

COMPANY REGISTRATION NUMBER: 05641704
CHARITY REGISTRATION NUMBER: 1113969

Five Talents UK Ltd
Company Limited by Guarantee
Financial Statements
31 December 2022

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Company Limited by Guarantee
Financial Statements
Year ended 31 December 2022

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Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

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 2022.

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

Neil Sandy, Chair
Andrew Maclay
Grant Masom
Trevor Smith (Resigned 31 March 2022)
Gordon Seabright
Sietske Van Der Ploeg
Beverley Jullien
Agnes Gitau
Michelle Ruddle
Thomas Jones
Joanne Cetti
Richard Gray, Treasurer
Nowtash Alsafar (Appointed 8 February 2022)
Miriam Pennington (Appointed 8 February 2022)
Andrew Barton (Appointed 8 February 2022)
Toyosi Ariyo (Appointed 8 February 2022)

Company secretary Rachel Lindley

Auditor MHA MacIntyre Hudson
Victoria Court
17-21 Ashford Road
Maidstone
Kent

Bankers Metro Bank PLC
One Southampton Row
London
WC1B 5HA

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

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 eastern 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 Grantmaking 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 2022, we have continued to work further on safeguarding training and have updated our 'Principles for Partnership.'

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. In 2022 we re-launched our Advocates Board who will undertake a range of speaking engagements to promote the charity to new audiences. We are grateful to all of our volunteers.

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

Objectives and activities *(continued)*

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.

f 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 aim 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.

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" counties;
- Grow Five Talents and Partner capacity to implement programmes, and
- Grow Five Talents' family income.

The first four objectives are focused on programmes, and the UK members of our 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 have to 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: i) nurturing existing relationships and ii) seeking out and attracting new relationships.

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

Achievements and performance *(continued)*

b Review of activities

In 2022 Five Talents UK continued to expand, reaching a new record income of over £1.1m and making higher total grants to our programmes than previously in our history. Our activities in the UK focused on increasing our income, which we did by investing in more staff, and raising awareness of our work through a series of events.

We measure success, however, by looking at our impact on the ground: 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. For example, a member in South Sudan told us:

“Before I joined my Savings Group, it was extremely hard to feed my children. I am a widow. I had a business, but it failed because of my lack of skills. When I joined the Savings Group, I got training on small business development and business skills. This enabled me to come up with business ideas. Today I have a business baking and selling different types of mandazi (doughnuts) and this generates an income so I can provide for my family. Because of the training, I learnt to know my market. My customers are my neighbours and school children. They trust me because my products are always good quality and are fairly priced. I have eight children. Now I can provide them with food, clothes, water and medical assistance. Because of my business and my Savings Group, I can support my family as well as save money to prepare for emergencies and the future.”

In 2022 we also commissioned an independent longitudinal evaluation of our work in Burundi. We look forward to sharing its results and learnings in 2023. We also held a very useful workshop for all of our partners to gather in person for the first time in many years for refresher training and sharing new programme elements.

In 2022 the Five Talents Family were active in nine countries: Bolivia, Burundi, Democratic Republic of Congo, Kenya, Myanmar, Rwanda, South Sudan, Tanzania and Uganda.

We saw growth across all countries with new members and new Savings Groups. The pandemic, 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 2022 we launched new programmes in the Diocese of Mombasa, Kenya, and with the Mothers' Union Rwanda in three dioceses. The new Strategic Plan and Theory of Change adopted in 2022 will guide our future growth activities.

We are also committed to our journey of shifting power and decolonising development. On shifting power, we held two learning sessions; one with our Board and one with staff.

In line with our environmental policy, we have calculated the carbon cost of all flights taken in 2022 by staff working for the Charity and will be making a donation to an appropriate environmental charity in 2023 to mitigate the climate impact of flights we have to take for our work.

