

**Report of the Trustees and
Financial Statements for the Year Ended 31 December 2017
for
Mercy in Action**

DRAFT

Copson Grandfield
30/31 St James Place
Mangotsfield
Bristol
South Gos.
BS16 9JB

Mercy in Action

Contents of the Financial Statements for the Year Ended 31 December 2017

	Page
Report of the Trustees	1 to 2
Report of the Independent Auditors	3 to 4
Statement of Financial Activities	5
Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Financial Statements	9 to 17
Detailed Statement of Financial Activities	18 to 19

Mercy in Action

Report of the Trustees for the Year Ended 31 December 2017

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, 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 charity objects are

- a) To advance the Christian faith in accordance with the Statement of Belief appearing in the Schedule to the memorandum of Association in Bath and in other such parts of the United Kingdom and the world as the trustees may from time to time see fit.
- b) To relieve persons who are in conditions of need or hardship or who are aged or sick and to relieve the distress caused thereby in the said locations and in other parts of the United Kingdom and the world as the trustees may from time to time think fit.
- c) To advance education in accordance with the Christian principles by such means as the trustees may consider appropriate including by means of establishing and operating any educational establishment or establishments in the said locations and in such parts of the United Kingdom and the world as the trustees may from time to time see fit.

STRATEGIC REPORT

Financial review

Reserves policy

MiA should hold in reserve approximately 3 months operating capital which within the current budget period equates to £500,000. It is expected that we will add £100,000 or more each year to our reserves until the required level is reached.

Current Reserves equal £90,666 which represents a shortfall of reserve approximately £410,000 operating capital which within the current budget period equates to less than one month.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04627969 (England and Wales)

Registered Charity number

1096068

Registered office

Jubilee Centre
Lower Bristol Road
Bath
United Kingdom
BA2 9ES

Trustees

T Jones
Mrs H J Law - resigned 31.12.17
Mrs A Todd
Ms C Scurr
Mrs J Sheard

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

Ms C Scurr

Auditors

Copson Grandfield
30/31 St James Place
Mangotsfield
Bristol
South Glos.
BS16 9JB

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Mercy in Action for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Copson Grandfield, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on and signed on the board's behalf by:

.....
Mrs A Todd - Trustee

Report of the Independent Auditors to the Members of Mercy in Action

Opinion

We have audited the financial statements of Mercy in Action (the 'charitable company') for the year ended 31 December 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Mercy in Action

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine 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, the trustees are responsible for assessing the charitable company'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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Stephen Roy Copson (Senior Statutory Auditor)
for and on behalf of Copson Grandfield
30/31 St James Place
Mangotsfield
Bristol
South Glos.
BS16 9JB

Date:

Mercy in Action

Statement of Financial Activities for the Year Ended 31 December 2017

		31.12.17 Unrestricted fund £	31.12.16 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	122,495	125,475
Charitable activities	5		
UK Projects		37,667	32,440
Other trading activities	3	1,813,610	1,424,759
Investment income	4	25,160	6
Total		1,998,932	1,582,680
EXPENDITURE ON			
Raising funds	6	1,396,209	1,198,792
Charitable activities	7		
Cebu Project costs		284,920	326,266
UK Projects		214,365	151,074
Other		12,772	9,923
Total		1,908,266	1,686,055
NET INCOME/(EXPENDITURE)		90,666	(103,375)
RECONCILIATION OF FUNDS			
Total funds brought forward		2,395	105,770
TOTAL FUNDS CARRIED FORWARD		93,061	2,395
CONTINUING OPERATIONS			
All income and expenditure has arisen from continuing activities.			

The notes form part of these financial statements

Mercy in Action

Balance Sheet At 31 December 2017

		31.12.17 Unrestricted fund £	31.12.16 Total funds £
FIXED ASSETS	Notes		
Tangible assets	14	9,139	10,007
CURRENT ASSETS			
Debtors	15	141,329	87,640
Cash at bank and in hand		31,722	84,188
		<u>173,051</u>	<u>171,828</u>
CREDITORS			
Amounts falling due within one year	16	(86,924)	(141,401)
		<u>86,127</u>	<u>30,427</u>
NET CURRENT ASSETS			
		<u>95,266</u>	<u>40,434</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>93,061</u>	<u>2,395</u>
CREDITORS			
Amounts falling due after more than one year	17	(2,205)	(38,039)
		<u>93,061</u>	<u>2,395</u>
NET ASSETS			
		<u>93,061</u>	<u>2,395</u>
FUNDS	20		
Unrestricted funds		93,061	2,395
TOTAL FUNDS		<u>93,061</u>	<u>2,395</u>

