

COMPANY REGISTRATION NUMBER: 05641704
CHARITY REGISTRATION NUMBER: 1113969

Five Talents UK Ltd
Company Limited by Guarantee
Financial Statements
31 December 2023

Five Talents UK Ltd

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2023

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Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2023

The Trustees, who are also the Directors for the purposes of company law, present their report and the financial statements of the Charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name	Five Talents UK Ltd
Charity registration number	1113969
Company registration number	05641704
Principal office and registered office	Mary Sumner House 24 Tufton Street London SW1P 3RB

The Trustees

Thomas Jones, Chair	
Richard Gray, Treasurer	
Gordon Seabright	
Sietske Van Der Ploeg	
Agnes Gitau	
Joanne Cetti	
Nowtash Alsafar	
Miriam Pennington	
Andrew Barton	
Neil Sandy	(Resigned 30 March 2023)
Andrew Maclay	(Resigned 30 March 2023)
Grant Masom	(Resigned 30 March 2023)
Toyosi Ariyo	(Resigned 3 October 2023)
Michelle Ruddle	(Resigned 3 October 2023)
Beverley Jullien	(Resigned 26 January 2024)

Company secretary	Rachel Lindley
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Auditor	WMT 4 Beaconsfield Road St Albans Hertfordshire AL1 3RD
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Bankers	Metro Bank PLC One Southampton Row London WC1B 5HA
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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2023

Objectives and activities

a Policies and objectives

Five Talents UK Limited's ("Five Talents", "Five Talents UK" or the "Charity") mission is to transform lives through economic empowerment. Our vision is to eradicate extreme poverty by restoring human dignity and creating strong, sustainable communities.

In setting our objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance "Public benefit: running a charity (PB2)".

b Activities undertaken to achieve objectives

Five Talents UK is part of the Five Talents "family" of organisations (being Five Talents USA, Five Talents Kenya and Five Talents International, collectively with Five Talents UK, the "Five Talents Family"). Working through a number of local partners, Five Talents establishes savings and loans groups and delivers literacy, financial literacy and business skills training in rural communities in east and central Africa, Myanmar and Bolivia. Members of our programmes can access a safe place to save, small loans to invest in their businesses, and the skills to use them well, often for the first time. The increased profits they generate enable them to feed and educate their families and improve their standard of living, sustainably. Literacy and numeracy skills alongside financial and business skills training enables members to increase their agency and voice, with many women (the majority members of Savings Groups) reporting improved relationships in the home and community and taking up leadership positions for the first time.

Five Talents collects regular data, both quantitative and qualitative, to measure the impact of our programmes. In 2022, we developed a new Theory of Change which sets out clearly the changes we hope to see, how we will achieve them and how we will measure success.

c Grant making policies

Five Talents UK works with the rest of Five Talents Family to identify suitable microenterprise partners to work with in low-income countries. A Memorandum of Understanding is signed with each partner annually. Grants are made quarterly according to an annual budget and are only released once satisfactory reports on financial and social performance during the previous quarter have been received and approved by the UK office. The Memoranda of Understanding include requirements for partners to comply with Anti-Bribery and Safeguarding Policies. In 2023, Five Talents programme team members and partners met for an extended safeguarding training in Kampala, Uganda.

d Volunteers

The work of Five Talents is greatly enhanced by the efforts of a number of enthusiastic and dedicated volunteers who mainly work in the UK, for example speaking at events for us in their local region and / or promoting Five Talents at conferences and festivals. We are grateful to all of our volunteers.

e Main activities undertaken to further the Company's purposes for the public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The Trustees believe that the activities undertaken in the year for achieving the objectives of the Charity have met the public benefit requirement.

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Year ended 31 December 2023

Achievements and performance

a Key performance indicators

In 2022, Five Talents UK and the rest of the Five Talents Family developed an organisation-wide five-year growth plan. It set the following objectives:

- Grow programmes effectively by adapting to each local context
- Increase growth in new members each year by 20%
- Start new programmes in three "new frontier" countries
- Grow Five Talents and partner capacity to implement programmes
- Grow Five Talents' global revenue to \$4.5m per year by 2027

The first four objectives are focused on programmes, and the UK members of Five Talents' Global Programme Team continue to work towards these. However, the majority of our UK staff time and effort is focused on growing income; we break this down into two goals of 'fundraising' and relatedly 'tell the world' (so that we can reach new audiences / supporters). As our total income target grows, we must keep finding new givers in each category (Trusts / Foundations, regular givers, major donors, churches, companies) as well as maintaining existing ones. So, for each category, we have dual objectives against which we measure ourselves: nurturing existing relationships and seeking out and attracting new relationships.

b Review of activities

Five Talents UK continued to expand throughout 2023, achieving its growth objectives in this, the first of five years of planned strategic expansion.