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

Achievements and performance *(continued)*

c Factors relevant to achieve objectives

The cost of living crisis and ongoing climate change and conflict in many places where we work made our work both more challenging and more urgent than ever before.

Having explored a number of ways to increase our income, we have concluded that investing in more staff is needed. We therefore increased from 5.4 FTE to 8 FTE over the course of 2022. This does mean that our operating costs will increase which may affect our charitable ratios in 2023, as generating increased income takes time. But the Trustees concluded that if we are to meet our ambitious medium term growth plans, we need to increase our staffing to do so.

d Fundraising activities

2022 was another record year for fundraising; total grants made to programmes were £776,889 and £34,805 respectively (2021: £645,237 and £0). This is particularly pleasing given the ongoing cost of living crisis and UK / global political uncertainties both of which made for a challenging climate for fundraising. The Trustees view the total grants to programme partners for the delivery of our charitable programmes as the most important figure, as it is this which 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 whose generous giving was sustained throughout 2022 and enabled us to send more money to our programmes than ever before.

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 £1,172,373 (2021: £1,030,462). Total resources expended were £1,192,815 (2021: £920,099). At 31 December the Charity held fund balances of £483,741 (2021: £504,183) which was made up of restricted funds of £278,064 (2021: £312,758) and unrestricted funds of £205,677 (2021: £191,425).

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

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

Financial review *(continued)*

b Reserves policy

The Trustees' reserves policy was amended in May 2020 due to the pandemic; the Trustees decided to increase it to maintain 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. In its most recent review of the policy in February 2023, having regard to Five Talents income levels during 2021 and 2022 during the height of the pandemic, whilst recognising the increased costs forecast in 2023, the Trustees resolved to revert to a reserves policy of between 3 and 6 months' non grant expenditure.

The level of unrestricted reserves at the year end was at the higher boundaries of our policy for 2022, reflecting higher than expected unrestricted donations at the end of the year. The level of restricted reserves typically increases in December due to our Christmas appeal.

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, compliance with regulatory requirements in the UK and by partners, 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.

In the UK, the risks associated with the COVID-19 pandemic have receded but have been replaced by a sectoral risk that fundraising will dip due to the cost of living crisis. 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 economic effects of COVID-19 as well as climate change, conflict and the cost of living crisis continue to be felt. This makes our work all the more urgent.

The Trustees have considered the risks associated with operating Five Talents UK and taken steps to mitigate them. The Risk Assessment is reviewed at Trustee meetings annually or more often as required. The assessment identifies different risks to which the charity is exposed at any point.

Principal funding risk: In 2022 approximately two thirds of our income came from individual giving, including regular giving, gifts to our Christmas appeal, gifts to our 5 year programmes, and Gift Aid. Approximately one third of our income came from grants from trusts and foundations and a small proportion came from gifts from churches and sponsored events.

Other risks: The Risk Assessment for UK risks was reviewed at a Board meeting in May 2022, whilst cyber security risks were reviewed again in September 2022 and a course of action to improve mitigations is now underway.

The Programme Risk Register was reviewed by the Programme Quality Committee in September 2022 and Risk Management was also considered by the Five Talents International Board in October 2022. Specifically, regarding financial risk management, the CEO and Treasurer review the management accounts every month and the Board reviews them at Quarterly meetings.

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

Financial review *(continued)*

Plans for future periods

In 2023, our focus is two-fold: celebrating our 25th anniversary as a charity and launching our ambitious five year growth plan. We will thus be looking back to document and celebrate the impacts achieved over the last 25 years, and looking forward to a period of income growth, so that we can fund even more partners and programmes across eastern and central Africa.

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 CEO / 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 one-third 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.

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

Structure, governance and management *(continued)*

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.

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 CEO has regular meetings with the Chair for strategic guidance between meetings, and the Treasurer and Chair receive monthly management accounts.

The Board has an Operations and Governance subcommittee which reviews all Human Resources, risk and governance matters in detail before these come to the full Board.

