

**THE MICHAEL MATTHEWS FOUNDATION**

**REPORT AND ACCOUNTS**

**YEAR ENDED 30 APRIL 2022**

# THE MICHAEL MATTHEWS FOUNDATION

## I N D E X

Year ended 30 April 2022

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## THE MICHAEL MATTHEWS FOUNDATION

### REPORT OF THE TRUSTEES

Year ended 30 April 2022

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The Trustees present their annual report and accounts of the charity for the year ended 30 April 2022. 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 £11,538 (2021 - £32,884).

The Foundation works in conjunction with Lyra in Africa (UK charity - 1146496) 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 9) 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.

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.

During 2022 The Michael Matthews Foundation ('MMF') activities focused on 1) Phase two of the youth entrepreneurship program called "Business boost" and 2) sponsoring marginalised and disadvantaged girls to give them access to live in hostels. A decision was taken by the Trustees to postpone the installation of a computer lab into 2023. The MMF investment in the build of five hostels in rural Tanzania continues to have an impact on rural girls, with over 500 girls living and thriving in the MMF hostels throughout 2022. The classrooms and teacher rooms built in primary schools continue to promote well being and a better environment for learning.

#### Phase two of the youth entrepreneurship program: Business Boost

Building on Lyra's successful Imarika Kijana (IK) program, funding from MMF focused on taking this program to Phase two. The focus of IK Phase two is to take recently graduated entrepreneurs from Lyra's IK program to engage in a 1 year "Business boost" course to focus on growing their businesses. The project includes mentoring, writing business plans, digital training and access to capital, in order to grow viable businesses that drive local employment & wealth creation.

## THE MICHAEL MATTHEWS FOUNDATION

### REPORT OF THE TRUSTEES ( c o n t )

Year ended 30 April 2022

During 2022, initial emphasis was placed on identifying the recent graduated entrepreneurs who had viable businesses and assessing whether their business had the potential to grow. A total of 255 (169 female and 86 male) entrepreneurs were identified. The focus of these microbusinesses include poultry production, small shops and kiosks, beekeeping, piggy and farming. The MMF training focuses on value chain analysis, scaling individual and group businesses, marketing and digital skills, with exposure trips aligned to participants' businesses (poultry, farming, beekeeping etc) and mentoring. The Business boost course will last into Q3 2023.

#### Girls Sponsorship

MMF continues to sponsor marginalised and disadvantaged girls from ultra-poor backgrounds to continue their secondary education. In 2022 90 girls were sponsored. Sponsoring ultra-poor rural girls is one of the most critical layers of the Lyra portfolio as it provides the lifeline that is needed to keep the most disadvantaged girls in education. Each year we track these girls who have been sponsored and we see the transformational impact on their lives that the act of sponsorship has. These life changing case studies will be shared with MMF through the full annual report.

#### Impact of MMF historical investments

**Construction:** MMF have previously funded the build of five girls' hostels in government secondary schools, as well as 14 classrooms and 6 teachers houses and rooms in three rural primary schools. This investment in building these hostels from 2013 - 2019 continues to impact positively rural girls' chances of completing their education. Annually, over 500 rural girls stay in the MMF hostels each year, providing them with a safe place to live and study. Demand for places in the MMF funded hostels continues to be higher than the occupancy capacity. To date, no teenage pregnancies have been reported in these hostels.

Hostel name and date	Capacity of hostel and current occupancy
Lundamatwe hostel 1 (built 2013) and Lundamatwe hostel 2 (built 2017)	Capacity 144, Current Occupancy 141
<b>Nyang'oro</b> Girls Hostel built in 2017 and handed over to the community in 2018	Capacity for 80 girls, current occupancy 136
<b>Lulanzi</b> Girls Hostel built in 2016 and handed over to the community in 2019	Capacity for 72 girls, current occupancy 145
<b>Illambilole</b> Girls Hostel built in 2019 and handed over in 2020	Capacity for 96 girls, current occupancy 136

We continue to track the impact of the hostels on 1) pregnancy rates 2) secondary completion rates as well as critically 3) exam performance.

