

**Mellon Township Limited**

**Directors' Report and Financial Statements**

**For the financial year ended 31 December 2021**

# **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

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# **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

## **ADMINISTRATIVE DETAILS**

<b>Directors:</b>	Niall Mellon Andrew Brennan Frank Doyle
<b>Secretary:</b>	Jacinta Morley
<b>Company number:</b>	389423
<b>Charity registered number:</b>	CHY 16238
<b>Charities Regulatory Authority number:</b>	20058074
<b>Registered office:</b>	Explorium Sports Science Centre, Blackglen Road, Sandyford, Co. Dublin.
<b>Bankers:</b>	Allied Irish Banks plc, Rathgar, Dublin 6W.
<b>Auditors:</b>	BDO, Statutory Audit Firm, Beaux Lane House, Mercer Street Lower, Dublin 2.
<b>Solicitors:</b>	Maguire McErlean Solicitors, 80 Upper Drumcondra Road, Dublin 9.
<b>Financial Advisors:</b>	W.P. O'Reilly & Associates Limited, Berkeley House, Ballybin Road, Ashbourne, Co. Meath.

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## DIRECTORS' ANNUAL REPORT

The Directors prepare their annual report and the audited financial statements for the financial year ended 31 December 2021.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Legal Structure

The company is a private company under the Companies Act 2014. It is governed and controlled by its Constitution.

#### 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 31<sup>st</sup> December 2021 and 1<sup>st</sup> January 2021 are as follows:

	<b>31/12/2021</b>	01/01/2021
	<b>No. of</b>	No. of
	<b>Ordinary</b>	Ordinary
	<b>shares</b>	shares
	<b>€1</b>	€1
Niall Mellon	3	3
Andrew Brennan	2	2
Frank Doyle	2	2

Except where indicated, the Directors served for the entire financial year. The names of the Directors who served during the year are outlined on page 3 of the financial statements. 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 existing board members are responsible for appointing new board members to the board based on the charities requirements and careful selection of appropriately skilled members. The Board of Directors hold frequent scheduled board meetings throughout the year, where all matters of significance are discussed and resolutions are made. The new board members are inducted to the board by existing members and it is ensured that they are informed of the appropriate requirements and responsibilities. Key personnel are appointed by the board who set the salaries and remuneration appropriate to the position being filled.

The company secretary throughout the year was Jacinta Morley.

# **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

## **DIRECTORS' ANNUAL REPORT (CONTINUED)**

### **OBJECTIVES AND ACTIVITIES**

Our mission is to provide education assistance for 100,000 impoverished African children. To successfully achieve this: we build quality facilities if required and provide in-depth training for the incumbent school managers/principals and teachers to empower them to deliver ongoing better results sustainably.

The main activities of the company are to raise awareness of our mission with personal, corporate and institutional donors to raise funds for our schools in Africa to enable us to provide training and management to equip these schools with the necessary skills to ultimately self-manage. Grants are proposed to and granted by the Board and are strictly in line with the charity's objectives. Total grants made payable directly to South Africa were €12,264 (100% of grants).

Our initial fundraising in Ireland is primarily achieved by our donors and volunteers, who sign up for our annual Building Blitz. Each volunteer must raise €4,500 to be included in the team that travel to our Blitz schools in South Africa. They spend a week doing construction work to improve the facilities and classrooms in schools in underprivileged townships.

#### **Public Benefit Entity**

Mellon Township Limited is a Public Benefit Entity whose main objective is to raise funds for the benefit of the underprivileged children in Africa by providing:

- resources to improve the classrooms and facilities and;
- assistance to South African teachers to improve the standard of education offered in their classrooms.

### **ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE**

#### **Building Blitz 2021**

The annual Building Blitz to Cape Town in South Africa was cancelled due to the Covid-19 pandemic and restrictions imposed on international travel and gatherings. The Build went ahead, by the south African staff, through the generous donations received, in two schools in the Western Cape Township of Delft at Leiden Primary School and Leiden Secondary School. The Scope of the build included 13 classrooms (including 2 Grade R classrooms) and covered eating and play areas and an ablution Block. This has been made possible through our partnership with the Western Cape Education Department, generous donors and corporate sponsorships.