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

.....
Mrs A Todd -Trustee

The notes form part of these financial statements

Mercy in Action

Cash Flow Statement for the Year Ended 31 December 2017

		31.12.17 £	31.12.16 £
Cash flows from operating activities:	Notes		
Cash generated from operations	1	(9,409)	(1,695)
Interest paid		(5,376)	(7,231)
Net cash provided by (used in) operating activities		<u>(14,785)</u>	<u>(8,926)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(1,857)	(13,255)
Interest received		10	6
Net cash provided by (used in) investing activities		<u>(1,847)</u>	<u>(13,249)</u>
Cash flows from financing activities:			
New loans in year		-	2,486
Loan repayments in year		(32,054)	-
Capital repayments in year		(3,780)	9,765
Net cash provided by (used in) financing activities		<u>(35,834)</u>	<u>12,251</u>
Change in cash and cash equivalents in the reporting period		<u>(52,466)</u>	<u>(9,924)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>84,188</u>	<u>94,112</u>
Cash and cash equivalents at the end of the reporting period		<u><u>31,722</u></u>	<u><u>84,188</u></u>

The notes form part of these financial statements

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.12.17 £	31.12.16 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	90,666	(103,375)
Adjustments for:		
Depreciation charges	2,725	3,248
Interest received	(10)	(6)
Interest paid	5,376	7,231
(Increase)/decrease in debtors	(53,689)	75,879
(Decrease)/increase in creditors	(54,477)	15,328
	<u> </u>	<u> </u>
Net cash provided by (used in) operating activities	<u><u>(9,409)</u></u>	<u><u>(1,695)</u></u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Head office cost are allocated in the the following proportions:

75% to Fundraising trading activity
25% charitable activities.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Motor vehicles	- 25% on reducing balance
Computer equipment	- 15% on reducing balance

Taxation

The charity is exempt from corporation 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
	£	£
Donations	107,913	114,092
Gift aid	14,582	11,383
	<u>122,495</u>	<u>125,475</u>

3. OTHER TRADING ACTIVITIES

	31.12.17	31.12.16
	£	£
Shop income	1,798,568	1,423,944
Online Income	15,042	815
	<u>1,813,610</u>	<u>1,424,759</u>

4. INVESTMENT INCOME

	31.12.17	31.12.16
	£	£
Rents received	25,150	-
Interest receivable - trading	10	6
	<u>25,160</u>	<u>6</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	31.12.17	31.12.16
	£	£
Grants	<u>37,667</u>	<u>32,440</u>
Grants received, included in the above, are as follows:		
	31.12.17	31.12.16
	£	£
Other grants	<u>37,667</u>	<u>32,440</u>

6. RAISING FUNDS

Raising donations and legacies

	31.12.17	31.12.16
	£	£
Staff costs	20,467	22,366
Insurance	324	209
Telephone	276	259
Postage and stationery	1,681	1,242
Sundries	745	716
Gift Aid administration	14,647	14,806
Staff training	17	81
Subscriptions	186	147
Travel & motor expenses	27	32
Legal & professional	1,324	46
	<u>39,694</u>	<u>39,904</u>

Other trading activities

	31.12.17	31.12.16
	£	£
Purchases	9,259	13,149
Staff costs	689,951	588,683
Commission	149,947	111,698
Staff training	3,352	2,859
Till running costs	11,508	17,787
Light & heat	58,640	19,653
Sundries	17,224	21,615
Insurance	12,918	11,647
Postage & Stationery	3,652	1,819
Rent, rates & water	329,201	266,481
Repairs & renewals	11,786	55,327
Subscriptions	2,171	2,109
Telephone	9,588	7,103
Travel & motor expenses	25,666	24,049
Advertising & Promotions	1,046	1,097
Legal & professional	8,870	58
Interest payable and similar charges	5,376	7,231
Support costs	6,360	6,523
	<u>1,356,515</u>	<u>1,158,888</u>

Aggregate amounts	<u>1,396,209</u>	<u>1,198,792</u>
-------------------	------------------	------------------

