

Mellon Educate (UK)

**(a foundation charitable incorporated
organisation (CIO))**

**TRUSTEES REPORT AND
FINANCIAL STATEMENTS FOR
THE FINANCIAL PERIOD FROM
25 OCTOBER 2017 TO THE
FINANCIAL PERIOD ENDED 31
DECEMBER 2018**

Charity Registration Number 1175352



Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Mellon Educate (UK)
Financial statements for the 15 month period ended 31 December 2018

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Mellon Educate (UK)

Financial statements for the 14 month period ended 31 December 2018

ADMINISTRATIVE DETAILS

Trustees	Maeve McDonald Andrew Thomas Andrew Brennan (Chair)
Charity registration number	1175352
Registered office	26 Cadogan Square London SW1X 0JP
Solicitors	Filanthropia Consulting Limited Heath House Alldens Lane Godalming Surrey GU8 4AP
Bankers	The Co-Operative Bank P.O.Box 250, Delf House Southway Skelmersdale WN8 6WT
Auditors	BDO Statutory Audit Firm Beaux Lane House Mercer Street Lower Dublin 2 Ireland
Mellon Township Limited (Operating under the business name of "Mellon Educate")	a charitable company registered with the Republic of Ireland Companies Registration Office under number 389423 and registered with the Charities Regulatory Authority under number 20058074 Explorium Sports Science Centre Blackglenn Road Sandyford Co. Dublin Ireland
Mellon Housing Initiative	a not for profit company limited by guarantee in South Africa and registered with the Companies and Intellectual Property Commission in South Africa, registration number 2006/037539/08 Mellon House Corner van Riebeeck (R102) & Station Road Blackheath, 7580 Western Cape, South Africa

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Structure

Mellon Educate (UK) is a registered charity (No. 1175352) ("the Charity"). The Charity was registered with the Charity Commission for England and Wales ("Charity Commission") on 25 October 2017.

The governing document of the Charity is a CIO Constitution dated 24 October 2017.

On 1 January 2018 the Charity assumed the activities, assets and liabilities of Mellon Educate (UK) 2008, a charitable company registered in Northern Ireland, company number NI068969 and registered charity number 102874.

The Charity's accounts are prepared on a 'true and fair' basis in accordance with accounting standards and the methods and principles of the applicable Statement of Recommended Practice (SORP).

Membership

As a foundation CIO the members of the Charity are the Trustees for the time being.

Governance

Mellon Educate (UK) is committed to holding a high standard of ethical and lawful behaviour in all our activities which are led by the Trustees and implemented by all associated with the Charity.

Trustees

Pursuant to the CIO Constitution the Trustees are appointed by the Founder, Niall Mellon, during his lifetime. The Trustees are identified through their ongoing contributions to the Charity and who have the appropriate experience and commitment to govern the Charity. The Trustees are responsible and accountable for the management of the affairs of the Charity.

The Trustees of the Charity are set out on page 1 and they have served for the entire period. The Trustees are appointed for a two year period, after which they may be re-appointed by the Founder.

TRUSTEES' REPORT – continued

OBJECTIVES AND ACTIVITIES

The objects of the Charity as set out at clause 3 of the CIO Constitution are:

“The income and property of the CIO shall be applied for the benefit of the public worldwide for the purposes set out below in particular, but not limited to, for the benefit of the underprivileged and the socially and economically disadvantaged in South Africa:

- (1) the advancement of education by in particular, but not limited to (a) the construction of, or assisting in the construction of, schools and (b) the provision of, or assisting in the provision of, equipment, teaching and learning materials and the mentoring and training of school principals and teachers;
- (2) the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage by in particular, but not limited to, the provision of, or assisting in the provision of (a) housing and related amenities, (b) food, clothing (including school uniforms) and other life essentials to ensure the wellbeing of children and young persons to enable them to engage fully with the educational process and (c) school transport;
- (3) the advancement of health by in particular, but not limited to, the prevention or relief of sickness, disease or human suffering by the provision of, or assisting in the provision of, medical supplies; and
- (4) the development of the capacity and skills of the members of the socially and economically disadvantaged community in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society;

in such ways as the charity trustees shall from time to time think fit in particular, but not limited to, by supporting the charity Mellon Township Limited (also known as Mellon Educate), a charitable company registered in the Republic of Ireland, Companies Registration Office registered number 389423 and Charities Regulatory Authority registered number 20058074.”