Our primary measure of success is the impact of partner programmes, for example: more members joining our Savings Groups; more women completing the training schemes that empower them to become entrepreneurs; and more families eating well in households that are more resilient.

In 2023 the Five Talents Family remained active in nine countries: Bolivia, Burundi, Democratic Republic of Congo, Kenya, Myanmar, Rwanda, South Sudan, Tanzania and Uganda.

We are grateful to the many partnerships that help deliver programmes to communities in all these nations. In 2023 we saw growth across all these programmes, with new members joining and new Savings Groups starting. The cost-of-living crisis, climate change and conflicts in many places where we work drove increased demand as more communities saw the value of having savings for a crisis, access to loans to re-start businesses, skills training to diversify and a supportive community group for tough times. In 2023 our programme partners were able to support 32,686 members in 1,283 Groups. The number of new members joining programmes in 2023 totalled 11,144.

In 2023 we launched new programmes in the Diocese of Wandí, South Sudan, and in the Tsavo National Conservancy, Kenya.

Independent research on impact

In 2023 we also published the results of an independent longitudinal evaluation of our work in Burundi (delivered by the Mothers' Union Burundi in partnership with Five Talents). The report helped to demonstrate the positive impact of the programme over the past decade or more, for example:

- Over 144,000 people (78% women) have learned to read and write and now have a formal literacy qualification - this accounts for 2.9% of the adult literate population in Burundi.

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Year ended 31 December 2023

- Over 6,200 Savings Groups formed; about half of these were established with direct support from the programme, the other half formed organically as members and communities recognised the value and impact of these Groups.
- In 2006, only 15% of the female programme participants owned productive assets including land and cattle. Seventeen years later: 91% were able to buy goats or pigs; 81% were able to diversify their livelihoods and/or businesses; 71% were able to buy a mobile phone; 52% were able to buy land; and 33% were able to buy cattle.
- Almost all Savings Group members now employ at least one other person, and over a third of female participants and nearly half of male participants have started businesses which now employ 2 or more people.

The evaluation provides compelling insights into the effectiveness of Literacy and Savings Groups, and a strong validation of Five Talents' work, and that of our programme partners. The launch of the evaluation attracted strong interest including press coverage.

We continue to hear compelling stories of the impact of programmes from all of our partner programmes. For example, a member, Danielle, in Rwanda shares:

"During COVID, my husband lost his job, as he was working casual labour on a daily wage. We had to figure out what to do to support our family. I had never been part of a Savings Group, but I was invited to join. I came to the Group crying as my husband was traumatised from losing his job. I joined the Group and started a business to support my family."

Through her Savings Group, Danielle started a sorghum (a type of grain) business. She buys sorghum from farmers and then makes a non-alcoholic sorghum beer (similar to rootbeer), selling it at a profit. Danielle was able to expand her business with a loan to buy a larger stock of sorghum. Through her efforts, she has now grown her capital and plans to expand the business further and improve her home - she is already making the bricks to do just that.

"From the Group, I was also able to take out a loan to buy a goat," she says. "I also have a cow, since the government gave cows to many households who were poor. Through the Group, I learned to work hard, to socialise... I used to be so shy and couldn't speak in front of others, but now I can even lead a Bible study."

With income totalling £1,433,956, grants to programme partners were higher than ever before in Five Talents' history, at £884,906. As these results demonstrate, investments made in 2022, including the expansion of the staff team, bore considerable fruit in 2023.

Five Talents celebrated its 25th anniversary in 2023, with activities in the UK focused on both this and on increasing our income and raising the profile of our work. Events to mark the anniversary were held throughout the year, including an event at which our Patron, the Archbishop Justin Welby, and Mrs Caroline Welby, spoke. Other events were held at the Tower of London, the Reform Club and the Grocers' Hall.

We are also committed to our journey of shifting power and decolonising development, with steps taken reviewed regularly and updates published annually on our website (see [here](#)).

