

MUSTARDSEED TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

MUSTARDSEED TRUST

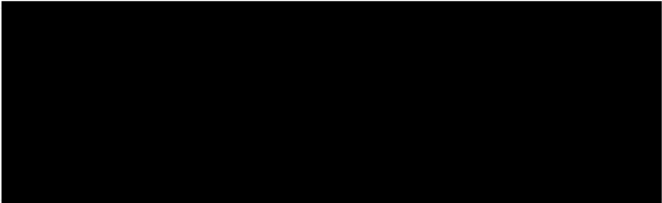
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MUSTARDSEED TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024**

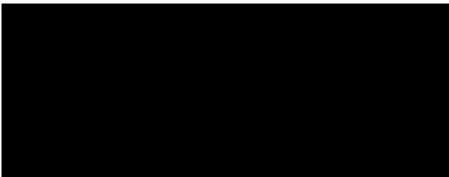
Trustees



**Charity registered
number**

SC042311

Principal office



Independent auditor

Anderson Anderson & Brown Audit LLP
Statutory Auditor
Prime Four Business Park
Kingshill View
Kingswell Causeway
Aberdeen
AB15 8PU

MUSTARDSEED TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present this annual report with the narrative annual report and the financial statements of the Mustardseed Trust Charity (hereafter called the Charity) for the year ended 31 December 2024.

The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

• Constitution

We envision a world in which all beings live in harmony with the web of life, fostering health, fulfilment, and resilience for all.

Mustardseed Trust's mission is to empower individuals and organisations to create economic systems rooted in partnership — systems that regenerate and nurture life rather than deplete it.

To realise this mission, Mustardseed Trust operates in the following ways:

- **Financial Support:** We provide grants through a continuum of giving, loaning, and impact investing.
- **Knowledge Cross-Pollination:** We enable the exchange of ideas, practices, and networks — for example, through events and learning environments such as the Jamboree.
- **Visibility and Connectivity:** We offer platforms for partners to share their work, attract capital, and connect with aligned funders and resources.

• Methods of appointment or election of Trustees

The Trustees are appointed in accordance with the Trust deed. The Trustees shall never be less than three or never be more than seven in number. The Board recognises the diversity of opinion and expertise provided by its individual members.

• Organisational structure and decision-making policies

The Trustees constitute the Board of Trustees, the main governance body. There are two active committees: The Program Committee and The Finance and Admin Committee. The Board of Trustees has installed an Executive Team under leadership of the Managing Director.

• Policies adopted for the induction and training of Trustees

New Trustees joining the Board are provided with induction information and given an appropriate briefing on their obligations under Charity and company law, as well as the contents of the Trust deed. Trustees are provided with a copy of the Office of Scottish Charity Regulator's (OSCR) 'Guidance and Good Practice for Charity Trustees' and all current Trustees have received briefing sessions relating to their duties under the Charities and Trustee Investment (Scotland) Act 2005.

Although most new Trustees are already familiar with the work of the Charity, in addition, they are encouraged to discuss governance and other Charity operational matters with long standing board members. Areas covered include:

- The obligations of the Trustees;
- The legal and operational framework of the Charity;
- The current financial position of the Charity;
- The future plans for the charity and the proposed operational strategy.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

• Pay policy for key management personnel

Any remuneration is based on the market rate for like services.

• Management

Mustardseed Trust governs the Charity (management and day to day operations) according to the operations manual, the constitution and the OSCR guidelines. The Trustees have appointed a Managing Director in charge of the daily management of the Trust. She prepares workplans, budget and half year reports for approval by the Trustees. She also coordinates the work of the external auditors who produce annual financial statements for the Trustees 'approval.

OBJECTIVES AND ACTIVITIES

• Policies and objectives

The Charity makes grants to many different organisations for the following purposes:

- The prevention or relief of poverty;
- The advancement of education;
- The advancement of health;
- The saving of lives;
- The advancement of citizenship or community development;
- The advancement of the arts, heritage, culture or science;
- The advancement of public participation in sport;
- The provision of recreational facilities to enhance quality of life
- The advancement of human rights, conflict resolution or reconciliation;
- The promotion of religious or racial harmony;
- The promotion of equality and diversity;
- The advancement of environmental protections or improvement;
- The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

More information on our work and partners can be found at:

www.mustardseedtrust.org.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

OBJECTIVES AND ACTIVITIES (continued)

● How the trust plans to achieve its objectives and aims

At the start of 2024, Mustardseed Trust continued supporting social and economic entrepreneurs who are developing Regenerative Food Systems; particularly in East Africa, Latin America, and Scotland.

