



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 2023

The George Müller Charitable Trust

Trustees' Annual Report for the year ended 28 February 2023

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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 2023.

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).

Mission

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.

Activities, Achievements and Performance

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 explains the work of the Charity and has further information.

Staffing and Volunteers

Following the resignation of the SKI coordinator, the role was split to create the two roles, Partnerships Coordinator and Partnerships Administrator. The Coordinator role takes responsibility for the development of SKI and local partnerships while the Administrator role facilitates the giving of the charity and the associated bookkeeping. Additionally, a new role of Theology Training Assistant was created to develop the offer of the renamed "Scripture, Theology, and Culture course" (Formerly "The Practical Theology Course") The trustees are grateful to the six volunteers who assist with showing members around the museum, help with schools visits and work on collections care and research.

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Inspiring Faith

As public confidence post-covid grew, the George Müller Museum experienced a steady increase in the number of visitors, with 1,288 members of the public attending, including 15 school visits. Additionally, we were able to bring the George Müller story into 11 schools, teaching 681 pupils.

This year, the governance of The Mix, a meeting with young people in Bristol, became the sole responsibility of Müllers. The Mix met three times in the year and saw 284 young people and their 92 youth leaders attend. Times of worship, bible teaching, and prayer ministry were held at each event, resulting in stories of young people choosing to become Christians and being strengthened in their faith.

Nurturing Families

The Bristol Youth Ministry Network (BYMN) continued to meet to equip, encourage and connect those whose Christian faith motivates them to work with young people. 56 different people attended our Bristol Youth Ministry Network events as we looked at topics such as working with children with additional needs, how to recruit and manage volunteers and avoiding burnout. Responding to feedback, there have also been regional meet ups for youth workers to meet socially for mutual support. CMnet, the children's ministry equivalent met three times in the year with 23 different children and families ministry workers attending.

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.

Resourcing Ministry

The Scripture, Theology and Culture (STC) course relaunched in September 2022 with 20 new students and an additional offering of a level 4 qualification. Those who completed the course in June 2022 gave positive feedback, with one student saying, "It's been a safe place to explore new ideas and thinking and to wrestle with tricky subjects. I feel that I am now better equipped to understand the bible and to see what God is saying." The pilot for the digital STC course was launched with 4 students spanning 3 continents. They will complete the 3 digital modules and provide feedback before we look to launch the course more publicly in September 2023.

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. 200 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 educating girls at risk of sexual exploitation in India.

Following the high profile of Ukrainian refugees this year, Müllers explored ways it might help the refugee community in Bristol. As part of this enquiry, the charity hosted some prayer nights for carers and champions of Unaccompanied Asylum Seeker Children in Bristol, which were warmly received by a demographic under-supported by the Church.

Plans for the Future

Inspiring Faith

We will use our historical artefacts to share the story of Müller in new ways, whilst caring and repairing some of the more fragile items. We will also explore new marketing opportunities to encourage public attendance at the museum and increase the number of relationships with local schools. Furthermore, we will join in with celebrations for the 650th anniversary of Bristol being given city status to promote the Müller story and the museum.

The Mix will meet four times in the year ahead and prioritise serving churches who do not have a salaried youth worker. We plan to promote and develop the activities it offers.

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Nurturing Families

Following a survey to both the BYMN and the Children's Ministry meet-ups, the decision has been made to merge them, combining resources where there is overlap whilst also providing space to discuss distinct disciplines of each ministry area. We shall also host a conference for churches of the Bristol region to equip and envision their work with under 18s.

Resourcing Ministry

Following the developments of the STC course, it will continue to establish its new level 4 offering. The digital course will be offered to the public.

A model for new church partnerships has been devised, with partner churches seconding their youth worker to other partner churches in lower resourced areas. This shall be facilitated by Müllers, who will also offer the same youth workers fortnightly training and support. This is to be rolled out in January 2024.

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. The charity shall continue to prayerfully explore whether it should formally support unaccompanied asylum seekers and their carers.

