

THE TMT FOUNDATION

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

OLD M[•]LL

THE TMT FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Barter Mr T Barter Mr T Browning
Charity number	1148730
Registered office	Care of Blakes Envelopes Clarence House Watercombe Lane YEOVIL Somerset BA20 2SU
Independent examiner	Tim Lerwill, FCA Old Mill Accountancy LLP Wessex House Challemead Business Park MELKSHAM Wiltshire SN12 8BU
Bankers	Lloyds Bank 9 High Street YEOVIL Somerset BA20 1RN

THE TMT FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the accounts	7 - 15

THE TMT FOUNDATION
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the foundation's governing document, the Charities Act 2011 and "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).

Objectives and activities

The objects of the Foundation as laid down in the Trust Deed are:

1. The Trustees shall hold the income and capital of the Charity on trust to apply the income, and all or such parts of the capital, at such time or times and in such manner to, or for the benefit of, such exclusively charitable objects in any part of the world as the Trustees may in their discretion think fit.
2. The Trustees may in their discretion, for the period of 21 years from the date of the Trust Deed, instead of applying the income of the Charity in any year, accumulate all or any part of the income by investigating the same, and the resulting income, in any investments authorised by the Trust Deed as an accretion to and as part of such accumulated income in any subsequent year as if the same were income of the Charity in the then current year.

During the year £14,840 of donation income was pledged against grants payable and is shown in restricted income within the health and welfare fund.

In meeting the above objectives, the Foundation's aims are to support charitable needs in the areas of health, education, relief of poverty, religious charitable needs and child charity work. The Foundation puts particular emphasis on supporting local charities and charitable causes in Somerset and Dorset.

The trustees have been able to broadly support, through its grant making, the specific aims of the foundation and to have built a substantial reserve to fund future grants.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the foundation should undertake for the public benefit.

The trustees are pleased to have been able to broadly support, through its grant making, the specific aims of the Foundation and to have built a substantial reserve to fund future grants.

The trustees consider all applications for grants that fall within the Foundation's objectives. In deciding upon which grants to award, the Trustees will give preference to applications that fall within the Foundation's particular aims as stated above.

Achievements and performance

Financial review

During the year £314,840 (2019: £504,948) was received in donations. Grants and donations totalling £426,702 (2019: £418,925) were awarded. Funds carried forward at the year end amounted to £846,625 (2019: £962,928).

The reserves of the Foundation at 31 December 2020 were represented by the balance of unrestricted funds of £834,625 (2019: £962,928) and restricted funds of £12,000 (2019:nil).

The Trust Deed expressly permits the Trustees to accumulate all or any part of the incoming resources of the Foundation in any year for a period of 21 years from the 19 March 2012.

The Trustees are permitted by the terms of the Trust Deed to make investments in any manner allowed by law.

THE TMT FOUNDATION
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees has assessed the major risks to which the foundation is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees plan to build the reserves of the Foundation to provide a capital fund to provide for future grants. The trustees plan to continue to support charitable needs falling within the Foundation's aims.

Structure, governance and management

The foundation is established and governed by a charitable trust deed on 19 March 2012 and registered with the Charity Commission on 28 August 2012.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr M Barter

Mr T Barter

Mr T Browning

Trustees are appointed by the Board of Trustees and are entitled to remain in office for as long as they wish (subject to certain clauses). The minimum number of trustees is three.

The Board of Trustees meets at least quarterly.

The Trustees make full use of Charity Commission guidance to provide the necessary trustee introduction and training.

The trustees are permitted by the terms of the Trust deed to make investments in any manner allowed by law.

THE TMT FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the foundation and of the incoming resources and application of resources of the foundation for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the foundation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees.

Mr M Barter

Trustee

Dated: 19 April 2021

Mr T Browning

Trustee

Dated: 19 April 2021

THE TMT FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE TMT FOUNDATION

I report on the financial statements of the foundation for the year ended 31 December 2020, which are set out on pages 5 to 15.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of the FCA.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

.....
Tim Lerwill, FCA
Wessex House
Challemead Business Park
MELKSHAM
Wiltshire
SN12 8BU

