

Mellon Township Limited

Directors' Report and Financial Statements

For the financial year ended 31 December 2016



Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

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Mellon Township Limited

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ADMINISTRATIVE DETAILS

Directors:	Niall Mellon Patrick O'Reilly (resigned 16/02/2017) Andrew Brennan David Kennedy (appointed 16/02/2017)
Secretary:	Jacinta Morley
Company number:	389423
Charity registered number:	CHY 16238
Charities Regulatory Authority number:	20058074
Registered office:	Lynx House, Old Church Road, Lower Kilmacud Road, Stillorgan, Dublin.
Bankers:	Allied Irish Banks plc, Rathgar, Dublin 6W.
Auditors	BDO, Statutory Audit Firm, Beaux Lane House, Mercer Street Lower, Dublin 2, Ireland
Mellon Housing Initiative	Mellon House, Corner van Riebeeck (R102) & Station Road, Blackheath, 7580, Western Cape, South Africa.
Mellon Educate (UK)	c/o Worthington Solicitors, 24-38 Gordon Street, Belfast, Antrim, BT1 2LG.
Solicitors:	Maguire McErlean Solicitors, 80 Upper Drumcondra Road, Dublin 9.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

DIRECTORS ANNUAL REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Structure

In preparing the financial statements the directors have exercised the options available to a small private company under the Companies Act 2014.

Governance

Mellon Township Limited is committed to holding a high standard of ethical and lawful behaviour in all our activities which are led by the board of Directors and implemented by all associated with the charity. There was no remuneration paid to directors during the financial year.

Directors, secretary and their interests

The directors and secretary and their interests in the shares of the company at 31st December 2016 and 31st December 2015 are as follows:

	31/12/2016	31/12/2015
	No. of Ordinary shares €1	No. of Ordinary shares €1
Niall Mellon	1	1
Andrew Brennan	1	1
Patrick O'Reilly (resigned 16/02/2017)	1	1
David Kennedy (appointed 16/02/2017)	-	-

Except where indicated, the Directors served for the entire financial year. The Directors are not required to retire by rotation. The board of Directors are appointed by the members at an Annual General Meeting. The Directors are responsible and accountable for the management and activities of the company

The company secretary throughout the year was Jacinta Morley.

Mellon Township Limited has the following branches:

- Mellon Educate Organisation, Kenya
- The Niall Mellon Township Trust, Congo

Mellon Township Limited

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DIRECTORS ANNUAL REPORT

OBJECTIVES AND ACTIVITIES

2016 Building Blitz, Ummangaliso and Kuyasa Schools, Western Cape, South Africa

During the week commencing 5th November 2016, a total of 264 volunteers, including 55 UK volunteers recruited through our UK Charity, flew to Cape Town. The group included representatives from Ireland, UK, Germany, Netherlands, Venezuela and America. The volunteers worked on the above two schools located in South Africa's second largest township, Khayelitsha.

Ummangaliso Primary school is home to 1,200 pupils and during the Blitz, our volunteers built 6 classrooms, a library, extended the playground and build a covered shelter for the children to use in the extreme heat.

6 km away at Kuyasa Primary school, the volunteers built 6 classrooms, a library, a kitchen, a kitchen, toilet block, a new playground and a covered shelter for the 1,750 pupils who attend this school.

Blitz 2017

We have increased the fundraising target for new volunteers to €4,500 in Ireland and £3,950 in the UK for 2017 to ensure the Charity remains effective in achieving its objectives. Through the efforts of the Directors and staff, the awareness of the Charity continues to grow, both in the UK and internationally.

Mellon Educate Results Programme

Before the infrastructural improvements carried out during the building Blitz in 2016, a needs analysis was carried out by the Mellon Educate specialist team to see what areas of schools required specific help coaching and mentoring. The outcome of this was to place a number of the literacy and maths specialists in selective schools to help improve the delivery of these core subjects to the pupils. To enhance this crucial step in our program we have begun developing a partner relationship with JET Educational Services, a leading e-learning provider in South Africa.