Cotham Properties

The Charity owns 3 properties in Cotham which for over 20 years have been fulfilling the Charity's objectives by being used as religious community houses, involved in prayer, and discipleship and care ministry. Following on from an extended review of the Charity's strategy, the Trustees have decided that the religious communities were no longer core to the Charity's longer-term strategy and have determined to release the value of these properties over the next three years to serve the Charity's future strategy. The religious communities have been advised that their leases will not be renewed after their expiry in 2024 and 2025. The Trustees have been engaging with property advisers and consultants to determine the most appropriate way to realise value from the properties.

Financial Review

The net decrease in funds for the year, after investment losses of £540,057 (2022: gains £618,318), was £652,245 (2022: increase £577,551). The changes in investment values were again the principal reason for the significant movement in the funds for the year, but this year also saw a net reduction in income of £74,939, being a reduction in donations and legacies of £111,117 offset by an increase in income from investments and charitable activities. Overall total expenditure was in line with last year at £1,674,569 (2022: £1,675,713).

In further explanation of the net reduction in income; the donations received decreased 6% over last year at £1,035,263 (2022: £1,100,616). The main cause of this decrease was a year on year reduction of £48,417 to the SKI restricted fund. Legacy income decreased to £11,000 (2022: £56,764) and investment income increased to £387,433 (2022: £357,141). Rental income increased slightly to £105,753 (2022: £104,378). The mortgage interest earned on the community mortgages increased to £17,187 (2022: £12,937) due to some interest rate increases.

Although total expenditure was in line with last year, staff costs increased 16.5% to £176,362 (2022: £151,419). The increase in salary costs in 2023 was due to a 6% inflationary pay increase, promotions and additional hours this year from the new posts. Last year's costs were also impacted by leavers not being replaced immediately. Grants in total decreased by 2.4% to £1,282,606. (2022: £1,314,661).

Governance costs represent 0.7 % of income (2022: 0.7 %) and the cost of trustees' indemnity insurance was £169 (2022: £465).

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Reserves

The total held by the charity at the end of the year were £14,488,355. This consists of an expendable endowment fund of £12,018,326, unrestricted designated funds of £2,105,688, restricted funds of £63,401 and unrestricted general funds of £301,030 (See Notes 18-19).

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.

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.

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. Free reserves as measured by the Unrestricted General Fund at £301,030 represents approximately 5.2 months expenditure based on budgeted expenditure for 2023/24 well within 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. 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 £25,000 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 allocate 10 % of all legacies over £25,000 to the make grants to local initiatives to support pressing needs as identified by the Local Ministries 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:

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- 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 2022/23 continued to remain relatively 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.
- 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 with particular skills and experience. All employees have key roles and a loss of any one of them would impact on the running of the Charity in the short term. The loss of the Charity Leader would have the most impact and 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 also 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, RBC Brewin Dolphin 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, gambling, 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%. The CPI for the year was 9.2% and so the target return was 11.2%. 2022/23 was a very challenging climate for investment valuations and neither manager was close to this target which was set in a much more favourable investment climate. The total return for 2022/23 of RBC Brewin Dolphin was 2.25% and of Sarasins and Partners it was a negative return of 1.89%. The property values in the Charity property funds overseen by RBC Brewin Dolphin Securities also fell significantly in the year so that a negative total return was realised for the year of 9%. The Trustees maintain a dialogue with the investment managers throughout the year and meet formally with them once a year to discuss performance and strategy. The Trustees are satisfied with the strategies adopted by of the investment managers which are for the medium to long term in terms of asset diversification and managing risks.

The Trustees decided to ensure their withdrawal policy from 1 March 2022 matched the total return investment 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. In the course of 2022/23 this approach was refined to become 3.5% of the values at the beginning of the year, subject to this not being less than the values at the beginning of the previous year. This approach 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 have accrued over previous years, 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.

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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 based on unsolicited requests from potential recipients. Grants payable are charged to the Statement of Financial Activities in the accounting period in which the recipient is notified of the award.