#### **Mellon Educate Results Programme**

The Mellon Educate Team of Specialists, after adapting their approach due to Covid, implemented programmes and developed revised curriculum to assist our 9 schools with the following programmes:

- Principal mentoring and support
- Teacher training and development tailored to the needs of individual schools
- Adult literacy programme
- Psycho/social support
- Winter School (Holiday school)
- Resource development
- Literacy Projects

Effective use was made of video conferencing, online support, recordings of experiments and one on one teacher support and training using "Teams or Zoom".

Our programme in South Africa involves a team of highly accomplished teachers and subject specialists. Their activities continue to drive the programmes to improve the overall impact of the support the charity

# **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

## **DIRECTORS' ANNUAL REPORT (CONTINUED)**

### **ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE (CONTINUED)**

lends the schools we are supporting, the subjects supported in the Schools are Science, Mathematics with our literacy programme supporting foundation Phase Learners.

#### **Western Cape Education Department**

Mellon Educate continues to develop a strong and meaningful partnership with Minister for Education in the Western Cape, MEC Debbie Schafer 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 contributes 40% of the construction costs to the annual building blitz, thereby endorsing the work the charity is carrying out so successfully in the Western Cape.

#### **Humanitarian Aid**

In 2021 the Covid 19 pandemic created a humanitarian crisis of epic proportion. This created a dire need to continue to provide emergency nutrition to school families and the broader community surrounding our partner schools. The Mellon Team adapted their support to include a humanitarian aid response started in March 2020 and continued through to December of 2021.

Overwhelming requests from our schools highlighted the continuing food crisis for learners and their families resulting from the suspended school feeding programme, loss of employment and poor access to institutional support. The Mellon team's ability to adapt to the ever-changing environment and demands of this crisis, while maintaining the critical support to teachers ensured that the efficient delivery of support where needed was achieved.

### **FINANCIAL REVIEW**

The statement of financial activities and balance sheet are set out on pages 13 and 14.

Deficit for the year amounted to €113,073 compared with a deficit of €111,426 for 2020. The 2021 deficit was primarily due to construction costs for new schools and continuing support of our education programmes. The charitable expenditure for 2021 was €246,417 compared with €447,150 for 2020 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 grants of €12,264 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.

# **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

## **DIRECTORS' ANNUAL REPORT (CONTINUED)**

### **POLITICAL DONATIONS**

No political donations have been made by the company.

### **EVENTS SINCE THE FINANCIAL YEAR END**

The Covid restrictions on Travel have been lifted and there has been significant success with the vaccine roll out, which has supported our decision to go ahead with the 2022 volunteer building trip to South Africa. We have over 220 volunteers signed up and we are excited to resume the wonderful work we do in South Africa, helping to uplift communities through education support and building safe facilities in which to learn.

The reaction of volunteers to the news of restarting the volunteer fundraising initiative and travelling to South Africa in 2022 to help build 14 new classrooms has exceeded our expectations. The two schools which will benefit from the Volunteer Fund Raising Initiative, our Corporate Friends and Private Donor Partners will be Yomelela Primary School and Injongo Primary School situated in the Khayalitsha area on the outskirts of Cape Town.

### **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.

The Charity is continually expanding its fundraising initiatives to support its essential programmes in impoverished communities as well as planning to go ahead with a building blitz in 2022.

Mellon Township Limited is focussing its efforts on literacy intervention initiatives and education programmes in South Africa.

We can confirm the generous donation of £200 000 in support of our annual building Blitz to pay towards cost of the classrooms being built during the building Blitz.

We have also entered into an agreement with the Western Cape Education Department (WCED), whereby they have committed to fund 40% of the building cost at our annual building Blitz.

The funds raised by our Volunteers, Our Generous Donor, Our corporate Friends and the partnership with the Western Cape Education Department, has secured sufficient funding to pay for the entire build in 2022 and continue the literacy programme supporting 9 of our previous Building Blitz schools.

### **RESERVES**

Unrestricted reserves indicate the resources on which the charity can draw upon to continue its work in the event of a downturn in income. The Directors have set the required reserves policy at €300,000 of unrestricted funds and this is assessed on a year to year basis based on the charity's forecast for the following 12 months of activity. The level of unrestricted reserves held at the end of 2021 was €304,579 (2020: €417,652) which is considered adequate and in line with our reserves policy.