Mellon Educate Teachers Blitz

Towards the end of 2016 the Charity put in place the idea of holding a two-week Teachers Blitz in July 2017. The concept was to bring volunteer teachers from the UK and Ireland to work alongside both the Mellon Educate Specialists and the incumbent South African teachers in the schools we are currently engaging with. This initial Teachers Blitz took place with great success in July 2017 with 52 teachers in total taking the trip and of those 2 were from the UK.

Western Cape Education Department

Mellon Educate continues to develop a strong and meaningful partnership with Minister for Education the Western Cape, MEC Debbie Shaffer and her department. The selection of schools where both the infrastructural work and education assistance takes place is done in consultation with the WCED in order to ensure the areas of most need are identified and helped to maximum effect.

2016 After School Programme

In 2017 we intend introducing an after school and holiday programme. This additional tutoring will be a critical intervention in helping pupil's academic development, which will assist in our target for significant improvement in results.

We also intend in 2017 to directly manage a further two/three South African schools by developing our capacity within the Mellon Educate Team. If this programme is successful we believe it could be instrumental in assisting the delivery of the South African Government education objectives.

Mellon Township Limited

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DIRECTORS ANNUAL REPORT

Since the financial year end, Mellon Educate has continued working with Kenyan and South African governments, demonstrating the quality and efficiency of work that has been done.

Kenya Schools projects: Construction of a Secondary School in the Sultan Hamud region of Nairobi

Mellon Township Limited constructed an administrative building and additional classrooms for this school over the later part of the year, the school was completed in December 2016 at a total cost of €385 506 . This brings to three the number of schools we have built or refurbished in Nairobi, Kenya.

FINANCIAL REVIEW

The statement of financial activities and balance sheet are set out on pages 11 and 12.

Deficit for the year amounted to €482,240 compared with a deficit of €740,903 for 2015. The 2016 deficit was primarily due to construction costs for new schools and continuing support of our education programmes. The charitable expenditure for 2016 was €1,249,044 compared with €1,294,447 for 2015 which demonstrates our continued commitment to our objectives.

Though the efforts of the Irish and Uk Trustee's and Managers we are happy to report that donations of R2 830 661 were made directly to the South African Charity Mellon Housing Initiative. These funds were used to assist in the school building programme and will be used to fit out a library.

In November 2013 the company invested €1,000,000 into an Irish investment fund. At the financial year end the fund was valued at €1,323,193. The gains from the investment have been recorded as an unrealised gain on investments.

POLITICAL DONATIONS

No political donations have been made by the company.

EVENTS SINCE THE FINANCIAL YEAR END

There have been no significant transactions since the financial year end.

FUTURE DEVELOPMENTS

Mellon Township Limited through its educational initiative, Mellon Educate, continue to progress our mission of providing sustainable educational improvements for over 100,000 impoverished children across Africa.

RESERVES

Unrestricted reserves indicate the resources on which the group can draw in order to continue its work in the event of a downturn in income. The level of unrestricted reserves held at the end of 2016 is €1,334,992 (2015: €1,817,232) and is considered adequate and is in line with our reserves policy.

The unrestricted funds will be utilised to continue the support of the School Building Blitzes and Mellon Educate Results programme.

Mellon Township Limited

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DIRECTORS ANNUAL REPORT

PRINCIPAL RISKS AND UNCERTAINTIES

The company raises the majority of funds from volunteers and donations from the Republic of Ireland. Volunteer expenditure is incurred in the Republic of Ireland for flights and logistics for the Building Blitzes. Charitable activities also include expenditure on Construction Projects in Africa and hence there is exposure to currency risk. The Company does not enter into foreign exchange forward contracts but continually monitors currency movements.

The company does not rely on significant borrowings and has a minimal exposure to interest rate risk. The company is in a strong liquidity position and does not foresee any cash flow risk in the near future. The company's policy is to ensure that sufficient resources are available from cash balances, cash flows and near cash liquid investments to ensure all obligations can be met when they fall due.