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), the SKI Committee (consisting of three Trustees, the Charity Leader and the Partnerships Coordinator) and the Local Ministries Committee (consisting of three trustees and the Charity Leader).

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, joins 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 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.

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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 S.M. Home (appointed 20 July 2022) J.N. Kingston E.J. Marsh (retired 3 July 2023) 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:	Haines Watts Bath House 6-8 Bath St, Redcliffe Bristol BS1 6HL
Bankers:	National Westminster Bank Plc 32 Corn Street Bristol BS1 1HQ
Solicitors:	Knights Plc Springfield House 45 Welsh Back Bristol BS1 4AG
Investment Managers	Sarasin & Partners 100 St. Paul's Churchyard London EC4M 8BU RBC Brewin Dolphin Securities 12 Smithfield Street London EC1A 9BD

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 2019 (FRS 102).

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- 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 adequate 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 3rd July 2023 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 Muller Charitable Trust (the 'charitable company') for the year ended 28 February 2023 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 28 February 2023 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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

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 charitable company'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 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 this gives rise 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.

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

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.

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.

Auditors' 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.

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

i) We obtained an understanding of the legal and regulatory frameworks applicable to the charity and the sector in which it operates. We determined the following laws and regulations of most significance were: Charity SORP 2019 and UK GAAP.

(ii) We obtained an understanding of how the charity complies with those legal and regulatory frameworks by making inquiries of management. We corroborated our enquiries through our review of board minutes and other relevant meeting minutes.

(iii) We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;

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

- challenging assumptions and judgements made by management in its significant accounting estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- assessing the extent of compliance with the relevant laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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.

Andrew Jordan FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts Bristol Limited
Chartered Accountants and Statutory Auditors
Bath House
6 - 8 Bath Street
Bristol
BS1 6HL

Date:

The George Müller Charitable Trust

Statement of Financial Activities incorporating Statement of Total Realised Gains and Losses and Income and Expenditure Account for the year ended 28 February 2023

Current Year

		Unrestricted General Funds	Unrestricted Designated Funds	Restricted Funds	Expendable Endowment Fund	Total Funds	Total Funds
		2023	2023	2023	2023	2023	2022
	Note	£	£	£	£	£	£
Income and endowments from							
<i>Donations and legacies</i>	3	67,641	-	978,622	-	1,046,263	1,157,380
<i>Investments</i>	4	387,433	-	-	-	387,433	357,141
<i>Charitable Activities</i>	5	125,717	-	-	-	125,717	119,831
Total Income and endowments		580,791	-	978,622	-	1,559,413	1,634,352
Expenditure on							
<i>Raising Funds</i>	6	-	-	-	34,204	34,204	31,941
<i>Charitable activities</i>	6	583,790	33,508	1,023,067	-	1,640,365	1,643,772
Total Expenditure		583,790	33,508	1,023,067	34,204	1,674,569	1,675,713
<i>Net gains/(losses) on investments</i>	12	-	-	-	(540,057)	(540,057)	618,318
Net income/(expenditure)	8	(2,999)	(33,508)	(44,445)	(574,261)	(655,213)	576,957
<i>Transfers between funds</i>	18	75,636	(3,425)	-	(72,211)	-	-
<i>Other gains/(losses)</i>		2,231	737	-	-	2,968	594
Net movement in funds		74,868	(36,196)	(44,445)	(646,472)	(652,245)	577,551
<i>Total funds brought forward</i>	18,19	226,162	2,141,884	107,846	12,664,708	15,140,600	14,563,049
Total funds carried forward	18,19	301,030	2,105,688	63,401	12,018,236	14,488,355	15,140,600

Net expenditure for Companies Act purposes is £36,507

All of the activities of the charity are classed as continuing

The notes on pages 17 to 32 form part of these financial statements.

