



# The George Müller Charitable Trust

(A company limited by guarantee)

Company Registration No. 03471812

Charity Registration No. 1066832

## Trustees' Annual Report and Financial Statements

For the year ended 28 February 2022

**The George Müller Charitable Trust**

**Trustees' Annual Report for the year ended 28 February 2022**

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## **The George Müller Charitable Trust**

### **Trustees' Annual Report for the year ended 28 February 2022**

#### **Mission**

Despite the various challenges posed by Covid, we have continued to pursue our mission statement of "Strengthening the Church to meet the needs of the vulnerable by inspiring faith, nurturing families, resourcing mission and transforming communities."

#### **Charitable Objects**

The George Müller Charitable Trust's governing document is its Memorandum and Articles of Association. The Charity's objects, which may be carried out in the UK or around the world at the Trustees' discretion, are as follows:

- (1) To advance education;
- (2) To advance evangelical Christianity in a manner consistent with holy scripture including, insofar as the means are available at any time, through the support of Christian workers and organisations;
- (3) To advance citizenship or community development, particularly among children and families, young people and the elderly; and
- (4) To relieve those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage or human suffering, including those who are deprived of normal parental care.

#### **Aims, Principles and Values**

The Charity expresses its mission through three key principles that characterised George Müller's life: Faith, Hope and Love.

**Faith:** Trusting God for answered prayer for needs without fundraising, or relying on informing others of needs, or applying for grants.

**Hope:** Seeking opportunities to explain and share the Christian hope with those who are not Christians with a view to commitment and seeking to encourage, teach, train and equip those who are Christians in their faith.

**Love:** Providing strategies to extend Christian care and support unconditionally in the lives of children, families, young people and elderly especially the most needy.

#### **Annual Report**

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 The George Müller Charitable Trust (the Charity) for the year ended 28 February 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association 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 the Republic of Ireland (FRS 102).

#### **Activities, Achievements and Performance**

At each board meeting, the trustees have spent time reviewing their practice, going through one of the seven points of the Charity Governance Code. When planning and conducting activities for the year, the Trustees have had regard to the Charity Commission's general guidance on public benefit. The summary of activities below demonstrates how the Charity gives public benefit. The Charity's website [www.mullers.org](http://www.mullers.org) explains the work of the Charity and has further information.



## **The George Müller Charitable Trust**

### **Trustees' Annual Report for the year ended 28 February 2022**

#### **Staffing**

This year saw several team changes as we appointed new faces to the Operations Lead, Museum Coordinator and Administrator roles. The new position of Media Coordinator was created to aid our communications of various initiatives.

#### **Covid-19 pandemic**

The continued response to the Covid-19 pandemic has had an impact on our focus and operations as a charity. The national lockdowns have meant the museum remaining closed for much of the year. Additionally, the needs of the SKI partners we support has increased as they care for vulnerable people. As such, the SKI Committee (formerly Distributions Committee) agreed to extra donations to three charities to support their work in caring for vulnerable people in the context of Covid. The staff team have managed to work from home when required and continuing to work from the office when allowed.

#### **Inspiring Faith**

The George Müller Museum was able to reopen from May 2021 onwards in compliance with government guidance. It meant a restriction on the number of visitors we could allow, and this, combined with the caution of the general public, resulted in low numbers of visitors for most of 2021. With schools functioning once more, the autumn term saw more than 300 pupils visit the museum to learn about their local history, and a further 150 pupils experienced an online lesson on the same theme.

The Mix, a quarterly youth worship event, remained online for the first half of 2021, with youth leaders encouraged to gather young people in small groups (in line with government guidance) to watch the broadcasts. This was gratefully received by the churches that engaged. We returned to meeting in person for our September and December events, seeing an average of 118 young people attend across the two events.

#### **Nurturing Families**

The Bristol Youth Ministry Network (hereafter "BYMN") continued to meet to equip, encourage and connect those whose Christian faith motivates them to work with young people. 59 different people attended our Bristol Youth Ministry Network events as we looked at topics such as how to include young people with additional needs, how to stay in youth work for the long haul, young people's engagement with the climate crisis, how to care for young people's mental health, and how to ensure innovation in youth ministry.

Following the success of the BYMN, we launched an equivalent for Christian children and families workers. Our first meet-up in October was a great time of prayer, chatting, worship, teaching and resourcing.

Going forward, we shall continue to facilitate these meet-ups, blessing and resourcing those who work with children, young people and families.

We continue to prayerfully and financially support organisations engaged with caring for vulnerable children around the world, from those in care in the UK, to girls at risk of sexual exploitation in India or training and mentoring 40 Parenting facilitators and 40 Parenting Groups in Burundi.

## **The George Müller Charitable Trust**

### **Trustees' Annual Report for the year ended 28 February 2022**

#### **Resourcing Ministry**

The Practical Theology Course (hereafter "PTC") saw a dip in sign-ups for the 2021/22 year, largely due to the uncertainty surrounding Covid. 14 students started in September 2021 taking a blended approach to learning, meeting for in-person teaching in the mornings and personal study in the afternoons. A "digital theology course" has been developed, ready to be piloted next academic year.

Church consultancy and mentoring has continued to further equip church leaders and their teams to minister in the Bristol region.

#### **Transforming Communities**

The Scriptural Knowledge Institute (SKI) continues to be a key mechanism for us in offering prayerful and financial support to missionaries around the globe. 220 partners are supported in this way, including 9 'strategic partners' who receive larger donations for projects in-line with our mission. Examples of impact include education for children with additional needs in Zambia, a scholarship fund for girls in rural Ethiopia and supporting the hire of 25 Community Health Volunteers to deliver Prevention with Positives Training to community members who are HIV positive in Kenya. Behind the scenes, fresh criteria have been set for what constitutes a SKI partner and a new Memorandum of Understanding has been written to clarify responsibilities within the partnership.

Following prayerful discussion and deliberation, a decision was taken this year to begin the process of selling our Community Houses. Whilst the fantastic work by the community leaders meant this was not an easy decision, the way forward was unanimously backed by the board. The earliest this will be enacted will be in Autumn 2023, however more work is to be done before this date is set.

#### **Plans for the Future**

##### **Inspiring Faith**

We shall continue to rebuild the audience of the George Müller Museum as the public confidence in the covid situation increases. We will continue to invite schools to join us to hear about the story of Müller and run family events to bring in new visitors. We will also engage with the wider Bristol Museum Community to build our profile. The programme of the Mix will continue, meeting four times a year to help young people have a life-changing encounters with Jesus. The governance of the event will be reviewed and, if appropriate, come fully under Müller's responsibility.

##### **Nurturing Families**

The BYMN and the Children's Ministry meet-ups will continue to receive investment and be proactive in leading and resourcing youth and children's workers. Focus will continue to be paid on how they may nurture families and particular thought will be given to how these workers may be a support to young Ukrainian refugees and Unaccompanied Minors of all nationalities.

##### **Resourcing Ministry**

The PTC is to be renamed the "Scripture, Theology and Culture course," to bring it's title more in line with it's teaching. The course will be reviewed with a view to offering both a level 3 and a new level 4 qualification for those who wish to pursue it. A pilot scheme for the new digital theology course will also be launched. A new role of "Theology Training Assistant" is to be created to support this work.