Dated: 22 April 2021

THE TMT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<u>Income from:</u>					
Donations and legacies	3	300,000	14,840	314,840	504,948
Investments	4	1,234	-	1,234	768
Total income		<u>301,234</u>	<u>14,840</u>	<u>316,074</u>	<u>505,716</u>
<u>Expenditure on:</u>					
Charitable activities	5	429,537	2,840	432,377	432,764
Total resources expended		<u>429,537</u>	<u>2,840</u>	<u>432,377</u>	<u>432,764</u>
Net gains/(losses) on investments	10	-	-	-	(100,000)
Net (expenditure)/income for the year/ Net movement in funds		<u>(128,303)</u>	<u>12,000</u>	<u>(116,303)</u>	<u>(27,048)</u>
Fund balances at 1 January 2020		<u>962,928</u>	<u>-</u>	<u>962,928</u>	<u>989,976</u>
Fund balances at 31 December 2020		<u><u>834,625</u></u>	<u><u>12,000</u></u>	<u><u>846,625</u></u>	<u><u>962,928</u></u>

THE TMT FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Investment properties	11		193,641		688,641
Current assets					
Debtors falling due after one year	12	179,879		185,018	
Debtors falling due within one year	12	5,793		7,666	
Cash at bank and in hand		470,432		84,603	
		<u>656,104</u>		<u>277,287</u>	
Creditors: amounts falling due within one year	13	<u>(3,120)</u>		<u>(3,000)</u>	
Net current assets			652,984		274,287
Total assets less current liabilities			<u>846,625</u>		<u>962,928</u>
Income funds					
Restricted funds	14		12,000		-
Unrestricted funds			834,625		962,928
			<u>846,625</u>		<u>962,928</u>

The accounts were approved by the Trustees on 19 April 2021

Mr M Barter
Trustee

Mr T Browning
Trustee

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

The TMT Foundation is a charity established and governed by charitable trust deed dated 5 April 1995, most recently amended by deed of variation on 9 May 2001. The TMT Foundation is a public benefit entity. The principal address of the charity is Blake Envelopes, Watercombe Lane, Yeovil, Somerset, BA20 2SU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the foundation's Trust Deed, the Charities Act 2011 and "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)". The foundation is a Public Benefit Entity as defined by FRS 102.

The foundation has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the foundation. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

In light of the current coronavirus pandemic, the trustees have reviewed likely future developments and remain of the opinion that there is no reason to believe that the trust will have to cease operating as a result of inadequate financial resources, or any other foreseeable event, within a period of at least 12 months from the date of the approval of these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the foundation is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes grants and donations payable and support costs. Grants and donations payable are included in recourses expended once or donation has been approved by the trustees and this has been communicated to the recipient. Support costs are those incurred directly in support of the charitable objectives. Charitable activities are undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Governance costs include costs associated with constitutional and statutory requirements.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The foundation has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the foundation's balance sheet when the foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the foundation transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the foundation's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the foundation's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Donations and gifts	300,000	14,840	314,840	504,948
For the year ended 31 December 2019	500,148	4,800		504,948

4 Investments

	2020 £	2019 £
Interest receivable	1,234	768

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Charitable activities

	Health	Education	Poverty	Religious	Other	Total 2020	Total 2019
	2020	2020	2020	2020	2020		
	£	£	£	£	£	£	£
Grant funding of activities (see note 6)	36,000	-	9,000	6,000	375,702	426,702	418,925
Share of support costs (see note 7)	307	-	77	51	3,200	3,635	11,859
Share of governance costs (see note 7)	172	-	43	28	1,797	2,040	1,980
	<u>36,479</u>	<u>-</u>	<u>9,120</u>	<u>6,079</u>	<u>380,699</u>	<u>432,377</u>	<u>432,764</u>
Analysis by fund							
Unrestricted funds	33,639	-	9,120	6,079	380,699	429,537	427,964
Restricted funds	2,840	-	-	-	-	2,840	4,800
	<u>36,479</u>	<u>-</u>	<u>9,120</u>	<u>6,079</u>	<u>380,699</u>	<u>432,377</u>	<u>432,764</u>
For the year ended 31 December 2019							
Unrestricted funds	54,600	63,532	1,240	43,749	264,843		427,964
Restricted funds	4,800	-	-	-	-		4,800
	<u>59,400</u>	<u>63,532</u>	<u>1,240</u>	<u>43,749</u>	<u>264,843</u>		<u>432,764</u>