In February 2024, the Trust pledged a significant endowment to African Rural University (ARU), marking a milestone in their journey to becoming a chartered university. This strategic commitment prompted deep reflection among the trustees regarding the Trust's long-term purpose and operational model.

Historically, Mustardseed has been committed to purpose over preservation, with no inherent concern for institutional longevity. In the context of increasing global crises ("polycrisis") and the urgent need to mobilise capital for systemic transformation, the trustees recognised a growing imbalance between available funds and operational overhead.

As a result, in April 2024, the trustees made the bold and values-aligned decision to accelerate the disbursement of funds with a Flowering strategy and begin the process of winding down active operations and its programmatic activities. This resulted in the approach of accelerated giving, When done thoughtfully, can catalyse meaningful and lasting systems change in alignment with the Trust's vision. It was also agreed that after five years, the impact of the new strategy will be researched. The findings will be presented to the partners and philanthropists in a jamboree form.

● Measuring Success

Mustardseed Trust does not implement projects directly. Instead, our impact is achieved through partnerships — by enabling others to lead transformative work.

Success is measured through:

- Partner reports: Regular updates on activities, outcomes, and learning
- Site visits and dialogue: Ongoing engagement to understand challenges, celebrate successes, and offer tailored support
- Alignment to strategic goals: Assessment of whether the supported initiatives are contributing to system-level transformation in care economies and regenerative food systems

Even as Mustardseed transitions, this impact-led and trust-based approach to philanthropy remains central to our ethos and practice.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

OBJECTIVES AND ACTIVITIES (continued)

• Strategic Objectives

In lieu of continuing the existing 2024 work plan, the Trust redirected its programme:

- Strengthen the impact of existing partners who are advancing the care economy, all in their unique ways; and
- Enable visionary leaders and entrepreneurs to build regenerative food systems rooted in community, ecology, and social-justice.

To achieve this, a five-round grantmaking structure was implemented through an internal, democratic process where all voices were heard:

- Round One: Smaller grants to existing partners with high impact potential
- Round Two: Larger grants to long-standing, high-capacity partners
- Round Three: Support for new partners aligned with the regenerative food systems strategy
- Round Four (Approved November 2024): Remaining liquid funds distributed to trusted partners deeply aligned with Mustardseed's values
- Round Five: Commitment to distribute any future proceeds from 2Enable to aligned partners after the Trust winds down

This structured and transparent approach ensured that the Trust's remaining assets are deployed with integrity, intention, and strategic clarity.

• Programmatic outcomes

The Trust continued to operate from a foundation of abundance and love for people and planet. Guided by our values and inspired by shared vision with partners, we enabled them to develop new systems and paradigms that makes obsolete those that are undermine our well-being, trust and happiness. For example:

- The grant to Fresh Ventures resulted in a successful second cohort graduates from their Regenerative Venture Building program.
- The grant to The Weather Makers resulted in a large scale mangrove restoration project in the Zambezi delta, near the city of Quelimane in Mozambique.
- Plans have been developed for a last gathering 'jamboree' in 2025, for final cross-pollination between partners.
- In February the MD and Impact investment manager visited RSFI forum in Brussel, resulting in a number of partnerships in the area of 'regenerative foodsystem'; the newly developed strategy of the MT.
- The African Rural University (ARU) received a significant endowment fund and commenced the construction of a Multiply Purpose Resource Centre. Unexpectedly, this grant resulted in the decision to wind up the operations of the Trust. This in turn resulted in an accelerated giving. Rather than a perception of 'ending', these grants boosted the development of our partners that will continue to cherish the Trust's values and work towards its vision of a world that works for every one.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

OBJECTIVES AND ACTIVITIES (continued)