The Programme Quality Committee, a subcommittee of Five Talents International, reviews all programme issues.

g Remuneration of key personnel

Five Talents operates a relatively flat pay structure, with pay for all staff in 2022 falling between £25,000 and £45,000 per annum. In 2020, a system of pay bands was introduced. The Operations and Governance Group reviews pay proposals annually before approval by the full Board. A small increment to reflect increased cost of living is often awarded annually. Each staff member has an annual appraisal which may also inform any salary increase decisions. However, with just 8 staff, the team sees its successes and challenges as shared by the whole team. In 2021, principles for pay awards were approved. These also recognise that successes and challenges are shared by the team. In 2022, pay bands were increased and pay awards were made across the team to recognise increased cost of living.

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).

The law applicable to charities in England and Wales 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.

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

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 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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 Act 2011 and the Charities (Accounts and Reports) Regulations 2008. 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 30 March 2023 and signed on behalf of the board of trustees by:



Neil Sandy, Chair
Trustee

Five Talents UK Ltd

Company Limited by Guarantee

Independent Auditor's Report to the Members of Five Talents UK Ltd

Year ended 31 December 2022

Opinion

We have audited the financial statements of Five Talents UK Ltd (the 'charitable company' for the year ended 31 December 2022 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 charitable company's affairs as at 31 December 2022 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;
- have been prepared in accordance with the requirements of the Companies Act 2006..

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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
- we have not received all the information and explanations we require for our audit; or

Responsibilities of trustees

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

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

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Reviewing meeting minutes of those charged with governance

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

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

Five Talents UK Ltd

Company Limited by Guarantee

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

Year ended 31 December 2022

Use of our report

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



David Boosey BA(Hons) BFP ACA (Senior Statutory Auditor)

For and on behalf of
MacIntyre Hudson
Statutory Auditor
Maidstone
United Kingdom

6 April 2023

Five Talents UK Ltd

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 December 2022

		Unrestricted funds	2022 Restricted funds	Total funds	2021 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	535,807	635,454	1,171,261	1,029,183
Investment income	6	1,003	–	1,003	1,262
Other income	7	107	–	107	17
Total income		<u>536,917</u>	<u>635,454</u>	<u>1,172,371</u>	<u>1,030,462</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	127,703	–	127,703	93,575
Expenditure on charitable activities	9,10	394,962	670,148	1,065,110	826,524
Total expenditure		<u>522,665</u>	<u>670,148</u>	<u>1,192,813</u>	<u>920,099</u>
Net (expenditure)/income and net movement in funds		<u>14,252</u>	<u>(34,694)</u>	<u>(20,442)</u>	<u>110,363</u>
Reconciliation of funds					
Total funds brought forward		191,425	312,758	504,183	393,820
Total funds carried forward		<u>205,677</u>	<u>278,064</u>	<u>483,741</u>	<u>504,183</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 31 form part of these financial statements.

Five Talents UK Ltd

Company Limited by Guarantee

Balance Sheet *(continued)*

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	18	1,669	1,262
Current assets			
Debtors due within one year	19	59,665	8,520
Cash at bank and in hand		437,589	504,770
		<u>497,254</u>	<u>513,290</u>
Creditors: amounts falling due within one year	20	<u>15,182</u>	<u>10,369</u>
Net current assets		<u>482,072</u>	<u>502,921</u>
Total assets less current liabilities		<u>483,741</u>	<u>504,183</u>
Net assets		<u>483,741</u>	<u>504,183</u>
Funds of the charity			
Restricted funds		278,064	312,758
Unrestricted funds		<u>205,677</u>	<u>191,425</u>
Total charity funds	22	<u>483,741</u>	<u>504,183</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

These financial statements were approved by the board of Trustees and authorised for issue on 30 March 2023, and are signed on behalf of the board by:



Neil Sandy, Chair
Trustee



Richard Gray, Treasurer
Trustee

The notes on pages 17 to 31 form part of these financial statements.