The unrestricted funds will be utilised to continue the support of the School Building Blitzes and Mellon Education support, and Literacy programmes.

## **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

### **DIRECTORS' ANNUAL REPORT (CONTINUED)**

#### **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. Charitable activities also include expenditure on Construction Projects in South 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 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.

#### **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.

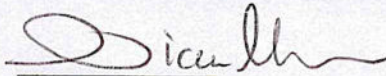
#### **ACCOUNTING RECORDS**

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 Explorium Sports Science Centre, Blackglen Road, Sandyford, 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: 19-10-2022



# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## 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.

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 surplus or deficit 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: 19-10-2022

# **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MELLON TOWNSHIP LIMITED**

### **Report on the audit of the financial statements**

We have audited the financial statements of Mellon Township Limited for the financial year ended 31 December 2021, which comprise the statement of financial activities, balance sheet, cash flow statement and related notes, including a summary of significant accounting policies. The 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.

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 2021 and of its deficit for the year then ended;
- have been properly prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standards issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

# **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MELLON TOWNSHIP LIMITED - CONTINUED**

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the 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.

### **Opinion on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with 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, and financial statements are in agreement with the accounting records.

### **Matters on which we are required to report by exception**

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MELLON TOWNSHIP LIMITED - CONTINUED

### Respective responsibilities

#### Responsibilities of directors for the financial statements

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 for such internal control as the directors 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 directors are responsible for assessing the 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

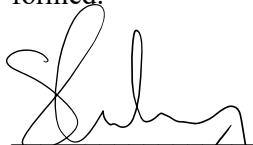
#### Auditor's responsibilities for the audit of the financial statements

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 (Ireland) 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 IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf). The description forms part of our auditor's report.

#### The purpose of our audit work and to whom we owe our responsibilities

Our 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 independent 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 company and company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Simon Carbery**  
For and on behalf of  
BDO  
Dublin  
Statutory Audit firm  
AI223876

Date: 19 October 2022

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## STATEMENT OF FINANCIAL ACTIVITIES

Incorporating the Income and Expenditure Account

For the year financial ended 31 December 2021

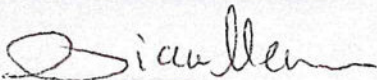
	Notes	Restricted Funds 2021 €	Unrestricted Funds 2021 €	Total 2021 €	Total 2020 *Restated €
<b>INCOME FROM</b>					
Grants, donations & legacies	4	10,049	103,745	113,794	385,116
<b>TOTAL INCOME</b>		<b>10,049</b>	<b>103,745</b>	<b>113,794</b>	<b>385,116</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	5	(12,264)	(234,153)	(246,417)	(447,150)
Raising funds	6	-	(56,717)	(56,717)	(85,354)
		(12,264)	(290,870)	(303,134)	(532,504)
<b>NET OUTGOING RESOURCES</b>		<b>(2,215)</b>	<b>(187,125)</b>	<b>(189,340)</b>	<b>(147,388)</b>
<b>NET LOSS ON INVESTMENTS</b>	9	-	-	-	(35,544)
<b>OTHER INCOME</b>		-	76,267	76,267	71,506
<b>TRANSFER BETWEEN FUNDS</b>	14	2,215	(2,215)	-	-
<b>NET DEFICIT</b>		<b>-</b>	<b>(113,073)</b>	<b>(113,073)</b>	<b>(111,426)</b>
<b>FUND BALANCES AT START OF FINANCIAL YEAR</b>	14	-	417,652	417,652	529,078
<b>FUND BALANCES AT END OF FINANCIAL YEAR</b>	14	-	304,579	304,579	417,652

\* See note 3 for details regarding restatement

All activities relate to continuing activities.

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

Signed on behalf of the board:



**Niall Mellon**  
Director



**Andrew Brennan**  
Director

Date: 19-10-2022

The notes on page 16 to 26 form part of these Financial Statements.