Activities

The Charity's objects are primarily fulfilled by supporting the charity registered in the Republic of Ireland called Mellon Township Limited, also known as “Mellon Educate” (“Mellon Educate Ireland”) in connection with the annual Building Blitz and Teaching Blitz and related initiatives run by Mellon Educate Ireland each year. These initiatives are run for the benefit of the underprivileged in South Africa as a means of providing resources to improve classrooms and facilities and assist the teachers to improve the standard of education offered in the classrooms.

Mellon Educate UK supports Mellon Educate Ireland by providing, amongst other things:-

- assistance regarding the recruiting of Blitz volunteers from the UK (including volunteer fundraising); and
- grant funding.

The Trustees have read and understood the Charity Commission's guidance entitled “Charities with a connection to a non-charity”. The Charity has in place various agreements; policies and procedures including, but not limited to:-

TRUSTEES' REPORT – continued

Activities - continued

- conflicts of interest policy and register;
- collaboration agreement with Mellon Educate Ireland regarding the Building Blitz and Teaching Blitz;
- grant making policy and procedures;
- resource sharing agreement with Mellon Educate Ireland regarding (shared staff, facilities, premises, website and publications); and
- safeguarding and child protection policy.

Public Benefit Entity

The Trustees of the Charity have given careful consideration to the Charity Commission's guidance on public benefit to ensure that the charity's activities have achieved the Charity's objectives and provided a benefit to its beneficiaries.

ACHIEVEMENTS AND PERFORMANCE & FUTURE DEVELOPMENTS

Principal activities and review of the Charity

During the accounting period the Charity's principal activities were:

Supporting the Mellon Educate Ireland November 2018 School classroom Blitz

The annual Building Blitz to Cape Town in South Africa took place from 10th November to 17th November 2018. The construction work took place in the township of Wallacedene, an area where the Mellon programmes have been active for 10 years and resulting in the building of over 4,000 houses. The two schools the volunteers worked in were Enkuluqweni Primary School and Hector Peterson High School, where the team built 13 classrooms, 2 kitchens, an outdoor gym, playground and improved sporting facilities. The Blitz was attended by 285 international volunteers, of which 97 were part of the Charity's volunteer group, and joining them were more than 150 South Africans coming from South African companies such as Tsogo Sun and Old Mutual.

Supporting the Mellon Educate Ireland Results Programme

Following from the Building Blitz in November 2017 in Khayelitsha, the Mellon Educate Ireland team of specialists carried out a needs assessment in each of the 3 schools, Usasuzo High School, Sosebenza Primary and Sobambisana Primary Schools. The results of this were then used to formulate an intervention programme for these schools, primarily in the areas of literacy and numeracy. The initial feedback and results from the schools has been resoundingly positive and this relationship will continue for a further 2 to 4 years.

Supporting the Mellon Educate Ireland Teaching Blitz

At the end of July 2018 the second Mellon Educate Ireland Teaching Blitz took place in 7 schools, namely Sombambisana PS, Ummangaliso PS, Kuyasa PS, Sosebenza PS, Happy Valley PS, Silversands HS and Usasuzo HS where 43 teachers from Ireland and the UK worked alongside their South African counterparts for 2 weeks to help with teacher development, classroom management and overall best teaching practices. The meaningful impact of these 2 weeks is helping to build the relationships within the schools in a very positive and constructive manner.

TRUSTEES' REPORT – continued

Principal activities and review of the Charity – continued

Supporting the work of Mellon Educate Ireland including its partnership with the Western Cape Education Department

Mellon Educate Ireland continues to develop a strong and meaningful partnership with Minister for Education in the Western Cape, MEC Debbie Scheifer 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. The WCED now contributes 40% of the construction costs to the annual Building Blitz, thereby endorsing the work that Mellon Educate Ireland is carrying out so successfully in the Western Cape.

Running and hosting the Mellon Educate (UK) 2018 Gala Ball held in June

The initial Gala Ball was held in London during the course of the reported year and was a great success in raising funds, and in promoting the awareness of the charity's work in Africa.