• Organisational objectives

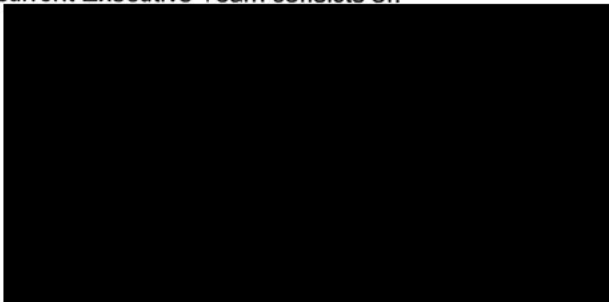
Outcome 1: After June 2025 Mustardseed Trust is able to move forward in an effective reduced form that meets the legal requirements.

The Trustees consulted the Trust's legal advisors how to effectively move the organisation into a reduced form, considering that some assets will remain with the charity for a couple of more years. In liaison with the legal advisors, the team produced a concept note to the Trustees how the 'reduced form' will function. This was discussed and implemented.

Outcome 2: Until June 2025, Mustardseed Trust winds-down with professional operational management

The Executive Team continued to observe all factors within and beyond Mustardseed to achieve its mission thereby informing the Board on its progress and lessons that may influence strategic decision making. The Team took lead to develop the strategic compass for Mustardseed's organizational direction, including the Partner and Investments strategies. Team members and the Chair increased their workload to cover for Maternity leave of the MD.

The current Executive Team consists of:



MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

OBJECTIVES AND ACTIVITIES (continued)

• Mustardseed Trust Partners

Mustardseed Trust partners who we supported in 2024 were:

- [REDACTED]
- URDT
- ARU
- Stichting de Roeper
- Centre for Partnership Studies
- Ecosystem restoration foundation
- Creabitat
- Initiatives of Change
- Berit Tiny House
- La Junquera
- Faith in leadership
- Dryland Solutions
- Basic income conversations
- Fresh Ventures
- The Healing Path
- URDT Girls school Uganda
- Rootical
- Friends of Ecosystem Restoration communities
- Grounded international
- Yagana
- Mutirao Agroflorestral
- Bath Workfree
- Regenerosity
- Fresh ventures
- MMCC Global
- Generation-Re
- Grassroots economics foundation
- The Weather Makers

ACHIEVEMENTS AND PERFORMANCE

FINANCIAL REVIEW

• Financial Position

The total reserves held as at 31 December 2024 were \$9,150,294 (2023: \$15,004,149).

In 2024 we supported 27 organisations with grants. A total of \$4,369,725 was disbursed to support our partners.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

● Reserves and investment policy

The Board of Trustees defines an operating reserve as unrestricted funds set aside to stabilise the organisation's finances in the event of unexpected circumstances.

Historically, Mustardseed Trust has maintained reserves to ensure its ability to meet charitable obligations over a two-year period. However, as the Trust enters a programmatic winding-down phase as far as its current giving is concerned, the previous reserve allocations have been replaced with budgeted allocations dedicated to essential activities that have been agreed upon by the Trustees from 2026 onwards.

After the strategic decision to accelerate giving, these reserves are being systemically and carefully drawn down. The remaining capital is classified as capital reserves. All transactions and balances are reviewed by Mustardseed's Finance and Administration Committee in accordance with oversight procedures.

Cash flow forecasts are updated regularly to ensure the Trust can meet its obligations throughout the transition period.

● Principal funding sources

The principal funding sources for Mustardseed Trust have been the returns generated from our its reserve capital hold at the UBS and the 2Enable partnership. It is expected that 2Enable will continue to provide long-term financial returns that can support charitable work, even after the Trust reduces its operational and programmatic scope by July 2025.

● Financial effects of significant events

Throughout 2024, Mustardseed Trust continued to use UBS as its investment manager. The investments made in prior periods were systematically liquidated to facilitate the distribution of grants and fulfil the Trust's commitment to disbursing its remaining assets to mission-aligned partners to increase their impact.

This marked a significant financial shift, reflecting the decision to accelerate giving and reduce operational activity.

