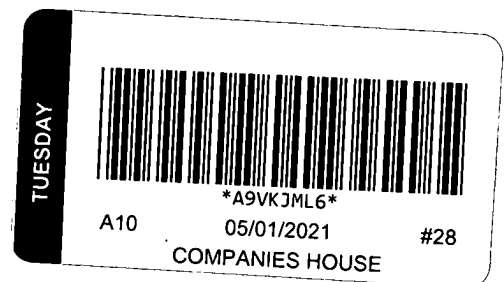


REGISTERED COMPANY NUMBER: 05976914 (England and Wales)
REGISTERED CHARITY NUMBER: 1128255

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
FOR
CAN MEZZANINE LIMITED



Raffingers LLP
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

CAN MEZZANINE LIMITED

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for the year ended 31 March 2020

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CAN MEZZANINE LIMITED
REPORT OF THE TRUSTEES
for the year ended 31 March 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of CAN Mezzanine Limited (the company) for the year ended 31 March 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).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

CONSTITUTION

The Helen Taylor Thompson Foundation Limited (operating as 'CAN' and 'Education Saves Lives') is a Charitable Company limited by guarantee and is a registered Charity. It is governed by its Memorandum and Articles of Association, adopted on and last amended on 15 September 1998.

The Charity's objects are to improve the efficiency of the administration of charities in direct pursuit of their objects by the provision of training and information, particularly in the field of information technology, and for such other charitable purposes as the Trustees shall from time to time determine.

CAN has sole membership of the charities Mezzanine 2 Ltd, CAN Mezzanine Ltd (collectively operating as 'CAN Mezzanine'), and Education Saves Lives.

OBJECTIVES AND ACTIVITIES

Objectives and aims

CAN Mezzanine's vision is of an economy buoyed by a thriving Civil Society. Our Mission is to help charities social entrepreneurs and social ventures achieve this vision. To build sustainable organisations charities need high quality premises, peer experience, funds and business support.

CAN Mezzanine's objectives are:

1. To promote and improve the efficiency and effectiveness of charities and voluntary groups, community groups and not-for-profit organisations by the provision and management for such organisation of office accommodation, conferences, training and other facilities, services and support.
2. To improve the efficiency of the administration of charities in direct pursuit of their objects by the provision of training and information, particularly in the field of information technology.
3. Such other exclusively charitable purpose as the Trustees shall from time to time determine.

Its principal activity is to provide high-quality, affordable office space in central locations to Third Sector organisations. Stability of tenure remains a significant hurdle of growth for Third Sector bodies.

By providing serviced- office space and additional value- added -support, CAN Mezzanine allows organisations to concentrate resources on maximising their social or environmental impact.

By creating communities of social interest within its building, CAN Mezzanine aims to encourage collaboration, innovation and growth amongst Third Sector Organisations.

Public benefit

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aim and objectives and in planning the charity's future activities. The aims of the charitable company for the public benefit are detailed in the 'Objectives and Activities' section of this report and the main activities undertaken in order to carry out the charitable company's aims for the public benefit are outlined under 'Achievements and Performance' below.

CAN MEZZANINE LIMITED

REPORT OF THE TRUSTEES **for the year ended 31 March 2020**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Requirement for our services increased, with occupancy figures across all locations rising further. This is the continuing change in market forces and a testament to CAN Mezzanine's sales and operations teams in customer acquisitions combined with maintaining excellent customer relations. The overall strength of our customer base has enabled us to provide support to those organisations that are struggling more than others, thereby strengthening our position as a community of social interest. We remain committed to offering long term support services and a peer community to our customers, particularly in Central London.

Performance for the year was as follows:

CAN Mezzanine used its available space for social occupants to house the Loman St customers when Loman St was closed for redevelopment. This created additional occupancy for both Borough and Old St resulting in a net surplus for the year.