7. CHARITABLE ACTIVITIES COSTS

	Direct costs	Grant funding of activities (See note 8)	Support costs (See note 9)	Totals
	£	£	£	£
Cebu Project costs	279,887	4,889	144	284,920
UK Projects	217,016	-	(2,651)	214,365
	<u>496,903</u>	<u>4,889</u>	<u>(2,507)</u>	<u>499,285</u>

8. GRANTS PAYABLE

	31.12.17	31.12.16
	£	£
Cebu Project costs	<u>4,889</u>	<u>7,200</u>
The total grants paid to institutions during the year was as follows:		
	31.12.17	31.12.16
	£	£
	<u>-</u>	<u>-</u>

9. SUPPORT COSTS

	Finance	Governance costs	Totals
	£	£	£
Other trading activities	2,725	3,635	6,360
Other resources expended	12,772	-	12,772
Cebu Project costs	144	-	144
UK Projects	(2,651)	-	(2,651)
	<u>12,990</u>	<u>3,635</u>	<u>16,625</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.12.17	31.12.16
	£	£
Auditors' remuneration	3,635	3,275
Depreciation - owned assets	<u>2,725</u>	<u>3,248</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2017**

11. 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 trustee expenses paid during the year which amounted to £6,030.

12. STAFF COSTS

	31.12.17	31.12.16
	£	£
Wages and salaries	<u>828,581</u>	<u>711,109</u>

During the year 2 staff members were made redundant and a total of £4,594.50 was paid out as termination payments.

The average monthly number of employees during the year was as follows:

31.12.17	31.12.16
82	76
<u>82</u>	<u>76</u>

No employees received emoluments in excess of £60,000.

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	125,475
Charitable activities	
UK Projects	32,440
Other trading activities	1,424,759
Investment income	6
Total	<u>1,582,680</u>
EXPENDITURE ON	
Raising funds	1,198,792
Charitable activities	
Cebu Project costs	326,266
UK Projects	151,074
Other	9,923
Total	<u>1,686,055</u>
NET INCOME/(EXPENDITURE)	<u>(103,375)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
fund
£

RECONCILIATION OF FUNDS

Total funds brought forward

105,770

TOTAL FUNDS CARRIED FORWARD

2,395

14. TANGIBLE FIXED ASSETS

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2017	12,600	655	13,255
Additions	-	1,857	1,857
At 31 December 2017	12,600	2,512	15,112
DEPRECIATION			
At 1 January 2017	3,150	98	3,248
Charge for year	2,363	362	2,725
At 31 December 2017	5,513	460	5,973
NET BOOK VALUE			
At 31 December 2017	7,087	2,052	9,139
At 31 December 2016	9,450	557	10,007

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17 £	31.12.16 £
Trade debtors	11,162	9,935
Other debtors	11,337	11,337
VAT	13,108	11,723
Prepayments	105,722	54,645
	141,329	87,640

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.17	31.12.16
	£	£
Hire purchase (see note 19)	3,780	3,780
Trade creditors	18,729	60,670
Social security and other taxes	8,291	7,540
Other creditors	2,927	2,567
Wages due	2,931	11,570
Accruals and deferred income	50,266	55,274
	<u>86,924</u>	<u>141,401</u>

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.17	31.12.16
	£	£
Other loans (see note 18)	-	32,054
Hire purchase (see note 19)	2,205	5,985
	<u>2,205</u>	<u>38,039</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.12.17	31.12.16
	£	£
Amounts falling between one and two years:		
Other loans - 1-2 years	-	32,054
	<u>-</u>	<u>32,054</u>

19. LEASING AGREEMENTS

	Hire purchase contracts	
	31.12.17	31.12.16
	£	£
Net obligations repayable:		
Within one year	3,780	3,780
Between one and five years	2,205	5,985
	<u>5,985</u>	<u>9,765</u>

19. LEASING AGREEMENTS - continued

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.17 £	31.12.16 £
Within one year	261,997	212,997
Between one and five years	944,810	835,627
In more than five years	258,259	184,439
	<u>1,465,066</u>	<u>1,233,063</u>