The George Müller Charitable Trust

Statement of Financial Activities Incorporating Statement of Total Realised Gains and Losses and Income and Expenditure Account for the year ended 28 February 2022

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

Net expenditure for Companies Act purposes is £239,856
All of the activities of the charity are classed as continuing

The George Müller Charitable Trust

Company number 03471812

Balance Sheet as at 28 February 2023

	Notes	2023 £	2022 £
Fixed Assets			
Intangible fixed assets	10	7,600	10,640
Tangible fixed assets	11	1,775,945	1,805,166
Fixed asset investments	12	12,011,742	12,638,825
Programme related investments	13	-	322,000
		<u>13,795,287</u>	<u>14,776,631</u>
Current Assets			
Stock	14	1,213	1,411
Debtors	15	31,506	30,101
Programme related investments	13	322,667	5,339
Cash at bank and in hand		<u>469,510</u>	<u>485,304</u>
		824,896	522,155
Creditors: Amounts falling due within one year	16	<u>(111,780)</u>	<u>(132,922)</u>
Net current assets		713,116	389,233
Creditors: Amounts falling due after more than one year	17	(20,048)	(25,264)
Net assets		<u>14,488,355</u>	<u>15,140,600</u>
Charity funds			
Unrestricted funds	18,19	301,030	226,162
Unrestricted designated funds	18,19	2,105,688	2,141,884
Restricted funds	18,19	63,401	107,846
Expendable endowment fund	18,19	<u>12,018,236</u>	<u>12,664,708</u>
Total funds		<u>14,488,355</u>	<u>15,140,600</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 3rd July 2023 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 2023

	Total Funds 2023 £	Total Funds 2022 £
Net cash provided by (used in) operating activities note 2	(457,770)	(183,769)
Cash flows from investing activities:		
Dividends and interest	387,433	357,141
Purchase of property, plant and equipment	(1,247)	(5,061)
Investment fees - unlisted investments	(6,108)	(3,404)
Sale of quoted investments	226,278	397,511
Capital withdrawn from investments	69,611	-
Purchase of quoted investments from additional cash invested	-	(143,588)
Purchase of quoted investments from other cash	(240,535)	(398,931)
Purchase of unlisted investments	-	(8,793)
Sale of unlisted investments	28,273	-
Change in cash held for settlements	(24,697)	(103,323)
Net cash provided by (used in) investing activities	439,008	91,552
Change in cash and cash equivalents in the reporting period	(18,762)	(92,217)
Cash and cash equivalents at the beginning of the reporting period	485,304	576,927
Change in cash and cash equivalents due to exchange rate movements	2,968	594
Cash and cash equivalents at the end of the reporting period	469,510	485,304

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 17 to 32 form part of these financial statements.

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

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

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity 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 note 18 to the financial statements.

Restricted funds include donor balances which represent funds given to the Charity for the work of SKI and the Churches City Fund - see note 18 to the financial statements.

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 £25,000 (2022: £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.

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

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 & Machinery	10% straight line
Museum Content	10% straight line
Furniture Fixtures & Fittings	10% straight line
Office Equipment	33.33% straight line

h) Quoted Investments

Fixed asset investments in quoted shares are valued initially at cost and subsequently at fair value (their market value) at the year end. Any changes in the fair value of investments, whether realised or unrealised, are combined and shown in the Statement of Financial Activities as net gains/ (losses) on investments.

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

1 Accounting Policies (continued)

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.

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) a mortgage provided, which enabled the purchase of house in Clevedon previously owned by the charity as a drug rehabilitation centre. The mortgage loan is secured on the property and repayable in September 2023. The interest on the loan is the Bank of England base rate plus 3.4%. This mortgage enabled the charity to divest itself of the property whilst enabling the work of the purchasing charity to continue in the property.

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 Statement of Financial Activities.

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 2 (2022:3).