Activities up to the date of the signing of this report:

It is a priority to attract new customers but the current uncertainty around COVID-19 restrictions has started to have an impact when the UK went into its first lockdown at the end of March 2020. The senior management team and the Trustees have been continually monitoring the impact of the pandemic on the customers and activity within the buildings and reached the following conclusions:

Primarily as a result of the planning delays at Loman St and the Pandemic, the Foundation faced the following significant challenges:

- Short-term business interruption:
 - The significant short-term business interruption caused by the Coronavirus Pandemic with the expected disruption to business and, crucially, cashflow
- Short/medium-term cashflow and high leverage:
 - The need to bring in a significant cash injection to cover planned short-term borrowings and reduce the current unacceptable levels of leverage
- Long-term direction and sustainability:
 - The long-term direction and sustainability of the Foundation

The Foundation has been trading in recent years at a surplus position with occupancy levels at 90%-95%. The planned development of Loman St involved the closure of Loman St in 2019 and this has significantly reduced the current and future earning capacity of the Foundation. The reduced capacity to just Old St and Borough puts significant pressure on occupancy levels and these have been affected by COVID-19 as well as standard churn of customers. This has resulted in the Foundation running at a deficit for the last 9 months. It is a priority to attract new customers but the current uncertainty around COVID-19 restrictions has made gaining new customers in financially significant numbers is a long-term process.

Although COVID-19 has caused the Foundation significant problems, the issues that need resolving have not been caused by COVID-19.

The solution to the three challenges listed above lies within the gift of the Foundation as it owns two large office blocks, one on the edge of the City (Old St) and one in Southwark close to both London Bridge and Waterloo (Loman St).

There is sufficient equity in both the owned buildings to support short-term increases in lending to relieve cashflow issues over the next two years and to finance the development of Loman St (if desired) which is currently empty but with planning permission for major development.

The Trustees agreed to perform an Options Appraisal on the future of the Foundation's property portfolio that would alleviate the short-term issues, increase sustainability whilst still achieving the Foundation's charitable objects.

CAN MEZZANINE LIMITED
REPORT OF THE TRUSTEES
for the year ended 31 March 2020

Property market update

The impact of the COVID pandemic, starting at the end of March 2020, has had a major impact on our customers, the majority of which are small organisations and who have been hit by falling income. A significant number of who have had to reduce their desk numbers or leave our offices altogether while they reduce their costs to try to weather the pandemic.

It is difficult to establish what the long-term impact of this year will be, but the switch to home working and video conferencing in particular is likely to influence the future delivery model for office space such as ours. We have developed a new coworking product to allow more flexibility in our offer and expect this model to be more important in the future. A key part of the options appraisal for our property portfolio is to ensure that our future offering suits the changed market and continues to support charities and social enterprises with suitable space in central London.

Immediate response to challenges

As a response to the challenges outlined above, the Foundation has:

- Undertaken a programme of cost-cutting, including:
 - A significant reduction in headcount, including the Senior Management team.
 - Furloughing of staff through lockdowns and quiet periods.
- Reviewed its offering and introduced a new flexible coworking offer to sit alongside its more traditional fixed desk options for customers.
- Taken advantage of the Government's Coronavirus Business Interruption Loan Scheme (CBILS) to support short-term cashflow pressures.
- The CAN Invest Early Intervention Fund was closed with the funds used to support customers through subsidised rates and utility bills.

FINANCIAL REVIEW

Investment policy and objectives

Under its Memorandum of Association the charity has power to invest in any way the trustees wish.

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on activities and receiving resources through charitable activity income. The trustees consider that the ideal level of reserves as at 31 March 2020 would be three months of resources expended which equates to £1,024,027.

As at 31 March 2020, the charitable company had a reserves of £ 325,267 (2019- Deficit of £267,318) . The trustees are pleased that CAN Mezzanine has succeeded in converting the negative reserve into positive reserves during the year. They also recognize that this improvement was due to the transfer of customers from Loman St.

In calculating the reserves, the trustees have excluded from total funds any restricted income funds.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting policies.

Financial Results

CAN Mezzanine Limited is a self-sustaining charity building on CAN's experience of creating a successful collaborative working environment. CAN Mezzanine is recognised as a landmark enterprise for the social sector.

Currently over 150 charity and social sector organisations share over 110,000 sq ft of office space across four central London, and Hounslow locations.

CAN Mezzanine Limited recorded an unrestricted surplus of £ 592,585 (2019- Deficit of £35,368). The Helen Taylor Thompson Foundation Limited will continue to support CAN Mezzanine Limited as necessary.