Supporting the Mellon Educate Ireland 2018 After School Programme

In 2018 Mellon Educate Ireland continued with its After School Programme, generously supported by two Building Blitz volunteers. Within this programme Mellon Educate Ireland is delivering after school care for children in Ummangaliso PS by providing extra sport, art and using programmes as well as supplying an extra meal before the students return home.

The future

Going forward, the Charity intends to continue supporting the work of Mellon Educate Ireland as referred to above. The Trustees will also consider supporting any new initiatives of Mellon Educate Ireland which fall within the Charity's objects. These include, but are not limited to, plans in 2019 to directly manage a further two South African schools by developing the capacity within the Mellon Educate team. If this programme is successful it is believed that it could be instrumental in assisting the delivery of the South African Government education objectives.

FINANCIAL REVIEW

The statement of financial activities and balance sheet are set out on page 11 and 12. The surplus for the year amounted to £50,912. The unrestricted funds carried forward amounted to £50,912.

It is also noted that the administration and accounts functions of this entity are carried out by Mellon Educate Ireland (pursuant to a resource sharing agreement), effectively reducing the costs of the Charity to generate funds.

Reserves policy

Unrestricted funds: Funds generated will be utilised to continue the support of the School Building Blitzes and Mellon Educate Results programme and related initiatives. The Trustees will continue to ensure that reserves remain in place to meet the current commitment to operations, and maximise the contributions the charity makes to its objectives.

At the current operating costs and activity levels the Trustees consider the minimum cash reserves requirement to be set at a level of £30,000 (Cash reserves in 2018 £54,631). Mellon Educate Ireland supported the operations of Mellon Educate (UK) 2008 before the transfer of operations to this Charity on 1 January 2018 and will continue to do so going forward.

Mellon Educate (UK)

Financial statements for the 14 month period ended 31 December 2018

TRUSTEES' REPORT – continued

Restricted Funds: When funds are received where it is the wish of the donor to assist in a specific project or to fund a particular activity the funds are held as a restricted fund and applied only for the specific purposes for which the monies were given.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

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

POST BALANCE SHEET EVENTS

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

AUDITORS

The auditors, BDO, Statutory Audit Firm, were appointed during the period and have expressed their willingness to continue in office.

Signed by order of the Trustees



Andrew Brennan
Trustee

Approved by the Trustees on 31 October 2014.

TRUSTEES' RESPONSIBILITY STATEMENT

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

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 entity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board:



Andrew Brennan
Trustee

Date: 31 October 2019 .

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MELLON EDUCATE (UK)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Mellon Educate (UK) for the financial period ended 31 December 2018, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the 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, inclusion Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the Charity's affairs as at 31 December 2018 and of its surplus for the financial period 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 Charities Act 2011.

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 below in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the entity in accordance with the ethical requirements that are relevant to our audit of financial statements in the United Kingdom, including the Financial Reporting Council'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 related 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 Charity'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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF MELLON EDUCATE (UK) (CONTINUED)

Other information

The other information comprises the information included in the Trustees' Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Report; or
- adequate accounting records have not been kept; or
- the Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees 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 entity'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 Charity or to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MELLON EDUCATE (UK) (CONTINUED)

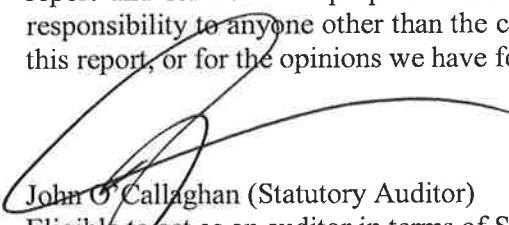
Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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. The description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


John O'Callaghan (Statutory Auditor)

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.
for and on behalf of

BDO

Dublin

Statutory Audit Firm

AI223876

Date: 31 October 2019

STATEMENT OF FINANCIAL ACTIVITIES

For the 14 month period ended 31 December 2018

	Note	Restricted Funds 2018 £	Unrestricted Funds 2018 £	Total 2018 £
INCOME FROM				
Donations and legacies	2	27,800	810,823	838,623
TOTAL INCOME		27,800	810,823	838,623
EXPENDITURE ON:				
Charitable activities	3	(27,800)	(445,800)	(473,600)
Raising funds	4	-	(314,111)	(314,111)
TOTAL EXPENDITURE	5	(27,800)	(759,911)	(787,711)
NET SURPLUS		-	50,912	50,912
TOTAL FUNDS BROUGHT FORWARD	14	-	-	-
TOTAL FUNDS CARRIED FORWARD	14	-	50,912	50,912

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

The notes on page 14 - 22 form part of these Financial Statements.