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

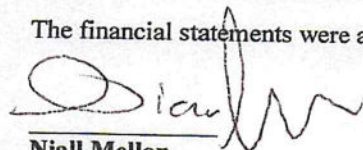
## BALANCE SHEET

At 31 December 2021


	Notes	2021 €	2020 *Restated €
<b>FIXED ASSETS</b>			
Tangible fixed assets	9	<u>3,099</u>	<u>5,135</u>
		3,099	5,135
<b>CURRENT ASSETS</b>			
Debtors (amount falling due within one financial year)	11	16,259	14,603
Cash and cash equivalents	12	<u>309,626</u>	<u>417,433</u>
		325,885	432,036
<b>CREDITORS</b> (Amount falling due within one financial year)			
	13	<u>(24,398)</u>	<u>(19,512)</u>
<b>NET CURRENT ASSETS</b>			
		<u>301,487</u>	<u>412,542</u>
<b>NET ASSETS</b>			
		<u>304,586</u>	<u>417,659</u>
<b>FUNDS</b>			
Called up share capital presented as equity	17	7	7
Restricted funds	14	-	-
Unrestricted funds	14	<u>304,579</u>	<u>417,652</u>
<b>TOTAL FUNDS</b>			
		<u>304,586</u>	<u>417,659</u>

\* See note 3 for details regarding restatement

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



Niall Mellon  
Director

  
Andrew Brennan  
Director

Date: 19-10-2022

The notes on page 16 to 26 form part of these Financial Statements.

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## CASH FLOW STATEMENT

For the financial year ended 31 December 2021

	2021 €	2020 €
<b>Net cash used in operating activities</b>	<b>(107,647)</b>	(127,758)
<b>Cash flows from investing activities</b>		
<u>Capital expenditure:</u>		
Payment to acquire fixed assets	8 (160)	-
Receipts from disposal of fixed assets	8 -	-
Cash from Short term deposit accounts	9 -	459,807
<b>INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(107,807)</b>	332,049
<b>RECONCILIATION OF NET CASH FLOW</b>		
(Decrease)/increase in cash & cash equivalents	(107,807)	332,049
Cash & cash equivalents at beginning of financial year	417,433	85,384
<b>CASH &amp; CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>11 309,626</b>	<b>417,433</b>

	2021 €	2020 €
<b>RECONCILIATION OF NET INCOMING (OUTGOING) RESOURCES TO CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		
Net outgoing resources	(113,073)	(111,426)
Unrealised gain on Investment	9 -	35,554
Depreciation	8 2,196	3,680
(Increase) in Debtors	10 (1,656)	(2,225)
Increase/ (decrease) in Creditors	12 4,886	(53,341)
<b>Net cash flows from operating activities</b>	<b>(107,647)</b>	<b>(127,758)</b>

The notes on page 16 to 26 form part of these Financial Statements.

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS

### 1. ACCOUNTING POLICIES

The company is a private company limited by shares. The registered office is Explorium Sports Science Centre, Blackglen Road, Sandyford, Dublin and the company number is 389423. The principal activities of the company are set out in the Directors Report. The charity is a public benefit entity.

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 with reference to the recommendations of the revised Statement of Recommended Practice (SORP) accounting and reporting by Charities, Statement of Recommended Practices 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 the Companies Act 2014.

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) Designated Funds

Designated funds are unrestricted funds which are set aside for specific purposes by the Board of Directors.

#### (e) 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.
- **Donations:** Donations are raised by volunteers and are taken into account at the time of receipt. Any excess funds raised for the Blitz are also recognised on 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.



# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### (e) Incoming Resources (continued)

• **Legacy Income:** 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.

• **Grant Income:** Income from grants is received from related entities and is recognised on receipt.

### (f) 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. Grants payable are recognised when there is a constructive obligation, payment is probable and it can be reliably measured.

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

### (g) Reserves Policy

Unrestricted reserves indicate the resources on which the charity can draw upon to continue its work in the event of a downturn in income. The Directors have set the required reserves policy at €300,000 of unrestricted funds and this is assessed on a year to year basis based on the charity's forecast for the following 12 months of activity.

### (h) 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:

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.

### (i) 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.

### (j) Debtors

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

### (k) Creditors

Short term creditors are measured at the transaction price.

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### (l) 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.

### (m) 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.

### (n) Going Concern

The Directors 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.