In line with our environmental policy, we minimise international travel and mitigate the climate impact of flights we have to take for our work. We have calculated the carbon cost of all flights taken in 2023 by staff working for the charity and will be making a donation in 2024 to an appropriate environmental

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charity. A donation of £966 was made in 2023, to offset the carbon emissions of flights taken in 2022. This covered the cost of planting 276 trees.

c Factors relevant to achieve objectives

With the communities that Five Talents and our programme partners serve under considerable pressure due to the cost-of-living crisis, ongoing climate change and conflict in many places, and in order to achieve the targets set out in our strategic growth plan, the Five Talents staff team grew from 5.4 full-time employees (FTE) in mid-2022 to 9 FTE by mid-2023. This has led to an increase in operating costs in 2023. However, it has also increased the capacity of our team to fundraise, as demonstrated by record income and grants to programmes in 2023.

d Fundraising activities

Total income and total grants made to programmes were both at all time high levels of £1,433,956 and £884,906 (2022: £1,212,321 and £811,694). As the climate for fundraising in the UK remains challenging, we are delighted with these results. The Trustees view the total grants to programme partners for the delivery of our charitable programmes as the most important figure, as it enables Five Talents to achieve its charitable objectives.

We continue to enjoy reasonably strong diversification across our income streams and remain incredibly grateful to all our loyal donors for their generous giving. This giving was sustained throughout 2023, and we witnessed some significant uplift in support too. We are very thankful to the many individual donors who support Five Talents generously, and to the growing number of charitable trusts and foundations that made grants to the charity in 2023, enabling us to expand our partner programmes.

The Charity does not work with professional fundraisers. The Charity's fundraising was not bound by any voluntary regulating scheme or standard during the year. No complaints were received in respect of the Charity's fundraising activities. The Charity has taken reasonable steps to ensure that the public was protected from behaviour which may be unreasonably intrusive, persistent or have placed undue pressure on a person to give money.

Financial review

a Financial review and going concern

The total incoming resources for the year were £1,433,956 (2022: £1,212,321). Total resources expended were £1,392,729 (2022: £1,192,813). At 31 December the charity held fund balances of £564,918 (2022: £523,691) which was made up of restricted funds of £287,021 (2022: £299,249) and unrestricted funds of £277,897 (2022: £224,442).

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

b Reserves Policy

The Trustees' Reserves Policy was amended in May 2020 due to the COVID pandemic; the Trustees decided to increase the level of reserves, maintaining between 4- and 6-months' non-grant expenditure in unrestricted reserves (previously it had been between 3 to 6 months), in order to cover the charity for unexpected monthly fluctuations in income. Despite economic uncertainty, Five Talents income has

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grown in recent years and so a decision was taken by the Trustees in February 2023 to return the level of reserves to 3-6 months' non-grant expenditure.

The level of unrestricted reserves as at 31 December 2023 was at the higher end of our policy range for 2023, reflecting increased income. Having regard to Five Talents increased operating costs, it is noted that unrestricted reserves will need to increase in line with the Reserves Policy.

c Principal risks and uncertainties including Risk Management

The Trustees assess the principal risks on the risk register, which are an inability to raise sufficient income to finance planned activities; cyber security (including the failure to comply with GDPR), reliance on partners in east and central Africa to deliver programmes, compliance with regulatory requirements in the UK and by partners in Africa, political unrest or instability in our operational areas, safeguarding, and/or negative press coverage in other parts of the charity sector which negatively affect Five Talents.

Principal funding risk: In 2023 just over half of our income came from individual giving, including regular giving, gifts to our Christmas appeal and Gift Aid. Approximately 40% our income came from grants from trusts and foundations and the balance came from gifts from churches and sponsored events.

In the UK, a drop in fundraising income due to the wider challenges in the UK economy remains the highest risk. We actively monitor our fundraising KPIs closely so that we can seek to mitigate the loss of regular giving income if need be. For our partners in eastern and central Africa, the long-term economic effects of the coronavirus outbreak 2019-20 as well as climate change, conflict and the cost-of-living crisis continue to be felt. This makes our work all the more urgent.

Other risks: The charity has undertaken a series of training and mitigations on cyber security in 2023 to help reduce the risk of a data breach.

Specifically, regarding financial risk management, the Co-CEOs, Chair and Treasurer review the management accounts every month and the Board reviews them at quarterly meetings.

The Risk Assessment for UK risks was reviewed at a Board meeting in October 2023. The Programme Risk Register was reviewed by the Programme Quality Committee in September 2023 and Risk Management was also considered by the Five Talents International Board in October 2023.

d Plans for future periods

In 2024, our work will focus on priorities including:

- Growth in grants to programmes, enabling more members to experience the benefits of Literacy and Savings Groups.
- Further uplift in income, and an extension of work with the Five Talents Family and programme partners, as we continue to pursue our five-year strategic growth plans.
- Strategic events, activities and communications, to raise Five Talents profile amongst donors.

In October 2023, following a tender process, a decision was taken by the Trustees to appoint a new firm, Williamson Morton Thornton 'WMT' LLP, as the charity's auditor.

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Year ended 31 December 2023

Structure, governance and management

a Constitution

Five Talents UK Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 14 November 2005. It is a registered charity number 1113969.