The directors are aware of the major risks to which the company is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved in accordance with Section 332 of the Companies Act 2014 has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that the Directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

ACCOUNTING RECORDS


The measures that the directors have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting records. The books of account for the Company are maintained at Lynx House, Old Church Road, Lower Kilmacud Road, Stillorgan, Co. Dublin.

Auditors

The auditors, BDO, continue in office in accordance with Section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf by:


Niall Mellon
Director


Andrew Brennan
Director

Date: 24 November 2017

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Irish Company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland ("relevant financial reporting framework"). Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies and apply them consistently;
- 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 Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board:



Niall Mellon

Director


Andrew Brennan
Director

Date: 24 November 2014



Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MELLON TOWNSHIP LIMITED

We have audited the financial statements of Mellon Township Limited for the financial year ended 31 December 2016 which comprise the statement of financial activities, balance sheet, cash flow statement and related notes. The relevant financial reporting framework that has been applied in their preparation is Companies Act 2014 and FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express our opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2016 and of its results for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and in particular with the requirements of the Companies Act 2014.



Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016


INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MELLON TOWNSHIP LIMITED - CONTINUED

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of our obligations under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.



John O'Callaghan
For and on behalf of
BDO
Dublin
Statutory Audit Firm
AI223876

27 November 2017
Date

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

STATEMENT OF FINANCIAL ACTIVITIES

Incorporating the Income and Expenditure Account

For the year financial ended 31 December 2016


	Notes	Restricted Funds 2016 €	Unrestricted Funds 2016 €	Total 2016 €	Total 2015 €
INCOME FROM					
Charitable Activities	3	-	816,378	816,378	854,737
Other incoming resources	4	-	-	-	7,794
TOTAL INCOME		-	816,378	816,378	862,531
EXPENDITURE ON:					
Charitable activities	5	-	(1,249,044)	(1,249,044)	(1,294,447)
Raising funds	6	-	(179,664)	(179,664)	(593,614)
TOTAL EXPENDITURE		-	(1,428,708)	(1,428,708)	(1,888,061)
NET OUTGOING RESOURCES		-	(612,230)	(612,230)	(1,025,530)
UNREALISED GAIN ON INVESTMENTS	10	-	130,090	130,090	284,627
NET DEFICIT		-	(482,240)	(482,240)	(740,903)
FUND BALANCES AT START OF FINANCIAL YEAR	14	-	1,817,232	1,817,232	2,558,135
FUND BALANCES AT END OF FINANCIAL YEAR	14	-	1,334,992	1,334,992	1,817,232

All activities relate to continuing activities.

There are no recognised gains and losses other than as stated above.

The notes on page 14 to 23 form part of these Financial Statements.

Signed on behalf of the board:


Niall Mellon
Director


Andrew Brennan
Director

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

BALANCE SHEET

At 31 December 2016

	Notes	2016 €	2015 €
FIXED ASSETS			
Tangible fixed assets	9	<u>18,333</u>	<u>27,281</u>
		18,333	27,281
CURRENT ASSETS			
Short term Deposits & Investments	10	1,323,193	1,713,103
Debtors (Amount falling due within one financial year)	11	16,612	23,778
Cash and cash equivalents	12	<u>57,885</u>	<u>165,241</u>
		1,397,690	1,902,122
CREDITORS (Amount falling due within one financial year)			
	13	<u>(81,024)</u>	<u>(112,164)</u>
NET CURRENT ASSETS			
		<u>1,316,666</u>	<u>1,789,958</u>
NET ASSETS			
		<u>1,334,999</u>	<u>1,817,239</u>
FUNDS			
Called up share capital presented as equity	17	7	7
Unrestricted funds	14	1,334,992	1,817,232
Restricted funds	14	<u>-</u>	<u>-</u>
TOTAL FUNDS			
		<u>1,334,999</u>	<u>1,817,239</u>

