

Charity Registration No: 1175279

**THE MELETE FOUNDATION**  
**TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# THE MELETE FOUNDATION

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## THE MELETE FOUNDATION

### LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2021

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**Charity registration  
number** 1175279

**Trustees** Catherine Alexandra Chisholm  
John Alexander Raymond Chisholm  
Emma Moody

**Principal address  
and Registered  
office** Womble Bond Dickinson (UK) LLP  
The Spark  
Draymans Way  
Newcastle Helix  
Newcastle upon Tyne  
NE4 5DE

**Legal advisor** Womble Bond Dickinson (UK) LLP  
The Spark  
Draymans Way  
Newcastle Helix  
Newcastle upon Tyne  
NE4 5DE

**Independent  
Examiner** Claire Wills FCA DChA  
Saffery Champness LLP  
71 Queen Victoria Street  
London  
EC4V 4BE

## **THE MELETE FOUNDATION**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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This report relates to the financial year ended 31 December 2021 for the Charity, The Melete Foundation Charitable Incorporated Organisation (CIO) Charity number 1175279.

#### **Structure, Governance and Management**

The Charity is organised as a CIO and is governed by the Constitution, last amended on 20 October 2017.

The Constitution provides that there must be at least two Charity trustees including the founding trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the Charity trustees, or the founding trustees shall appoint a new Charity trustee. If the founding trustees cease to be Charity trustees, and the number of trustees falls below this minimum, then the remaining trustee(s) may act only for the purposes of calling a meeting of the Charity trustees, or appointing a new Charity trustee.

The maximum number of trustees that may be appointed to the CIO is seven. Apart from the first Charity trustees, every trustee must be appointed by a founding trustee. If the founding trustees cease to be Charity trustees, such appointment shall be by resolution of the Charity trustees.

The trustees manage the affairs of the CIO in accordance with the objectives and powers set out in the Constitution.

#### **Objectives and Activities**

The objectives of the CIO are for the public benefit, to further such exclusively charitable purposes which support The Melete Foundation CIO's charitable purposes as per the Constitution.

The trustees operate a grant giving policy, providing funds for such charitable objects or institutions as the trustees think fit.

The trustees have had regard to the Charity Commission's guidance on public benefit.

#### **Financial Review**

##### ***Results for the year***

During the year ended 31 December 2021, total income amounted to £732,276 being income predominantly arising from the founders donations of £725,000 to the expendable endowment fund to be held as capital, until being spent on the charity's objects. In 2020 total income was £5,392 made up of dividend income from the investment portfolio held.

The trustees made grants totalling £nil (2020 - £4,000). Investment management costs amounted to £8,196 (2020 - £3,446), legal and professional fees totalled £3,866 (2020 - £1,357). Total expenditure was £17,222 (2020 - £12,404). Grant making was stalled during the pandemic as the major project which the trustees were considering was not able to be achieved/realised.

There were net investment gains during the year of £210,071 (2020 - £20,003).

This results in a net increase in funds of £925,125 (2020 - £12,991).

## THE MELETE FOUNDATION

### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **Reserves policy**

The expendable endowment fund represents the funds received by the charity on the creation of the charity adjusted for net movements since that date. The trustees have the power to meet administrative expenses from this fund and may apply the income of the fund towards the general purposes of the charity.

The charity is operated as a grant giving charity, and the trustees' policy is to administer the investment assets on an absolute return basis.

At 31 December 2021, the reserves of the Foundation comprised an unrestricted income fund and an expendable endowment fund. Donations from the trustees in the previous period were treated as capital and recognised in the expendable endowment. £1,215,612 (2020: £510,520) of the balance is held in investments which will generate income for the Foundation. The trustees consider that the level of reserves is appropriate and will be spent down over the next few years as the trustees identify the main projects which they wish to support.

#### **Financial position**

The balance sheet shows total funds of £1,672,095 (2020 - £746,970), all of which comprise expendable endowment funds

#### **Statement of Trustees' Responsibilities**

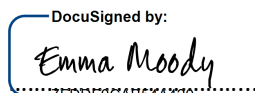
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Charity and of the incoming resources and application of resources, including income and expenditure, of the Charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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 do so.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with The Charities Act 2011 and applicable accounting regulations. The trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on.....and signed on their behalf by:

DocuSigned by:  
  
.....7FDDF0CAB54A#20.....  
Emma Moody  
Trustee

## **THE MELETE FOUNDATION**

### **INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Independent examiner's report to the trustees of the Melete Foundation**

I report to the trustees on my examination of the accounts of the Melete Foundation (the Charity) for the year ended 31 December 2021.