Church partnerships will be refreshed, with a small number of churches invited to formally partner with Müllers. These formal partnerships will see youth ministry coaches employed to develop lead

## **The George Müller Charitable Trust**

### **Trustees' Annual Report for the year ended 28 February 2022**

youth workers and strengthen the churches work with young people. A particular focus will be given to combatting the epidemic of loneliness amongst young people.

#### **Transforming Communities**

SKI will continue to support prayerfully and financially those who serve the most vulnerable people of the world. Partners not currently on the new MoU will be transitioned on to it. We shall explore new partnerships and review existing ones to ensure close alignment with our partners.

#### **Financial Review**

The net increase in funds for the year, after investment gains of £618,318 (2021: £624,475), was £577,551 (2021: £719,607). The investment gains are again the principal reason for the significant movement in the funds for the year.

In terms of the income of the Charity: donations received decreased 13% over last year at £1,100,616 (2021: £1,261,542), the main cause of this decrease was a year on year reduction of £118,197 to the Bristol City Churches Fund; legacy income increased to £56,764 (2021: £29,211) and investment income fell to £357,141 (2021: £373,266); rental income increased to £104,378 (2021: £99,559) due to more of Muller House being let. The mortgage interest earned on the community mortgages reduced to £12,937 (2021: £14,770). In 2021/22 a mortgage which had been partly repaid in 2020/21 was fully repaid.

The staff costs increased 6.2% to £151,419 (2021: £142,519) following inflationary pay increases and the appointments of the Operations Lead, who replaced the former Operations Manager and a Media Coordinator. Property maintenance costs at £31,527 continued to be significant and were required due to the high maintenance necessary at the older listed properties in Cotham used as community houses. (2021: £38,394).

Governance costs represent 2.2 % of income (2021: 2.2 %) and the cost of trustees' indemnity insurance was £465 (2021: £465).

#### **Reserves**

The total held by the charity at the end of the year were £15,140,600. This consists of an Expendable Endowment Fund of £12,664,708, Unrestricted Designated Funds of £2,141,884, Restricted Funds of £107,846 and Unrestricted General Funds of £226,162 (See Notes 18-20).

The Charity's policies on Funds and Reserves need to be seen in the light of the fact that it does not engage in fund raising but its core activity is to provide ongoing gifts and services to its beneficiaries for which sufficient income is needed each year. The Trustees consider that the Charity's benefactors are aware of the nature of its operations and expect their giving to be used to maintain operations in the longer term.

In 2020/21 a divestment of cash of £170,000 was made from the Endowment to bolster general reserves to cushion the projected impact on the reduction in investment income in 2020/21 and subsequent years. The impact was not as great as anticipated, and expenditure also was reduced and so the trustees agreed in 2021/22 to re-invest £162,750, nearly all this amount, to the Endowment Fund.

Following its policy of taking the net sale proceeds from property disposals to the Endowment fund, the redemption of the mortgage of £87,250 loan (see note 13) formed part of the £250,000 transferred to the Endowment Fund in the year. The Trustees monitor the performance of the investment managers and meet with them regularly. The analysis of the investments is set out in note 12.

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Considering the strength of the Expendable Endowment Fund, the reasonably low level of committed rather than discretionary expenditure, and the strength of the investment income stream, the Trustees have concluded that 3-6 months expenditure (excluding grants from donor gifts), is a prudent level at which to maintain the Charity's reserves. The Unrestricted General Fund at £226,162 represents approximately 4.2 months expenditure based on budgeted expenditure for 2022/23 right in the middle of the target range.

Reserves are necessary because:

1. Donations and legacies and investment income can be variable year by year and as a founding principle the Charity does not engage in fundraising. There is a risk that voluntary income may decline as further time elapses since the Charity ceased to operate Children's residential care homes and the number of former residents inevitably decreases.
2. The needs of children and young people in modern society particularly the Orphans of the World, show no signs of declining and these needs cannot be met by short term palliatives but require long term involvement by the Charity's partners.
3. In order to attract and retain staff, it is necessary to demonstrate that the Charity can provide them with reasonable security of employment.

### **Expendable Endowment Fund**

The Expendable Endowment Fund represents funds to be retained for the benefit of the Charity as capital but there is discretion for the Trustees to convert endowed capital to income to be expended on the Charity's activities. The Charity allocates legacies amounting to £15,000 or more to Expendable Endowment where no instruction is received to the contrary. This policy follows the Charity Commission's operational guidance in OG 43 as the Trustees believe that donors would consider the Charity's work to be of a long-term nature and would want the Trustees to treat substantial legacies as capital for the longer-term benefit of the Charity. The trustees set aside 10 % of all legacies over £15,000 to the SKI restricted fund to be gifted to pressing needs identified by the SKI committee. The Charity takes the net proceeds of the sale of properties to the Expendable Endowment Fund. These properties, whilst used for charitable purposes, are part of the capital structure of the Charity having the potential to produce income to be used by the Charity. The Trustees consider it appropriate to maintain this capital structure and hence the income potential by transferring the net proceeds of sales to the Expendable Endowment Fund. The Expendable Endowment Fund is matched by investments managed by the Charity's investment advisers and cash yielding an income.

### **Risk Management**

The Trustees and staff review major risks and have a system to record, assess and plan mitigation measures for the risks which the Charity encounters during its activities.

The Charity's long-term future is dependent on both the ongoing donations from our supporters but also on the income generated through investments. The key operational risks are therefore concentrated around these issues and include:

- Changes in the economic conditions which could impact on our donors' ability to give. While the Trustees are mindful of this risk, they are encouraged to see that the level of giving by our SKI donors in 2021/22 continued to remain strong. Good communication with the donors by both the Charity and the partner workers and organisations is the key strategy to managing this risk. The Charity's approach to its reserves and strong financial management should enable it to come through this period of uncertainty caused by Covid-19 and its wider impact on global economies and the unstable geopolitical environment.



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### **Trustees' Annual Report for the year ended 28 February 2022**

- A significant economic slowdown would impact on the level of the Charity's investment income. The Trustees mitigate this risk working with the Charity's investment advisers to spread the risk arising from the Charity's investments over various asset types and managing the investments with a view to the medium and longer term rather than the short term. This is explained more fully under the note on Investment Policy and Performance.
- Prolonged system problems could have an adverse impact on the Charity's reputation and activities which aim to support partners both in the UK and around the world who are often in great need. The Charity therefore aims to minimise this risk by ensuring the IT systems are well supported, maintained, and updated to avoid the risk of system breakdown.
- Loss of key personnel staff and trustees. All employees have key roles and a loss of any one of them, and in particular the Charity Leader, would impact on the running of the Charity in the short term. The appointment of an Operations lead partly mitigates this risk. Training and developing the staff and the close working relationship between staff, management and certain individual trustees partly mitigates this risk. Early succession planning for trustee retirements mitigates against the disruption caused by the retirement of key trustees.