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

The Directors do not consider there to be any significant judgments or estimation used in the financial year.

## 3. Prior year restatement

During the year, management undertook an accounting review process to ensure that all relevant accounting standards were appropriately reflected in the company's financial statements. The said review has resulted in a prior year error in revenue and liabilities (explained below).

The charity received fundraising income for a number of “blitz” events in financial year 2020. Unfortunately, due to Covid 19, these events did not take place and have been rescheduled to 2022. In 2020 this income was deferred. However, following a review of Charities SORP (FRS102), the charities accounting policies and the terms and entitlement of this income, it was noted that this income should have been recognised on receipt. The prior year balances have been restated as follows to reflect proper recognition of income.

<b>Balance</b>	<b>As originally stated 2020</b>	<b>Adjustment</b>	<b>As restated 2020</b>
	€	€	€
Income	326,557	58,559	385,116
Funds carried forward	359,093	58,559	417,652
Deferred Income	58,559	(58,559)	-

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### 4. Income from Charitable Activities

		<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>	<b>Total 2020 *Restated</b>
	Notes	<b>2021 €</b>	<b>2021 €</b>	<b>2021 €</b>	<b>€</b>
Grants received from Mellon Educate UK		-	-	-	115,072
Volunteer income	(a)	-	35,085	35,085	58,559
Grants received from Mellon US		-	-	-	17,291
Fundraising activities	(b)	10,049	56,660	66,709	182,194
Donation in Kind	(c)	-	12,000	12,000	12,000
		<u>10,049</u>	<u>103,745</u>	<u>113,794</u>	<u>385,116</u>

- (a) Volunteer income raised by individuals and companies in support of the building blitz and summer teaching blitz held in Cape Town.
- (b) Fundraising activities is income generated from various activities held throughout the year.
- (c) Donations in kind relates to a premise in Dublin that Mellon Township have received rent free and is using as an office.

### 5. Expenditure on Charitable Activities

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>Total</b>	<b>Total</b>
	<b>2021 €</b>	<b>2021 €</b>	<b>2021 €</b>	<b>2020 €</b>
Covid 19 Food Parcels/Blitz and Mellon Results programme	-	166,653	166,653	122,963
Wages & Salaries – TWSS/EWSS	-	-	-	71,506
Grant to Mellon Housing Initiative SA	12,264	-	12,264	128,807
Kenyan School projects	-	-	-	42,738
South African results programme	-	67,500	67,500	81,136
	<u>12,264</u>	<u>234,153</u>	<u>246,417</u>	<u>447,150</u>

#### (i) Support Costs

Support costs include governance costs such as secretary, audit and professional fees charged by external professional service providers. Total governance costs for 2021 were €17,131 (2020: €20,220).

Grants were paid to Mellon Housing Initiative of €12,264 a South African Charity in 2021 to assist with the Building Blitz and the Teaching Blitz in South Africa. All support costs are allocated to these grant making activities.

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### 6. Expenditure on Raising Funds

	2021	2020
	€	€
Staff costs	28,790	62,666
Advertising	12,428	11,291
Travel expenses	691	863
Other	14,808	10,534
	<u>56,717</u>	<u>85,354</u>

Other costs on raising funds include fundraising materials and fundraising office costs.

### 7. Allocation of expenditure

	Charitable activities	Cost of generating funds	Total Expenditure
	€	€	€
Direct expenditure	226,773	48,297	275,070
Allocation of support costs	<u>19,644</u>	<u>8,420</u>	<u>28,064</u>
Total resources expended	<u>246,417</u>	<u>56,717</u>	<u>303,134</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 were expenses reimbursed for 1 director in the year amounting to €3,452 (2020: one director amounting to €3,062) in respect of travel costs.

### 8. Employees and Staff Costs

Mellon Township Limited employed an average of 4 people in 2021. 4 people worked in the Dublin office.