The financial statements were approved and authorised for issue by the board:


Niall Mellon
Director


Andrew Brennan
Director

Date: 24 November 2017

The notes on page 14 to 23 form part of these Financial Statements.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

CASH FLOW STATEMENT

For the financial year ended 31 December 2016

		2016 €	2015 €
Net cash used in operating activities		(624,147)	(1,232,278)
Cash flow from investing activities			
<u>Return on investments:</u>			
Deposit interest income	4	-	3,557
<u>Capital expenditure:</u>			
Payment to acquire fixed assets	9	(3,209)	(1,750)
Cash from Short term deposit accounts		520,000	-
(DECREASE) IN CASH		(107,356)	(1,230,471)
RECONCILIATION OF NET CASH FLOW			
(Decrease) in cash		(107,356)	(1,230,471)
Cash & cash equivalents at beginning of financial year		165,241	1,395,712
CASH & CASH EQUIVALENTS AT END OF FINANCIAL YEAR	12	57,885	165,241

		2016 €	2015 €
RECONCILIATION OF NET INCOMING (OUTGOING) RESOURCES TO CASH (OUTFLOW) FROM OPERATING ACTIVITIES			
Net outgoing resources		(612,330)	(1,025,530)
Depreciation	9	12,157	11,481
Deposit interest income	4	-	(3,557)
Increase/(Decrease) in Debtors	11	7,166	(16,389)
(Decrease) in Creditors	13	(31,140)	(198,283)
Net cashflows from operating activities		(624,147)	(1,232,278)

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies are applied consistently in dealing with items which are considered material in relation to the company's financial statements:

(a) Basis of Accounting

The financial statements have been prepared on a going concern basis in accordance with Financial Reporting Standard 102 ("FRS 102") 'The Reporting Standard applicable in the UK and Ireland' as issued by the Financial Reporting Council, the Companies Act 2014 and with reference to the recommendations of the revised Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued by the Charity Commissioners in the UK.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies. See note 2.

The following principal accounting policies have been applied:

(b) Restricted Funds

Restricted funds are funds received which can only be used for particular purposes specified by the donors and are binding on the company. Such purposes are within the overall aims of the company.

(c) Unrestricted Funds

Unrestricted funds are those which are expendable at the discretion of the company in furtherance of the objects of the charity.

(d) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the company is entitled to the income and the amount can be measured with reasonable accuracy and is probable. The following specific policies are applied to particular categories of income:

- **Fundraising Income:** Fundraising income is credited to the Statement of Financial Activities at the time of receipt.
- **Investment Income:** Income earned on funds held on deposit is treated as unrestricted income and is credited when earned.
- **Donations:** Donations are raised by volunteers and are taken into account at the time of receipt.
- **Grant Income:** Grant income is recognised in full once entitlement, certainty and measurement are met.

(e) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred and is recorded as part of the expenditure to which it relates.

Expenditure on charitable activities are those costs incurred by the charity in the delivery of its services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Where costs cannot be directly attributed, they have been allocated in proportion to estimated benefits received.

Cost of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

(f) Reserves Policy

Unrestricted reserves indicate the resources on which the company can draw in order to continue its work in the event of a downturn in income. The level of unrestricted reserves held at the end of 2016 is considered adequate and in line with our reserves policy.

(g) Tangible Fixed Assets

Tangible fixed assets currently in use in furtherance of the charity's objectives are stated in the balance sheet at cost less accumulated depreciation. A small number of assets not currently in use in furtherance of the charity's objectives are stated at the lower of cost less accumulated depreciation and net market value. Depreciation is provided on tangible assets, so as to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Motor vehicles	20% per annum
Computer equipment	25% per annum
Fixtures, Fittings & Equipment	25% per annum

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

(h) Investments

Financial assets are measured at fair value in accordance with FRS 102. The unrealised gains from the investment are recognised in the statement of financial activities. The investment is monitored and can be realised in the short term.

