

**Trustees' report** Year to 31 July 2023

The UK Friends of The  
Mustique Charitable Trust

**Annual Report and  
Accounts**

31 July 2023

Charity Registration Number:  
1125777

	Contents
<b>Reference and administrative information .....</b>	<b>3</b>
<b>Trustees' report .....</b>	<b>4</b>
<b>Independent examiner's report.....</b>	<b>14</b>
<b>Statement of financial activities .....</b>	<b>15</b>
<b>Balance Sheet.....</b>	<b>16</b>
<b>Principal accounting policies .....</b>	<b>17</b>
<b>Notes to the accounts.....</b>	<b>20</b>

**Reference and administrative information**

<b>Charity Name</b>	The UK Friends of The Mustique Charitable Trust
<b>Trustees</b>	Mr Andrew Charles James Rodger (Chair) Mrs Asli Arah Mr Roger Pritchard Mrs Isabelle Winkler
<b>Registered office</b>	The Trust Partnership 6 Trull Farm Buildings Trull Tetbury GL8 8SQ
<b>Website</b>	<a href="https://mustiquecharitabletrust.com">https://mustiquecharitabletrust.com</a>
<b>Charity Registration Number</b>	1125777
<b>Independent Examiner</b>	Dunkley's Chartered Accountants Woodland's Grange Woodland's Lane Bradley Stoke BS32 4JY
<b>Accountants</b>	Trust Accounting Limited 6 Trull Farm Buildings Trull, Tetbury Gloucestershire GL8 8SQ
<b>Bankers</b>	C. Hoare & Co. 37 Fleet Street London EC4P 4DQ
<b>Grant administrators</b>	The Trust Partnership Ltd 6 Trull Farm Buildings Trull, Tetbury Gloucestershire GL8 8SQ

### **Trustees' report**

The Trustees present their statutory report together with the accounts of The UK Friends of The Mustique Charitable Trust (the "trust" or "charity") for the year to 31 July 2023.

The accounts have been prepared in accordance with the accounting policies set out on pages 21 - 23 of the attached accounts and comply with the charity's trust deed, applicable laws, accounting standards (United Kingdom Generally Accepted Accounting Practice) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### **INTRODUCTION**

The charity is governed by a trust deed dated 11 July 2008 and confirmation of registration with the Charity Commission was received on 9 September 2008 - Charity Registration Number 1125777.

The UK Friends of The Mustique Charitable Trust (hereafter, UK Friends) is an independent grant-making charitable trust. It funds charitable projects on St Vincent and the Grenadines.

### **MISSION**

During the year to 31 July 2023, the UK Friends continued its support of the islands of St Vincent and the Grenadines as they recover from the volcanic eruption of La Soufriere in 2021. Such support is needed now, more than ever, as the islands have been materially weakened, both by the volcano and the continuing economic fallout from the pandemic. In total £159,176 was donated (for further details, see below under 'Achievements and performance').

The Trustees are supported locally in St Vincent and the Grenadines by the Administration Director of The Mustique Charitable Trust (MCT) and her team. The team's salaries are paid for by The Mustique Company as a gift in kind. This partnership working with the MCT means that the UK Friends can operate with very low overheads, thus enabling as much income as possible to be directed to grant-making.

### **OBJECTIVES AND ACTIVITIES IN THE YEAR**

#### **Activities and specific objectives**

The stated objects of the charity are to support and promote such charitable purposes and causes in the islands of St Vincent and the Grenadines as the Trustees in their absolute discretion may determine.

The Trustees made, or committed to, two grants and donations to building 41 houses in the year and details are set out on page 25 of the accounts. The main source of income continued to be from donations received.

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, managing the charity's assets and considering applications for financial assistance. The charity constitutes a public benefit entity as defined by FRS 102.

### **Grant-making policy and aims**

The charity's primary areas of focus are:

- ◆ Supporting long-term economic development, with an emphasis on providing relevant skills-training for the local population, especially in more remote areas
- ◆ Providing children with opportunities to grow and flourish, particularly in the provision of extra-curricular activities
- ◆ Contributing to the health and wellbeing of the islands through supporting the hospital and other medical initiatives
- ◆ Identifying gaps in provision, which cannot be met by other organisations or government institutions, with a view to increasing the islands' resilience in the face of climate change and other challenges.