20. MOVEMENT IN FUNDS

	At 1.1.17 £	Net movement in funds £	At 31.12.17 £
Unrestricted funds			
General fund	2,395	90,666	93,061
	<u>2,395</u>	<u>90,666</u>	<u>93,061</u>
TOTAL FUNDS	<u>2,395</u>	<u>90,666</u>	<u>93,061</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,998,932	(1,908,266)	90,666
	<u>1,998,932</u>	<u>(1,908,266)</u>	<u>90,666</u>
TOTAL FUNDS	<u>1,998,932</u>	<u>(1,908,266)</u>	<u>90,666</u>

Comparatives for movement in funds

	At 1.1.16 £	Net movement in funds £	At 31.12.16 £
Unrestricted Funds			
General fund	105,770	(103,375)	2,395
	<u>105,770</u>	<u>(103,375)</u>	<u>2,395</u>
TOTAL FUNDS	<u>105,770</u>	<u>(103,375)</u>	<u>2,395</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2017

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,582,680	(1,686,055)	(103,375)
TOTAL FUNDS	<u>1,582,680</u>	<u>(1,686,055)</u>	<u>(103,375)</u>

21. RELATED PARTY DISCLOSURES

During the year the charity paid £132,978 (2016: £104,121) to CM Partners Ltd for management charges, recharges and set up cost for operating the charity shops. The balance owed to CM Partners Ltd at the year end was £12,000 (2016: £nil). Mr J Todd, is a director of CM Partners Limited. Mr Todd is the husband of Mrs A Todd, a current director of the charity.

Mercy in Action

Detailed Statement of Financial Activities for the Year Ended 31 December 2017

	31.12.17 £	31.12.16 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	107,913	114,092
Gift aid	14,582	11,383
	<u>122,495</u>	<u>125,475</u>
Other trading activities		
Shop income	1,798,568	1,423,944
Online Income	15,042	815
	<u>1,813,610</u>	<u>1,424,759</u>
Investment income		
Rents received	25,150	-
Interest receivable - trading	10	6
	<u>25,160</u>	<u>6</u>
Charitable activities		
Grants	37,667	32,440
	<u>37,667</u>	<u>32,440</u>
Total incoming resources	<u>1,998,932</u>	<u>1,582,680</u>
EXPENDITURE		
Raising donations and legacies		
Wages	20,467	22,366
Insurance	324	209
Telephone	276	259
Postage and stationery	1,681	1,242
Sundries	745	716
Gift Aid administration	14,647	14,806
Staff training	17	81
Subscriptions	186	147
Travel & motor expenses	27	32
Legal & professional	1,324	46
	<u>39,694</u>	<u>39,904</u>
Other trading activities		
Purchases	9,259	13,149
Wages	689,951	588,683
Commission	149,947	111,698
Staff training	3,352	2,859
Carried forward	852,509	716,389

This page does not form part of the statutory financial statements

Mercy in Action

Detailed Statement of Financial Activities for the Year Ended 31 December 2017

	31.12.17 £	31.12.16 £
Other trading activities		
Brought forward	852,509	716,389
Till running costs	11,508	17,787
Light & heat	58,640	19,653
Sundries	17,224	21,615
Insurance	12,918	11,647
Postage & Stationery	3,652	1,819
Rent, rates & water	329,201	266,481
Repairs & renewals	11,786	55,327
Subscriptions	2,171	2,109
Telephone	9,588	7,103
Travel & motor expenses	25,666	24,049
Advertising & Promotions	1,046	1,097
Legal & professional	8,870	58
Bank charges	5,376	7,231
	<u>1,350,155</u>	<u>1,152,365</u>
Charitable activities		
Wages	118,163	100,060
Insurance	1,782	1,495
Telephone	1,211	818
Postage and stationery	11,019	6,856
Sundries	4,176	4,713
Direct Charitable expenditure	276,667	288,759
Distribution costs	12,309	6,997
Staff Training	2,920	1,550
Premises expenses	58,604	50,677
Travel	7,933	5,369
Legal & professional fees	2,119	3,006
Grants to institutions	4,889	7,200
	<u>501,792</u>	<u>477,500</u>
Support costs		
Finance		
Bank charges	10,265	9,763
Motor vehicles	2,363	3,150
Computer equipment	362	98
	<u>12,990</u>	<u>13,011</u>
Governance costs		
Auditors' remuneration	3,635	3,275
	<u>1,908,266</u>	<u>1,686,055</u>
Total resources expended		
	<u>90,666</u>	<u>(103,375)</u>
Net income/(expenditure)		

This page does not form part of the statutory financial statements