Five Talents UK Ltd

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2022

	2022	2021
	£	£
Reconciliation of net movement in funds to net cash flow from operating activities		
Net (expenditure)/income (as per statement of Financial activities)	(20,442)	110,363
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	656	433
Other interest receivable and similar income	(1,003)	(1,262)
Increase in net accrued (income)/expenses	(46,332)	53,374
Net cash (used in)/provided by operating activities	(67,121)	162,908
	<u> </u>	<u> </u>
Cash flows from investing activities		
Purchase of tangible assets	(1,063)	(839)
Interest received	1,003	1,262
Net cash (used in)/provided by investing activities	(60)	423
	<u> </u>	<u> </u>
Change in cash and cash equivalents in the year	(67,181)	163,331
Cash and cash equivalents at beginning of year	504,770	341,439
Cash and cash equivalents at end of year	437,589	504,770
	<u> </u>	<u> </u>

The notes on pages 17 to 31 form part of these financial statements.

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2022

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) effective 1 January 2019 (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 2022

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 2022

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 on receipt.
- 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 2022

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 2022

3. Accounting policies *(continued)*

Tangible assets

Tangible assets costing £500 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 are 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 2022

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 2022 £
Donations			
Donations - individuals	335,406	327,373	662,779
Donations - Trusts, foundations & corporates	154,413	284,102	438,515
Donations - Sponsored events, churches & schools	45,988	23,979	69,967
	<u>535,807</u>	<u>635,454</u>	<u>1,171,261</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

5. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations - individuals	322,688	325,067	647,755
Donations - Trusts, foundations & corporates	33,586	328,679	362,265
Donations - Sponsored events, churches & schools	15,913	3,250	19,163
	<u>372,187</u>	<u>656,996</u>	<u>1,029,183</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	<u>1,003</u>	<u>1,003</u>	<u>1,262</u>	<u>1,262</u>

7. Other income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Sale of goods	<u>107</u>	<u>107</u>	<u>17</u>	<u>17</u>

8. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Wages and salaries	90,367	90,367	69,704	69,704
Employer's NIC	7,336	7,336	5,253	5,253
Pension costs	9,037	9,037	7,062	7,062
Administrative fees	8,856	8,856	7,454	7,454
Conference and event costs	12,107	12,107	4,102	4,102
	<u>127,703</u>	<u>127,703</u>	<u>93,575</u>	<u>93,575</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Direct Activities	322,696	670,148	992,844
Support costs	72,266	–	72,266
	<u>394,962</u>	<u>670,148</u>	<u>1,065,110</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Direct Activities	176,104	595,137	771,241
Support costs	55,283	–	55,283
	<u>231,387</u>	<u>595,137</u>	<u>826,524</u>

The figure of £670,149 (2021 £595,137) shown above under Restricted Funds includes restricted grants of £604,382 (2021 £541,969). The figure of £322,051 (2021: £176,104) includes unrestricted grants of £172,506 (2021 £103,483) and Programme expenditure of £8,760 (2021 £6,569). The total grants, both unrestricted and restricted, are summarised in Note 13 together with UK programme management costs of £65,768 (2021 £59,580).

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2022 £
Fundraising	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>

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £
Fundraising	66,055	705,187	27,395	798,637
Governance costs	–	–	27,887	27,887
	<u>66,055</u>	<u>705,187</u>	<u>55,282</u>	<u>826,524</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

11. Analysis of support costs

	Activities £	Total 2022 £	Total 2021 £
Premises	13,400	13,400	11,865
Communications and IT	455	455	743
General office	1,372	1,372	422
Finance costs	289	289	193
Governance costs	35,922	35,922	27,887
Insurance	260	260	246
Depreciation	656	656	434
Travel and entertainment	2,925	2,925	–
Training and conference fees	932	932	419
Miscellaneous expenditure	1,493	1,493	859
Books, journals and subscriptions	7,497	7,497	5,647
Equipment	1,113	1,113	–
Bookkeeping	4,800	4,800	4,800
Payroll and pension administration costs	1,798	1,798	1,767
	<u>72,912</u>	<u>72,912</u>	<u>55,282</u>

Five talents UK Ltd is a fundraising charity, raising money and then granting it to organisations in Africa in line with its charity objectives. As such the charity's charitable activities and raising funds are intrinsically linked.