### **How we work**

We aim to be a supportive grant maker and wish to help organisations grow to their full potential. We take a holistic view and insist, wherever possible, that for UK Friends'-funded projects, supplies be sourced locally, and local businesses supported.

In determining our grants, we consider how the proposals align to the UN's Sustainable Development Goals, especially the following:



### **Achievements and performance**

The year to which these accounts relate continued to be influenced by the volcanic eruption at La Soufriere in April 2021. According to the World Bank report for 2022, tourism on the islands has rebounded after the pandemic-induced fall and is nearing 2019 levels. With tourism recovering and agriculture rebounding sharply post-volcanic eruptions, growth reached 4.9 percent in 2022 and is expected to climb to 6.0 in 2023. However, public debt accounts for 87.8% of GDP meaning the risk of debt distress remains high while growth is forecast to decline from 2024 onwards.

Trustees have recognised that the destruction wrought by the volcano also brought a potential opportunity to address some of the long-term needs of the islands, particularly the demand for homes of a decent standard. With approximately 17,000 St Vincentians (approximately 15% of the population) having been made homeless, Trustees worked with jointly with The Mustique Charitable Trust as part of their VERF initiative (Volcanic Emergency Relief Fund) to identify land available for development and the building of 41 new homes. This capital project was the UK Friends' chief focus for the year ending 31 July 2023 and will continue to be so for at least the first half of the following financial year.

To that end, the UK Friends made grant and donation payments totalling £18,331 (year ended 31 July 2022: £1,467,067), chiefly to deliver work fundraised in support of VERF.

In line with the charity's mission and rationale (see above under 'How we work'), grants given were as follows:

**Sion Hill Euphonium Steel Orchestra:** USD13,590 was agreed for a 9th year of support starting mid-July 2023 for two Summer Training Programmes at Troumaca and Sion Hill to help 75 socially and economically disadvantaged children and teenagers to teach the steel pan. Delivery was focused on an area that has traditionally been disadvantaged and was negatively impacted by the volcano.

**Vincy Table Tennis Foundation:** USD10,959 towards the ongoing programme in the 'Red' and 'Orange Zones' in the rural North Leeward side of St Vincent at Troumaca and Chateaubelair and in the rural North Windward side of St Vincent at Fancy – both areas most negatively impacted by the volcanic eruption. 50 children and young people were trained during the first year of this programme which ended in April 2023. The 2023/24 programmes started in August 2023 with 45 participants from Troumaca and Fancy.

**Richmond Vale Academy:** USD16,753 towards the Environmental Summer Programme run between 26th June and 9th July 2023 supporting the creation of organic gardens and learning about local medicinal plants and conservation for 14 students and 4 Team Leaders. All participants graduated successfully.

## Trustees' report Year to 31 July 2023

**VERF housing project:** £379,371 towards the building of 41 homes to rehouse people from Riverbeds, an area devastated by the volcano (as well as previous natural disasters). The UK Friends committed to funding the entire costs of the project, over two financial years, totalling £1,191,119.46. By 31 July 2023 a total of £855,818 had been donated enabling the completion in the last quarter of 2023 of 21 houses at the Orange Hill Site and 20 houses at the Sandy Bay Site. We intend to commit £335,301 in the next financial year (see under 'Plans for the Future').

The charity's main activity is to provide grants. Therefore, it can exercise a significant degree of control over its expenditure. The Trustees will continue to keep both income and expenditure under review.

Whilst there will undoubtedly be challenges ahead, the Trustees do not expect material concerns to arise over the charity's financial position.

## **FINANCIAL REPORT FOR THE YEAR**

### **Results for the year**

A summary of the results for the year can be found on page 18 of this report and accounts.

During the year, total income from donations (excluding income in kind) is £159,176 (year ended 31 July 2022 - £43,317). This comprises £4,682 of restricted funds and £154,494 from unrestricted funds (year ended 31 July 2022 – £43,317 from restricted funds).