#### **Respective Responsibilities of trustees and examiner**

As the trustees of the Charity 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 the accounts for the Charity are not required by charity law to be audited and have chosen instead to have an independent examination.

I report in respect of my examination of the Charity'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.

#### **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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies. I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity 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; or
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).

**THE MELETE FOUNDATION**

**INDEPENDENT EXAMINER'S REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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I have no concerns and have come across no other 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.

Signed:

Claire Wills FCA DChA  
Saffery Champness LLP  
Chartered Accountants  
71 Queen Victoria Street, London, EC4V 4BE

**THE MELETE FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted income funds £	Expendable endowment funds £	Total funds 2021 £	Total funds 2020 £
<b>Income and endowments from:</b>					
Donations	2	-	725,000	725,000	-
Investments		7,276	-	7,276	5,392
<b>Total income</b>		<u>7,276</u>	<u>725,000</u>	<u>732,276</u>	<u>5,392</u>
<b>Expenditure on:</b>					
Charitable activities	3,4	17,222	-	17,222	12,404
<b>Total expenditure</b>		<u>17,222</u>	<u>-</u>	<u>17,222</u>	<u>12,404</u>
<b>Net (expenditure)/income before investment gains</b>					
		<u>(9,946)</u>	<u>-</u>	<u>(9,946)</u>	<u>(7,012)</u>
Gains on investments	5	-	210,071	210,071	20,003
Transfers between funds		9,946	(9,946)	-	-
Net movement in funds		<u>-</u>	<u>925,125</u>	<u>925,125</u>	<u>12,991</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward at 1 Jan 2021		-	746,970	746,970	733,979
<b>Total funds carried forward at 31 December 2021</b>		<u>-</u>	<u>1,672,095</u>	<u>1,672,095</u>	<u>746,970</u>

All operations are continuing operations.

All recognised gains and losses during the year are included within the Statement of Financial Activities. The accompanying notes on pages 9 to 12 form an integral part of these financial statements.



**THE MELETE FOUNDATION**


**BALANCE SHEET**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Investments	5		1,215,612		510,521
<b>Current assets</b>					
Cash at bank and in hand		464,596		246,446	
					246,446
<b>Creditors:</b> amounts falling due within one year	6		(8,113)		(9,997)
<b>Net current assets</b>			456,483		236,449
<b>Total assets less current liabilities</b>			1,672,095		746,970
<b>Net assets</b>			1,672,095		746,970
<b>Funds</b>					
Unrestricted funds	7,8		-		-
Expendable endowment fund	7,8		1,672,095		746,970
<b>Total funds</b>			1,672,095		746,970

Charity Registration number 1175279

These financial statements were approved by the Trustees and authorised for issue on the .....and are signed on their behalf by:

DocuSigned by:  
  
 7FDDF9CAB54A420.....  
 Emma Moody  
 Trustee

THE MELETE FOUNDATION

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £	
<b>Cash flows from operating activities:</b>				
<i>Net cash provided by operating activities</i>	A	705,894	(7,447)	
<b>Cash flows from investing activities:</b>				
Dividends		7,276	5,392	
Investment disposals		993,057	82,829	
Purchase of investments		(763,077)	(114,214)	
Gift of shares		(725,000)	-	
<b>Net cash (used in) investing activities</b>		(487,744)	(25,992)	
Change in cash and cash equivalents in the year		218,150	(33,439)	
Cash and cash equivalents at 1 January		246,446	279,885	
<b>Cash and cash equivalents at 31 December</b>		464,596	246,446	
<b>A) Reconciliation of net cash flows from operating activities</b>				
<b>Net income</b>		925,125	12,991	
(Gains)/losses on investments		(210,071)	(20,003)	
Dividend income		(7,276)	(5,392)	
Increase/(decrease) in creditors		(1,884)	4,957	
		705,894	(7,447)	
<b>Analysis of changes in net debt</b>				
	<b>As at 1 January 2021</b>	<b>Cash flows</b>	<b>Other non-cash changes</b>	<b>As at 31 December 2021</b>
<b>Cash and cash equivalents</b>				
Cash	246,446	218,150	-	464,496
	246,446	218,150	-	464,496

## **1. ACCOUNTING POLICIES**

### **1.1 Basis of Accounting**

The financial statements have been prepared under the historic cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second Edition), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Charity constitutes a public entity as defined by FRS 102. The functional currency for these financial statements is £.

### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### **1.3 Income**

All income is recognised in the statement of financial activities when the conditions for receipt have been met and there is reasonable assurance of receipt.

Investment income is accounted for when receivable. Donations are accounted for in the period in which the Foundation is entitled to receipt and include any associated gift aid.