#### **Investment Policy and performance**

The Charity's financial capital consists of its Expendable Endowment Fund. This fund is held in investments managed by the Charity's two investment managers, Brewin Dolphin Securities and Sarasins and Partners. The Charity's policy is for the investment managers to have discretion to manage their portfolios within the parameters of a medium risk approach over the medium/longer term. In considering the overall asset allocation and appropriate portfolios, the investment managers also take into account the overall asset profile of the Charity, including the general asset allocations managed by the other investment manager. The trustees require their investment managers to invest only in companies with an ethical code of practice which actively promote human rights. For completeness this approach supplements the long-standing policy of the Charity that the investment portfolios should not include any investments in companies where turnover to any significant degree is accounted for by tobacco products, alcohol, gaming, pornography or armaments and the trustees reserve the right to request exclusion from the portfolio of any investments in companies whose representation might prove damaging, directly or indirectly, to the purposes or reputation of the Charity. The trustees require their investment managers to assess and report to the trustees at least annually on the Environmental Social and Governance credentials of the investments that they hold on behalf of Charity.

The income from the Charity's investments is used for the work of the Charity. For the funds under discretionary management, the investment policy requires the investment managers to adopt a balanced medium risk portfolio suitable to the Charity within which the aim is to optimise total return over the medium to long term. The total return aims are as a minimum CPI increases plus 2%. Due to the spike in CPI in the year to 6.2% neither investment manager met the target return of 8.2% for this year but have in the medium and long term continued to exceed this target. The total return for 2021/22 of Brewin Dolphin Securities was 7.7% and of Sarasins and Partners 5.6%. The unlisted investments in the Charity property funds overseen by Brewin Dolphin Securities did exceed this target in 2021/22.

The trustees have decided to match their withdrawal policy from 1 March 2022 to a total return approach to match the approach of the investment managers. Therefore from 1 March 2022, the investment managers will distribute 3.5% of the value of the discretionary portfolio at the beginning of the financial year over the course of the next 12 months. This enables the Charity to plan for a more certain cash flow each year and to employ for the work of the Charity some of the gains in value that are being achieved, without being limited to the dividend income of the investments. The withdrawal policy of the unlisted Charity property investments remains on an income only basis.



## **The George Müller Charitable Trust**

### **Trustees' Annual Report for the year ended 28 February 2022**

#### **Grant Making Policies**

The Charity makes grants to Christian workers and organisations from funds received by donors and from its own resources. Grants are only made to workers and organisations who are firstly approved by the trustees and whose activities continue to fulfil the charitable objectives of Müllers. This is confirmed on a regular basis through communication with the Charity. This communication enables the Charity to form a meaningful partnership with the workers and organisations. Grants are not made on the basis of unsolicited requests from potential recipients.

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

##### **History and Structure of the Charity**

The Charity is registered as a charitable company registered in England and Wales, limited by guarantee, and was set up by a Memorandum of Association in 1997. The Charity has its origins in the Scriptural Knowledge Institution for Home and Abroad (SKI), formed by George Müller and Henry Craik in 1834. The initial objectives of SKI were to assist day, Sunday and adult schools in which instruction was given on scriptural principles, to enable children of poor parents to attend such schools, to circulate the Scriptures and to support Missionaries and Missionary schools. The objects of that charity were added to in 1835 to enable the establishment of an orphan house in which destitute children should be provided with food, clothes and a scriptural education.

That object formed the basis of the Charity which became known as the Müller Trust for Children and Families. This Charity was used to become the single vehicle of the work when the activities of SKI and The Müller Homes for the Elderly were merged into the Charity on 1 March 2009. On that date the Charity changed its name to The George Müller Charitable Trust.

The Charity is a company limited by guarantee and every member of the Charity undertakes to contribute to the Charity's assets (not exceeding £10) if the Charity should be wound up while they are a member, or within one year after they cease to be a member, for the payment of the Charity's debts and liabilities contracted before they ceased to be a member.

##### **Governance of the charity**

The board of trustees meets five times each year and is assisted by the Financial and Administrative committee, consisting of four Trustees, the Charity Leader, the Operations Leader and the Charity Accountant and the SKI committee (formerly Distribution Committee) consists of three Trustees, the Charity Leader and the Missions Coordinator.

The Charity Leader is the senior staff member responsible for supervising the work of the staff and assisting the board in setting strategy and implementing this strategy. The responsibilities of the committees of trustees are framed within the terms of reference and budget responsibilities approved by the board. Within these agreed budget responsibilities, staff have delegated authority subject to following approved policies. The Charity Leader and other staff as required to join the trustees' meetings.

##### **Recruitment and appointment of Trustees**

Trustees are selected by the Board based on the experience and skills which they can bring to the Charity. Trustees are appointed for a period of four years and retire by rotation at the next AGM after the four years are completed. A retiring trustee may be reappointed. The Board's composition is regularly reviewed to ensure the right composition, balance, diversity and spread of experience needed to govern the affairs of the Charity. The trustees seek to preserve a balance between maintaining experience and continuity of knowledge with fresh perspectives brought in by new trustees. Trustees are actively engaged in developing a pipeline of potential new trustees who can assume in time senior

## **The George Müller Charitable Trust**

### **Trustees' Annual Report for the year ended 28 February 2022**

positions on the board. Upon appointment new trustees are provided with recent information about the Charity, including minutes, accounts, legal constitution, and Charity Commission publications and are inducted into the affairs of the Charity over time. All the trustees are encouraged to undertake training where appropriate.

### **Reference and administrative details of the Charity, its Trustees, Officers and Advisers**

**Trustees:** D.J Powell (Chairman)  
A.C. Davies (Company Secretary)  
T.D. Grieve  
J.N. Kingston  
E.J. Marsh  
W.P. Massey  
S.D. North (retired 18 March 2022)  
E.F.C. Small

**Charity Leader** J.T. Preston

**Company registered number** 03471812

**Charity registered number** 1066832

**Registered office:** 45-47 Loft House  
College Road  
Bristol  
BS7 9FG

**Auditors:** Mazars LLP  
Chartered Accountants  
90 Victoria Street  
Bristol  
BS1 6DP

**Bankers:** National Westminster Bank Plc  
32 Corn Street  
Bristol  
BS1 1HQ

**Solicitors:** Meade King  
Springfield House  
45 Welsh Back  
Bristol  
BS1 4AG

**Investment Managers** Sarasin & Partners,  
  
100 St. Paul's Churchyard,  
London  
EC4M 8BU  
  
Brewin Dolphin Securities  
12 Smithfield Street  
London EC1A 9BD

## **The George Müller Charitable Trust**

### **Trustees' Annual Report for the year ended 28 February 2022**

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

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

Company and charity 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 Charity and of the surplus or the deficit 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. They 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Statement as to disclosure to our auditors**

In so far as the Trustees are aware at the time of approving our Trustees Annual Report:

- there is no relevant information, being information needed by the auditors in connection with preparing their report, of which the Charity's auditors are unaware, and
- the Trustees having made enquiries of fellow Trustees and the Charity's auditors that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In preparing this report the Trustees have taken advantage of the small companies exemptions provided by Section 415A of the Companies Act 2006.