During the year, total amount of expenditure (excluding expenditure in kind) is £31,650 (year ended 31 July 2022 - £1,494,176 excluding in kind expenditure), of which £26,968 is unrestricted (year ended 31 July 2022 - £357,493) and £4,682 of restricted (year ended 31 July 2022 - £1,136,683). Expenditure consisted of grants payable totalling £18,331 (year ended 31 July 2022 - £1,467,067), costs of raising funds £280 (year ended 31 July 2022 - £4,024) and support costs comprising administration and governance costs totalling £13,040 (year ended 31 July 2022 - £23,085). Grants and donations were £13,649 unrestricted (year ended 31 July 2022 - £334,408) and £4,682 restricted (year ended 31 July 2022 - £1,132,659).

Gain on exchange amounted to £nil (year ended 31 July 2022 – loss of £27,009).

This results in a net surplus during the year of £232,435 (year ended 31 July 2022 – net surplus £104,910), being a surplus of £232,435 unrestricted (year ended 31 July 2022 – surplus £104,910) and of £nil restricted (year ended 31 July 2022 – nil).

### **Reserves policy and financial position**

#### **Financial position**

The balance sheet shows total funds of £232,435 at 31 July 2023 (2022 - £104,910), being £232,435 unrestricted and £nil restricted (year ended 31 July 2022 – £104,910 unrestricted and £nil restricted). The size of the unrestricted funds sustains and supports the level of donations which the Trustees wish to make over time. The Trustees consider free reserves to be adequate in light of the charity's reserves policy set out below.

**Reserves policy**

The Trustees' policy is to operate on the basis of having sufficient income to use towards meeting their charitable objects and to accord with their principal aims, which are to make grants for the benefit of the people of St. Vincent and the Grenadines. As at the 31<sup>st</sup> July 2023, the unrestricted reserves were £232,435. The Trustees are of the opinion that the charity's funds on 31 July 2023, together with anticipated donations, remain sufficient to enable them to continue this ongoing objective.

The charity has sufficient funds to maintain its current level of charitable distributions and administrative expenses. Despite the social and economic challenges that may arise in the short to medium term as a result of Covid-19, this level of reserves is deemed appropriate, and the Trustees are content that the charity is a going concern.

Incomes and expenditures are recognised and converted where necessary into GBP pounds sterling. However, when making grants, these funds are converted into local currency. Restricted funds are held for VEF; unrestricted comprises funds for the UK Friends.

The policy of the UK Friends' Board of Trustees is to establish and maintain sufficient unrestricted funds to:

- ◆ Smooth out potential currency exchange fluctuations.
- ◆ Cover existing grant commitments for one year.
- ◆ Cover potential grants, based on historical norms, for one year in the event of a downturn in fundraising.
- ◆ Cover the Trust's running costs for one year.

## **GOVERNANCE, STRUCTURE AND MANAGEMENT**

The charity is governed by a trust deed dated 11 July 2008. The charity is registered under the Charities Act 2011, Charity Registration Number 1125777.

### **Trustees**

The names of the Trustees who were in place on 31 July 2023 are set out as part of the reference and administrative details on page 1 of this annual report and accounts.

The Trustees held three full board meetings during the year, all meetings were for the UK Friends, in line with their governing document.

Trustees are required to disclose all relevant interests and withdraw from decisions where a conflict of interest arises.

The power of appointing new Trustees is vested in the Trustees. The induction process for any newly appointed Trustee comprises an initial meeting with the Chair and the Board, followed by a briefing on investment strategy, the grant-making process and powers and responsibilities of the Trustee Board. The welcome pack includes copies of recent minutes of Trustee meetings, the financial statements of the Foundation and a copy of the Charity Commission's guidance 'The essential trustee: what you need to know, what you need to do' (CC3).

The Trustees hold ultimate responsibility for the policies, activities and assets of the charity. The Trustees agree the broad strategy of the charity, review and confirm policy decisions, review proposals, approve grants, assess and discuss grant-holder performance reports and discuss financial and investment issues and performance.