The company was incorporated on 1 December 2005 and commenced trading on that date.

b Methods of appointment or election of Trustees

The process of recruitment, appointment and induction is outlined below:

1. The skills and lived experience required of any potential new candidates are identified and agreed by the existing Trustees in consultation with the Co-CEOs/Executive Team.
2. Vacancies are advertised openly - and specifically in media which are appropriate to the skills and experiences needed and can help ensure the advertisement is seen by a diverse range of people.
3. Prospective Trustees are invited to meet existing Trustees and the Executive Team to explore the appointment. They are given documents outlining the responsibilities of charity Trustees and the activities and plans of the charity. Informal interviews may be conducted.
4. Nominees are discussed at a Trustee meeting or sub-group meeting and a vote held to appoint or not.

Successful candidates are invited to the office for induction. They are encouraged to make an overseas visit to one of the microenterprise programmes where appropriate.

In 2020, we undertook a wide-ranging review of our Diversity and Inclusion Policies and practice based on the Black Lives Matter movement and Charity So White movement, and we committed to learn more about systemic racism, specifically racism in the international development sector. As a result, our UK board members have resolved to work towards having at least 20% of Board positions held by people from ethnic minorities (especially but not exclusively) from countries where we work and at least 50% of the board being women. The new appointments made in the late 2021 / early 2022 move us towards this target although we recognise that addressing structural inequities is an ongoing journey.

c Policies adopted for the induction and training of Trustees

There is a Trustee induction programme covering roles and responsibilities of the Board and the executive team, background information about the charity, policies and procedures, aims and objectives for the current period etc.

d Charity's wider network

Five Talents UK is a member of BOND, the Financial Inclusion Forum and Partners for World Mission. BOND is a source of best practice and peer networking within the international development sector whilst the Financial Inclusion Forum allows sharing of learning on microfinance and Partners for World Mission helps Five Talents network with other Christian development charities.

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Year ended 31 December 2023

e Related party relationships

This is disclosed in the Related Parties note in the accounts.

f Governance

The Trustees of the charity take all decisions at Quarterly Board meetings. The Executive Team has regular meetings with the Chair for strategic guidance between meetings, and the Treasurer receives monthly management accounts.

In October 2023, a decision was taken by the Trustees to establish a Finance Committee to oversee financial reporting, the processes related to financial controls and the external audit process. With Five Talents having grown considerably in recent years, the Finance Committee will help to further strengthen Board oversight of this key area.

The Programme Quality Committee, a sub-Committee of Five Talents International, reviews all programme matters.

g Remuneration of key personnel

Five Talents operates a relatively flat pay structure, with pay for all staff in 2023 falling between £25,000 and £45,000 per annum. In 2020, a system of pay bands was introduced.

Pay proposals are reviewed annually and approved by the Board. Each staff member has an annual appraisal which may also inform any salary increase decisions. However, with just 9 staff, the team sees its successes and challenges as shared by the whole team. In 2023, pay bands were reviewed and pay awards were made across the team to recognise performance and increased cost of living caused principally by inflation.

A decision was taken by the Trustees in April 2023 to move to a Co-CEO structure, in order to provide increased leadership and delivery capacity during a season of strategic growth.

Trustees' responsibilities statement

The Trustees, who are also directors for the purposes of company law, are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP; and
- make judgments and accounting estimates that are reasonable and prudent.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the

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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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The Trustees' annual report was approved on 4 April 2024 and signed on behalf of the board of Trustees by:



Thomas Jones, Chair
Trustee

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Independent Auditor's Report to the Members of Five Talents UK Ltd *(continued)*

Year ended 31 December 2023

Opinion

We have audited the financial statements of Five Talents UK Ltd (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 Financial Reporting Standard 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 charitable company's affairs as at 31 December 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; 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 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 entity'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 annual report 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 to a material misstatement in the financial statements themselves. If, based on

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Independent Auditor's Report to the Members of Five Talents UK Ltd *(continued)*

Year ended 31 December 2023

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' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the and the directors' report included within the trustees' report 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 trustees' 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; or
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions 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, 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.

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 these financial statements.

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Independent Auditor's Report to the Members of Five Talents UK Ltd *(continued)*

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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.

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

Based on our understanding of its activities, the following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK Financial Reporting Standards (FRS 102), the Companies Act 2006, Charities SORP and SORP 2015.
- Employment Law
- Health and Safety

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to: inquiries of management as to whether the entity complies with such laws and regulations; inquiries with the same concerning any actual or potential litigation or claims; Inspection of relevant legal correspondence; review of board meeting minutes; testing the appropriateness of journal entries and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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Independent Auditor's Report to the Members of Five Talents UK Ltd *(continued)*

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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 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 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.