1 Accounting Policies (continued)

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 two significant management judgements and estimates in the accounts. Firstly, 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. Secondly, the allocation of legacies to the expendable endowment fund as set out in policy c Fund accounting.

q) Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts due from company undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts due to company undertakings are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

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

	Total Funds 2023 £	Total Funds 2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(655,213)	576,957
Adjustments for:		
Depreciation and amortisation charges	33,508	35,281
(Gains)/losses on investments	540,057	(618,318)
Defaults & provisions	(90)	714
Investment fees	34,204	31,941
Exchange rate losses/ (gains) on PR investments	(737)	(535)
Microfinance repaid	5,499	17,417
Mortgage repaid	-	87,250
Dividends and interest	(387,433)	(357,141)
(Increase)/decrease in stocks	198	701
(Increase)/decrease in debtors	(1,405)	5,994
Increase/(decrease) in creditors	(26,358)	35,970
Net cash provided by (used in) operating activities	<u>(457,770)</u>	<u>(183,769)</u>

3 Donations and legacies

	Unrestricted General Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
Donations	56,641	978,622	-	1,035,263
Legacies	11,000	-	-	11,000
Total	<u>67,641</u>	<u>978,622</u>	<u>-</u>	<u>1,046,263</u>

Donations and legacies - prior year

	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>

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

4 Investment Income

	Unrestricted General Funds £	Total Funds 2023 £	Total Funds 2022 £
Dividends Receivable	387,420	387,420	357,136
Interest on cash deposits	13	13	5
Total	387,433	387,433	357,141

All of the 2022 investment income was in the Unrestricted General Fund.

5 Income from charitable activities

	Unrestricted General Funds £	Total Funds 2023 £	Total Funds 2022 £
Rental Income	105,753	105,753	104,378
Interest on Community House Mortgages	17,187	17,187	12,937
Family Records	1,281	1,281	1,660
Sale of Books	1,496	1,496	856
Total	125,717	125,717	119,831

All of the 2022 income from charitable activities was in the Unrestricted General Fund.

6 Analysis of expenditure by type

	Staff Costs 2023 £	Other Costs 2023 £	Grants 2023 £	Total 2023 £
Investment Management Costs	-	34,204	-	34,204
Cost of raising funds	-	34,204	-	34,204
Global Partnerships (SKI)	52,455	37,647	1,218,633	1,308,735
Inspiring Faith	64,002	59,224	-	123,226
Nurturing Families	21,488	14,520	-	36,008
Resourcing Ministry	31,818	32,307	-	64,125
Transforming Communities	6,599	37,699	63,973	108,271
Charitable Activities	176,362	181,397	1,282,606	1,640,365
Total expenditure	176,362	215,601	1,282,606	1,674,569

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

Governance costs are £10,705 (2022: £12,000).

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

6 Analysis of expenditure by type - Prior Year (restated)

	Staff Costs 2022	Other Costs 2022	Grants 2022	Total 2022
	£	£	£	£
Investment Management Costs	-	31,941	-	31,941
Cost of raising funds	-	31,941	-	31,941
Global Partnerships (SKI)	39,946	40,061	1,279,276	1,359,283
Inspiring Faith	51,477	52,820	-	104,297
Nurturing Families	18,944	14,443	-	33,387
Resourcing Ministry	35,697	34,758	-	70,455
Transforming Communities	5,355	35,610	35,385	76,350
Charitable Activities	151,419	177,692	1,314,661	1,643,772
Total expenditure	151,419	209,633	1,314,661	1,675,713

The note has been restated to include governance costs as other costs allocated across charitable activities.

7 SKI Grants

SKI grants 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.

	2023 £	2022 £
Grants to 119 (2022:109) individual Christian workers	673,489	676,365
Grants above £5,000 to Organisations (details below, where grants were above £5,000 in the current or preceding period)	470,077	502,065
Grants below £5,000 to Organisations	74,240	67,882
Defaults and exchange (gains)/ losses for Programme related investments (see note 13)	827	179
Total	1,218,633	1,246,491

Grants to organisations above £5,000 (details below, where grants were above £5,000 in either the current or preceding period)

	2023 £	2022 £
Gospel of Kingdom Associates	8,413	21,516
Rwandan Orphan project	71,764	74,128
Haven Home Orphanage	46,119	64,120
25:40 Romania	25,125	21,906
Ebenezer Children's Centre	28,666	30,145
Subtotal carried forward	180,087	211,815