When necessary, the Trustees seek advice and support from professional advisors, including legal advisors and examiners. The charity does not hold an investment portfolio but receives donations into its bank accounts at C. Hoare & Co. which it then uses to make grants and to cover its administrative costs.

## **PLANS FOR THE FUTURE**

The Trustees aim to continue supporting the people of St Vincent and the Grenadines in the ways heretofore outlined. At the time of writing, the Trustees continue to work closely with their grantees as they respond to the longer term impacts of the La Soufriere volcano and the economic fallout from Covid-19. They will continue to support their grantees as they seek to rebuild their livelihoods, culture and wellbeing in the longer term.

The Trustees are pleased to have contributed £867,215.99 so far in support of the VERF Housing Project (See also Note 12 on page 26). Trustees will also be exploring options for new opportunities that could add value to the wellbeing of the local community in and around the VERF Housing Project site at Sandy Bay.

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity at the year end and of its income and expenditure during the year. In preparing accounts giving a true and fair view, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

## **Trustees' report** Year to 31 July 2023

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations 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.

Each trustee confirms that:

- ◆ so far as they are aware, there is no relevant audit information of which the charity's examiner is unaware; and
- ◆ they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's examiner is aware of that information.

The Trustees are ultimately responsible for the policies, activities and assets of the charity. They review the developments with regard to the charity, its grant-giving activities and make any important decisions. When necessary, the Trustees seek advice and support from the charity's professional advisers including solicitors and accountants. The day-to-day management of the charity's activities, and the implementation of policies, is delegated to the Administration Director and her team on St Vincent.

### **Key management**

The Trustees comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. The day-to-day management and operation of the charity has been supported by an Administration Director on St Vincent with administrative and bookkeeping support provided by The Trust Partnership in the UK.

The Administration Director has worked closely with the Trustees in order to implement the charity's strategic priorities and managed the grant-making process, the grants portfolio and relationships with grant holders. The Trust Partnership has provided clerking and bookkeeping support, including Trustees' policy statements and risk management procedures. This has increased efficiency and allowed the charity to maintain cost-effective operations. Where appropriate, advice is also taken from the charity's examiner, legal and other professional advisors.

### **Risk management**

The Trustees have a range of experience across the business, investment and charity sectors. Additional relevant expertise and internal control is maintained by delegating responsibilities and performance measurement. Procedures and policies are kept under regular review.

## Trustees' report Year to 31 July 2023


The Trustees regularly assess the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity and its finances. The Trustees believe that by monitoring grants made, by ensuring controls exist over key finance systems and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The Trustees' work on risk assessment has been formally documented and is subject to regular ongoing review.

Risks are categorised as either financial, conduct or reputational, and responsibility is ascribed for each risk. Probability and potential impact are assessed for each risk. Consideration is also given as to whether risks are regarded as static, diminishing or increasing. This enables the Trustees to judge whether and where additional controls need to be implemented.

For example, the charity has a grant-making policy and due diligence and monitoring procedures aimed at ensuring that all grants are both appropriate and effective. Policies are formally reviewed and re-adopted annually.

Having assessed the major risks to which the charity is exposed including giving consideration to any challenges that may arise due to the Covid-19 pandemic, the Trustees believe that by ensuring controls exist over key financial and grant making systems which are subject to regular monitoring, including periodic reviews of performance against benchmarks, they have established effective systems to mitigate those risks.

Signed on behalf of the Trustees:

  
Andrew Rodger (May 21, 2024 14:56 GMT+1)

Approved by the Trustees on:

21/05/24

**Independent examiner's report to the trustees of The UK Friends of The Mustique Charitable Trust**

I report to the charity trustees on my examination of the accounts of The UK Friends of The Mustique Charitable Trust (the Trust) for the year ended 31 July 2023.

**Responsibilities and basis of report**

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Dunkley's Statutory Auditors Chartered Accountants  
Woodlands Grange  
Woodlands Lane  
Bradley Stoke  
Bristol  
BS32 4JY

Date: .....