WMT.

Elizabeth Wicks (Senior Statutory Auditor)

For and on behalf of
WMT
Chartered accountants & statutory auditor
WMT
4 Beaconsfield Road
St Albans
Hertfordshire
AL1 3RD

Date: 5 April 2024

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Statement of Financial Activities (Including income and expenditure account)

Year ended 31 December 2023

		Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds As restated £
	Note				
Income and endowments					
Donations and legacies	5	756,787	668,329	1,425,116	1,211,211
Investment income	6	8,714	–	8,714	1,003
Other income	7	126	–	126	107
Total income		<u>765,627</u>	<u>668,329</u>	<u>1,433,956</u>	<u>1,212,321</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	176,672	–	176,672	127,703
Expenditure on charitable activities	9,10	535,500	680,557	1,216,057	1,065,110
Total expenditure		<u>712,172</u>	<u>680,557</u>	<u>1,392,729</u>	<u>1,192,813</u>
Net income / (expenditure) and net movement in funds		<u>53,455</u>	<u>(12,228)</u>	<u>41,227</u>	<u>19,508</u>
Reconciliation of funds					
Total funds brought forward (as restated)		224,442	299,249	523,691	504,183
Total funds carried forward		<u>277,897</u>	<u>287,021</u>	<u>564,918</u>	<u>523,691</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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

Five Talents UK Ltd

Company Limited by Guarantee

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 As restated £
Fixed assets			
Tangible fixed assets	19	813	1,669
Current assets			
Debtors due within one year	20	50,838	99,615
Investments	21	166,921	—
Cash at bank and in hand		362,447	437,589
		<u>580,206</u>	<u>537,204</u>
Creditors: amounts falling due within one year	22	<u>16,101</u>	<u>15,182</u>
Net current assets		<u>564,105</u>	<u>522,022</u>
Total assets less current liabilities		<u>564,918</u>	<u>523,691</u>
Net assets		<u>564,918</u>	<u>523,691</u>
Funds of the charity			
Restricted funds		287,021	299,249
Unrestricted funds		<u>277,897</u>	<u>224,442</u>
Total charity funds	24	<u>564,918</u>	<u>523,691</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006.

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

These financial statements were approved by the board of Trustees and authorised for issue on 4 April 2024, and are signed on behalf of the board by:



Thomas Jones, Chair
Trustee



Richard Gray, Treasurer
Trustee

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

Five Talents UK Ltd

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2023

	2023 £	2022 As restated £
Cash flows from operating activities		
Net income / (expenditure)	41,227	19,508
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	856	656
Dividends, interest and rents from investments	(1,932)	—
Other interest receivable and similar income	(6,782)	(1,003)
Accrued expenses / (income)	49,770	(86,282)
<i>Changes in:</i>		
Trade and other debtors	(74)	—
Cash generated from operations	83,065	(67,121)
Interest received	6,782	1,003
Net cash from / (used in) operating activities	<u>89,847</u>	<u>(66,118)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	1,932	—
Purchase of tangible assets	—	(1,063)
Purchases of other investments	(166,921)	—
Net cash used in investing activities	<u>(164,989)</u>	<u>(1,063)</u>
Net decrease in cash and cash equivalents	(75,142)	(67,181)
Cash and cash equivalents at beginning of year	437,589	504,770
Cash and cash equivalents at end of year	<u>362,447</u>	<u>437,589</u>

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

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Mary Sumner House, 24 Tufton Street, London SW1P 3RB.

Five Talents UK Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, "The Financial Reporting Standard applicable in the UK and the Republic of Ireland", the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in sterling, which is the functional currency of the entity. All balances are rounded to the nearest £1.

Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. In making this decision the Trustees considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The Trustees consider that there are no judgements (apart from those involving estimations) that management have made in the process of applying the entity's accounting policies and that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The Trustees consider that there are no key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Fund accounting

General or unrestricted funds are available for use at the discretion of the Trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- Legacy income is recognised when receipt is probable and entitlement is established.
- Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- Income tax recoverable in relation to donations received under Gift Aid or Deeds of covenant is recognised at the same time as the donation to which it relates. This is a change in policy and has resulted in a prior year adjustment as discussed below (see note 18 below).
- Income in relation to investment income is recognised at the time the investment income is receivable.

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure is classified by activity. The costs of each activity are made up of the total direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of estimated time spent, and depreciation charges allocated on the portion of the asset's use.

- Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:
- Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Tangible assets

Tangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

- Equipment - 33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Debtors

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

Cash at bank and in hand

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

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Defined contribution pension plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

Five Talents UK Limited is incorporated as a company limited by guarantee not having any share capital. The members of the company are the Trustees named on page 1. In the event of the company being wound up the liability in respect of the guarantee is limited to £10 per member of the company.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations - Individuals	417,841	334,906	752,747
Donations - Trusts, foundations & corporates	294,338	323,959	618,297
Donations - Sponsored events, churches & schools	44,608	9,464	54,072
	<u>756,787</u>	<u>668,329</u>	<u>1,425,116</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

5. Donations and legacies *(continued)*

	Unrestricted Funds As restated £	Restricted Funds As restated £	Total Funds As restated 2022 £
Donations			
Donations - Individuals	354,171	348,558	702,729
Donations - Trusts, foundations & corporates	154,413	284,102	438,515
Donations - Sponsored events, churches & schools	45,988	23,979	69,967
	<u>554,572</u>	<u>656,639</u>	<u>1,211,211</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Income from other investments	1,932	1,932	—	—
Bank interest receivable	6,782	6,782	1,003	1,003
	<u>8,714</u>	<u>8,714</u>	<u>1,003</u>	<u>1,003</u>

7. Other income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other income	126	126	107	107

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Wages and salaries	125,225	125,225	90,367	90,367
Employer's NIC	11,054	11,054	7,336	7,336
Pension costs	12,006	12,006	9,037	9,037
Other (e.g., travel costs)	7,020	7,020	—	—
Administrative fees	9,085	9,085	8,856	8,856
Conference and event costs	12,282	12,282	12,107	12,107
	<u>176,672</u>	<u>176,672</u>	<u>127,703</u>	<u>127,703</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Direct Activities	446,090	680,557	1,126,647
Support costs	89,410	–	89,411
	<u>535,500</u>	<u>680,557</u>	<u>1,216,057</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct Activities	322,696	670,148	992,845
Support costs	72,266	–	72,267
	<u>394,962</u>	<u>670,148</u>	<u>1,065,112</u>

The figure of £680,557 (2022: £670,148) shown above under Restricted Funds includes restricted grants of £596,861 (2022: £604,382). The figure of £446,090 (2022: £322,696) includes unrestricted grants of £266,370 (2022: £172,506) and other programme expenditure of £nil (2022: £8,760). The total grants, both unrestricted and restricted, are summarised in Note 13 together with UK programme management costs of £83,697 (2022: £65,768).

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2023 £
Direct Activities	158,135	968,512	43,793	1,170,440
Governance costs	–	–	45,617	45,617
	<u>158,135</u>	<u>968,512</u>	<u>89,410</u>	<u>1,216,057</u>
	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2022 £
Direct Activities	106,625	886,220	36,343	1,029,188
Governance costs	–	–	35,924	35,924
	<u>106,625</u>	<u>886,220</u>	<u>72,267</u>	<u>1,065,112</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

11. Analysis of support costs

	Activities £	Total 2023 £	Total 2022 £
Premises	10,720	10,720	13,400
Communications and IT	304	304	455
General office	1,859	1,859	1,372
Finance costs	451	451	289
Governance costs	45,617	45,617	35,922
Insurance	275	275	260
Depreciation	856	856	656
Travel and entertainment	1,749	1,749	2,925
Training and conference fees	4,765	4,765	932
Miscellaneous expenditure	1,538	1,538	1,493
Books, journals and subscriptions	8,944	8,944	7,497
Equipment	2,061	2,061	1,113
Bookkeeping	5,250	5,250	4,800
Payroll and pension administration costs	1,942	1,942	1,798
Support costs - Other costs type 10	3,079	3,079	–
	<u>89,410</u>	<u>89,410</u>	<u>72,912</u>

12. Governance costs

	2023 £	2022 £
Wages and salaries	25,438	21,853
Employers' National Insurance	2,245	1,774
Pension Costs	2,439	2,185
Insurance	651	532
Accountancy fees	2,126	1,610
Audit fees	10,620	7,910
Costs of Trustees' meetings	152	58
Other costs	1,946	–
Total	<u>45,617</u>	<u>35,922</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

13. Grants to institutions

	2023 £	2022 £
Grants to institutions		
Five Talents Kenya	74,873	77,818
Kenya - Kericho CDT	25,511	38,000
Kenya - WECODET (Western Kenya)	58,500	72,000
Kenya - Baringo CDT	59,524	48,100
Kenya - Marsabit AMWEP	58,650	55,256
Tanzania - Morogoro OMC	64,673	55,000
Tanzania - Mothers' Union VICOBA	80,290	63,549
Democratic Republic of Congo - Diocese of Aru / Mothers' Union	94,728	84,962
Uganda - Karamoja	55,235	52,746
Burundi - Mothers' Union	96,458	85,118
South Sudan - Bahr el Ghazal and Mothers' Union in Dioceses of Juba, Renk, Terekeka & Wandí	92,966	58,273
Rwanda	65,000	55,326
Kenya – Mombasa	36,913	30,741
 Total grants	 <u>863,321</u>	 <u>776,889</u>