CAN MEZZANINE LIMITED

REPORT OF THE TRUSTEES
for the year ended 31 March 2020

FUTURE PLANS

CAN's Mezzanine's objectives for the forthcoming year are as follows:

The past year has been distinctly challenging, and the ongoing pandemic has depressed business significantly. However, the actions the Foundation has taken have ensured that we are well placed to weather the storm. The Trustees and Senior Management are now working to take advantage of the quieter business activity through the pandemic to reshape our business model, to ensure that we are ready to take advantage of the expected upturn once the major part of the pandemic is past:

1. De-leverage:
 - a. Through the outcome of the property review the Trustees plan to reduce our dependence on external finance and enhancing our ability to support the needs of our customers.
2. Reshape of business model: The Foundation is planning to take advantage of the reduction in business caused by the pandemic to reshape a number of aspects of its business model:
 - a. Marketing: external support is being sourced to review the brand and positioning of CAN Mezzanine
 - b. Website: a new website is being developed
 - c. Update of systems: core systems are being replaced
 - d. Re-designing of the range of offerings to customers, building on the new coworking model.
3. Recruit a further two Trustees
4. Complete the implementation of the Governance review.

THANK YOU

Many thanks to our customers, partners and staff who have supported us through the most challenging period of the Foundation's history – coping with the COVID-19 Pandemic and its impact on our organisation and our lives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

CAN Mezzanine Limited is a charitable company limited by guarantee and was incorporated on 24 October 2006 and commenced to operate from 28 April 2009. It is governed by its Memorandum and Articles of Association last amended by special resolution on 30 October 2008. CAN Mezzanine Limited operates under the name of CAN Mezzanine.

CAN MEZZANINE LIMITED

REPORT OF THE TRUSTEES
for the year ended 31 March 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The management of the Company and the Group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

The Articles of Association stipulate that there must be a minimum of three Trustees. All Trustees must be members of the Charitable Company, additional Trustees may be appointed by the existing Trustees at any time, either to fill a casual vacancy or as an addition to the existing Trustees. Any Trustee so appointed will hold office only until the next Annual General Meeting and will then be eligible for re-election. One third of the Trustees are to retire by rotation at each Annual General Meeting.

No Trustee had any beneficial interest in any contract with the Charitable Company during the year.

The Trustees, who are also Directors for the purpose of company law, at the beginning of April 2019 were:

- Clive Dove-Dixon
- Francesca Durante
- Alistair Fraser (Chair)
- Helen Taylor Thompson

The following Trustees were appointed between 1 April 2019 and the date of this report:

- Miles Donohoe (appointed 21st August 2019)
- Jenny Edwards (appointed 21st August 2019)
- Matthew Sampson (appointed 20 July 2020)
- Russell Thompson (appointed 19 February 2020)
- Tamasin Bernice Williams (appointed 21 August 2019)

The following Trustees resigned between 1 April 2019 and the date of this report:

- Clive Dove-Dixon (resigned 1 June 2020)
- Francesca Durante (resigned 13 August 2020)
- Alistair Fraser (resigned 19 September 2019)
- Helen Taylor Thompson OBE (resigned 19 September 2019)
- Tamasin Bernice Williams (resigned 25 November 2019)

The Trustees, who are also Directors for the purpose of company law, at the time of writing this report are:

- Miles Donohoe
- Jenny Edwards (Chair)
- Matthew Sampson
- Russell Thompson

Clive Dove-Dixon covered the role of Chief Executive on an unpaid basis from 3rd October 2019 until he took a paid consultancy role, covering the role of Chief Executive, from 25th March 2020 to 1st June 2020. At this point he resigned as a Trustee and took up the full-time role as Chief Executive.

The covering roles undertaken by Mr Dove-Dixon were notified to the Charity Commission and carried out with their permission.

CAN MEZZANINE LIMITED

REPORT OF THE TRUSTEES **for the year ended 31 March 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Board of Trustees controls and manages the affairs of the Charity. Leadership and operational management of CAN are devolved to the Senior Management Team.

Senior Management Team for the period of the report were:

- Andrew Croft - Chief Executive (left)
- Svetlana Ghadiri - Finance Director (left)
- Gary Philips - Director Sales & Marketing (left)
- Kirstin Ross - Director Operations
- Rohan Martyres - Director Impact and Investment (left)

Senior Management Team at the time of writing this report are:

- Clive Dove-Dixon - Chief Executive
- Kirstin Ross - Director of Operations and Sales

The Board of Trustees hold the Senior Management Team to account on key performance indicators as agreed between both parties as well as monitoring the strategic direction.