Statement of financial activities Year to 31 July 2023

Statement of financial activities

	Note	Unrestricted Year to 31 July 2023 £	Restricted Year to 31 July 2023 £	Total funds Year to 31 July 2023 £	Unrestricted Year to 31 July 2022 £	Restricted Year to 31 July 2022 £	Total funds Year to 31 July 2022 £
<b>Income from:</b>							
Donations and legacies	1	154,494	4,682	159,176	-	43,317	43,317
In kind income	7	24,632	-	24,632	23,814	-	23,814
<b>Total income</b>		<b>179,126</b>	<b>4,682</b>	<b>183,808</b>	<b>23,814</b>	<b>43,317</b>	<b>67,131</b>
<b>Expenditure on:</b>							
Raising funds		280	-	280	-	4,024	4,024
Promoting and enhancing charitable work	3	13,649	4,682	18,331	334,408	1,132,659	1,467,067
Other expenditure	3	13,040	-	13,040	23,085	-	23,085
In kind expenditure	7	24,632	-	24,632	23,814	-	23,814
<b>Total expenditure</b>		<b>51,601</b>	<b>4,682</b>	<b>56,283</b>	<b>381,307</b>	<b>1,136,683</b>	<b>1,517,990</b>
<b>Net (expenditure)/income</b>		<b>127,525</b>	<b>-</b>	<b>127,525</b>	<b>(357,493)</b>	<b>(1,093,366)</b>	<b>(1,450,859)</b>
<b>Profit/(loss) on exchange</b>	2	-	-	-	27,009	-	27,009
<b>Net movement in funds</b>		<b>127,525</b>	<b>-</b>	<b>127,525</b>	<b>(330,484)</b>	<b>(1,093,366)</b>	<b>(1,423,850)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 August 2022		104,910	-	104,910	435,394	1,093,366	1,528,760
Total funds carried forward at 31 July 2023		<b>232,435</b>	<b>-</b>	<b>232,435</b>	<b>104,910</b>	<b>-</b>	<b>104,910</b>

All of the charity's activities derived from continuing operations during the above two financial years.


All recognised gains and losses are included in the above statement of financial activities.

## Balance Sheet Year to 31 July 2023

### Balance Sheet

Notes	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
<b>Current assets</b>						
Cash at bank and in hand	571,835	4,682	576,517	137,369	714,612	852,041
<b>Liabilities</b>						
<b>Creditors: amounts falling due within one year</b>						
- Accruals for grant payables	(333,018)	(4,682)	(337,700)	(13,969)	(714,672)	(728,641)
- Trade creditors	(3,982)	-	(3,982)	(14,890)	-	(14,890)
- Accruals and deferred income	(2,400)	-	(2,400)	(3,600)	-	(3,600)
	<b>(339,400)</b>	<b>(4,682)</b>	<b>(344,082)</b>	<b>(32,459)</b>	<b>(714,612)</b>	<b>(747,131)</b>
<b>Net current assets</b>	<b>232,435</b>	<b>-</b>	<b>232,435</b>	<b>104,910</b>	<b>-</b>	<b>104,910</b>
<b>Total net assets</b>	<b>232,435</b>	<b>-</b>	<b>222,435</b>	<b>104,910</b>	<b>-</b>	<b>104,910</b>
<b>Funds and reserves</b>						
Initial capital	100	-	100	100	-	100
Unrestricted funds	232,335	-	232,335	104,810	-	104,810
<b>Total funds</b>	<b>232,435</b>	<b>-</b>	<b>232,435</b>	<b>104,910</b>	<b>-</b>	<b>104,910</b>

Approved by the Trustees and signed on their behalf by:

  
Andrew Rodger (May 21, 2024 14:56 GMT+1)

Approved by the Trustees on:

21/05/24

## Principal accounting policies Year to 31 July 2023

### Principal accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

### Basis of preparation

These accounts have been prepared for the year to 31 July 2023, with comparative information given in respect to the year from 1 August 2022 to 31 July 2023.

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, Update Bulletin 1 issued on 2 February 2016, Update Bulletin 2 issued on 5 October 2018, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

### Critical accounting estimates and areas of judgement

Preparation of the accounts requires the Trustees to make significant judgements and estimates.