Approved by the Trustees on 20<sup>th</sup> July 2022 and signed on their behalf by:

D.J. Powell  
Chairman

A.C. Davies  
Trustee & Company Secretary



## **The George Müller Charitable Trust**

### **Independent auditor's report to the members of The George Müller Charitable Trust**

#### **Opinion**

We have audited the financial statements of The George Müller Charitable Trust (the 'charity') for the year ended 28 February 2022 which comprise the Statement of Financial Activities, Summary Income and Expenditure Account, Balance Sheet, Statement of cash flows 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 28 February 2022 and of 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the Trustees' annual report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise

## **The George Müller Charitable Trust**

### **Independent auditor's report to the members of The George Müller Charitable Trust**

to a material misstatement in the financial statements themselves. 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 Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters in relation to which 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.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charity for the purposes of charity 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

## **The George Müller Charitable Trust**

### **Independent auditor's report to the members of The George Müller Charitable Trust**

#### **Auditor's 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 an auditor's report 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Charities' SORP and the Companies Act 2006.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the cut-off assertion) subject to your revenue recognition significant fraud risk, and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;



## **The George Müller Charitable Trust**

### **Independent auditor's report to the members of The George Müller Charitable Trust**

- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of the audit report**

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Richard Bott (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Address

Date

# The George Müller Charitable Trust

## Statement of Financial Activities incorporating Statement of Total Realized Gains and Losses for the year ended 28 February 2022

### Current Year

		Unrestricted General Funds	Unrestricted Designated Funds	Restricted Funds	Expendable Endowment Fund	Total Funds	Total Funds
	Note	2022	2022	2022	2022	2022	2021
		£	£	£	£	£	£
<b>Income and endowments from</b>							
<i>Donations and legacies</i>	3	79,466	-	1,030,635	47,279	1,157,380	1,290,753
<i>Investments</i>	4	357,141	-	-	-	357,141	373,266
<i>Charitable Activities</i>	5	119,831	-	-	-	119,831	116,352
<b>Total Income and endowments</b>		<b>556,438</b>	<b>-</b>	<b>1,030,635</b>	<b>47,279</b>	<b>1,634,352</b>	<b>1,780,371</b>
<b>Expenditure on</b>							
<i>Raising Funds</i>	6	-	-	-	31,941	31,941	28,217
<i>Charitable activities</i>	6,7 8,9	511,607	35,281	1,096,884	-	1,643,772	1,652,243
<b>Total Expenditure</b>	6	<b>511,607</b>	<b>35,281</b>	<b>1,096,884</b>	<b>31,941</b>	<b>1,675,713</b>	<b>1,680,460</b>
<i>Net gains/(losses) on investments</i>	12	-	-	-	618,318	618,318	624,475
<b>Net income/(expenditure)</b>	18,19	<b>44,831</b>	<b>(35,281)</b>	<b>(66,249)</b>	<b>633,656</b>	<b>576,957</b>	<b>724,386</b>
<i>Transfers between funds</i>	20	(150,215)	(99,785)	4,725	245,275	-	-
<i>Other gains/(losses)</i>	13,20	59	535	-	-	594	(4,779)
<b>Net movement in funds</b>		<b>(105,325)</b>	<b>(134,531)</b>	<b>(61,524)</b>	<b>878,931</b>	<b>577,551</b>	<b>719,607</b>
<i>Total funds brought forward</i>	18,19 20	331,487	2,276,415	169,370	11,785,777	14,563,049	13,843,442
<b>Total funds carried forward</b>	18,19 20	<b>226,162</b>	<b>2,141,884</b>	<b>107,846</b>	<b>12,664,708</b>	<b>15,140,600</b>	<b>14,563,049</b>

# The George Müller Charitable Trust

## Statement of Financial Activities incorporating Statement of Total Realised Gains and Losses for the year ended 28 February 2021

		Unrestricted General Funds 2021	Unrestricted Designated Funds 2021	Restricted Funds 2021	Expendable Endowment Fund 2021	Total Funds 2021
	Note	£	£	£	£	£
<b>Income and endowments from</b>						
<i>Donations and legacies</i>	3	64,982	-	1,225,771	-	1,290,753
<i>Investments</i>	4	373,266	-	-	-	373,266
<i>Charitable Activities</i>	5	116,352	-	-	-	116,352
<b>Total Income and endowments</b>		<b>554,600</b>	<b>-</b>	<b>1,225,771</b>	<b>-</b>	<b>1,780,371</b>
<b>Expenditure on</b>						
<i>Raising Funds</i>	6 6,7	-	-	-	28,217	28,217
<i>Charitable activities</i>	8,9	469,219	35,395	1,147,629	-	1,652,243
<b>Total Expenditure</b>	6	<b>469,219</b>	<b>35,395</b>	<b>1,147,629</b>	<b>28,217</b>	<b>1,680,460</b>
<i>Net gains/(losses) on investments</i>	12	-	-	-	624,475	624,475
<b>Net income/(expenditure)</b>	18,19	<b>85,381</b>	<b>(35,395)</b>	<b>78,142</b>	<b>596,258</b>	<b>724,386</b>
<i>Transfers between funds</i>	20	172,216	(2,216)	-	(170,000)	-
<i>Other gains/(losses)</i>	13,20	(2,982)	(1,797)	-	-	(4,779)
<b>Net movement in funds</b>		<b>254,615</b>	<b>(39,408)</b>	<b>78,142</b>	<b>426,258</b>	<b>719,607</b>
<i>Total funds brought forward</i>	18,19 20	76,872	2,315,823	91,228	11,359,519	13,843,442
<b>Total funds carried forward</b>	18,19 20	<b>331,487</b>	<b>2,276,415</b>	<b>169,370</b>	<b>11,785,777</b>	<b>14,563,049</b>



# The George Müller Charitable Trust

## Summary Income and Expenditure Account for the year ended 28 February 2022

	Unrestricted Income Funds	Restricted Fund	Total Income Funds	Total Income Funds
	2022	2022	2022	2021
	£	£	£	£
<b>Income</b>	556,438	1,030,635	1,587,073	1,780,371
<b>Less: Total Expenditure</b>	(546,888)	(1,096,884)	(1,643,772)	(1,652,243)
<b>Transfers (to)/from Expendable endowment fund</b>	(250,000)	4,725	(245,275)	170,000
<b>Other Gains (losses)</b>	594	-	594	(4,779)
<b>Net movement in funds</b>	<u>(239,856)</u>	<u>(61,524)</u>	<u>(301,380)</u>	<u>293,349</u>

The summary income and expenditure account is presented in order to ensure compliance with the Companies Act 2006. The major difference in the figures presented from those in the Statement of Financial Activities (SOFA) on page 15 is that the movements on the endowment fund are not included in the summary income and expenditure account.

All activities are continuing. The SOFA shown on page 15 incorporates the statement of total recognised gains and losses.

The notes on pages 20 to 35 form part of these financial statements.

