

**THE MICHAEL MATTHEWS FOUNDATION**

**REPORT AND ACCOUNTS**

**YEAR ENDED 30 APRIL 2021**

# THE MICHAEL MATTHEWS FOUNDATION

## I N D E X

Year ended 30 April 2021

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## THE MICHAEL MATTHEWS FOUNDATION

### REPORT OF THE TRUSTEES

Year ended 30 April 2021

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The Trustees present their annual report and accounts of the charity for the year ended 30 April 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements and with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### Structure, governance and management

The Trust is an unincorporated charity, constructed under a Trust Deed dated 8 February 2000 and is a registered charity, number 1079956.

The power to appoint new Trustees is vested in the existing Trustees. Responsibility for the induction of any new Trustee, which involves awareness of the history and approach of the charity and an understanding of a Trustees duty, lies with the Trustees. A new Trustee would receive copies of the previous year's accounts.

#### Objectives and activities

The objects of the Trust as given in the Trust Deed are for the furtherance and pursuance of charitable purposes.

The objectives of the charity are met by making charitable grants. The charity has a focus on providing grants to improve the lives of children in highly deprived areas. During the year grants were made totalling £32,884 (2020 - £40,004).

The Foundation works in conjunction with Lyra in Africa (UK charity) with a branch based in Tanzania.

Grant applications are reviewed by the Trustees and grants are made at the Trustees' discretion. The Trust Deed empowers the Trustees to invest at their absolute discretion.

The Trustees, having regard to the Public benefit guidance published by the Charity Commission in accordance with section 17 of the Charities Act 2011, consider that the purpose and activities of the charity satisfy the requirements for the public benefit test set out in section 4 of the same act.

#### Achievements and performance

The Charity's operating costs continue to be met by members of the Matthews family and the settlement of these costs on the Charity's behalf have been treated as 'other donations' (see note 2, page 8) in the accounts. As a result, 100% of the donations (excluding the aforementioned 'other donations') can be used to deliver benefit to those whom the Charity supports. Donations in the year ended 30 April 2021 of £32,589 (2020 - £102,527) were lower in the year, and there was a decrease in grants made towards educational causes at £32,884 (2020 - £40,004).

Grants continue to be made where the Trustees feel that the students will experience life transforming benefits of education in Tanzania, in conjunction with Lyra in Africa - a UK registered charity.

The completion and handover to the local community of the Michael Matthews Foundation's (MMF's) sixth eco-friendly girls hostel at the government-owned Ilambilole Secondary School, in Iringa region, took place in February 2021. The hostel formally has space for 96 girls but accommodated 132 girls at year-end. The demand for MMF's hostels shows the need for safe student spaces for girls: at year-end 2021, MMF hostels accommodated 517 girls vs 382 bed spaces.

During 2021 the MMF board took the strategic decision to redirect the focus away from building girls hostels to focus on digital learning in rural, government-owned secondary schools in Tanzania. The secondary schools MMF chooses as partners lie in rural, marginalised communities. The primary reason for introducing schools (normally without electricity and internet) to offline computer labs is the multiplier impact digital learning and computer sciences have on the totality of school pupils and on the potential to lift rural communities and schools into 21C skills and knowledge. For the chosen schools, a computer lab will mean both teachers and students will have first time access and training to computer labs and ICT. This content not only transforms students from rote-learning to actively self-directed studies but is also reducing failure rates in partner schools.

## THE MICHAEL MATTHEWS FOUNDATION

### REPORT OF THE TRUSTEES (cont)

Year ended 30 April 2021

Emphasis has been put on researching the currently best adapted computer equipment and installation for the harsh environment the hardware needs to endure. Similarly, the best options for the latest available solar technology and the rise in potential costs involved for fully solar powered computer labs have been explored rigorously. For the longevity of the lab, we know it is imperative to choose the best adapted equipment which was completed in December.

The "next generation" MMF computer labs will therefore feature a low energy, simple "thin clients" network with a server. The first solar powered computer lab is planned for installation in April 2022 in Lundamatwe School, Kilolo district. The MMF computer package encompasses a package of 20 "thin client" computers linked to a universal offline server that has a wide selection of educational tools. An introductory training package for teachers and students is included in the package as well as on-going after-school ICT and coding clubs for two years. We estimate a solar powered computer lab to last 10 years, transforming the education and lives of approx. 600 pupils annually.

MMF continues to sponsor marginalised and disadvantaged girls from ultra-poor backgrounds to continue their secondary studies. In 2021 86 girls were sponsored, with a majority of them performing better in their national exams than their peer group. It is particularly heart warming to see these girls thrive in their new environment.

#### Financial review

The Trustees approved charitable expenditure in the period of £34,458 (2020 - £41,578) and generated a net deficit for the period of £1,761 (2020 – surplus of £63,472), after allowing for donations and investment income. At the year end the charity held net assets of £514,294 (2020 - £516,055). The reserves of the charity consist of unrestricted funds of £514,294 (2020 - £516,055). The Trustees retain a sufficient level of free reserves to cover any expenditure which may become necessary and to give the charity flexibility in carrying out its objectives.