Death of our founder, Helen Taylor Thompson

We are really saddened that we lost our founder Helen Taylor Thompson who died on Sunday September 6th, shortly after her 96th birthday.

Helen founded the Community Action Network (CAN) in 1998 with Adele Blakebrough and the Baptist Minister Andrew Mawson. CAN was originally set up as a peer network for social entrepreneurs, moving into its own space in 2000 and the housing of charities and social enterprises in CAN operated, and later owned, office space became the largest part of the organisation and the major part of its activities

Helen founded "Education Saves Lives" two years later. At the time she was in her 70s, when many people would have been thinking of slowing down. Helen, however, was a formidable and determined lady and she was determined to do something to combat the ravages of HIV/AIDS in the developing world.

She understood that a simple lack of information was leading to many HIV and AIDS infections in vulnerable communities. She saw that the emerging technology of DVDs could be used to solve this problem, by giving people access to simple lessons for safer living in their own language. As a result of her vision, and the work of Education Saves Lives, millions of lives all over the world have been changed and/or saved.

Helen's legacy, her inspirational leadership and work, will live on through the Foundation named after her, through CAN Mezzanine and Education Saves Lives and their activities.

At the age of 96, Helen lived a very full life, and she was at peace about the next stage of her journey. We are so grateful to Helen, and for her, for all she was and did. Helen lived an amazing life and we will miss her very, very much.

Induction and training of new trustees

The Charitable Company strives to ensure equal opportunities and diversity in both the employment of staff and Trustee appointments. Selection criteria and procedures are regularly reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities.

Trustees are given a comprehensive induction when they join the Charitable Company. Recruitment involves interviews with the Chair and existing Trustees.

Additionally, individual Trustees may undertake external training in a particular area of their role on the governing body.

CAN MEZZANINE LIMITED

REPORT OF THE TRUSTEES
for the year ended 31 March 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have assessed the major risks to which the company and the group is exposed, in particular those related to the operations and finances of CAN Mezzanine, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05976914 (England and Wales)

Registered Charity number

1128255

Registered office

CAN Mezzanine
7-14 Great Dover Street
Southwark
London
SE1 4YR

Trustees

A J Fraser Chartered Accountant (resigned 19.9.19)
H M Taylor-Thompson OBE Trustee (resigned 19.9.19)
M N Donohoe Public Relations (appointed 21.8.19)
C R Dove-Dixon Management Consultant (resigned 1.6.20)
F Durante Cfo (resigned 13.8.20)
J S Edwards Lawyer (appointed 21.8.19)
T B Williams Head Of Brand Communication (appointed 21.8.19) (resigned 25.11.19)
M J Sampson (appointed 20.7.20)
R H Thompson Consultant (appointed 19.2.20)

Auditors

Raffingers LLP
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

Bankers

Barclays Bank Plc
Level 27
1 Churchill Place
London

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of CAN Mezzanine Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

CAN MEZZANINE LIMITED

REPORT OF THE TRUSTEES
for the year ended 31 March 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Raffingers LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 10th december 2020 and signed on its behalf by:



.....
J S Edwards - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CAN MEZZANINE LIMITED

Opinion

We have audited the financial statements of CAN Mezzanine Limited (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
CAN MEZZANINE LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Suda Ratnam FCCA (Senior Statutory Auditor)
for and on behalf of Raffingers LLP
19-20 Bourne Court
Southend Road
Woodford Green
Essex
IG8 8HD

Date: 23/12/2020

CAN MEZZANINE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2020

		2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	4,495,693	4,118,800
Investment income	3	49,636	23,335
Other income		<u>143,365</u>	<u>120,193</u>
Total		4,688,694	4,262,328
 EXPENDITURE ON			
Charitable activities	4		
Provision of charitable office facilities		4,096,109	4,297,696
 NET INCOME/(EXPENDITURE)		592,585	(35,368)
 RECONCILIATION OF FUNDS			
Total funds brought forward		(267,318)	(231,950)
 TOTAL FUNDS CARRIED FORWARD		<u><u>325,267</u></u>	<u><u>(267,318)</u></u>