# The George Müller Charitable Trust

Company number 03471812

Balance Sheet as at 28 February 2022

	Notes	2022 £	2021 £
<b>Fixed Assets</b>			
Intangible fixed assets	10	10,640	13,680
Tangible fixed assets	11	1,805,166	1,832,346
Fixed asset investments	12	12,638,825	11,791,920
Programme related investments	13	322,000	409,250
		<u>14,776,631</u>	<u>14,047,196</u>
<b>Current Assets</b>			
Stock	14	1,411	2,112
Debtors	15	30,101	36,095
Programme related investments	13	5,339	22,935
Cash at bank and in hand		485,304	576,927
		<u>522,155</u>	<u>638,069</u>
Creditors: Amounts falling due within one year	16	<u>(132,922)</u>	<u>(96,631)</u>
Net current assets		389,233	541,438
Creditors: Amounts falling due after more than one year	17	(25,264)	(25,585)
<b>Net assets</b>		<u>15,140,600</u>	<u>14,563,049</u>
<b>Charity funds</b>			
Unrestricted funds		226,162	331,487
Unrestricted designated funds	18	2,141,884	2,276,415
Restricted funds	19	107,846	169,370
Expendable endowment fund	20	12,664,708	11,785,777
<b>Total funds</b>	20	<u>15,140,600</u>	<u>14,563,049</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Trustees on 20th July 2022 and signed on its behalf by:

**D. J. Powell**  
Chairman

**A.C. Davies**  
Trustee & Company Secretary

# The George Müller Charitable Trust

## Statement of cash flows for the year ended 28 February 2022

	<b>Total Funds</b>	<b>Total Funds</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Net cash provided by (used in) operating activities note 2</b>	<b>(183,769)</b>	<b>(230,581)</b>
<b>Cash flows from investing activities:</b>		
Dividends and interest	357,141	373,266
Purchase of property, plant and equipment	(5,061)	(1,265)
Computer software development costs	-	(2,600)
Investment fees/property fund	(3,404)	(2,351)
Sale of quoted investments	397,511	374,854
Capital withdrawn from investments	-	170,000
Purchase of quoted investments from additional cash invested	(143,588)	-
Purchase of quoted investments from other cash	(398,931)	(387,603)
Purchase of unlisted investments	(8,793)	-
Change in cash held for settlements	(103,323)	7,616
<b>Net cash provided by (used in) investing activities</b>	<b>91,552</b>	<b>531,917</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(92,217)</b>	<b>301,336</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>576,927</b>	<b>280,370</b>
<b>Change in cash and cash equivalents due to exchange rate movements</b>	<b>594</b>	<b>(4,779)</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>485,304</b>	<b>576,927</b>

### Cash flow restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own Objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

The notes on pages 20 to 35 form part of these financial statements.



# **The George Müller Charitable Trust**

## **Notes to the accounts for the year ended 28 February 2022**

### **1 Accounting Policies**

#### **a) General Information**

The George Müller Charitable Trust is a company limited by guarantee (number 03471812) and is a registered charity (number 1066832), registered in England and Wales. The registered office is 45-47 Loft House, College Road, Bristol BS7 9FG.

#### **b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity constitutes a public benefit entity as defined by FRS102.

The Trustees have reviewed the Charity's financial position, plans and reserves taking into account the reduced expectations of investment income following the uncertainties that exist in the unstable geopolitical arena in Europe and the impact of the global economy from Covid-19. This is likely to lead to reduced donations as well as the inevitability that the needs of beneficiaries will be greater. The trustees believe that they have adequate resources to continue operations for the foreseeable future and they consider that there are no material uncertainties about Charity's ability to continue as a going concern.

#### **c) Fund Accounting**

Unrestricted funds are available for any charitable purpose within the Charity's objects. Restricted funds can only be used for the stated restricted purpose. Restricted funds include Donor Balances which represent funds given to the Charity for the work of SKI, see the accounts note 8.

Expendable Endowments are funds to be retained for the benefit of the Charity as capital although there is discretion to convert the endowed capital into income.

The Charity allocates legacies amounting to £15,000 or more to the Expendable endowment fund where no instruction is received to the contrary; other legacies are credited to the Unrestricted funds. This policy is adopted because the Trustees believe that donors consider the Charity's work to be of a long term nature and would want the Trustees to treat their donations as capital while having the discretion to convert funds to income as and when considered desirable by the Trustees.

#### **d) Income**

All income is included in the Statement of Financial Activities when the Charity's legal entitlement to the income is probable and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. Income tax recoverable in relation to donations received under Gift aid or deeds of covenant is recognised at the time of the donation.

**Notes to the accounts for the year ended 28 February 2022**

**1 Accounting Policies (continued)**

**e) Expenditure**

Expenditure is recognised in the Statement of Financial Activities on an accruals basis, inclusive of value added tax as this is not recoverable. Grants are made to Christian workers and organisations and are recognised as expenditure when they are paid or committed whichever is the earlier.

Multi service area costs are those costs incurred directly in support of expenditure on the objects of the Charity and are allocated on the basis of time spent.

Governance costs are those costs incurred in connection with the constitutional and statutory requirements and are included in multi service area costs.

**f) Intangible fixed assets and amortisation**

Intangible fixed assets are stated at cost less accumulated amortisation. Software development costs are recognised as an intangible fixed asset where the cost of development is over £1,000 and it can be demonstrated that the software when brought into use will produce economic and charitable benefits for a period longer than one year. Software development costs are amortised to write off the cost less estimated residual value of each asset over 5 years using the straight line method.

**g) Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. From 1 March 2019, depreciation was not provided on Freehold land and buildings. Prior to this a rate of 2% was provided. Other than Freehold land and buildings, depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life, as follows:

Building Plant & Equipment	10% straight line
Museum Content	10% straight line
Furniture Fixtures & Fittings	10% straight line
Office equipment	33.33% straight line

**h) Quoted Investments**

Investments are stated at the market value at the year end. Differences between the market value of investments held at the year end and either the historic cost (where investments were acquired during the current accounting year) or the market value at the previous year end (where investments were acquired in a prior year) are recognised in the Statement of Financial Activities as unrealised gains/losses within net gains/losses on investments.

**i) Unquoted Investments**

Investments are stated at the mid-point of the bid/offer price at the year-end as advised by the fund manager. Differences between the value of investments held at the year end and either the historic cost (where investments were acquired during the current accounting year) or the market value at the previous year end (where investments were acquired in a prior year) are recognised in the Statement of Financial Activities as unrealised gains/losses.

**1 Accounting Policies (continued)**

**j) Programme Related Investments**

Programme related investments consist of: 1) global microfinance loans which are small short term loans to entrepreneurs in poverty, they are interest free and 2) two mortgages provided, one of which enabled the purchase of a community house in Bristol and the other a drug rehabilitation centre. One of these mortgages was fully repaid in the year, so at the year-end there was only one mortgage loan.

The trustees have decided to bring the charity's involvement in the global microfinance loans to a close and reallocate the assets elsewhere. As it is our intention to realise the investments over the next year, the outstanding loan balance is now included in current assets rather than fixed assets as was previously the case. The programme related investments are carried at cost less where appropriate a provision for impairment less any repayments received. The provision is charged to charitable activities as grants whilst the exchange losses/gains are charged to Other gains/losses in the SOFA.

**k) Stock**

Stock has been valued at the lower of cost and net realisable value.