(i) Debtors

Short term debtors are measured at transaction price, less any impairment.

(j) Creditors

Short term creditors are measured at the transaction price.

(k) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

(l) Financial Instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable. Basic financial instruments are recorded at transaction price.

(m) Going Concern

The directors believe that the company have adequate resources to continue in the foreseeable future and accordingly the financial statements have been prepared on a going concern basis.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

2. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Establishing lives for depreciation purposes of tangible fixed assets.

Long-lived assets, consisting primarily of motor vehicles, computer equipment and office equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful lives are included in the accounting policies.

Accruals

Accruals are recognised on an assumption basis for costs incurred for which the invoice is not yet received. However, this estimate is subject to inherent uncertainty.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

3. Income from Charitable Activities

	Restricted Funds 2016 €	Unrestricted Funds 2016 €	Total 2016 €	Total 2015 €
Income from Volunteers attending the building blitz	-	641,752	641,752	699,811
Funds from related entities	-	152,376	152,376	26,717
Fundraising activities	-	22,250	22,250	128,209
	<u>-</u>	<u>816,378</u>	<u>816,378</u>	<u>854,737</u>

4. Income from Other Incoming Resources

	2016 €	2015 €
Investment income: Bank deposit interest	-	3,557
Exchange gains	-	4,237
	<u>-</u>	<u>7,794</u>

5. Expenditure on Charitable Activities

	Restricted Funds 2016 €	Unrestricted Funds 2016 €	Total 2016 €	Total 2015 €
2016 Blitz and Mellon Results programme	-	946,083	946,083	666,360
Kenyan School projects	-	154,773	154,773	466,043
South African results programme	-	143,058	143,058	122,260
Congo charitable expenditure	-	2,722	2,722	21,500
All other services and charitable activities	-	2,408	2,408	18,284
	<u>-</u>	<u>1,249,044</u>	<u>1,249,044</u>	<u>1,294,447</u>

6. Expenditure on Raising Funds

	2016 €	2015 €
General Expenses	179,664	593,614
	<u>179,664</u>	<u>593,614</u>

General expenses are the cost of the support team, and office expenses for the office in Dublin, and costs attributed to travel during the year to the UK by the charities employees and trustees overseeing the UK Charity, all additional income raised goes fully to support services and activities.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

7. Employees and Staff Costs

Mellon Township Limited employed an average of 10 people in 2016. Eight people worked in the Dublin office and two people worked in Kenya.

(a) Number of employees	2016	2015
Average number of people employed (full-time and part-time)	10	8

(b) Total staff costs	2016	2015
	€	€
Wages & salaries	256,200	242,818
Social welfare costs	18,119	16,984
Pension costs	15,900	-
Redundancy payment	1,716	-
	<u>291,935</u>	<u>259,802</u>

(c) Senior staff remuneration	2016	2015
The number of staff earning salaries over €40,000 is:	1	1
Band: €40,000 - €49,999	-	-
Band: €60,000 - €69,999	1	1

The Board oversees all matters relating to staff remuneration.

(d) Key management remuneration

Key management refers to the directors and senior staff of the company. The amount of key management remuneration paid in 2016 was €23,400 (2015 :Nil)

8. Support Costs and Allocation of Expenditure

(a) Support Costs

Support costs include secretary, audit and professional fees charged by external professional service providers.

(b) Allocation of expenditure

	Charitable activities	Cost of generating funds	Total Expenditure
	€	€	€
Direct expenditure	1,165,312	108,391	1,273,703
Allocation of support costs	83,732	71,273	155,005
Total resources expended	<u>1,249,044</u>	<u>179,664</u>	<u>1,428,708</u>

Members of the Board of Directors do not receive remuneration for their services as directors. Expenses directly incurred by the directors in carrying out their role are reimbursed, if claimed. There was one director expense claim in the year for €5,080 in respect of travel costs.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