The notes form part of these financial statements

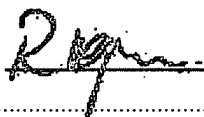
CAN MEZZANINE LIMITED

BALANCE SHEET
31 March 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
FIXED ASSETS			
Tangible assets	9	500,318	675,599
CURRENT ASSETS			
Debtors	10	1,400,315	502,416
Cash at bank and in hand		<u>1,030,397</u>	<u>1,174,719</u>
		2,430,712	1,677,135
CREDITORS			
Amounts falling due within one year	11	(2,605,763)	(2,620,052)
NET CURRENT ASSETS/(LIABILITIES)		<u>(175,051)</u>	<u>(942,917)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>325,267</u>	<u>(267,318)</u>
NET ASSETS/(LIABILITIES)		<u>325,267</u>	<u>(267,318)</u>
FUNDS	14		
Unrestricted funds		<u>325,267</u>	<u>(267,318)</u>
TOTAL FUNDS		<u>325,267</u>	<u>(267,318)</u>

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 10th december 2020..... and were signed on its behalf by:



.....
R H Thompson - Trustee

The notes form part of these financial statements

CAN MEZZANINE LIMITED

CASH FLOW STATEMENT
for the year ended 31 March 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(125,453)</u>	<u>603,160</u>
Net cash (used in)/provided by operating activities		<u>(125,453)</u>	<u>603,160</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		(21,938)	(25,748)
Interest received		<u>3,069</u>	<u>2,103</u>
Net cash used in investing activities		<u>(18,869)</u>	<u>(23,645)</u>
 Change in cash and cash equivalents in the reporting period		 (144,322)	 579,515
Cash and cash equivalents at the beginning of the reporting period		<u>1,174,719</u>	<u>595,204</u>
 Cash and cash equivalents at the end of the reporting period		 <u>1,030,397</u>	 <u>1,174,719</u>

The notes form part of these financial statements

CAN MEZZANINE LIMITED

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 March 2020

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	592,585	(35,368)
Adjustments for:		
Depreciation charges	197,219	243,361
Interest received	(3,069)	(2,103)
(Increase)/decrease in debtors	(897,899)	232,388
(Decrease)/increase in creditors	<u>(14,289)</u>	<u>164,882</u>
Net cash (used in)/provided by operations	<u>(125,453)</u>	<u>603,160</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	<u>1,174,719</u>	<u>(144,322)</u>	<u>1,030,397</u>
	<u>1,174,719</u>	<u>(144,322)</u>	<u>1,030,397</u>
Total	<u><u>1,174,719</u></u>	<u><u>(144,322)</u></u>	<u><u>1,030,397</u></u>

The notes form part of these financial statements

CAN MEZZANINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS **for the year ended 31 March 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.

Going concern

The trustees have assessed whether the assumption that CAN Mezzanine Limited is a going concern while preparing this financial statements is appropriate. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements. The trustees have concluded that the charitable company will have sufficient resources to meet its liabilities due to the support provided by CAN Mezzanine Limited's sole member, The Helen Taylor Thompson Foundation Limited.

Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 7. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The items in the financial statements where these judgements and estimates have been made include

- o assessing the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge, and
- o the provision required for any bad or doubtful debts in respect of licence fees receivable.

Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

CAN MEZZANINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

1. ACCOUNTING POLICIES - continued

Expenditure

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Operating leases

Rental under operating leases are charged to the Statement of Financial activities on a straight line basis over the term of the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Charitable activities

Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Allocation and apportionment of costs

Support cost are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out by the head office staff.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- over the period of the leases
Plant and machinery	- 10% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 25% on cost

Excluding computers, all assets costing more than £500 are capitalised.

Plant and machinery relates to Communication infrastructure.

Taxation

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

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

CAN MEZZANINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

1. ACCOUNTING POLICIES - continued

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Cash at bank and in hand and debtors

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Service office space income	<u>4,495,693</u>	<u>4,118,800</u>

3. INVESTMENT INCOME

	2020	2019
	£	£
Management fees receivable	46,567	21,232
Deposit account interest	<u>3,069</u>	<u>2,103</u>
	<u>49,636</u>	<u>23,335</u>

CAN MEZZANINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Provision of charitable office facilities	<u>4,092,919</u>	<u>3,190</u>	<u>4,096,109</u>

