

REGISTERED COMPANY NUMBER: 11504129 (England and Wales)
REGISTERED CHARITY NUMBER: 1186891

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 August 2020
for
MERKY FOUNDATION LTD

Brown McLeod Limited
Chartered Accountants
The Old Workshop
1 Ecclesall Road South
Sheffield
South Yorkshire
S11 9PA

MERKY FOUNDATION LTD

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for the Year Ended 31 August 2020**

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MERKY FOUNDATION LTD

Report of the Trustees for the Year Ended 31 August 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of 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

Objectives and aims

Merky Foundation is a project set up by UK musician, Stormzy, with the aim of giving back to the community he grew up in.

In 2018 a partnership was struck with Cambridge University to fund a scholarship programme for black UK students covering the full cost of tuition fees and provide a maintenance grant which will significantly reduce the need for awardees to take out government or commercial loans.

In 2020 the charity pledged to raise £10 million, over 10 years, for organisations, charities and movements that are committed to fighting racial inequality, justice reform and black empowerment within the UK. Stormzy and #Merky will forever remain devoted to improving and safeguarding the lives of those within the black community and this is just the beginning of our lifetime commitment to financially and wholeheartedly back these causes.

Significant activities

Cambridge University Scholarship

During the year the charity raised and paid over £140,000 (£120,000 - 2019) as part of the scholarship programme. The money was used to fund a 4 year Natural Sciences programme for one student and a 3 year Medicine programme for another.

Public benefit

The charity operates as a Public Benefit Entity.

FINANCIAL REVIEW

Going concern

There are no material uncertainties about the charity's ability to continue as a going concern.

Funds in deficit

At the end of the period the general fund was in deficit by £2,664 (2019 - £1,428). The deficit arose due to the sundry costs of running the charity and is covered by an interest free loan from Stormzy Ltd, a company in which trustee Mr M E K O Owuo Junior is a director.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11504129 (England and Wales)

Registered Charity number

1186891

MERKY FOUNDATION LTD

**Report of the Trustees
for the Year Ended 31 August 2020**

Registered office

The Old Workshop
1 Ecclesall Road South
Sheffield
South Yorkshire
S11 9PA

Trustees

M E K O Owuo Junior (appointed 31.10.19)
T A Onwuka (appointed 31.10.19)
J Roddison FCA

Independent Examiner

Brown McLeod Limited
Chartered Accountants
The Old Workshop
1 Ecclesall Road South
Sheffield
South Yorkshire
S11 9PA

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

Approved by order of the board of trustees on 30 April 2021 and signed on its behalf by:

J Roddison FCA - Trustee

**Independent Examiner's Report to the Trustees of
Merky Foundation Ltd**

Independent examiner's report to the trustees of Merky Foundation Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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 Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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)).

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.

Kate Revell
ACA
Brown McLeod Limited
Chartered Accountants
The Old Workshop
1 Ecclesall Road South
Sheffield
South Yorkshire
S11 9PA

Date:

MERKY FOUNDATION LTD

**Statement of Financial Activities
for the Year Ended 31 August 2020**

	Notes	Year Ended 31.8.20 Unrestricted fund £	Period 7.8.18 to 31.8.19 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		140,250	120,000
 EXPENDITURE ON			
Charitable activities			
Cambridge University scholarship program		140,000	120,000
 Other		1,486	1,428
Total		141,486	121,428
 NET INCOME/(EXPENDITURE)		(1,236)	(1,428)
 RECONCILIATION OF FUNDS			
Total funds brought forward		(1,428)	-
 TOTAL FUNDS CARRIED FORWARD		(2,664)	(1,428)

The notes form part of these financial statements

MERKY FOUNDATION LTD

**Balance Sheet
31 August 2020**

	Notes	31.8.20 Unrestricted fund £	31.8.19 Total funds £
CURRENT ASSETS			
Cash at bank		504	197
CREDITORS			
Amounts falling due within one year	4	(3,168)	(1,625)
NET CURRENT ASSETS/(LIABILITIES)		<u>(2,664)</u>	<u>(1,428)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(2,664)</u>	<u>(1,428)</u>
NET ASSETS/(LIABILITIES)		<u><u>(2,664)</u></u>	<u><u>(1,428)</u></u>
FUNDS	5		
Unrestricted funds		<u>(2,664)</u>	<u>(1,428)</u>
TOTAL FUNDS		<u><u>(2,664)</u></u>	<u><u>(1,428)</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 30 April 2021 and were signed on its behalf by:

J Roddison FCA - Trustee

MERKY FOUNDATION LTD

Notes to the Financial Statements for the Year Ended 31 August 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the period ended 31 August 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the period ended 31 August 2019.

MERKY FOUNDATION LTD

Notes to the Financial Statements - continued
for the Year Ended 31 August 2020

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	120,000
EXPENDITURE ON	
Charitable activities	
Cambridge University scholarship program	120,000
Other	1,428
Total	121,428
NET INCOME/(EXPENDITURE)	(1,428)
TOTAL FUNDS CARRIED FORWARD	(1,428)

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.20 £	31.8.19 £
Other creditors	2,208	1,625
Accrued expenses	960	-
	3,168	1,625

5. MOVEMENT IN FUNDS

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
General fund	(1,428)	(1,236)	(2,664)
TOTAL FUNDS	(1,428)	(1,236)	(2,664)

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	140,250	(141,486)	(1,236)
TOTAL FUNDS	140,250	(141,486)	(1,236)

MERKY FOUNDATION LTD

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

5. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	Net movement in funds £	At 31.8.19 £
Unrestricted funds		
General fund	(1,428)	(1,428)
	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>(1,428)</u></u>	<u><u>(1,428)</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	120,000	(121,428)	(1,428)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>120,000</u></u>	<u><u>(121,428)</u></u>	<u><u>(1,428)</u></u>

6. RELATED PARTY DISCLOSURES

At the year ended 31/08/2020 the charity owed £3,168 (£1,625 - 2019) to Stormzy Ltd, a company in which Mr M E K O Owuo Junior is a director.

7. POST BALANCE SHEET EVENTS

In the following period a further £140,000 was raised and paid over to Cambridge University as part of the scholarship programme relating to two further students beginning in the 20/21 academic year.

MERKY FOUNDATION LTD

**Detailed Statement of Financial Activities
for the Year Ended 31 August 2020**

	Year Ended 31.8.20 £	Period 7.8.18 to 31.8.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	140,250	120,000
Total incoming resources	140,250	120,000
EXPENDITURE		
Charitable activities		
Grants to institutions	140,000	120,000
Support costs		
Management		
Sundries	45	45
Finance		
Bank charges	481	303
Governance costs		
Accountancy and legal fees	960	960
Formation costs	-	120
	960	1,080
Total resources expended	141,486	121,428
Net expenditure	(1,236)	(1,428)