#### (a) Number of employees

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

2021	2020
<u>4</u>	<u>5</u>

#### (b) Total staff costs

Wages & salaries  
Social welfare costs  
Pension costs

2021	2020
€	€
140,847	207,735
704	6,111
<u>2,400</u>	<u>2,400</u>
<u>143,951</u>	<u>216,246</u>

#### (c) Senior staff remuneration

The number of staff earning salaries over €40,000 is:  
Band: €40,000 - €49,999

2021	2020
No.	No.
<u>1</u>	<u>1</u>

#### (d) Key management remuneration

Key management refers to the senior staff of the company. The amount of key management remuneration paid in 2021 was €94,533 (2020: €111,430). Members of the Board of Directors do not receive remuneration for their services as directors.

No amounts were capitalised in 2021 (2020: Nil).

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### 9. Tangible Fixed Assets

	<b>Computer Equipment €</b>	<b>Fixtures, Fittings and Equipment €</b>	<b>Total €</b>
<b>Cost</b>			
At 1 January 2021	9,299	10,260	19,559
Additions	160	-	160
At 31 December 2021	<u>9,459</u>	<u>10,260</u>	<u>19,719</u>
<b>Depreciation</b>			
At 1 January 2021	4,597	9,827	14,424
Charge for the financial year	1,990	206	2,196
At 31 December 2021	<u>6,587</u>	<u>10,033</u>	<u>16,620</u>
<b>Net Book Value</b>			
At 31 December 2021	<u>2,872</u>	<u>227</u>	<u>3,099</u>
At 31 December 2020	<u>4,702</u>	<u>433</u>	<u>5,135</u>

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### 10. Short Term Deposits & Investments

	2021 €	2020 €
Irish Life Fund investment		
Opening Balance	-	495,351
Net Gains on Revaluation	-	(35,544)
Withdrawals	-	(459,807)
Closing Balance	-	-

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

	2021 €	2020 €
Debtors	3,881	-
Amounts due from Related Parties	12,378	14,603
	<u>16,259</u>	<u>14,603</u>

### 12. Cash and Cash Equivalents

	2021 €	2020 €
Cash and cash equivalents	309,626	417,433
	<u>309,626</u>	<u>417,433</u>

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

	2021 €	2020 *Restated €
Creditors	9,843	5,187
Accruals and other creditors	12,109	9,972
Amounts due to Related Parties	23 556	-
Payroll taxes	1,890	4,353
	<u>24,398</u>	<u>19,512</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 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### 14 (a) Movement in Funds

		At start of year 2021 €	Incoming Resources 2021 €	Outgoing Resources 2021 €	Gains / Losses 2021 €	Transfer between funds €	At end of year 2021 €
Restricted Funds	14 (c)	-	10,049	(12,264)	-	2,215	-
Unrestricted Funds		417,652	180,012	(290,870)	-	(2,215)	304,579
<b>Total</b>		<u>417,652</u>	<u>190,061</u>	<u>(303,134)</u>	<u>-</u>	<u>-</u>	<u>304,579</u>
		At start of year 2020 €	Incoming Resources Restated 2020 €	Outgoing Resources 2020 €	Gains / Losses 2020 €	Transfer between funds €	At end of year 2020 *Restated €
Restricted Funds	14 (c)	-	122,107	(127,689)	-	5,582	-
Unrestricted Funds		529,078	334,515	(404,815)	(35,544)	(5,582)	417,652
<b>Total</b>		<u>529,078</u>	<u>456,622</u>	<u>(532,504)</u>	<u>(35,544)</u>	<u>-</u>	<u>417,652</u>

Restricted reserves have been analysed in note 14 (c).

Unrestricted reserves indicate the resources on which the charity can draw upon to continue its work in the event of a downturn in income.

# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### 14 (b) Analysis of Net Assets

	<b>Restricted Funds 2021 €</b>	<b>Unrestricted Funds 2021 €</b>	<b>Designated Funds 2021 €</b>	<b>At end of year 2021 €</b>	<b>At end of year 2020 €</b>
Tangible Fixed Assets	-	3,099	-	<b>3,099</b>	5,135
Current Assets	-	325,885	-	<b>325,885</b>	432,036
Creditors: Amounts falling due within one financial year	-	(24,398)	-	<b>(24,398)</b>	(19,512)
<b>Total</b>	<u>-</u>	<u>304,586</u>	<u>-</u>	<u><b>304,586</b></u>	<u>417,659</u>

### 14 (c) Analysis of Restricted Funds

Restricted funds relate to the After School Programme – funds were received in relation to the After School Programme. These funds were granted to Mellon Housing Initiative South Africa who conduct the After School Programme.