In addition to the grants shown above, grants of £21,585 (2022: £34,805) were made from unrestricted funds to assist in Programme training and support, funding a workshop for all partners on safeguarding and monitoring, evaluation and learning. (2022: workshops, evaluations and for consultants). This gives a total grants figure of £884,906 (2022: £811,694).

14. Net income/(expenditure)

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

	2023 £	2022 £
Depreciation of tangible fixed assets	<u>856</u>	<u>656</u>

15. Auditors remuneration

	2023 £	2022 £
Fees payable for the audit of the financial statements	<u>10,620</u>	<u>7,910</u>

Other non-audit services of £Nil (2022: £Nil) were charged in the year.

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

16. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023	2022
	£	£
Wages and salaries	325,758	215,310
Social Security costs	28,755	17,478
Employer contributions to pension plans	31,197	21,531
Total	<u>385,710</u>	<u>254,319</u>

No employee received employee benefits of more than £60,000 during the year (2022: nil).

The average head count of employees during the year was 9 (2022: 7). The average number of full-time equivalent employees during the year was as follows:

	2023	2022
	£	£
Fundraising	3	3
Charitable operations	6	4
	<u>9</u>	<u>7</u>

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to the now three relevant employees (2022: two employees), including pensions and National insurance, for services provided to the charity was £139,826 (2022: £96,494).

17. Trustee remuneration and expenses

During the year no Trustees received any remuneration or other benefits (2022: £Nil)

During the year expenses totalling £Nil (2022: £nil) were reimbursed or paid directly to the Trustees for travel.

18. Prior Year adjustment

Income and accrued income have been restated in the prior year in relation to Gift Aid receivable.

Gift Aid totalling £39,950 that related to the financial year ending 31 December 2022 was received and initially recognised in 2023. The Charities SORP states that Gift Aid on donations should be treated as receivable at the time the original donation was received. As such, a prior year adjustment has been made to recognise the Gift Aid in the appropriate year.

The impact of the adjustment on the prior year is as follows:

Increase in accrued income:	£39,950
Increase in reserves:	£39,950
Increase in income:	£39,950

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

19. Tangible fixed assets

	Equipment £
Cost	
At 1 January 2023 and 31 December 2023	<u>2,854</u>
Depreciation	
At 1 January 2023	1,185
Charge for the year	856
At 31 December 2023	<u>2,041</u>
Carrying amount	
At 31 December 2023	<u>813</u>
At 31 December 2022	<u>1,669</u>

20. Debtors due within one year

	2023 £	2022 As restated £
Prepayments and accrued income	50,764	99,615
Other debtors	74	—
	<u>50,838</u>	<u>99,615</u>

21. Investments

	2023 £	2022 £
Other investments	<u>166,921</u>	<u>—</u>

In June 2023 Five Talents invested £170,000 of the Charity's reserves into The Charity Assets Trust Collective Investment scheme managed by Ruffer LLP. In the year the value of the investment fell by £3,079 (excluding dividend payments). The decision to make this investment was taken by the Trustees to reduce the risk of holding these funds as cash on account and to steward well the charity's assets, securing a return on investment.

22. Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	<u>16,101</u>	<u>15,182</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

23. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £31,197 (2022: £21,531).

Contributions totalling £Nil (2022: £Nil) were payable to the fund at the balance sheet date.

24. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2023 £	Income £	Expenditure £	At 31 Dec 2023 £
General funds	224,442	765,627	(712,172)	277,897

	At 1 Jan 2022 £	Income £	Expenditure £	At 31 Dec 2022 As restated £
General funds	191,425	555,682	(522,665)	224,442