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

7 SKI Grants (continued)

	2023	2022
	£	£
Subtotal brought forward	180,087	211,815
Bright Hope World	13,314	10,600
Shared Hope	15,500	22,000
Hebron Hostel Trust	12,300	12,952
Africa Naturally	14,865	9,518
UNIVIDA	8,219	3,239
Hands at Work in Africa-Bandeni	17,803	23,434
Hands at Work in Africa - Oshoek	18,690	19,356
Helping Them to Smile	7,388	21,004
Five Talents	10,000	10,000
Holland Wharf Girls Hostel	14,044	13,026
SaltMalawi (The Joseph Project)	7,581	6,814
House of Hope	5,398	38,531
SSS Nepal	9,296	11,072
DFN UK	15,550	18,638
New Victory Child Care	5,987	7,522
Ripple Effect (Send a Cow)	14,898	14,633
Solid Rock International Ministries	21,314	28,290
International China Concern Ltd	2,500	7,222
IJM	10,000	-
Operation Mobilisation	19,800	-
Home Leone	25,256	-
For Ethiopia	20,287	12,399
Total	470,077	502,065

8 Net income/(expenditure)

This is after (crediting)/charging:

	2023	2022
	£	£
Depreciation/amortisation of tangible and intangible fixed assets owned by the charity	33,508	35,281
Auditors' remuneration	10,500	12,000

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

9 Staff Costs

	2023	2022
	£	£
Wages and Salaries	160,057	138,083
Social Security costs	5,872	5,066
Other Pension costs	10,433	8,270
Total	176,362	151,419
Management	2	2
Administration	6	6
Total	8	8

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 (2022: £nil). The Charity Leader received total employment benefits of £44,029 (2022: £41,647).

10 Intangible Fixed Assets

	Computer Software	Total 2023
	£	£
Cost as at 1 March 2022	15,200	15,200
Cost as at 28 February 2023	15,200	15,200
Amortisation		
As at 1 March 2022	4,560	4,560
Charge for the year	3,040	3,040
As at 28 February 2023	7,600	7,600
Net Book Value as at 28 February 2023	7,600	7,600
Net Book Value as at 28 February 2022	10,640	10,640

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

11 Tangible Fixed Assets

	Land and Buildings £	Building Plant & Machinery	Museum Content £	Furniture Fixtures & Fittings £	Office Equipment £	Total 2023 £
Cost as at 1 March 2022	1,693,915	111,821	104,690	56,919	24,868	1,992,213
Additions	-	-	-	-	1,247	1,247
As at 28 February 2023	1,693,915	111,821	104,690	56,919	26,115	1,993,460
Accumulated Depreciation						
As at 1 March 2022	94,743	28,887	27,045	17,627	18,745	187,047
Charge for the year	-	11,182	10,469	5,692	3,125	30,468
As at 28 February 2023	94,743	40,069	37,514	23,319	21,870	217,515
Net Book Value as at 28 February 2023	1,599,172	71,752	67,176	33,600	4,245	1,775,945
Net Book Value as at 28 February 2022	1,599,172	82,934	77,645	39,292	6,123	1,805,166

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 2023

12 Fixed Asset Investments

Listed investments

Market Value

	2023 Total £	2022 Total £
As at 1 March 2022	4,794,295	4,333,532
Sale proceeds	(226,278)	(397,511)
Additions from additional cash invested	-	143,588
Reduction in capital, cash withdrawn from investment manager	(23,396)	-
Other additions	240,535	398,931
Change in cash held for settlements	(19,627)	106,412
Costs of managing investments	(28,095)	(28,537)
Unrealised valuation net (loss)/gain	(159,408)	63,349
Realised net gain/(loss)	111,585	174,531
At 28 February 2023	<u>4,689,611</u>	<u>4,794,295</u>
Being:		
Investments managed by Brewin Dolphin	4,650,804	4,689,740
Cash held for settlements	38,807	104,555
	<u>4,689,611</u>	<u>4,794,295</u>
Analysis of Investments		
UK Equities	1,409,915	1,427,806
UK Bonds	425,314	467,319
Overseas Equities	1,440,614	1,456,604
Overseas Bonds	103,302	127,285
Other	1,310,466	1,315,281
Total	<u>4,689,611</u>	<u>4,794,295</u>
Historical cost of investments	<u>3,759,756</u>	<u>3,633,912</u>