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Grants payable

	Health £	Education £	Poverty £	Religious £	Other £	Total 2020 £	Total 2019 £
Grants to institutions:							
The Grace Trust	-	-	-	-	375,000	375,000	252,000
Yeovil Gospital Hall Trust	-	-	-	6,000	-	6,000	36,000
Toulon Pledge	-	-	-	-	-	-	50,000
Sterling West	-	-	-	-	-	-	10,000
Other	-	-	-	-	702	702	4,375
	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>375,702</u>	<u>381,702</u>	<u>352,375</u>
Grants to individuals (4 grants)	36,000	-	9,000	-	-	45,000	66,550
	<u>36,000</u>	<u>-</u>	<u>9,000</u>	<u>6,000</u>	<u>375,702</u>	<u>426,702</u>	<u>418,925</u>
	<u><u>36,000</u></u>	<u><u>-</u></u>	<u><u>9,000</u></u>	<u><u>6,000</u></u>	<u><u>375,702</u></u>	<u><u>426,702</u></u>	<u><u>418,925</u></u>

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Support costs

	Support costs	Governance costs	2020	2019
	£	£	£	£
Accountancy	1,380	-	1,380	1,320
Bank Charges	134	-	134	227
Rates and Insurance	2,185	-	2,185	6,819
Heat and Light	(128)	-	(128)	193
Repairs and Maintenance	-	-	-	480
Other	64	-	64	2,820
Independent Examination	-	2,040	2,040	1,980
	<u>3,635</u>	<u>2,040</u>	<u>5,675</u>	<u>13,839</u>
Analysed between Charitable activities	<u>3,635</u>	<u>2,040</u>	<u>5,675</u>	<u>13,839</u>

Support costs includes payments to the independent examiner of £1,380 (2019:£1,320) for other services.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the foundation during the year.

9 Employees

There were no employees during the year.

10 Net gains/(losses) on investments

	2020	2019
	£	£
Revaluation of investment properties	-	(100,000)
	<u>-</u>	<u>(100,000)</u>

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

11 Investment property

	2020 £
Fair value	
At 1 January 2020	688,641
Disposals	(495,000)
	<u> </u>
At 31 December 2020	193,641
	<u> </u>

The fair value of the investment property has been arrived at on the basis of a valuation. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The trustees have reviewed the value of the investment properties and believe that there was no change in value as at 31 December 2020.

12 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	5,793	7,666
	<u> </u>	<u> </u>
	2020	2019
Amounts falling due after more than one year:	£	£
Other debtors	179,879	185,018
	<u> </u>	<u> </u>
Total debtors	<u>185,672</u>	<u>192,684</u>

13 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	3,120	3,000
	<u> </u>	<u> </u>

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020	Movement in funds		Balance at 31 December 2020
	£	Incoming Resources £	Outgoing Resources £	£
Health Fund	-	12,000	-	12,000
Welfare Fund	-	2,840	(2,840)	-
	<u>-</u>	<u>14,840</u>	<u>(2,840)</u>	<u>12,000</u>
	<u>-</u>	<u>14,840</u>	<u>(2,840)</u>	<u>12,000</u>

Prior Year

	Balance at 1 January 2019	Movement in funds		Balance at 31 December 2019
	£	Incoming Resources £	Outgoing Resources £	£
Health Fund	-	4,800	(4,800)	-
	<u>-</u>	<u>4,800</u>	<u>(4,800)</u>	<u>-</u>
	<u>-</u>	<u>4,800</u>	<u>(4,800)</u>	<u>-</u>

During the year donations were received specifically to be spent on medical support grants and welfare grants.

15 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Fund balances at 31 December 2020 are represented by:				
Investment properties	193,641	-	193,641	688,641
Current assets/(liabilities)	640,984	12,000	652,984	274,287
	<u>834,625</u>	<u>12,000</u>	<u>846,625</u>	<u>962,928</u>
	<u>834,625</u>	<u>12,000</u>	<u>846,625</u>	<u>962,928</u>

THE TMT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

16 Related party transactions

Transactions with related parties

During the year the foundation received donations amounting to £300,000 from Moroak Holdings Ltd (2019: £nil). The foundation received donations amounting to £nil from Moroak T/A Blake Envelopes (2019: £500,000). The trustee's Mr T Barter, Mr M Barter and Mr T Browning are all shareholders of Moroak Holdings Ltd and Moroak T/A Blake Envelopes.

One of the two properties, held as investment properties, was sold during the year ended 31 December 2020. The property was sold, at arms length valuation, to a related party.

No guarantees have been given or received.