Restricted funds

	At 1 Jan 2023 £	Income £	Expenditure £	At 31 Dec 2023 £
Kenya - General	8	5,600	(5,608)	-
Kenya - Kericho	1,277	21,000	(22,277)	-
Kenya - WECODET	18,858	37,284	(26,006)	30,136
Kenya - Marsabit	8,658	70,090	(65,066)	13,682
Tanzania - Morogoro OMC	10,732	42,780	(43,342)	10,170
Tanzania - VICOPA	13,809	23,500	(34,437)	2,872
Democratic Republic of Congo	75,965	55,520	(105,816)	25,669
Uganda - Karamoja	39,932	35,957	(66,639)	9,250
Burundi	43,486	40,896	(83,237)	1,145
Myanmar	-	250	-	250
Bolivia	1,316	1,879	-	3,195
South Sudan	37,815	161,370	(37,328)	161,857
Kenya - Baringo	4,964	15,000	(19,964)	-
Kenya - Mombassa	31,954	17,000	(43,419)	5,535
Rwanda	10,475	76,703	(69,625)	17,553
South Sudan - Wandu	-	37,500	(37,343)	157
South Sudan - Terekeka	-	26,000	(20,450)	5,550
	299,249	668,329	(680,557)	287,021

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

	At 1 Jan 2022	Income	Expenditure	At 31 Dec 2022 As restated
	£	£	£	£
Kenya - General	21,505	7,450	(28,947)	8
Kenya - Kericho	22,069	21,000	(41,792)	1,277
Kenya - WECODET	16,166	60,484	(57,792)	18,858
Kenya - Marsabit	19,334	48,372	(59,048)	8,658
Tanzania - Morogoro OMC	6,195	43,283	(38,746)	10,732
Tanzania - VICOBA	25,679	17,000	(28,870)	13,809
Democratic Republic of Congo	13,024	143,023	(80,082)	75,965
Uganda - Karamoja	41,910	47,406	(49,384)	39,932
Burundi	94,324	40,465	(91,303)	43,486
Myanmar	—	—	—	—
Bolivia	101	1,215	—	1,316
South Sudan	2,133	95,941	(60,259)	37,815
Kenya - Baringo	28,831	16,000	(39,867)	4,964
Kenya - Mombassa	21,487	45,000	(34,533)	31,954
Rwanda	—	70,000	(59,525)	10,475
South Sudan - Wandí	—	—	—	—
South Sudan - Terekeka	—	—	—	—
	<u>312,758</u>	<u>656,639</u>	<u>(670,148)</u>	<u>299,249</u>

General funds

These represent the free funds of the Charity which are available to meet its policies and objectives as set out in the Trustees' Report and are not designated for particular purposes.

Restricted funds

Donations restricted for funding the cost of specific Five Talents programmes in the countries and regions listed above.

25. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	813	—	813
Current assets	310,787	269,418	580,205
Creditors less than 1 year	(16,082)	(18)	(16,100)
Net assets	<u>295,518</u>	<u>269,400</u>	<u>564,918</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 As restated £
Tangible fixed assets	1,669	—	1,669
Current assets	235,757	301,447	537,204
Creditors less than 1 year	(11,702)	(3,480)	(15,182)
Net assets	<u>225,724</u>	<u>297,967</u>	<u>523,691</u>

Five Talents UK Ltd

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

26. Prior year statement of financial activities as restated

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Donations and legacies	554,572	656,639	1,211,211
Investment income	1,003	–	1,003
Other income	107	–	107
Total income	555,682	656,639	1,212,321
Expenditure on raising funds:			
Costs of raising donations & legacies	127,703	–	127,703
Expenditure of charitable activities	394,962	670,148	1,065,110
Total expenditure	522,665	670,148	1,192,813
Net (expenditure) / income	33,017	(13,509)	19,508
Total Funds brought forward	191,425	312,758	504,183
Total Funds carried forward	224,442	299,249	523,691

27. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2023 £	2022 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	571,709	497,256
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	16,101	15,152

28. Analysis of changes in net debt

	At 1 Jan 2023 £	Cash flows £	At 31 Dec 2023 £
Cash at bank and in hand	437,589	(75,142)	362,447
Current asset investments	–	166,921	166,921
	437,589	91,779	529,368

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

29. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	<u>5,360</u>	<u>6,253</u>

30. Related parties

Five Talents International

Five Talents International is the organisation that owns the rights to the "Five Talents" name. Up to 3 members representing Five Talents UK Ltd sit on the board of Five Talents International. No transactions have taken place in the period and no amounts are outstanding at the end of the year.

Five Talents US

Five Talents US is classed as a member organisation of Five Talents International. During the year Five Talents UK paid £93,648 (2022: £58,273) to Five Talents US for projects in South Sudan.

Five Talents Kenya

Five Talents Kenya is a member of the Five Talents Family, formed in 2016 to help replicate programmes in Kenya. During the year £75,890 (2022: £77,818) was paid to Five Talents Kenya for the overseeing and supporting projects in Kenya.

During the year, Trustees made donations to Five Talents totalling £9,995 (2022: £40,196). There were no conditions attached which required the charity to significantly alter the nature of its existing activities.