Unlisted investments

	2023 Total £	2022 Total £
As at 1 March 2022	7,844,530	7,458,388
Reduction in capital, cash withdrawn from investment manager	(46,215)	-
Purchase of Sarasin Alpha CIF for Endowments	-	8,793
Sale of units	(28,273)	-
Realised gains	3,994	-
Change in cash held for settlements	44,324	84
Unrealised valuation net gain/(loss)	(496,228)	377,265
At 28 February 2023	<u>7,322,132</u>	<u>7,844,530</u>

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

12 Fixed Asset Investments (continued)

	2023	2022
	Total	Total
	£	£
Sarasin Endowments Fund Class A Inc	5,906,787	6,194,524
Units in Property Funds	1,413,262	1,646,033
Cash	2,083	3,973
Total value of unlisted investments	7,322,132	7,844,530

	2023	2022
	Total	Total
	£	£
Quoted Investments	4,650,804	4,689,740
Units in property funds	1,413,262	1,646,033
Sarasin Endowments Fund Class A Inc.	5,906,787	6,194,524
Cash held for settlements	40,889	108,528
Total value of investments	12,011,742	12,638,825

The unlisted investments in property funds are in units in the Property Income Trust for Charities managed by Mayfair Capital Investment Management £794,000 (2022: £973,900) and units in the Cordea Charities Property Fund £619,262 (2022: £672,133).

13 Programme Related Investments

	Microfinance		
	Loans	Mortgage	Total
	£	£	£
As at 1 March 2022	5,339	322,000	327,339
Additions (new loans)	-	-	-
Exchange rate gains (losses)	737	-	737
Amounts repaid	(5,499)	-	(5,499)
Defaults and provisions (charged) credited to Charitable activities - grants	90	-	90
At 28 February 2023	667	322,000	322,667

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 by a Clevedon charity to be run as a drug rehabilitation centre. This property was previously owned by the trust. Interest is charged on the loan at the Bank of England base rate plus 3.4% and the loan is secured on the property. The mortgage loan is repayable in September 2023.

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

Programme related investments (continued)

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

	2023	2022
	£	£
Fixed Assets	-	322,000
Current Assets	322,667	5,339
Total	322,667	327,339

Programme Related Investments - Prior Year

	Microfinance		
	Loans	Mortgage	Total
	£	£	£
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	5,339	322,000	327,339

14 Stocks

	2023	2022
	£	£
Total	1,213	1,411

15 Debtors

	2023	2022
	£	£
Debtors and prepayments	22,585	19,824
Income tax recoverable	8,921	10,277
Total	31,506	30,101

16 Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade Creditors	13,676	12,277
Social Security and other taxes	5,513	4,836
Accruals and deferred income	20,552	37,333
Sundry creditors and SKI grants not yet paid	65,617	72,466
Other creditors - pension obligation	6,422	6,010
Total	111,780	132,922

The George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

17 Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Other creditors - pension obligation	20,048	25,264

18 Movement in funds

Year ended 28 February 2023

	At 1 March 2022	Income and Gains	Expenditure and losses	Transfers between funds	At 28 February 2023
	£	£	£	£	£
Unrestricted Funds					
Free reserves (Unrestricted General fund)	226,162	583,022	(583,790)	75,636	301,030
Unrestricted Fixed Asset Fund (designated)	1,815,806	-	(33,508)	1,247	1,783,545
Programme Related Investment Fund (designated)	326,078	737	-	(4,672)	322,143
	2,368,046	583,759	(617,298)	72,211	2,406,718
Restricted Funds					
SKI	34,058	958,457	(959,094)	-	33,421
The Churches City Fund	63,129	20,165	(63,973)	-	19,321
Restricted Legacies	10,659	-	-	-	10,659
	107,846	978,622	(1,023,067)	-	63,401
Expendable Endowment Fund	12,664,708	-	(574,261)	(72,211)	12,018,236
Total funds	15,140,600	1,562,381	(2,214,626)	-	14,488,355