● Principal risks and uncertainties

Mustardseed is a multi-jurisdictional entity which therefore increases the complexity of having legal compliance. Mustardseed also operates in areas that have religious and social conflict which conveys physical and emotional risks to its operatives. However, despite the complexities, the Charity managed to implement its workplan and fulfil its legal obligations.

● Factors affecting the financial performance of the Trust

Given the planned realisation of investments in 2024, the number of variables influencing financial performance was limited. However, external factors such as market volatility, the 2024 U.S. elections, and currency exchange fluctuations were closely monitored.

To mitigate risk, the Trust incorporated a 10% buffer in its financial planning to absorb potential losses due to these variables. Additionally, all grant disbursements under the programmatic flowering strategy were made conditional on market stability to ensure fiscal responsibility and sustainability through the final stages of the Trust's active operations.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

PLANS FOR FUTURE PERIODS

Mustardseed Trust's focus in 2025 is to complete its fruition phase while ensuring a strong legacy by enabling partners and communities to thrive beyond the Trust's giving programme. The following programmatic priorities will guide the next years:

1. Support for Existing Partners

Grants will be disbursed to accelerate the programmes of existing partners to advance work in regenerative food systems and care economy practices. A study is planned in 2030 to carry out a study amongst the recipients to measure the impact of receipt of significant grants at once, rather than over a period of 10 years or so.

2. Organise Jamboree

A gathering — the Jamboree — will bring together MT partners and other charitable organisations to celebrate achievements, deepen relationships, and create new connections.

3. Asset Transfer and Stewardship

Mustardseed's remaining liquid assets and mission-aligned investments will be granted to partners who embody and carry forward the Trust's vision and values. The 2Enable assets will remain part of the MT Reserve Fund.

4. Legacy Documentation

The Trust will document the stories, impact, and values of its partnerships, ensuring that Mustardseed's ethos and mission continues to inspire future efforts in a decentralised and organic way.

Mustardseed Trust has always prioritised partnership and impact over institutional permanence. As its giving and subsequently its operations scale down, the spirit and influence of the Trust will live on through those who received our grants and access to the MT networks.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Auditor

The auditor, Anderson Anderson & Brown Audit LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



(Trustee)

Date: 29 September 2025

MUSTARDSEED TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees 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).

The law applicable to charities in Scotland 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 its incoming resources and application of resources, including its 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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 Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust deed. 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.

MUSTARDSEED TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSTARDSEED TRUST

Opinion

We have audited the financial statements of Mustardseed Trust (the 'charity') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charity's affairs as at 31 December 2024 and of its incoming resources and application of resources 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the 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 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.

MUSTARDSEED TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSTARDSEED TRUST (CONTINUED)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

MUSTARDSEED TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSTARDSEED TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

We considered the opportunities and incentives that may exist within the charity for fraud and identified the greatest potential for fraud to be income recognition and posting of unusual journal entries. Audit procedures performed to address these risks included:

- Discussions with management, including consideration of known or suspected instances of noncompliance with laws and regulations and fraud;
- Testing of management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Identifying and testing journal entries; and
- Testing a sample of income transactions to source documentation.

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Auditor's Report.

MUSTARDSEED TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MUSTARDSEED TRUST (CONTINUED)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Anderson Anderson & Brown Audit LLP

Statutory Auditor
Prime Four Business Park
Kingshill View
Kingswell Causeway
Aberdeen
AB15 8PU

Date: 29 September 2025

Anderson Anderson & Brown Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

MUSTARDSEED TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted funds 2024 \$	Total funds 2024 \$	Total funds 2023 \$
Income from:				
Investments	4	147,090	147,090	203,394
Total income		<u>147,090</u>	<u>147,090</u>	<u>203,394</u>
Expenditure on:				
Raising funds	5	1,548,779	1,548,779	572,939
Charitable activities		4,708,706	4,708,706	1,097,663
Total expenditure		<u>6,257,485</u>	<u>6,257,485</u>	<u>1,670,602</u>
Net movement in funds before other recognised gains/(losses)		(6,110,395)	(6,110,395)	(1,467,208)
Other recognised gains/(losses):				
(Loss)/gains on revaluation of investments		256,540	256,540	1,260,128
Net movement in funds		<u>(5,853,855)</u>	<u>(5,853,855)</u>	<u>(207,080)</u>
Reconciliation of funds:				
Total funds brought forward		15,004,149	15,004,149	15,211,229
Net movement in funds		(5,853,855)	(5,853,855)	(207,080)
Total funds carried forward		<u>9,150,294</u>	<u>9,150,294</u>	<u>15,004,149</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 28 form part of these financial statements.