Mellon Educate (UK)

Financial statements for the 14 month period ended 31 December 2018

BALANCE SHEET

As at 31 December 2018

	Note	31 December 2018 £
FIXED ASSETS		
Computer Equipment	9	826
		<u>826</u>
CURRENT ASSETS		
Other Debtors	10	1,931
Cash & Cash Equivalents	11	54,631
TOTAL ASSETS		<u>56,562</u>
CREDITORS	12	
(Amount falling due within one year)		<u>(6,476)</u>
NET CURRENT ASSETS		<u>50,086</u>
TOTAL NET ASSETS		<u><u>50,912</u></u>
FUNDS		
Unrestricted funds	14	<u>50,912</u>
TOTAL FUNDS		<u><u>50,912</u></u>

The notes on page 14-22 form part of these Financial Statements

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


Andrew Brennan
Trustee

Date: 31 October 2019.

CASH FLOW STATEMENT

For the 14 month period ended 31 December 2018

	Note	2018 £
Net cash generated from operating activities		55,733
Net cash used in by investing activities		
Purchase of fixed assets		(1,102)
Change in cash & cash equivalents in the reporting period		54,631
 RECONCILIATION OF NET CASH FLOW		
Decrease in cash & cash equivalents		54,631
Cash & cash equivalents at the beginning of the period		-
CASH & CASH EQUIVALENTS	11	54,361
 RECONCILIATION OF NET (OUTGOING)/ INCOMING RESOURCES TO CASH (OUTFLOW) FROM OPERATING ACTIVITIES		
		2018 £
Net incoming resources		50,912
Depreciation		276
(Increase) in debtors		(1,931)
Increase in creditors		6,476
Net cash & cash equivalents generated from operating activities		55,733

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 Charity's financial statements:

Basis of Accounting

The financial statements have been prepared with reference to the recommendations of the revised Statement of Recommended Practice (SORP) Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to Charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The financial statements are prepared under Charities Act 2011.

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 entity's accounting policies.

Mellon Educate (UK) is a public benefit entity under FRS 102.

The following principal accounting policies have been applied:

Statement of Compliance

The financial statements have been prepared in accordance with FRS102 the financial reporting standard. Mellon Educate (UK) is a charity, their registered office is 26 Cadogan Square, London, SW1X 0JP.

Restricted Funds

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

Unrestricted Funds

Unrestricted funds are those which are expendable at the discretion of the entity in furtherance of the objects of the Charity.

NOTES TO THE FINANCIAL STATEMENTS – continued

1. Accounting Policies (continued)

Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the entity 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:

- **Donations:** Fundraising income is credited to the Statement of Financial Activities in the year in which it is receivable by the Charity.
- **Volunteer Income:** Donations raised by volunteers are taken into account at the time of receipt.
- **Properties:** Properties donated for use by the Charity are recognised in the Charity's financial statements as income and expenditure. This is in line with the Statements of Recommended Practice, Accounting and Reporting by Charities (2015).
- **Legacies:** Income from legacies is recognised when receipt is probable. Legacy income is recognised when there has been a grant of probate, the executors have established that there are sufficient assets in the estate, after paying liabilities to pay the legacy, and any conditions attached to the legacy have been met.

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.

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

Expenditure on charitable activities comprise grants paid by the Charity in the delivery of its services for its beneficiaries.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity. Where costs cannot be directly attributed, they have been allocated in proportion to estimated benefits received.

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. 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:

Computer equipment	25% per annum
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Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

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.

NOTES TO THE FINANCIAL STATEMENTS – continued

1. Accounting Policies (continued)

Debtors

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

Creditors

Short term creditors are measured at the transaction price.

Financial Instruments

The Charity only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like related party receivables and other payable. Basic financial instruments are recorded at transaction price.

Going Concern

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

Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements.

The Trustees do not have any significant accounting estimates and assumptions which they consider to be critical accounting estimates and judgments.