Description and purpose of funds and transfers

Free reserves

Unrestricted general funds are the free reserves of the charity. Transfers into the fund are £4,672 in respect of the repayment of micro finance loans belonging to the Programme Related Investment Fund and £2,600 representing a tithe on a legacy received into the Expendable Endowment Fund in a prior year. Also transferred into the fund was £69,611 from the Expendable Endowment Fund representing capital withdrawals from the charity's fixed asset investments. £1,247 was transferred out representing the purchase of some office equipment belonging to the Unrestricted Fixed Asset Fund.

Unrestricted Designated Funds

The Unrestricted Fixed Asset Fund is a fund representing the net book value of tangible and intangible fixed assets held for charitable purposes. The transfer of £1,247 into the fund represents the cost of office equipment purchased during the year.

The Programme Related Investment Fund consists of global interest free microfinance loans to entrepreneurs in poverty and a mortgage to enable the purchase of a house by a charity in Clevedon, to be run as a drug rehabilitation centre. Since the trustees have decided to realise the investment in loans over the next year, they are included in current assets. The property on which the mortgage has been given was previously owned by the charity. Interest on the mortgage loan is charged at the Bank of England Base rate plus 3.4% and the loan is secured on the property. The transfer out of the fund of £4,672 represents the value of loan repayments received in the year.

Restricted Funds

SKI donor balances represent amounts given to the charity in the year ended 28 February 2023 for the work of SKI but not distributed at 28th February 2023. Restricted legacies are amounts undistributed of legacies given for the work of SKI.

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 George Müller Charitable Trust

Notes to the accounts for the year ended 28 February 2023

18 Movement in funds (continued)

Previous year ended 28 February 2022

	At 1 March 2021 £	Income and Gains £	Expenditure and losses £	Transfers between funds £	At 28 February 2022 £
Unrestricted Funds					
Free reserves (Unrestricted General fund)	331,487	556,497	(511,607)	(150,215)	226,162
Unrestricted Fixed Asset Fund (designated)	1,846,026	-	(35,281)	5,061	1,815,806
Programme Related Investment Fund (designated)	430,389	535		(104,846)	326,078
	2,607,902	557,032	(546,888)	(250,000)	2,368,046
Restricted Funds					
SKI	71,293	1,006,874	(1,048,834)	4,725	34,058
The Churches City Fund	74,752	23,761	(35,384)	-	63,129
Restricted Legacies	23,325	-	(12,666)	-	10,659
	169,370	1,030,635	(1,096,884)	4,725	107,846
Expendable Endowment Fund	11,785,777	665,597	(31,941)	245,275	12,664,708
Total funds	14,563,049	2,253,264	(1,675,713)	-	15,140,600

19 Analysis of net assets between funds

	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
Tangible & Intangible Fixed Assets	-	1,783,545	-	-	1,783,545
Fixed Asset Investments	-	-	-	12,011,742	12,011,742
Programme Related Investments	-	322,667	-	-	322,667
Other Net Assets	301,030	(524)	63,401	6,494	370,401
Total	301,030	2,105,688	63,401	12,018,236	14,488,355

Analysis of net assets between funds - Prior Year

	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
Total	226,162	2,141,884	107,846	12,664,708	15,140,600

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Notes to the accounts for the year ended 28 February 2023

20 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 £10,433 (2022: £8,270). There were £2,612 of contributions payable to the fund at the balance sheet date (2022: £2,317). The aforementioned charge is separate from the pension obligation noted in Note 17 other creditors and explained in accounting policy m.

21 Related party transactions

There have been no related party transactions in the year ended 28 February 2023 or the year ended 28 February 2022.

22 Capital commitments

The Charity had no capital commitments as at 28 February 2023 (2022: £nil).