MUSTARDSEED TRUST

BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	2024 \$	2023 \$
Fixed assets			
Investments	11	7,263,886	14,830,435
		<u>7,263,886</u>	<u>14,830,435</u>
Current assets			
Debtors	12	-	56,372
Cash on deposit	13	1,888,753	449,416
Cash at bank and in hand		51,265	37,469
		<u>1,940,018</u>	<u>543,257</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(53,610)	(309,543)
Net current assets		<u>1,886,408</u>	<u>233,714</u>
Total assets less current liabilities		<u>9,150,294</u>	<u>15,064,149</u>
Creditors: amounts falling due after more than one year	15	-	(60,000)
Net assets		<u>9,150,294</u>	<u>15,004,149</u>
Charity funds			
Unrestricted funds	16	9,150,294	15,004,149
Total funds		<u>9,150,294</u>	<u>15,004,149</u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:


(Trustee)

Date: 29 September 2025

The notes on pages 18 to 28 form part of these financial statements.

MUSTARDSEED TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 \$	2023 \$
Cash flows from operating activities		
Net cash used in operating activities	(5,008,924)	(1,218,727)
Cash flows from investing activities		
Purchase of fixed asset investments	(6,172,312)	(5,163,872)
Sale of fixed asset investments	12,448,350	6,269,111
Movement in accrued interest	36,730	(1,660)
Interest received	70,984	107,184
Dividends received	76,106	96,210
Movement in Cryptocurrency	2,199	-
Net cash provided by investing activities	6,462,057	1,306,973
Change in cash and cash equivalents in the year	1,453,133	88,246
Cash and cash equivalents at the beginning of the year	486,885	398,639
Cash and cash equivalents at the end of the year	1,940,018	486,885

The notes on pages 18 to 28 form part of these financial statements

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

The Trust is an unincorporated Trust, constituted under deed dated 6 May 2011 and is a registered charity, number SC042311.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Mustardseed Trust 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. The presentational currency is USD (\$).

2.2 Going concern

During the year, the Trustees of the charity made the decision to commence the orderly winding down of the charity's operations with the core activity ceasing in June 2025.

Prior to closure, the charity will fully satisfy all existing commitments and disburse any remaining funds to charities and other organisations that align with the charitable objectives of Mustardseed Trust.

The trustees have considered the carrying value of the charity's assets and are satisfied that they will be realised in full either through cash proceeds or via a grant of the asset to the charity's beneficiaries, accordingly no impairment has been recognised in the financial statements in respect of these balances.

While regular operations of the charity expect to cease in June 2025, the Trustees acknowledge it is likely to take several years to fully divest and realise the value from certain assets and accordingly anticipate that the charity will remain in existence until all amounts are fully recovered and to that effect, operational funds will be made available to manage the Trust beyond June 2025.

2.3 Income

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

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

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

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.4 Expenditure

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

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

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.

All expenditure is inclusive of irrecoverable VAT.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

Investments in unlisted partnerships are stated at the amount of the Charity's share of net assets. The Statement of Financial Activities includes the Charity's share of the associated companies' net income or expenditure using the equity accounting basis.

2.7 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.

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.8 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.

2.9 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 Charity 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.

2.10 Financial instruments

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

2.11 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.

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

3. Critical accounting estimates and areas of judgement

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported during the year for income and expenditure. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Valuation of investments

The carrying value of the listed and unlisted investments held at the year end are based on a judgement of the future trading performance of the underlying businesses to which they relate. The Trustees have made this judgement based on the best available information and with appropriate input from professional advisors.