The principal item in the accounts where a judgement or an estimate has been made is in respect to estimating future income and expenditure flows to enable the Trustees to assess the impact of the Covid-19 pandemic on the charity's financial position and going concern (see below).

### Assessment of going concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these accounts, and in light of the recent Covid-19 pandemic.

The charity's main activity is to provide grants. Therefore, it is able to exercise a significant degree of control over its expenditure. The Trustees will continue to keep both income and expenditure under review.

The Trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

**Income recognition**

Income is recognised in the year in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

**Income recognition (continued)**

Donations are recognised when the charity has confirmation of both the amount and the settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that the donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either the conditions are fully met, or the fulfilment of these conditions are wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

All other income is recognised to the extent that it is probable that the economic benefit will flow to the charity and the revenue can be measured reliably. It is measured at fair value and is accounted for on an accruals basis.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligations can be measured reliably.

All expenditure is accounted for on an accrual's basis. Expenditure comprises direct costs and support costs.

Grants and donations payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

**Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of administration services. Governance costs comprise the costs involving the public accountability of the charity (including examiner's costs) and costs in respect of its compliance with regulation and good practice.

Support costs and governance costs are apportioned directly to the one charitable activity.

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash in bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits.

**Creditors and provisions**

Creditors and provisions 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. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Fund accounting**

The unrestricted fund represents funds available for the general charitable purposes of the charity which may be applied at the discretion of the Trustees.

Notes to the accounts

1. Donations and legacies

	Unrestricted Year to 31 July 2023 £	Restricted Year to 31 July 2023 £	Total funds Year to 31 July 2023 £	Unrestricted Year to 31 July 2022 £	Restricted Year to 31 July 2022 £	Total funds Year to 31 July 2022 £
Donations	154,494	4,682	159,176	-	43,317	43,317
<b>Total:</b>	<b>154,494</b>	<b>4,682</b>	<b>159,176</b>	<b>-</b>	<b>43,317</b>	<b>43,317</b>

2 (Loss)/profit on exchange

	Unrestricted Year to 31 July 2023 £	Restricted Year to 31 July 2023 £	Total Year to 31 July 2023 £	Unrestricted Year to 31 July 2022 £	Restricted Year to 31 July 2022 £	Total Year to 31 July 2022 £
Loss on exchange	0	-	0	27,009	-	27,009
<b>Total (Loss)/Profit on exchange</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>27,009</b>	<b>-</b>	<b>27,009</b>

3 Promoting and enhancing charitable work

	Unrestricted Year to 31 July 2023 £	Restricted Year to 31 July 2023 £	Total Year to 31 July 2023 £	Unrestricted Year to 31 July 2022 £	Restricted Year to 31 July 2022 £	Total Year to 31 July 2022 £
Charitable donations (note 4)	13,649	4,682	18,331	344,408	1,132,659	1,467,067
Expenses (note 5)	10,640	-	10,640	19,485	-	19,485
Governance costs (note 6)	2,400	-	2,400	3,600	-	3,600
<b>Total</b>	<b>26,689</b>	<b>4,682</b>	<b>31,371</b>	<b>357,493</b>	<b>1,132,659</b>	<b>1,490,152</b>

Notes to the accounts Year to 31 July 2023

**4 Charitable donations**

Charitable donations during the year comprised the following:

	<b>Year to 31 July 2023 £</b>	Year to 31 July 2022 £
<b>Unrestricted</b>		
<b>The UK Friends of The Mustique Charitable Trust</b>		
Sion Hill Euphonium Orchestra Inc Grant	-	9,725
The Mustique Charitable Trust -Relocation of 41 Houses (40%)	-	58,460
VERF Farmer Toolkit		72,000
Richmond Vale Academy	<b>7,949</b>	13,969
Vincy Table Tennis	<b>10,382</b>	-
The Mustique Charitable Trust (VERF re-imburements)	-	190,253
<b>Total</b>	<b>18,331</b>	344,408
<b>Restricted</b>		
The Mustique Charitable Trust -Relocation of 41 Houses (60%)	-	714,672
The Mustique Charitable Trust -Relocation of 41 Houses (40%)	-	417,987
<b>Total</b>	<b>18,331</b>	1,132,659
<b>Total</b>	<b>18,331</b>	<b>1,467,067</b>

At 31 July 2023, the charity had no grant commitments in respect to grants awarded but payable only on the fulfilment of certain conditions (year to 31 July 2022 – none).