9. Tangible Fixed Assets

	Computer Equipment €	Fixtures, Fittings and Equipment €	Motor Vehicles €	Total €
Cost				
At 1 January 2016	13,516	38,395	22,000	73,911
Additions	-	3,209	-	3,209
At 31 December 2016	<u>13,516</u>	<u>41,604</u>	<u>22,000</u>	<u>77,120</u>
Depreciation				
At 1 January 2016	7,665	27,232	11,733	46,630
Charge for the financial year	3,379	4,378	4,400	12,157
At 31 December 2016	<u>11,044</u>	<u>31,610</u>	<u>16,133</u>	<u>58,787</u>
Net Book Value				
At 31 December 2016	<u>2,472</u>	<u>9,994</u>	<u>5,867</u>	<u>18,333</u>
At 31 December 2015	<u>5,851</u>	<u>11,163</u>	<u>10,267</u>	<u>27,281</u>

In respect of the prior year:

	Computer Equipment €	Fixtures, Fittings and Equipment €	Motor Vehicles €	Total €
Cost				
At 1 January 2015	11,948	38,213	22,000	72,161
Additions	1,568	182	-	1,750
At 31 December 2015	<u>13,516</u>	<u>38,395</u>	<u>22,000</u>	<u>73,911</u>
Depreciation				
At 1 January 2015	4,286	23,530	7,333	35,149
Charge for the financial year	3,379	3,702	4,400	11,481
At 31 December 2015	<u>7,665</u>	<u>27,232</u>	<u>11,733</u>	<u>46,630</u>
Net Book Value				
At 31 December 2015	<u>5,851</u>	<u>11,163</u>	<u>10,267</u>	<u>27,281</u>
At 31 December 2014	<u>7,662</u>	<u>14,683</u>	<u>14,667</u>	<u>37,012</u>

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

10. Short term deposits & Investments

	2016 €	2015 Restated €
Irish Life Fund investment	<u>1,323,193</u>	<u>1,713,103</u>

In November 2013, the Company invested €1,000,000 into an Irish investment fund.

The above amounts are stated at fair value in accordance with FRS 102. There is an unrealised gain of €130,090 (2015: €284,627). There was a withdrawal from the fund in the amount of €520,000 in 2016.

11. Debtors (amounts falling due within one financial year)

	2016 €	2015 €
Other receivables	3,148	-
Prepayments and other debtors	<u>13,464</u>	<u>23,778</u>
	<u>16,612</u>	<u>23,778</u>

12. Cash and cash equivalents

	2016 €	2015 €
Cash and cash equivalents	<u>57,885</u>	<u>165,241</u>
	<u>57,885</u>	<u>165,241</u>

13. Creditors (amounts falling due within one financial year)

	2016 €	2015 €
Creditors and accruals	76,012	49,767
Payroll taxes	5,012	4,981
Related Parties (Note 23)	<u>0</u>	<u>57,416</u>
	<u>81,024</u>	<u>112,164</u>

The repayment terms of creditors vary between on demand and 90 days. No interest is payable on trade creditors.

Tax & social security are subject to the terms of the relevant legislation.

The terms of accruals are based on the underlying contracts.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

14 (a) Movement in Funds

	At start of year 2016 €	Incoming Resource 2016 €	Outgoing Resource 2016 €	At end of year 2016 €
Restricted Funds	-	-	-	-
Unrestricted Funds	1,532,605	816,378	(1,428,70 8)	920,275
Unrealised Gain	284,627	130,090	-	414,717
Total	<u>1,817,232</u>	<u>946,468</u>	<u>(1,428,70 8)</u>	<u>1,334,992</u>

14 Movement in prior year

	At start of year 2015 €	Incoming Resource 2015 €	Outgoing Resource 2015 €	At end of year 2015 €
Restricted Funds	-	90,000	(90,000)	-
Unrestricted Funds	2,558,135	772,531	(1,798,061)	1,532,605
Unrealised Gain	-	284,627	-	284,627
Total	<u>2,558,135</u>	<u>1,147,158</u>	<u>(1,888,061)</u>	<u>1,817,232</u>