12. Governance costs

	2022 £	2021 £
Wages and salaries	21,853	17,067
employers' National Insurance	1,774	1,286
Pension Costs	2,185	1,729
Insurance	532	522
Accountancy fees	1,610	1,823
Audit fees	7,910	5,460
Costs of Trustees' meetings	58	–
Total	<u>35,922</u>	<u>27,887</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

13. Grants to institutions

	2022	2021
	£	£
Grants to institutions		
Five Talents Kenya	77,818	76,180
Kenya - Kericho CDT	38,000	66,500
Kenya - WECODET (Western Kenya)	72,000	67,350
Kenya - Nakuru ACK Imani Talents SACCO	–	10,000
Kenya - Baringo CDT	48,100	47,299
Kenya - Marsabit AMWEP	55,256	55,560
Tanzania - Morogoro OMC	55,000	58,270
Tanzania - Mothers' Union VICOBA	63,549	46,008
Democratic Republic of Congo - Diocese of Aru/ Mothers' Union	84,962	68,958
Uganda - Karamoja	52,746	77,394
Burundi - Mothers' Union	85,118	15,985
Bolivia - Seeds of Blessing	–	1,512
South Sudan - Dioceses of Renk & Terekeka, Mothers' Union Juba & Bahr el Ghazal	58,273	43,708
Rwanda	55,326	–
Kenya - Mombasa	30,741	10,513
	<u>776,889</u>	<u>645,237</u>
Total grants	<u>776,889</u>	<u>645,237</u>

In addition to the above restricted grants shown above, grants of £34,805 (2021: £nil) were made from unrestricted funds to assist in workshops, evaluations and for consultants.

14. Net (expenditure)/income

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

	2022	2021
	£	£
Depreciation of tangible fixed assets	<u>656</u>	<u>433</u>

15. Auditors remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>7,910</u>	<u>5,460</u>

Other non-audit services of £Nil (2020: £Nil) were charged in the year.

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

16. Staff costs

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

	2022	2021
	£	£
Wages and salaries	215,310	175,488
Social Security costs	17,478	13,226
Employer contributions to pension plans	21,531	17,780
Total	<u>254,319</u>	<u>206,494</u>

No employee received employee benefits of more than £60,000 during the year (2021: nil).

The average head count of employees during the year was 7 (2021: 6). The average number of full-time equivalent employees during the year was as follows:

	2022	2021
	£	£
Fundraising	3	2
Charitable operations	4	4
	<u>7</u>	<u>6</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 two relevant employees, including pensions and National Insurance, for services provided to the charity was £96,494 (£2021 £89,175).

17. Trustee remuneration and expenses

During the year no Trustees received any remuneration or other benefits (2021 £Nil)

During the year expenses totalling £Nil (2021 £nil) were reimbursed or paid directly to the Trustees for travel.

18. Tangible fixed assets

	Equipment
	£
Cost	
At 1 January 2022	1,791
Additions	1,063
At 31 December 2022	<u>2,854</u>
Depreciation	
At 1 January 2022	529
Charge for the year	656
At 31 December 2022	<u>1,185</u>
Carrying amount	
At 31 December 2022	<u>1,669</u>
At 31 December 2021	<u>1,262</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

19. Debtors due within one year

	2022	2021
	£	£
Prepayments and accrued income	<u>59,665</u>	<u>8,520</u>

20. Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	<u>15,182</u>	<u>10,369</u>

21. 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 £21,531 (2021: £17,780).