**5 Administrative costs**

	<b>Unrestricted Year to 31 July 2023 £</b>	<b>Restricted Year to 31 July 2023 £</b>	<b>Year to Total 31 July 2023 £</b>	Unrestricted Year to 31 July 2022 £	Restricted Year to 31 July 2022 £	Total Year to 31 July 2022 £
Bank charges	<b>460</b>	-	<b>460</b>	679	-	679
Administration Cost	<b>10,180</b>	-	<b>10,180</b>	18,807	-	18,807
<b>Total</b>	<b>10,640</b>	-	<b>10,640</b>	19,485	-	19,485

## 6 Governance costs

	Unrestricted Year to 31 July 2023 £	Restricted Year to 31 July 2023 £	Total Year to 31 July 2023 £	Unrestricted Year to 31 July 2022 £	Restricted Year to 31 July 2022 £	Total Year to 31 July 2022 £
<b>Total Funds:</b> Examiners' fee	<b>2,400</b>	<b>-</b>	<b>2,400</b>	3,600	-	3,600

## 7 Staff costs and Trustees' remuneration

The charity employed no staff during the year (year to 31 July 2022 – none).

No trustee received any remuneration in respect of their services during the year (year to 31 July 2022 – none).

No Trustees were reimbursed for expenditure incurred in the performance of their duties during the year (year to 31 July 2022 – none).

### Key management personnel

The key management personnel of the charity in charge of directing and controlling the charity comprise the Trustees. The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the year was £nil (year to 31 July 2022 - £nil).

The salary costs for the Administration Director is paid for as a gift in kind. The payments for the year were £24,632(year to 31 July 2022 – £23,814).

## 8 Taxation

The UK Friends of The Mustique Charitable Trust is a registered charity and, therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities as they fall within the various exemptions available to registered charities.

## 9 Creditors: amounts falling due within one year

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Accruals for grants payables (note 12)	<b>333,018</b>	<b>4,682</b>	<b>337,700</b>	13,969	714,672	728,641
Trade Creditors	<b>3,982</b>	-	<b>3,982</b>	14,890	-	14,890
Accruals and deferred income	<b>2,400</b>	-	<b>2,400</b>	3,600	-	3,600
	<b>339,400</b>	<b>-</b>	<b>344,082</b>	32,459	714,672	747,131

## 10 Funds analysis

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
Brought forward 1 August 2022	104,910	-	104,910
Income	179,126	4,682	183,808
Expenditure	(51,601)	(4,682)	(56,283)
Transfers	-	-	-
Gains and losses	-	-	-
Carried forward 31 July 2023	<b>232,435</b>	-	<b>232,435</b>

In response to the volcanic eruption in 2021 on the island of St Vincent all income funds resulting from fundraising appeals were restricted to support VERF (Volcano Emergency Relief Fund).

Unrestricted comprises funds for the UKFMCT, some of which may be deployed to The Mustique Charitable Trust, at the discretion of the Trustees.

## 11 Related party transactions

There was a nil related parties' transaction in 2022 (year to 31 July 2022 - nil). The Mustique Charitable Trust was funded to deliver VERF activities (see above under 'Achievements and performance').

The Administration Director at The Mustique Charitable Trust provides support for the UK Friends, which is paid for as a gift in kind, equalling £24,632 (year to 31 July 2022 - £23,814)

## 12 Accruals for grant payables

It has been deemed appropriate by the Trustees that the funds required for the final payment of the VERF Housing Project of £335,301 will now be provided by an affiliated trust in the USA that has the same objects as the Charity and with whom the Charity collaborates closely. This was formally resolved by the Trustees on the 7th of December 2023.