**l) Exchange Gains and Losses**

The majority of the microfinance element of the charity's programme related investments are managed in US\$. In view of there being a very large number of small loans the transactions are not converted to £s at the transaction date but the US\$ balances at the year-end are converted to £s at the year-end rate. Gains and losses on exchange are treated as other gains and losses within the Statement of Financial Activities.

**m) Pensions**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year. In the 2018 year, payments to ex members of staff in an unofficial pension arrangement were considered an obligation recognised and treated in a similar way to a defined benefit pension scheme. Use of an actuarial valuation was not considered necessary in view of the small size of the scheme. The number of individuals treated in this way at the year-end was 3 (2020:5)

**n) Debtors and creditors**

Debtors are recognised at the settlement amount due and prepayments are valued at the amount prepaid.

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

**o) VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**p) Management Judgements**

There were no management judgements and estimates in the accounts other than the obligation recognised regarding payments to ex members of staff as described in policy m) above. The obligation was calculated based upon the age, gender and annual obligation to each recipient.

# The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2022

## 2 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Total Funds 2022 £	Total Funds 2021 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	576,957	724,386
Adjustments for:		
Depreciation and amortisation charges	35,281	35,395
(Gains)/losses on investments	(618,318)	(624,475)
Defaults & provisions	714	(249)
Investment fees	31,941	28,217
Exchange rate losses/ (gains) on PR investments	(535)	1,797
Mortgages	-	(2,575)
Microfinance repaid	17,417	7,109
Mortgage repaid	87,250	-
Dividends and interest	(357,141)	(373,266)
(Increase)/decrease in stocks	701	214
(Increase)/decrease in debtors	5,994	7,309
Increase/(decrease) in creditors	35,970	(34,443)
Net cash provided by (used in) operating activities	<u>(183,769)</u>	<u>(230,581)</u>

## 3 Donations and legacies

	Unrestricted General Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
Donations	69,981	1,030,635	-	1,100,616
Legacies	9,485	-	47,279	56,764
Total	<u>79,466</u>	<u>1,030,635</u>	<u>47,279</u>	<u>1,157,380</u>

### Donations and legacies - prior year

	Unrestricted General Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Donations	42,429	1,219,113	-	1,261,542
Legacies	22,553	6,658	-	29,211
Total	<u>64,982</u>	<u>1,225,771</u>	<u>-</u>	<u>1,290,753</u>



# The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2022

## 4 Investment Income

	Unrestricted General Funds £	Total Funds 2022 £	Total Funds 2021 £
Dividends Receivable	357,136	357,136	371,519
Interest on cash deposits	5	5	1,747
<b>Total</b>	<b>357,141</b>	<b>357,141</b>	<b>373,266</b>

All of the 2021 investment income was in the Unrestricted General Fund

## 5 Income from charitable activities

	Unrestricted General Funds £	Total Funds 2022 £	Total Funds 2021 £
Rental Income	104,378	104,378	99,559
Interest on Community House Mortgages	12,937	12,937	14,770
Family Records	1,660	1,660	1,999
Sale of Books	856	856	24
<b>Total</b>	<b>119,831</b>	<b>119,831</b>	<b>116,352</b>

All of the 2021 income from charitable activities was in the Unrestricted General Fund

## 6 Analysis of expenditure by type

	Staff Costs 2022 £	Other Costs 2022 £	Grants 2022 £	Total 2022 £
Investment Management Costs	-	31,941	-	31,941
<b>Cost of raising funds</b>	<b>-</b>	<b>31,941</b>	<b>-</b>	<b>31,941</b>
Global Partnerships (SKI)	39,946	36,896	1,279,276	1,356,118
Inspiring Faith	51,477	48,740	-	100,217
Nurturing Families	18,944	12,942	-	31,886
Resourcing Ministry	35,697	31,929	-	67,626
Transforming Communities	5,355	35,185	35,385	75,925
Governance	-	12,000	-	12,000
<b>Charitable Activities</b>	<b>151,419</b>	<b>177,692</b>	<b>1,314,661</b>	<b>1,643,772</b>
<b>Total expenditure</b>	<b>151,419</b>	<b>209,633</b>	<b>1,314,661</b>	<b>1,675,713</b>

Multi service area costs included in the costs disclosed above have been allocated on the basis of time spent by staff on each activity.

# The George Müller Charitable Trust

## Notes to the accounts for the year ended 28 February 2022

### 6 Analysis of expenditure by type - Prior Year

	Staff Costs 2021	Other Costs 2021	Grants 2021	Total 2021
	£	£	£	£
Investment Management Costs	-	28,217	-	28,217
<b>Cost of raising funds</b>	-	28,217	-	28,217
Global Partnerships (SKI)	40,227	29,360	1,285,421	1,355,008
Inspiring Faith	32,214	29,166	-	61,380
Nurturing Families	14,129	7,814	-	21,943
Resourcing Ministry	25,210	20,499	-	45,709
Transforming Communities	13,560	40,689	75,403	129,652
Governance	17,179	21,372	-	38,551
<b>Charitable Activities</b>	142,519	148,900	1,360,824	1,652,243
<b>Total expenditure</b>	142,519	177,117	1,360,824	1,680,460

- 7 SKI including Orphans of the World is the continuation of the work formerly carried on by the SKI trust. Its work is to provide grants, support and encouragement to those involved in Christian work and education both in the UK and overseas. It has an emphasis on work amongst children and in particular orphans and widows.

	2022 £	2021 £
Grants to 109 (2021:125) individual Christian workers	676,365	694,640
Grants above £5,000 to Organisations (details below, where grants were above £5,000 in the current or preceding period)	517,084	530,587
Grants below £5,000 to Organisations	67,882	60,195
Defaults and exchange (gains)/ losses for Programme related investments (see note 13)	179	1,548
<b>Total</b>	<b>1,261,510</b>	<b>1,286,970</b>
<b>Grants to organisations above £5,000 ( details below, where grants were above £5,000 in either the current or preceding period)</b>	<b>2022 £</b>	<b>2021 £</b>
Gospel of Kingdom Associates	21,516	22,265
Rwandan Orphan project	74,128	71,782
Haven Home Orphanage	64,120	49,639
25:40 Romania	21,906	24,066
Ebenezer Children's Centre	30,145	32,777
Subtotal carried forward	211,816	200,529

# The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2022

## 7 SKI (continued)

	2022	2021
	£	£
Subtotal brought forward	211,816	200,529
Bright Hope World	10,600	26,000
Shared Hope	22,000	30,000
Hebron Hostel Trust	12,952	13,362
Africa Naturally	9,518	7,196
Casa Hogar Lamedas Pampa	3,748	5,445
UNIVIDA	3,239	7,965
Hands at Work in Africa-Bandeni	23,434	34,622
Hands at Work in Africa - Oshoek	19,356	31,569
Helping Them to Smile	21,004	8,110
Five Talents	10,000	10,000
Holland Wharf Girls Hostel	13,026	14,641
The Joseph Project	6,814	6,858
House of Hope	38,531	12,606
SSS Nepal	11,072	8,575
GTSSS	1,028	5,684
DFN UK	18,638	11,333
New Victory Child Care	7,522	8,710
Send a Cow	14,633	16,060
Love Bristol	4,380	7,190
Mongolia Community Project	4,141	18,115
Solid Rock International Ministries	28,290	15,580
YWAM	-	23,739
CeHBED Orphanage	1,723	6,698
International China Concern Ltd	7,222	-
For Ethiopia	12,399	-
<b>Total</b>	<b>517,084</b>	<b>530,587</b>

## 8 Net income/(expenditure)

This is after (crediting)/charging:

	2022	2021
	£	£
Depreciation/amortisation of tangible and intangible fixed assets owned by the charity	35,281	35,395
Auditors' remuneration	12,000	11,830

# The George Müller Charitable Trust

## Notes to the accounts for the year ended 28 February 2022

### 9 Staff Costs

	2022	2021
	£	£
Wages and Salaries	138,083	128,958
Social Security costs	5,066	5,283
Other Pension costs	8,270	8,278
<b>Total</b>	<b>151,419</b>	<b>142,519</b>
Management	2	2
Administration	6	5
<b>Total</b>	<b>8</b>	<b>7</b>

The numbers of employees, as stated, is the average headcount number of staff employed during the year. No employee received more than £60,000 remuneration in the year.