## THE MICHAEL MATTHEWS FOUNDATION

### REPORT OF THE TRUSTEES (cont)

Year ended 30 April 2022

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#### Financial review

The Trustees approved charitable expenditure in the period of £13,705 (2021 - £34,458) and generated a net surplus for the period of £15,605 (2021 - deficit of £1,761), after allowing for donations and investment income. At the year end the charity held net assets of £529,899 (2021 - £514,294). The reserves of the charity consist of unrestricted funds of £529,899 (2021 - £514,294). 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 Killkenny 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 February 28<sup>th</sup> 2023 and signed on their behalf:



J S MATTHEWS  
Trustee

# THE MICHAEL MATTHEWS FOUNDATION

## INDEPENDENT EXAMINERS' REPORT

Year ended 30 April 2022

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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 2022.

#### 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 2023

**THE MICHAEL MATTHEWS FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES**

**Year ended 30 April 2022**

	Notes	Unrestricted Fund 2022 £	Unrestricted Fund 2021 £
<b>Income and endowments from:</b>			
Donations and legacies	2	28,112	32,589
Investment income	3	568	108
<b>Total income and endowments</b>		<u>28,680</u>	<u>32,697</u>
<b>Expenditure on:</b>			
Charitable activities	4	<u>13,075</u>	<u>34,458</u>
<b>Total expenditure</b>		<u>13,075</u>	<u>34,458</u>
<b>Net (expenditure)/income and net movement in funds for the year</b>		15,605	(1,761)
<b>Reconciliation of funds</b>			
Total funds brought forward		514,294	516,055
<b>Fund balance carried forward at 30 April 2022</b>		<u>529,899</u>	<u>514,294</u>

All income and expenditure derive from continuing activities.

# THE MICHAEL MATTHEWS FOUNDATION

## BALANCE SHEET

At 30 April 2022

	Note	2022 £	2021 £
<b>Current assets</b>			
Cash at bank		530,209	515,733
Debtors	5	1,130	1
<b>Total current assets</b>		<u>531,339</u>	<u>515,734</u>
<b>Liabilities:</b>			
Creditors: Amounts falling due within one year	6	(1,440)	(1,440)
<b>Net current assets</b>		<u>529,899</u>	<u>514,294</u>
<b>Total net assets</b>		<u>529,899</u>	<u>514,294</u>
<b>The funds of the charity:</b>			
Unrestricted funds		529,899	514,294
<b>Total charity funds</b>		<u>529,899</u>	<u>514,294</u>

The financial statements set out on pages 6 to 10 were approved by the Trustees on February 28<sup>th</sup> 2023 and were signed on their behalf by:



J S MATTHEWS  
Trustee



## THE MICHAEL MATTHEWS FOUNDATION

### NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2022

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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 2022

### 2. Income from donations and legacies

Donations and legacies	2022 £	2021 £
Donations under the Gift Aid scheme	26,672	31,149
Other donations	1,440	1,440
	<u>28,112</u>	<u>32,589</u>

All donations are unrestricted.

### 3. Investment income

Interest receivable from UK deposit account	<u>568</u>	<u>108</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 2022 £	Total 2021 £
Education	<u>11,538</u>	<u>1,537</u>	<u>13,075</u>	<u>34,458</u>
<b>Total</b>	<u>11,538</u>	<u>1,537</u>	<u>13,075</u>	<u>34,458</u>

### Analysis of support costs

	2022 £	2021 £
Governance costs	1,440	1,440
Bank charges	97	134
	<u>1,537</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	<u>11,538</u>	<u>32,884</u>
	<u>11,538</u>	<u>32,884</u>

**THE MICHAEL MATTHEWS FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS****Year ended 30 April 2022**

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<b>5. Debtors</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Accrued deposit interest	44	1
Accrued gift aid – website donations	1,086	-
	<u>1,130</u>	<u>1</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 (2021 – None).

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**8. Employees**

The Trust did not have any employees during the year (2021 – None).

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**9. Related party transactions**

During the year, the amount of donations received without restrictions from related parties totalled £3,546 (2021 - £26,387). During the year £1,440 (2021 - £1,440) of expenses were paid on behalf of the Foundation by related parties.

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