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4. Investment income

	Unrestricted funds 2024 \$	Total funds 2024 \$	Total funds 2023 \$
Dividend income	76,106	76,106	96,210
Interest receivable	70,984	70,984	107,184
	<u>147,090</u>	<u>147,090</u>	<u>203,394</u>
Total 2023	<u>203,394</u>	<u>203,394</u>	

5. Expenditure on raising funds

	Unrestricted funds 2024 \$	Total funds 2024 \$	Total funds 2023 \$
Share of results of unlisted partnership (note 11)	1,508,122	1,508,122	525,477
Portfolio management fees	40,657	40,657	47,462
Total 2024	<u>1,548,779</u>	<u>1,548,779</u>	<u>572,939</u>
Total 2023	<u>572,939</u>	<u>572,939</u>	

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

6. Analysis of grants

	Grants to Institutions 2024 \$	Grants to Individuals 2024 \$	Total funds 2024 \$	Total funds 2023 \$
Grants and Donations	4,369,725	-	4,369,725	781,999
Total 2023	780,000	1,999	781,999	

The Charity has made the following material grants to institutions during the year:

	2024 \$	2023 \$
Name of institution		
Ecosystem Restoration Camps / Foundation	430,000	75,000
Grassroots Economic Foundation	450,000	-
Association Yagana de Gagnaga	55,000	-
7 Billion Presidents	-	10,000
Oceans Oasis Association	-	20,000
Generation-Re	50,000	-
The Weather makers	500,000	25,000
CALOR	-	15,000
Uganda rural training development	2,031,000	580,000
Faith in Leadership	70,000	-
MMCC - Global	74,000	-
Mutirão Agroflorestal	87,000	-
Grounded International	50,000	-
Fresh Ventures	57,000	-
Creabitat	110,702	-
Dry Land Solutions	55,500	-
	4,020,202	725,000
Other grants to institutions	349,523	55,000
	4,369,725	780,000

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****7. Analysis of expenditure by activities**

	Activities undertaken directly 2024 \$	Grant funding of activities 2024 \$	Support costs 2024 \$	Total funds 2024 \$	Total funds 2023 \$
Grants and Donations	57,115	4,369,725	281,867	4,708,707	1,097,663
Total 2023	44,982	781,999	270,682	1,097,663	

Analysis of support costs

	Total funds 2024 \$	Total funds 2023 \$
Personell costs	197,303	156,200
Bank charges	10,873	6,826
Taxes paid	154	11,645
Governance costs	73,537	96,011
Total 2024	281,867	270,682

8. Auditor's remuneration

	2024 \$	2023 \$
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	30,000	30,000

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9. Staff costs

	2024 \$	2023 \$
Salaries & other contracted payroll costs	160,725	119,612
Social security	25,727	22,548
	<u>186,452</u>	<u>142,160</u>

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Trustees	4	3
Management staff	3	3
	<u>7</u>	<u>6</u>

No employee received remuneration amounting to more than \$81,600 in either year.

10. Trustees' remuneration and expenses

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the Charity. The services undertaken by the trustee were in addition to their trustee duties and the authority to make such payments is provided in the trust deed of the charity. The value of Trustees' remuneration and other benefits was as follows:

	2024 \$	2023 \$
██████████ Remuneration	<u>26,169</u>	<u>28,500</u>

During the year ended 31 December 2024, travelling expenses totaling \$11,428 were reimbursed or paid directly to 4 Trustees (2023 - \$8,992 to 2 Trustees).

The key management personnel of the charity comprise the Trustees and the managing director. The total employee benefits of the key management personnel of the charity were \$89,831 (2023: \$107,857)

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****11. Fixed asset investments**

	Listed investments \$	Unlisted investments - 2Enable \$	Unlisted investments - Aquaspark \$	Total \$
Cost or valuation				
At 1 January 2024	10,493,636	3,508,757	828,042	14,830,435
Additions	6,172,312	-	-	6,172,312
Share of results	-	(1,508,122)	-	(1,508,122)
Disposals	(12,448,350)	-	-	(12,448,350)
Revaluations	679,147	-	(424,806)	254,341
Other movements	(36,730)	-	-	(36,730)
At 31 December 2024	<u>4,860,015</u>	<u>2,000,635</u>	<u>403,236</u>	<u>7,263,886</u>

Listed investments are an investment portfolio managed by UBS in the United States of America. Included within the portfolio as at 31 December 2024 are amounts investments and a cash balance (note 13)

The charity has a share in 2 Enable Partners LP, an unincorporated partnership registered in Delaware USA. The year end balance of \$2,000,635 represents the Trust's 20.08% share of the partnership. The Trust recognised it's share of the results of 2 Enable Partners LP in the Statement of Financial Activities.