The Charity Leader and the Trustees comprise the key management personnel of the Charity. No Trustee received any remuneration during the current or previous year. No trustees were reimbursed for expenses (2021: £nil). The Charity Leader received total employment benefits of £41,647

### 10 Intangible Fixed Assets

	Computer Software in Development	Total
	£	£
Cost as at 1 March 2021	15,200	15,200
Cost as at 28 February 2022	15,200	15,200
Amortisation	4,560	4,560
Net Book Value as at 28 February 2022	10,640	10,640
Net Book Value as at 28 February 2021	13,680	13,680



# The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2022

## 11 Tangible Fixed Assets

	Land and Buildings £	Building Plant & Machinery	Museum Content £	Furniture Fixtures & Fittings £	Office Equipment £	Total 2022 £
<b>Cost as at 1 March 2021</b>	1,693,915	111,821	104,690	56,919	19,807	1,987,151
Additions	-	-	-	-	5,061	5,061
As at 28 February 2022	1,693,915	111,821	104,690	56,919	24,868	1,992,212
<b>Accumulated Depreciation</b>						
As at 1 March 2021	94,743	17,705	16,576	11,935	13,846	154,805
Charge for the year	-	11,182	10,469	5,692	4,898	32,241
As at 28 February 2022	94,743	28,887	27,045	17,627	18,744	187,046
<b>Net Book Value as at 28 February 2022</b>	<b>1,599,172</b>	<b>82,934</b>	<b>77,645</b>	<b>39,292</b>	<b>6,124</b>	<b>1,805,166</b>
<b>Net Book Value as at 28 February 2021</b>	<b>1,599,172</b>	<b>94,116</b>	<b>88,114</b>	<b>44,984</b>	<b>5,962</b>	<b>1,832,348</b>

Freehold land and buildings are included at cost which in aggregate is considerably less than their market value. As all these properties are maintained to a high standard, management have conducted an impairment review showing that the carrying value is less than the recoverable amount. Consequently, no depreciation has been charged on these assets. A review for indicators of impairment is carried out annually by the trustees.

# The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2022

## 12 Fixed Asset Investments

	2022	2021
	Total	Total
	£	£
<b>Listed investments</b>		
<b>Market Value</b>		
As at 1 March 2021	4,333,532	4,163,765
Sale Proceeds	(397,511)	(374,854)
Additions from additional cash invested	143,588	-
Other Additions	398,931	383,486
Change in cash held for settlements (from additional cash invested)	106,412	(8,381)
Costs of managing investments	(28,537)	(25,866)
Unrealised valuation net (loss)/gain	63,349	148,334
Realised net gain/(loss)	174,531	47,048
At 28 February 2022	4,794,295	4,333,532
Being:		
Investments managed by Brewin Dolphin	4,689,740	4,305,432
Cash held for settlements	104,555	28,100
	4,794,295	4,333,532
<b>Analysis of Investments</b>		
UK Equities	1,427,806	1,464,515
UK Bonds	467,319	487,178
Overseas Equities	1,456,604	1,253,178
Overseas Bonds	127,285	72,483
Other	1,315,281	1,028,078
Total	4,794,295	4,305,432
Historical cost of investments	3,633,912	3,311,003
	2022	2021
	Total	Total
	£	£
<b>Unlisted investments</b>		
As at 1 March 2021	7,458,388	7,194,412
Reduction in capital, cash withdrawn from investment manager.	-	(170,000)
Purchase of Sarasin Alpha CIF for Endowments	8,793	4,117
Change in cash held for settlements	84	1,010
Unrealised valuation net gain/(loss)	377,265	428,849
At 28 February 2022	7,844,530	7,458,388

# The George Müller Charitable Trust

## Notes to the accounts for the year ended 28 February 2022

### 12 Fixed Asset Investments (continued)

	2022 Total £	2021 Total £
Sarasin Endowments Fund Class A Inc	6,194,524	6,024,790
Units in Property Funds	1,646,033	1,429,709
Cash	3,973	3,889
Total value of investments	<u>7,844,530</u>	<u>7,458,388</u>

  

	2022 Total £	2021 Total £
Quoted Investments	4,689,740	4,305,432
Units in property funds	1,646,033	1,429,709
Sarasin Endowments Fund Class A Inc.	6,194,524	6,024,790
Cash held for settlements	108,528	31,989
Total value of investments	<u>12,638,825</u>	<u>11,791,920</u>

The unlisted investments in property funds are in units in the Property Income Trust for Charities managed by Mayfair Capital Investment Management £973,900 (2021: £821,300) and units in the Cordea Charities Property Fund £672,133 (2021: £608,409).

### 13 Programme Related Investments

	Microfinance Loans £	Community House Mortgages £	Total 2022 £
As at 1 March 2021	22,935	409,250	432,185
Additions (new loans)	-	-	-
Exchange rate gains (losses)	535	-	535
Amounts repaid	(17,417)	(87,250)	(104,667)
Defaults and provisions (charged) credited to Charitable activities - grants	(714)	-	(714)
At 28 February 2022	<u>5,339</u>	<u>322,000</u>	<u>327,339</u>

Programme related investments consist of:

1. Global microfinance loans which are small short term loans to entrepreneurs in poverty. They are interest free. As the trustees have decided to realise these investments over the next year, these loans are included in current assets.

2. A mortgage to enable the purchase of a house to be run as a drug rehabilitation centre. This property was previously owned by the charity. Interest is charged on the loan on preferential terms and the loan is secured on the property.

