondence looks promising and hopefully will result in a positive outcome. It was our founder's wish that we have a balanced approach while supporting religious based educational establishments/charities and we should distribute funds to different religious and non-religious based institutions/charities. This is why it is important that we re-establish links with the Shri Jai Narain Post Graduate College which is primarily a Hindu based institution. 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 and projects to support. Due to the increase in income this year, we increased funding to them to £4,620 (2016: £1,320). Charities supported during the year were HASTE, Medecins Sans Frontieres (MSF), African Village Support, Medical Aid Palestine, WaterAid, Project Trust and The Butterfly Tree. Of note in the current year is extra funding we gave to the social welfare charity African Village Support of £2,300 (2016: £400) to fund a water pump project for women farmers in rural Uganda. To date, the charity has donated £43,728 to various charitable causes.

The estate of our founder, the late Dr Fakhir Hussain, still has not been fully realised and we continue to receive payments from the estate to the charity which we invest. We are fully invested for the next year and hope that with the increased income the investments generate, 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 2017

FINANCIAL REVIEW

Financial position

Total incoming resources for the year amounted to £66,966 (2016: £603,548) of which £48,393 (2016: £600,000) was from Dr Hussain's estate.

Total payments and support costs to fund students, educational institutes and other charities amounted to £11,922 (2016: £7,233).

Total income excluding monies from Dr Hussain's estate amounted to £18,573 (2016: £3,549). 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 £2,043 (2016: £8,790).

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 £899,769 (2016: £741,721).

The charity's funds have been applied as follows:

1. Donations to charities that support our objectives (7 charities in the current year)
2. Donations supporting school fees, uniforms, transport, books and stationery for 6 children (from class 2 to 13)
3. Donations to TMT to fund hardship/scholarship funds for students across various degree colleges and universities in Lucknow including TMT institutes, Shia PG College and Shri Jai Narain PG College (Funds for Shri Narain PG College are currently being held by TMT waiting to be distributed after applications from needy students are considered).
4. Administration costs.

Reserves policy

It is our aim to hold reserves of 2 years of past 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. We currently only have just over 1 years' worth of reserves. However income from Dr Hussain's personal investments that have not been transferred to us, and that is being held by Dr Hussain's Estate Solicitors, means we have reserves for 2 years of activity. The reserves policy will again be reviewed at the next AGM after we have a clearer picture of all our assets and income forecast from our investments.

MEHR MUTUAL CONCERN

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 December 2017

FUTURE PLANS

The charity remains cautious in the present financial climate. However, at the year end, we received £48,393 from Dr Fakhir Hussain's estate. This donation has again increased our assets and income. 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.

Last year 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.

I am pleased to report that, at the time of writing this report that a trip was carried out by our Chairman (Yasir Hussain) at no cost to the Charity as he combined this with a personal trip. Overall the trip was positive and further details of it and outcomes will be reported in our next annual report.

Once the charity receives further donations from Dr Hussain's estate that will increase our income, 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 2017**

REFERENCE AND ADMINISTRATIVE DETAILS

Principal address

17 Mortimer Crescent
Worcester Park
Surrey
KT4 7QL

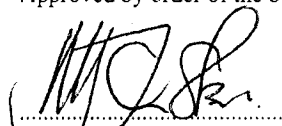
Trustees

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 24th October 2018 and signed on its behalf by:


.....
M Lister - Trustee

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

Independent examiner's report to the trustees of Mehr Mutual Concern

I report to the charity trustees on my examination of the accounts of the Mehr Mutual Concern (the Trust) for the year ended 31 December 2017.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

I confirm that there are no other matters to which your attention should be drawn 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: 24th October 2018

MEHR MUTUAL CONCERN

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 December 2017**

		31.12.17 Unrestricted funds £	31.12.16 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	48,393	600,000
Other trading activities	3	-	298
Investment income	4	18,573	3,251
Total		66,966	603,549
 EXPENDITURE ON			
Raising funds	5	12	1,010
Charitable activities	6		
Social welfare and education		11,922	7,223
Other		(108,755)	3,418
Total		(96,821)	11,651
 NET INCOME		163,787	591,898
 RECONCILIATION OF FUNDS			
Total funds brought forward		748,394	156,496
 TOTAL FUNDS CARRIED FORWARD		912,181	748,394

The notes form part of these financial statements

MEHR MUTUAL CONCERN

BALANCE SHEET
At 31 December 2017

		31.12.17 Unrestricted funds £	31.12.16 Total funds £
FIXED ASSETS	Notes		
Investments	11	899,769	741,721
CURRENT ASSETS			
Cash at bank		12,412	6,673
NET CURRENT ASSETS		12,412	6,673
TOTAL ASSETS LESS CURRENT LIABILITIES		912,181	748,394
NET ASSETS		912,181	748,394
FUNDS	12		
Unrestricted funds		912,181	748,394
TOTAL FUNDS		912,181	748,394

The financial statements were approved by the Board of Trustees on 24 October 2018 and were signed on its behalf by:


M Lister - Trustee

MEHR MUTUAL CONCERN**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 December 2017**