5. SUPPORT COSTS

	Governance costs £
Provision of charitable office facilities	<u>3,190</u>

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Auditors' remuneration	3,190	6,481
Audit-related assurance services	-	1,350
Depreciation - owned assets	<u>197,219</u>	<u>243,361</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	4,118,800
Investment income	23,335
Other income	<u>120,193</u>
Total	4,262,328
EXPENDITURE ON	
Charitable activities	
Provision of charitable office facilities	<u>4,297,696</u>
NET INCOME/(EXPENDITURE)	(35,368)
RECONCILIATION OF FUNDS	
Total funds brought forward	(231,950)

CAN MEZZANINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
fund
£

TOTAL FUNDS CARRIED FORWARD

(267,318)

9. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2019	766,478	149,264	480,568	230,554	1,626,864
Additions	<u>8,170</u>	<u>-</u>	<u>13,768</u>	<u>-</u>	<u>21,938</u>
At 31 March 2020	<u>774,648</u>	<u>149,264</u>	<u>494,336</u>	<u>230,554</u>	<u>1,648,802</u>
DEPRECIATION					
At 1 April 2019	310,471	149,264	336,222	155,308	951,265
Charge for year	<u>71,503</u>	<u>-</u>	<u>90,962</u>	<u>34,754</u>	<u>197,219</u>
At 31 March 2020	<u>381,974</u>	<u>149,264</u>	<u>427,184</u>	<u>190,062</u>	<u>1,148,484</u>
NET BOOK VALUE					
At 31 March 2020	<u>392,674</u>	<u>-</u>	<u>67,152</u>	<u>40,492</u>	<u>500,318</u>
At 31 March 2019	<u>456,007</u>	<u>-</u>	<u>144,346</u>	<u>75,246</u>	<u>675,599</u>

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	181,907	136,955
Other debtors	126,683	92,304
Amount owed by group undertaking	816,424	-
Prepayments and accrued income	<u>275,301</u>	<u>273,157</u>
	<u>1,400,315</u>	<u>502,416</u>

CAN MEZZANINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	139,080	322,106
VAT	96,087	77,470
Other creditors	2,025,243	1,920,622
Amount owed to group undertaking	35,005	36,509
Accruals and deferred income	<u>310,348</u>	<u>263,345</u>
	<u><u>2,605,763</u></u>	<u><u>2,620,052</u></u>

12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
In more than five years	<u><u>3,647,154</u></u>	<u><u>3,800,318</u></u>

At 31 March 2020 the total of the Charity's future minimum lease payments under non cancellable operating leases was:

13. SECURED DEBTS

The charity has given guarantee in respect of the bank borrowings of The Helen Taylor Thompson Foundation Limited, the sole member of CAN Mezzanine Limited, which amounted to £10,678,567 (2019 £11,396,684).

14. MOVEMENT IN FUNDS

	At 1.4.19	Net movement in funds	At 31.3.20
	£	£	£
Unrestricted funds			
General fund	(267,318)	592,585	325,267
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>(267,318)</u></u>	<u><u>592,585</u></u>	<u><u>325,267</u></u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	4,688,694	(4,096,109)	592,585
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>4,688,694</u></u>	<u><u>(4,096,109)</u></u>	<u><u>592,585</u></u>

CAN MEZZANINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.18 £	Net movement in funds £	At 31.3.19 £
Unrestricted funds			
General fund	(231,950)	(35,368)	(267,318)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(231,950)</u>	<u>(35,368)</u>	<u>(267,318)</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,262,328	(4,297,696)	(35,368)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>4,262,328</u>	<u>(4,297,696)</u>	<u>(35,368)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.18 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	(231,950)	557,217	325,267
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(231,950)</u>	<u>557,217</u>	<u>325,267</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	8,951,022	(8,393,805)	557,217
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>8,951,022</u>	<u>(8,393,805)</u>	<u>557,217</u>

CAN MEZZANINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 31 March 2020

15. CONTINGENT LIABILITIES

There were no contingent liabilities at either the beginning or end of the financial year.

16. CAPITAL COMMITMENTS

There were no capital commitments at the balance sheet date

17. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemptions in FRS 102 "Related Party Disclosures" from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

18. AUDITOR LIABILITY LIMITATION AGREEMENT

The charity has entered into a liability limitation agreement with Raffingers, the statutory auditor, in respect of the statutory audit for the year ended 31 March 2020. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements.

19. ULTIMATE CONTROLLING PARTY

Throughout the period, CAN Mezzanine Limited was ultimately controlled by the parent undertaking, The Helen Taylor Thompson Foundation Limited, a charitable company incorporated in England and Wales.