# The George Müller Charitable Trust

## Notes to the accounts for the year ended 28 February 2022

### Programme related investments (continued)

The following is a breakdown of Programme related investments between fixed and current assets:

	2022	2021
	£	£
Fixed Assets	322,000	409,250
Current Assets	5,339	22,935
<b>Total</b>	<b>327,339</b>	<b>432,185</b>

### Programme Related Investments - Prior Year

	Microfinance Loans	Community House Mortgages	Total 2021
	£	£	£
As at 1 March 2020	31,592	406,675	438,267
Additions (new loans)	-	2,575	2,575
Exchange rate gains (losses)	(1,797)	-	(1,797)
Amounts repaid	(7,109)	-	(7,109)
Defaults and provisions (charged) credited to Charitable activities - grants	249	-	249
At 28 February 2021	22,935	409,250	432,185

### 14 Stocks

	2022	2021
	£	£
<b>Total</b>	<b>1,411</b>	<b>2,112</b>

### 15 Debtors

	2022	2021
	£	£
Debtors and prepayments	19,824	25,748
Income tax recoverable	10,277	10,347
<b>Total</b>	<b>30,101</b>	<b>36,095</b>

### 16 Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade Creditors	12,277	14,789
Social Security and other taxes	4,836	4,549
Accruals and deferred income	37,333	18,452
Sundry creditors and SKI gifts not yet paid	72,466	50,286
Other creditors - pension obligation	6,010	8,555
<b>Total</b>	<b>132,922</b>	<b>96,631</b>



# The George Müller Charitable Trust

## Notes to the accounts for the year ended 28 February 2022

### 17 Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Other creditors - pension obligation	25,264	25,585

### 18 Movement in Unrestricted Designated Funds

	Unrestricted Fixed Asset Fund £	Programme Related Investment Fund £	Total Unrestricted Designated Funds £
As at 1 March 2021	1,846,026	430,389	2,276,415
Transfer from (to) Unrestricted Funds	5,061	(17,596)	(12,535)
Transfer from (to) Expendable Endowment Fund	-	(87,250)	(87,250)
Net income/(expenditure)	(35,281)	-	(35,281)
Other Gains (Losses)	-	535	535
As at 28 February 2022	1,815,806	326,078	2,141,884

The transfer from the Unrestricted Fund to the Unrestricted Fixed Asset Fund of £5,061 represents fixed asset additions in the year. The transfer to the Expendable Endowment Fund of £87,250 is due to the full repayment of a mortgage loan.

### Movement in Unrestricted Designated Funds - Prior Year

	Unrestricted Fixed Asset Fund £	Programme Related Investment Fund £	Total Unrestricted Designated Funds £
As at 1 March 2020	1,877,556	438,267	2,315,823
Transfer from (to) Unrestricted Funds	3,865	(6,081)	(2,216)
Net income/(expenditure)	(35,395)	-	(35,395)
Other Gains (Losses)	-	(1,797)	(1,797)
As at 28 February 2021	1,846,026	430,389	2,276,415

# The George Müller Charitable Trust

## Notes to the accounts for the year ended 28 February 2022

### 19 Movement in Restricted Funds

	<b>SKI</b>	<b>The Churches City Fund</b>	<b>Restricted Legacies</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>As at 1 March 2021</b>	71,293	74,752	23,325	169,370
Income & Endowments	1,006,874	23,761	-	1,030,635
Expenditure	1,048,834	35,384	12,666	1,096,884
Transfer from Expendable Endowment Fund	4,725	-	-	4,725
<b>As at 28 February 2022</b>	<b>34,058</b>	<b>63,129</b>	<b>10,659</b>	<b>107,846</b>

SKI donor balances represent amounts given to the Charity in the year ended 28 February 2021 for the work of SKI but not distributed at 28 February 2021. The Churches City Fund is a fund directed at social needs in Bristol such as food poverty and refugees in which the Charity partners with Bristol churches. The transfer from the Expendable Endowment Fund represents 10% of the legacies received over £15,000 which were taken directly to the Expendable Endowment Fund. As explained in Note 1c it is the trustees practice to donate 10% of these legacies to pressing needs.

### Movement in Restricted Funds - Prior Year

	<b>SKI</b>	<b>The Churches City Fund</b>	<b>Restricted Legacies</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>As at 1 March 2020</b>	60,031	8,197	23,000	91,228
Income & Endowments	1,077,155	141,958	6,658	1,225,771
Expenditure	(1,065,893)	(75,403)	(6,333)	(1,147,629)
<b>As at 28 February 2021</b>	<b>71,293</b>	<b>74,752</b>	<b>23,325</b>	<b>169,370</b>

# The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2022

## 20 Movement in all Funds

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £	Total Funds 2021 £
As at March 2021	331,487	2,276,415	169,370	11,785,777	14,563,049	13,843,442
Total income & endowments	556,438	-	1,030,635	47,279	1,634,352	1,780,371
Total expenditure	(511,607)	(35,281)	(1,096,884)	(31,941)	(1,675,713)	(1,680,460)
Net gains/(losses) on investments	-	-	-	618,318	618,318	624,475
Transfers between funds	(150,215)	(99,785)	4,725	245,275	-	-
Other Gains and Losses	59	535	-	-	594	(4,779)
As at 28 February 2022	226,162	2,141,884	107,846	12,664,708	15,140,600	14,563,049

## Movement in all Funds - Prior Year

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
As at March 2020	76,872	2,315,823	91,228	11,359,519	13,843,442
Total income & endowments	554,600	-	1,225,771	-	1,780,371
Total expenditure	(469,219)	(35,395)	(1,147,629)	(28,217)	(1,680,460)
Net gains/(losses) on investments	-	-	-	624,475	624,475
Transfers between funds	172,216	(2,216)	-	(170,000)	-
Other Gains and Losses	(2,982)	(1,797)	-	-	(4,779)
As at 28 February 2021	331,487	2,276,415	169,370	11,785,777	14,563,049

# The George Müller Charitable Trust

## Notes to the accounts for the year ended 28 February 2022

### 21 Analysis of net assets between funds

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
Tangible & Intangible Fixed Assets	-	1,815,806	-	-	1,815,806
Fixed Asset Investments	-	-	-	12,638,825	12,638,825
Programme Related Investments	-	326,078	-	-	326,078
Other Net Assets	226,162	-	107,846	25,883	359,891
<b>Total</b>	<b>226,162</b>	<b>2,141,884</b>	<b>107,846</b>	<b>12,664,708</b>	<b>15,140,600</b>

The Unrestricted General Fund represents those net assets held for carrying out the general activities of the Charity.

The Unrestricted Designated Fund is a fund representing the net book value of fixed assets held for charitable purposes, net assets held of Microfinance loans and one mortgage. The Microfinance loans are small short term loans to entrepreneurs in poverty and are interest free.

### Analysis of net assets between funds - Prior Year

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Tangible Fixed Assets	-	1,846,026	-	-	1,846,026
Fixed Asset Investments	6,143	-	-	11,785,777	11,791,920
Programme Related Investments	-	430,389	-	-	430,389
Other Net Assets	325,344	-	169,370	-	494,714
<b>Total</b>	<b>331,487</b>	<b>2,276,415</b>	<b>169,370</b>	<b>11,785,777</b>	<b>14,563,049</b>

### 22 Pension Commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension charge represents contributions payable by the Charity to the fund and amounted to £8,270 (2021: £8,278). There were £2,317 of contributions payable to the fund at the balance sheet date (2021: £2,202). The aforementioned charge is separate from the pension obligation noted in Note 16 other creditors and explained in the accounting policy m.

### 23 Related party transactions

There have been no related party transactions in the year ended 28 February 2022 or the year ended 28 February 2021.

### 24 Capital commitments

The Charity had no capital commitments as at 28 February 2022 (2021: £nil)