The charity has a share in Aqua-Spark Co~peratieve U.A. an investment fund registered in the Netherlands which specialises in investment in sustainable aquaculture. The year end balance held represents the charity's 0.20% share in the fund as at 31 December 2024.

12. Debtors

	2024 \$	2021 \$
Due within one year		
Other debtors	-	56,372
	<u>-</u>	<u>56,372</u>

Included in other debtors is a loan to Almendrehesa Sociedad Limitada. Interest accrues on the loan at an annual interest rate of 2.5%. During the year the loan was forgiven and converted to a grant payable.

13. Current asset investments

	2024 \$	2023 \$
Cash on deposit	<u>1,888,753</u>	<u>449,416</u>

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

14. Creditors: Amounts falling due within one year

	2024 \$	2023 \$
Other taxation and social security	-	462
Other creditors	-	264,499
Accruals and deferred income	53,610	44,582
	<u>53,610</u>	<u>309,543</u>

15. Creditors: Amounts falling due after more than one year

	2024 \$	2023 \$
Other creditors	-	60,000
	<u>-</u>	<u>60,000</u>

16. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 \$	Income \$	Expenditure \$	Gains/ (Losses) \$	Balance at 31 December 2024 \$
Unrestricted funds					
General Funds - all funds	<u>15,004,149</u>	<u>147,090</u>	<u>(6,257,485)</u>	<u>256,540</u>	<u>9,150,294</u>

Statement of funds - prior year

	Balance at 1 January 2023 \$	Income \$	Expenditure \$	Gains/ (Losses) \$	Balance at 31 December 2023 \$
Unrestricted funds					
General Funds 1	<u>15,211,229</u>	<u>203,394</u>	<u>(1,670,602)</u>	<u>1,260,128</u>	<u>15,004,149</u>

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****17. Analysis of net assets between funds****Analysis of net assets between funds - current period**

	Unrestricted funds 2024 \$	Total funds 2024 \$
Fixed asset investments	7,263,886	7,263,886
Current assets	1,940,018	1,940,018
Creditors due within one year	(53,610)	(53,610)
Total	9,150,294	9,150,294

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 \$	Total funds 2023 \$
Fixed asset investments	14,830,435	14,830,435
Current assets	543,257	543,257
Creditors due within one year	(309,543)	(309,543)
Creditors due in more than one year	(60,000)	(60,000)
Total	15,004,149	15,004,149

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 \$	2023 \$
Net expenditure for the period (as per Statement of Financial Activities)	(6,110,395)	(1,467,208)
Adjustments for:		
Decrease in debtors	56,372	8,271
Decrease in creditors	(315,933)	(81,873)
Interest received	(70,984)	(107,184)
Dividends received	(76,106)	(96,210)
Share of results of unlisted partnership	1,508,122	525,477
Net cash used in operating activities	(5,008,924)	(1,218,727)

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****19. Analysis of cash and cash equivalents**

	2024	2023
	\$	\$
Cash in hand	51,265	37,469
Cash on deposit	1,888,753	449,416
Total cash and cash equivalents	1,940,018	486,885

20. Analysis of changes in net debt

	At 1 January 2024	Cash flows	At 31 December 2024
	\$	\$	\$
Cash at bank and in hand	37,469	13,796	51,265
Cash on deposit	449,416	1,439,337	1,888,753
	486,885	1,453,133	1,940,018

21. Operating lease commitments

At 31 December 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	\$	\$
Not later than 1 year	-	604

22. Related party transactions

In addition to transactions with Trustees, detailed at note 10, the charity made grant payments of \$2,031,000 to Uganda Rural Development and Training programme in the year, an entity with common board members.

The trustees of Mustardseed Trust have no voting rights relating to matters involving a related party which they are engaged with.