Contributions totalling £Nil (2021 £Nil) were payable to the fund at the balance sheet date.

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

22. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2022	Income £	Expenditure £	At 31 Dec 2022 £
General funds	191,425	536,917	(522,665)	205,677

	At 1 Jan 2021	Income £	Expenditure £	At 31 Dec 2021 £
General funds	142,921	373,466	(324,962)	191,425

Restricted funds

	At 1 Jan 2022 £	Income £	Expenditure £	At 31 Dec 2022 £
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	133,403	(80,082)	66,345
Uganda Karamoja	41,910	47,406	(49,384)	39,932
Burundi	94,324	28,900	(91,303)	31,921
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
	<u>312,758</u>	<u>635,454</u>	<u>(670,148)</u>	<u>278,064</u>

	At 1 Jan 2021 £	Income £	Expenditure £	At 31 Dec 2021 £
Kenya General	14,409	58,700	(51,604)	21,505
Kenya Kericho	36,440	55,041	(69,412)	22,069
Kenya WECODET	12,270	57,408	(53,512)	16,166
Kenya Marsabit	69,177	8,629	(58,472)	19,334
Tanzania Morogoro OMC	3,517	52,860	(50,182)	6,195
Tanzania VICOBA	71,657	30	(46,008)	25,679

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

22. Analysis of charitable funds *(continued)*

Democratic Republic of Congo	1	91,094	(78,071)	13,024
Uganda Karamoja	3,780	96,123	(57,993)	41,910
Burundi	3,089	112,763	(21,528)	94,324
Bolivia	267	1,346	(1,512)	101
South Sudan	–	48,252	(46,119)	2,133
Kenya Baringo	36,292	42,750	(50,211)	28,831
Kenya - Mombassa	–	32,000	(10,513)	21,487
Rwanda	–	–	–	–
		<u>250,899</u>	<u>(595,137)</u>	<u>312,758</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.

At the 31st December 2022 the charity had general funds of £205,677. In line with its reserves policy the charity is required to hold 4-6 months of operating expenditure, less grant making activities, for the current year this was a minimum of £138,642.

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Tangible fixed assets	1,669	–	1,669
Current assets	216,992	280,262	497,254
Creditors less than 1 year	(11,702)	(3,480)	(15,182)
Net assets	<u>206,959</u>	<u>276,782</u>	<u>483,741</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Tangible fixed assets	1,262	–	1,262
Current assets	204,535	308,755	513,290
Creditors less than 1 year	(7,961)	(2,408)	(10,369)
Net assets	<u>197,836</u>	<u>306,347</u>	<u>504,183</u>

24. Financial instruments

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

	2022 £	2021 £
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	<u>497,254</u>	<u>513,290</u>

Five Talents UK Ltd

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

24. Financial instruments *(continued)*

	2022	2021
	£	£
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	15,182	10,369

25. Analysis of changes in net debt

	At 1 Jan 2022	Cash flows	At 31 Dec 2022
	£	£	£
Cash at bank and in hand	504,770	(67,181)	437,589

26. Operating lease commitments

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

	2022	2021
	£	£
Not later than 1 year	6,253	10,720
Later than 1 year and not later than 5 years	–	6,253
	<u>6,253</u>	<u>16,973</u>

27. Related parties

Five Talents International

Five Talents International is the organisation that owns the rights to the "Five Talents" name. Three 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 £58,273 (2021 £46,662) to Five Talents US for projects in South Sudan, (2021: South Sudan, Myanmar, Bolivia and Burundi).

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 £77,818 (2021: £76,892) was paid to Five Talents Kenya for the overseeing of projects in Kenya.

During the year, trustees made donations to the Charity totalling £40,196 (2021 £16,405). There were no conditions attached which required the charity to significantly alter the nature of its existing activities.