### 15. Financial Instruments

	<b>2021 €</b>	<b>2020 €</b>
<b>Financial assets measured at amortised cost</b>		
Amounts due from debtors and related parties	16,259	14,603
Cash at bank and in hand	309,626	417,433
	<u>325,885</u>	<u>432,036</u>
<b>Financial liabilities at amortised cost</b>		
Trade creditors and other creditors	21,952	15,159
Related parties	556	-
	<u>22,508</u>	<u>15,159</u>



# Mellon Township Limited

Financial Statements for the financial year ending 31 December 2021

## NOTES TO THE FINANCIAL STATEMENTS – continued

### 16. Net Movement in Funds

	2021	2020
	€	€
<b>Net movement in funds is stated after charging:</b>		
Depreciation of tangible fixed assets	2,196	3,680
Auditors' remuneration	11,330	8,861
Accountancy	<u>5,801</u>	<u>3,075</u>

As explained in Note 6, members of the Board of Directors do not receive remuneration for their services as directors.

### 17. Called Up Share Capital present as equity

	2021	2020
	€	€
<b>Authorised Share Capital</b>		
1,000 Ordinary Shares of €1.00 each	<u>1,000</u>	<u>1,000</u>
<b>Issued Share Capital</b>		
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 operates a defined contribution scheme for employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The defined contribution charge for the financial year was €2,400 (2020: €2,400). The amount at the financial year end was Nil (2020: Nil).

### 20. Capital Commitments

There were no capital commitments at the financial year end (2020 - €Nil).

### 21. Contingent Liabilities

There were no contingent liabilities at the financial year end (2020 - €Nil).

# **Mellon Township Limited**

Financial Statements for the financial year ending 31 December 2021

## **NOTES TO THE FINANCIAL STATEMENTS – continued**

### **22. Post Balance Sheet Events**

The Covid restrictions on Travel have been lifted and there has been significant success with the vaccine roll out, which has supported our decision to go ahead with the 2022 volunteer building trip to South Africa. We have over 220 volunteers signed up and we are excited to resume the wonderful work we do in south Africa, helping to uplift communities through education support and building safe facilities in which to learn.

Our Generous Donor, who committed £200 000 to the 2022 annual building Blitz, has paid over 80% of the funds to our charity account with the balance to follow in the coming weeks.

We have also signed the partnership agreement with the Western Cape Education Department which confirms their commitment to fund 40% of the building cost of this years annual building Blitz in November 2022.

The reaction of volunteers to the news of restarting the volunteer fundraising initiative and travelling to South Africa in 2022 to help build 14 new classrooms has exceeded our expectations. The two schools who will benefit from the Volunteer fund raising Programme, our corporate friends, and Private Donor Partners, will be Yomelela Primary School and Injongo Secondary School situated in the Khayelitsha area in the outskirts of Cape Town.

### **23. Related Party Transactions**

#### **Mellon Educate UK**

Mellon Educate UK is a related party by virtue of a Trustee of Mellon Educate (UK) also being a Director of Mellon Township Limited. Mellon Township Limited receive grants from Mellon Educate UK for the Blitz. The amount of grants received in 2021 was NIL (2020 - €115,072). There were recharges between both entities and these amounted to €NIL in 2021 (2020 - €8,547) There was an amount owing to Mellon Educate UK of €556 (2020 - €2,225).

#### **Mellon Housing Initiative (SA)**

Mellon Housing Initiative (SA) is a related party by common Directors. During the financial year, Mellon Township Limited approved grants to Mellon Housing Initiative (SA) of €12,264 (2020 - €128,807). There is a balance of €12,378 owing to Mellon Township Limited at year end (2020 - €12,378).

#### **Mellon US**

Mellon US is a related party by virtue of common Directors. During the financial year, Mellon Township Limited received grants from Mellon US of €NIL (2020 - €17,291). The amount outstanding at the yearend was €NIL (2020 - €NIL).

### **24. Approval of the Financial Statements**

The board of directors approved these financial statements for issue on 19/10/2022