2. Income from Donations and legacies

		Restricted Funds 2018 £	Unrestricted Funds 2018 £	Total 2018 £
Volunteer Income	Notes (a)	-	297,222	297,222
Donations	(b)	27,800	279,286	307,086
Donations in Kind	(c)	-	15,500	15,500
Legacies	(d)	-	218,815	218,815
		<u>27,800</u>	<u>810,823</u>	<u>838,623</u>

- (a) Volunteer income raised by individuals and companies in support of the November 2018 building and summer teaching blitz held in Cape Town.
- (b) Donation income received from individuals and companies and includes the income from the Gala fundraising event
- (c) Donations in kind relates to a premise in London that Mellon Educate (UK) have received rent free and is using as an office.
- (d) Legacy income received from individuals

Mellon Educate (UK)

Financial statements for the 14 month period ended 31 December 2018

NOTES TO THE FINANCIAL STATEMENTS - continued**3. Expenditure on Charitable Activities**

	Restricted Funds 2018 £	Unrestricted Funds 2018 £	Total 2018 £
Grant to Mellon Housing Initiative (SA) for costs associated with building schools and supporting the Education programmes in South Africa	-	40,000	40,000
Grant to Mellon Educate Ireland for costs associated with building schools and supporting the Education programmes in South Africa	27,800	405,800	433,600
	<u>27,800</u>	<u>445,800</u>	<u>473,600</u>

The charity supports Mellon Educate Ireland and Mellon Housing Initiative (South Africa) in their objective to build quality facilities and to train teachers.

4. Expenditure on Raising Funds

	Restricted Funds 2018 £	Unrestricted Funds 2018 £	Total 2018 £
General expenses	-	(298,611)	(298,611)
Benefit in kind	-	(15,500)	(15,500)
	<u>-</u>	<u>(314,111)</u>	<u>(314,111)</u>

Expenditure on raising funds includes the cost of the national fundraising team; materials for campaigns and events; plus allocated support costs. Included in general expense is an amount of £132,696 for salaries, rent for an apartment in London used by staff and trustees while working in London of £10,368, hosting a fundraising Gala event of £99,242 and general office expenses of £53,996. Other office costs include telephone and fundraising fees.

Benefit in kind relates to the donations in kind of an office space received free of charge.

NOTES TO THE FINANCIAL STATEMENTS – continued**5. Support Costs and Allocation of Expenditure****(a) Support Costs**

Supports costs in the year include fees for setting up the Charity. Total costs have been allocated in full to the costs of raising funds below.

(b) Allocation of expenditure

	Direct Costs £	Support Costs £	Total Expenditure £
Charitable expenditure	473,600	-	473,600
Cost of generating funds	298,311	15,800	314,111
Total resources expended	<u>771,911</u>	<u>15,800</u>	<u>787,711</u>

6. Employees and Staff Costs**(a) Number of employees**

Average number of people employed (full-time and part-time)

20183**(b) Total staff costs**

Wages & salaries
Social welfare costs
Pension costs

2018**£**

119,641

13,055

2,309135,005**(c) Senior staff remuneration****2018****No.**

The number of staff earning salaries over £60,000 was:

Band: £60,000 - £69,999

1

The Trustees oversee all matters relating to staff remuneration.

(d) Key management remuneration

There was no remuneration paid to key management during the year. Key management refers to the Trustees of the Charity.

Mellon Educate (UK)

Financial statements for the 14 month period ended 31 December 2018

NOTES TO THE FINANCIAL STATEMENTS – continued**7. Net Income / Expenditure**

2018

£

Net Income is stated after charging

External Audit Fees

External audit costs are borne by the Irish entity, Mellon Township Limited. Mellon Township Limited is a related party due to a Director of Mellon Township Limited also being a Trustee of Mellon Educate (UK). Trustees do not receive remuneration for their services as Trustees. Trustees are entitled to reimbursement of vouched expenses incurred in the performance of their duties as a Trustee. The amount charged in 2018 was £Nil.

8. Grant Expenditure

Grants were paid to Mellon Educate Ireland of £433,600 and Mellon Housing Initiative of £40,000, a South African non for profit organisation, in 2018 to assist with the Building Blitz, Teaching Blitz and Education Programmes in South Africa.