14 (b) Analysis of Net Assets

	Restricted Funds 2016 €	Unrestrict ed Funds 2016 €	At end of year 2016 €	At end of year 2015 €
Tangible Fixed Assets	-	18,333	18,333	27,281
Current Assets	-	1,397,690	1,397,690	1,902,12 2
Creditors: Amounts falling due within one financial year	-	(81,024)	(81,024)	(112,164)
Total	<u>-</u>	<u>1,334,999</u>	<u>1,334,999</u>	<u>1,817,23 9</u>

Unrestricted funds are funds that have been raised by the company and which are expendable at the discretion of the company in furtherance of the objects of the charity.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

15. Financial Instruments

	2016	Restated 2015
	€	€
Financial assets measured at fair value through the statement of financial activities		
Irish life investment	1,323,193	1,713,103
	<u>1,323,193</u>	<u>1,713,103</u>

Financial assets that are debt instruments measured at amortised cost

Cash at bank and in hand	57,885	165,241
	<u>57,885</u>	<u>165,241</u>

Financial liabilities at amortised cost

Trade creditors	24,296	49,767
Related parties	-	57,416
	<u>24,296</u>	<u>107,183</u>

16. Net Movement in Funds

	2016	2015
	€	€
Net movement in funds is stated after charging:		
Depreciation of tangible fixed assets	12,157	11,481
Auditors' remuneration	19,373	18,250
Accountancy	2,768	6,150
	<u>2,768</u>	<u>6,150</u>

As explained in Note 8, members of the Board of Directors do not receive remuneration for their services as directors.

17. Called Up Share Capital

	2016	2015
	€	€
Authorised Share Capital		
1,000 Ordinary Shares of €1.00 each	<u>1,000</u>	<u>1,000</u>
Issued Share Capital		
7 Ordinary Shares of €1.00 each	<u>7</u>	<u>7</u>

18. Taxation

No charge to taxation arises as the company has been granted charitable exemption by the Revenue Commissioners.

19. Pensions

The company did not have a pension scheme in place for the reported periods.

Mellon Township Limited

Financial Statements for the financial year ending 31 December 2016

NOTES TO THE FINANCIAL STATEMENTS – continued

20. Capital Commitments

There were no capital commitments at the financial year end (2015 - €Nil).

21. Contingent Liabilities

There were no contingent liabilities at the financial year end (2015 - €Nil).

22. Post balance sheet events

No significant events have occurred since the balance sheet date which would require adjustment to the amounts as disclosed in the financial statements.

23. Related Party Transactions

During the financial year the company paid rent of €15,000 (2015 - €11,799) to a related party through directorship, namely Patrick O Reilly, for office accommodation. The amount outstanding at the yearend was €Nil (2015 - €Nil).

Mellon Educate UK Ltd

Mellon Educate UK Ltd is a related party by virtue of common directors. During the financial year Mellon Township Limited received grants from Mellon Educate UK Ltd for the Blitz. The amount of grants received in 2016 was €152,376 (2015: €26,717).

Kenneth Kingston is a director of Mellon Educate UK Ltd and received a salary from Mellon Township Limited of €23,400 in 2016 (2015: €0).

Mellon Housing Initiative (SA)

Mellon Housing Initiative (SA) is a related party by virtue of common directors. During the financial year the Mellon Township Limited provided services and incurred expenses for the 2016 Blitz. Mellon Housing Initiative (SA) paid expenses of €202,824 (2015: €61,612) on behalf of Mellon Township Limited for which were then reimbursed by Mellon Township Limited. There is no outstanding balance at the yearend (2015: €57,416) owed to Mellon Housing Initiative (SA).

24. Comparative Figures

The comparative figures have been regrouped where necessary on the basis consistent with the current financial year.

25. Approval of the Financial statements

The board of directors approved these financial statements for issue on 24/11/2017.