		31.12.17	31.12.16
	Notes	£	£
Cash flows from operating activities:			
Cash generated from operations	1	<u>54,132</u>	<u>595,315</u>
Net cash provided by (used in) operating activities		<u>54,132</u>	<u>595,315</u>
Cash flows from investing activities:			
Purchase of fixed asset investments		<u>(48,393)</u>	<u>(600,000)</u>
Interest received		<u>-</u>	<u>1</u>
Net cash provided by (used in) investing activities		<u>(48,393)</u>	<u>(599,999)</u>
Change in cash and cash equivalents in the reporting period		<u>5,739</u>	<u>(4,684)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>6,673</u>	<u>11,357</u>
Cash and cash equivalents at the end of the reporting period		<u><u>12,412</u></u>	<u><u>6,673</u></u>

The notes form part of these financial statements

MEHR MUTUAL CONCERN

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 December 2017

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.12.17	31.12.16
	£	£
Net income for the reporting period (as per the statement of financial activities)	163,787	591,898
Adjustments for:		
(Gain)/losses on investments	(109,655)	3,418
Interest received	-	(1)
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	<u>54,132</u>	<u>595,315</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2017**

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, as modified by the revaluation of certain assets.

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

	31.12.17	31.12.16
	£	£
Legacies	<u>48,393</u>	<u>600,000</u>

3. OTHER TRADING ACTIVITIES

	31.12.17	31.12.16
	£	£
Fundraising events	<u>-</u>	<u>298</u>

MEHR MUTUAL CONCERN

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 December 2017

4. INVESTMENT INCOME

	31.12.17	31.12.16
	£	£
Investments	18,573	3,250
Deposit account interest	-	1
	<u>18,573</u>	<u>3,251</u>

5. RAISING FUNDS

Raising donations and legacies

	31.12.17	31.12.16
	£	£
Support costs	12	10
	<u>12</u>	<u>10</u>

Investment management costs

	31.12.17	31.12.16
	£	£
Professional fees	-	1,000
	<u>-</u>	<u>1,000</u>

Aggregate amounts	12	1,010
	<u>12</u>	<u>1,010</u>

6. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (See note 7)	Totals
	£	£
Social welfare and education	11,922	11,922
	<u>11,922</u>	<u>11,922</u>

7. GRANTS PAYABLE

	31.12.17	31.12.16
	£	£
Social welfare and education	11,922	7,223
	<u>11,922</u>	<u>7,223</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 December 2017

8. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Raising donations and legacies	12	-	12
Other resources expended	-	900	900
	<u>12</u>	<u>900</u>	<u>912</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2017 nor for the year ended 31 December 2016.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2017 nor for the year ended 31 December 2016.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	600,000
Other trading activities	298
Investment income	3,251
Total	<u>603,549</u>
EXPENDITURE ON	
Raising funds	1,010
Charitable activities	
Social welfare and education	7,223
Other	3,418
Total	<u>11,651</u>
NET INCOME	<u>591,898</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	156,496
TOTAL FUNDS CARRIED FORWARD	<u><u>748,394</u></u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 December 2017

11. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 January 2017	741,721
Additions	48,393
Revaluations	109,655
	<u>899,769</u>
At 31 December 2017	
	<u>899,769</u>
NET BOOK VALUE	
At 31 December 2017	899,769
	<u>899,769</u>
At 31 December 2016	741,721
	<u>741,721</u>

There were no investment assets outside the UK.

12. MOVEMENT IN FUNDS

	At 1/1/17 £	Net movement in funds £	At 31/12/17 £
Unrestricted funds			
General fund	6,673	5,739	12,412
Founder's Legacy	741,721	158,048	899,769
	<u>748,394</u>	<u>163,787</u>	<u>912,181</u>
TOTAL FUNDS	<u>748,394</u>	<u>163,787</u>	<u>912,181</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	18,573	(12,834)	5,739
Founder's Legacy	48,393	109,655	158,048
	<u>66,966</u>	<u>96,821</u>	<u>163,787</u>
TOTAL FUNDS	<u>66,966</u>	<u>96,821</u>	<u>163,787</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 December 2017

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/16 £	Net movement in funds £	At 31/12/16 £
Unrestricted Funds			
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>
TOTAL FUNDS	<u>156,496</u>	<u>591,898</u>	<u>748,394</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
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>
TOTAL FUNDS	<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 2017.

MEHR MUTUAL CONCERN**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 December 2017**

	31.12.17 £	31.12.16 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Legacies	48,393	600,000
Other trading activities		
Fundraising events	-	298
Investment income		
Investments	18,573	3,250
Deposit account interest	-	1
	<u>18,573</u>	<u>3,251</u>
Total incoming resources	66,966	603,549
 EXPENDITURE		
Investment management costs		
Professional fees	-	1,000
Charitable activities		
Grants to individuals	11,922	7,223
Other		
Gains/losses on investments	(109,655)	3,418
Support costs		
Finance		
Bank charges	12	10
Governance costs		
Accountancy and legal fees	900	-
Total resources expended	(96,821)	11,651
 Net income	 <u>163,787</u>	 <u>591,898</u>

This page does not form part of the statutory financial statements