9. Tangible Fixed Assets

	Computer Equipment £	Total £
Cost		
At 12 June 2017	-	-
Additions	1,102	1,102
Disposals	-	-
At 31 December 2018	<u>1,102</u>	<u>1,102</u>
Depreciation		
At 12 June 2017	-	-
Charge for the period	276	276
On disposal	-	-
At 31 December 2018	<u>276</u>	<u>276</u>
Net Book Value		
At 31 December 2018	<u>826</u>	<u>826</u>

Mellon Educate (UK)

Financial statements for the 14 month period ended 31 December 2018

NOTES TO THE FINANCIAL STATEMENTS – continued

10. Debtors

	2018
	£
Related party receivables (note 16)	1,931
	<u>1,931</u>

All debtors are due within one year.

11. Cash & Cash Equivalents

	2018
	£
Cash & cash equivalents	54,631
	<u>54,631</u>

12. Creditors (amounts falling due within one year)

	2018
	£
PAYE/NI	2,758
Other payables	3,718
	<u>6,476</u>

Tax and social insurance are subject to the terms of the relevant legislation. Interest accrues on late payments at a rate of 2.75% per year. No interest was due at the financial year end date.

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

13. Taxation

Mellon Educate (UK) is a registered charity and therefore, is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities. The Charity's HMRC charity tax reference number is EW90176.

NOTES TO THE FINANCIAL STATEMENTS - continued**14. Movement in Funds**

	At Start of Period	Incoming Resource	Outgoing Resource	Transfers between funds	At End of Period
	£	£	£	£	£
Restricted Funds	-	27,800	(27,800)	-	-
Unrestricted Funds	-	810,823	(759,911)	-	50,912
Total	<u>-</u>	<u>838,623</u>	<u>(787,711)</u>	<u>-</u>	<u>50,912</u>

Analysis of Net Assets

	Restricted Funds	Unrestricted Funds	At End of Period
	£	£	£
Fixed Assets	-	826	826
Current Assets	-	56,562	56,562
Creditors: Amounts falling due within one year	-	(6,476)	(6,476)
Total	<u>-</u>	<u>50,912</u>	<u>50,912</u>

15. Financial instruments

The analysis of the carrying amounts of the financial instruments of the Charity required under section 11 of FRS 102 is as follows:

Financial Assets	2018
	£
<i>Financial assets measured at amortised cost</i>	<u>56,562</u>
Financial Liabilities	
<i>Financial liabilities measured at amortised cost</i>	<u>3,718</u>

Financial assets measured at amortised costs comprise cash at bank and in hand and related party receivables.

Financial liabilities measured at amortised cost comprise other payables.

NOTES TO THE FINANCIAL STATEMENTS - continued

16. Related Party Transactions

Mellon Educate Ireland

Mellon Educate Ireland is a related party by virtue of a Director of Mellon Educate Ireland also being a Trustee of Mellon Educate (UK). During the period the Charity paid grants of £433,600 to Mellon Educate Ireland. There are no outstanding balances at the period end.

Mellon Housing Initiative (SA)

Mellon Housing Initiative SA is a related party by virtue of a Director of Mellon Housing Initiative SA also being a Trustee of Mellon Educate (UK). During the period the Charity paid grants of £40,000 to Mellon Housing Initiative (SA). There are no outstanding balances at the period end.

Mellon Educate (UK) 2008

Mellon Educate (UK) 2008 is a related party by virtue of a Director of Mellon Educate (UK) 2008 also being a Trustee of Mellon Educate (UK).

Mellon Educate (UK) 2008 transferred assets to Mellon Educate (UK) on 1 January 2018 pursuant to a transfer agreement dated 30 December 2017 (“the Transfer Agreement”) and the activity of that company is now carried out by Mellon Educate (UK). During the period the sum of £25,242 was transferred from Mellon Educate (UK) 2008 to the Charity pursuant to the Transfer Agreement. There is an outstanding balance of £1,931 to be transferred to the Charity at the period end.

17. Capital Commitments

The Charity had no capital commitments at the financial period end.

18. Post Balance Sheet Events

There have no post balance sheet events affecting the Charity since the financial period end.

19. Contingent Liabilities

At 31 December 2018, the Charity had no contingent liabilities.

20. Approval of financial statements

The financial statements were approved and authorised for issue by the Trustees on 31 October 2019,