### **1.4 Expenditure**

Expenditure is included on an accruals basis

Direct charitable expenditure comprises grants, directly related to the objects of the charity.

Governance costs comprise all costs involving the public accountability of the Charity and costs related with statutory requirements.

### **1.5 Funds**

The Unrestricted Income Fund represents the balance of income from all sources after deduction of donations and other necessary expenditure.

The Expendable Endowment Fund represents all the donations of the trustees and can be invested to provide an income from which to make future payments or spent at the trustees' discretion.

## THE MELETE FOUNDATION

### NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1.6 Investments

Investments are stated at market value. Realised and unrealised gains and losses are accounted for in the Statement of Financial Activities.

#### 2. DONATIONS AND GIFTS

	2021 Unrestricted income funds	2021 Expendable endowment funds	2021 Total funds £	2020 Total funds £
Donations	-	725,000	725,000	-
	-	725,000	725,000	-

	2020 Unrestricted income funds	2020 Expendable endowment funds	2020 Total funds £
Donations	-	-	-
	-	-	-

#### 3. CHARITABLE ACTIVITIES – GRANT MAKING

	2021 £	2020 £
<b>Grants were made to the following institutions:</b>		
The Jinja Educational Trust	-	2,000
Hospice at Home West Cumbria	-	2,000
	-	4,000

#### 4. CHARITABLE ACTIVITIES – GOVERNANCE COSTS

	2021 £	2020 £
Legal and professional fees	3,866	1,357
Investment management fees	8,196	3,446
Accountancy fees	5,160	3,600
	17,222	8,404

THE MELETE FOUNDATION

NOTES TO THE ACCOUNTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2021

5. INVESTMENTS

	2021 £	2020 £
Market value at 1 January 2021	510,521	459,134
Gifted donations at market value	725,000	-
Additions at cost	763,077	114,214
Disposal proceeds	(993,057)	(82,829)
Net gains on investments	210,071	20,002
<b>Market value at 31 December 2021</b>	<b>1,215,612</b>	<b>510,521</b>
<b>Historical cost at 31 December 2021</b>	<b>1,112,881</b>	<b>470,727</b>

*Investments comprise listed investments*

6. CREDITORS

	2021 £	2020 £
Trade Creditors	913	6,397
Accruals	7,200	3,600
	<b>8,113</b>	<b>9,997</b>

7. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted income fund £	Expendable endowment fund £	Total at 31 December 2021 £
Investments	-	1,215,612	1,215,612
Current assets	-	464,596	464,596
Current liabilities	-	(8,113)	(6,913)
<b>Net assets</b>	<b>-</b>	<b>1,672,095</b>	<b>1,673,295</b>
	Unrestricted income fund £	Expendable endowment fund £	Total at 31 December 2020 £
Investments	-	510,520	510,520
Current assets	-	246,446	246,446
Current liabilities	-	(9,997)	(9,997)
<b>Net assets</b>	<b>-</b>	<b>746,970</b>	<b>746,970</b>

## THE MELETE FOUNDATION

### NOTES TO THE ACCOUNTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2021

#### 8. MOVEMENT IN FUNDS

	Opening balance at 01 January 2021 £	Incoming resources £	Expenditure £	Transfers / gains £	Closing balance at 31 December 2021 £
Unrestricted	746,970	725,000	-	200,125	1,672,095
Expendable	-	7,276	(17,222)	9,946	-
Endowment					
<b>Net assets</b>	<b>746,970</b>	<b>732,276</b>	<b>(17,222)</b>	<b>210,071</b>	<b>1,673,295</b>

	Opening balance at 01 January 2020 £	Incoming resources £	Expenditure £	Transfers / gains £	Closing balance at 31 December 2020 £
Unrestricted	733,979	-	-	12,991	746,970
Expendable	-	5,392	(12,404)	7,012	-
Endowment					
<b>Net assets</b>	<b>733,979</b>	<b>5,392</b>	<b>(12,404)</b>	<b>20,003</b>	<b>746,970</b>

Transfers between funds relate to payment of legal and professional and management charges after payment through investment income.

#### 9. RELATED PARTIES

During the year Trustees made donations to the charity totalling £725,000 (2020: £nil).

The charity does not have any employees (2020: nil).

Womble Bond Dickinson (UK) LLP, a law firm, raised charges for professional services in the year totalling £3,866 (2020: £1,357), of which £913 was outstanding at the year end. Emma Moody is a partner in Womble Bond Dickinson. Otherwise, during the year no payments were made to any Trustee for their services nor were any expenses reimbursed to them (2020: £nil).

There were no other related party transactions in the year (2020: £nil).