#### Reference and administrative details

Registered Charity number:	1079956
Trustees who served in the year were:	J S Matthews S G Matthews A Kilkenny OBE
Principal office:	6 Derby Street London W1J 7AD
Bankers:	HSBC Bank plc 69 Pall Mall London, SW1Y 5EY
Independent examiner:	Suzanne Rose ACA CTA Dixon Wilson 22 Chancery Lane London WC2A 1LS

Approved by the Trustees on 28<sup>th</sup> February 2022 and signed on their behalf:

J S MATTHEWS  
Trustee

## THE MICHAEL MATTHEWS FOUNDATION

### INDEPENDENT EXAMINERS' REPORT

Year ended 30 April 2021

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#### INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF THE MICHAEL MATTHEWS FOUNDATION

I report to the Trustees on my examination of the accounts of the Trust for the year ended 30 April 2021.

##### Responsibilities and basis of report

As the charity Trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). You are satisfied that an audit is not required for this year under charity law and that an independent examination is needed.

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters than an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

##### Independent examiner's statement

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



S ROSE ACA CTA  
Dixon Wilson  
22 Chancery Lane  
London WC2A 1LS  
28 February 2022

**THE MICHAEL MATTHEWS FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES**

**Year ended 30 April 2021**

	<b>Notes</b>	<b>Unrestricted Fund 2021 £</b>	<b>Unrestricted Fund 2020 £</b>
<b>Income and endowments from:</b>			
Donations and legacies	2	32,589	102,527
Investment income	3	108	2,523
<b>Total income and endowments</b>		<u>32,697</u>	<u>105,050</u>
<b>Expenditure on:</b>			
Charitable activities	4	34,458	41,578
<b>Total expenditure</b>		<u>34,458</u>	<u>41,578</u>
<b>Net (expenditure)/income and net movement in funds for the year</b>		(1,761)	63,472
<b>Reconciliation of funds</b>			
Total funds brought forward		516,055	452,583
<b>Fund balance carried forward at 30 April 2021</b>		<u>514,294</u>	<u>516,055</u>

All income and expenditure derive from continuing activities.

# THE MICHAEL MATTHEWS FOUNDATION

## BALANCE SHEET

At 30 April 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Cash at bank		515,733	517,483
Debtors	5	1	12
<b>Total current assets</b>		<u>515,734</u>	<u>517,495</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	6	(1,440)	(1,440)
<b>Net current assets</b>		<u>514,294</u>	<u>516,055</u>
<b>Total net assets</b>		<u>514,294</u>	<u>516,055</u>
<b>The funds of the charity:</b>			
Unrestricted funds		<u>514,294</u>	<u>516,055</u>
<b>Total charity funds</b>		<u>514,294</u>	<u>516,055</u>

The financial statements set out on pages 5 to 9 were approved by the Trustees on  
and were signed on their behalf by:

28 February 2022

J S MATTHEWS  
Trustee

# THE MICHAEL MATTHEWS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2021

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### 1. Accounting Policies

#### (a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011. The financial statements are denominated in Sterling and rounded to the nearest £.

The Trust constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

#### (b) Fund accounting policy

The charity comprises of a single unrestricted fund. Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

#### (c) Incoming resources

Donations are recognised when the Trust has entitlement to the income, there is reasonable assurance of receipt and the amount of income can be measured reliably.

Investment income is stated in the accounts as the amount receivable.

All donations received under the Gift Aid scheme are used for charitable purposes and not to cover expenses of the charity.

#### (d) Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trust to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Donations payable are recognised when there is a commitment or when conditions attached commitments are fulfilled. All expenditure is accounted for on an accruals basis.

#### (e) Foreign currency

Assets and liabilities in foreign currencies are translated into sterling rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate.

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# THE MICHAEL MATTHEWS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2021

### 2. Income from donations and legacies

Donations and legacies	2021 £	2020 £
Donations under the Gift Aid scheme	31,149	101,087
Other donations	1,440	1,440
	<u>32,589</u>	<u>102,527</u>

All donations are unrestricted.

### 3. Investment income

Interest receivable from UK deposit account	<u>108</u>	<u>2,523</u>
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### 4. Analysis of charitable expenditure

The charity undertakes its charitable activities through grant making and awards grants to institutions in furtherance of its charitable objectives.

	Grant funded activity £	Support costs £	Total 2021 £	Total 2020 £
Education	32,884	1,574	34,458	41,578
<b>Total</b>	<u>32,884</u>	<u>1,574</u>	<u>34,458</u>	<u>41,578</u>

#### Analysis of support costs

	2021 £	2020 £
Governance costs	1,440	1,440
Bank charges	134	134
	<u>1,574</u>	<u>1,574</u>

#### Governance costs

Independent examination fees	<u>1,440</u>	<u>1,440</u>
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#### Recipients of institutional grants:

Lyra in Africa	32,884	40,004
	<u>32,884</u>	<u>40,004</u>

**THE MICHAEL MATTHEWS FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS****Year ended 30 April 2021**

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<b>5. Debtors</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Accrued deposit interest	<u>1</u>	<u>12</u>

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<b>6. Current liabilities</b>		
Independent examination fee	<u>1,440</u>	<u>1,440</u>
	<u>1,440</u>	<u>1,440</u>

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**7. Trustees' remuneration**

No trustees received any remuneration or reimbursement of expenses (2020 – None).

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**8. Employees**

The Trust did not have any employees during the year (2020 – None).

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**9. Related party transactions**

During the year, the amount of donations received without restrictions from related parties totalled £20,072 (2020 - £21,093). During the year £1,440 (2020 - £1,440) of expenses were paid on behalf of the Foundation by related parties.

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