

MUSTARDSEED TRUST
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

MUSTARDSEED TRUST

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MUSTARDSEED TRUST

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2025**

Trustees	A Bakema-Boon, Chair and Acting Secretary S P W Hatvany, Treasurer and acting Vice Chair Z Kharas, Trustee
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Charity registered number	SC042311
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Principal office	9 Haymarket Square Edinburgh EH3 8FY
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Accountants	AAB Audit & Accountancy Limited Kingshill View Prime Four Business Park Kingswells Aberdeen AB15 8PU
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MUSTARDSEED TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees present this annual report with the narrative annual report and the financial statements of the Mustardseed Trust Charity (hereafter called the Charity) for the year ended 31 December 2025.

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

Board of Trustees:

A Bakema-Boon	Chair and acting Secretary
B R Hatvany	Trustee (resigned 18 June 2025)
S P W Hatvany	Treasurer and acting Vice Chair
Z Kharas	Trustee

Contact details:

9 Haymarket Square
Edinburgh EH3 8FY
OSCR#SC042311
www.mustardseedtrust.org
Info@mustardseedtrust.org

Foreword by the chair

On behalf of the Board of Trustees, I am honoured to present the Mustardseed Trust Annual Report for 2025 — a year of bold decisions, heartfelt collaborations and transformation.

Since its inception in the early 2000s, Mustardseed has operated from a foundation of abundance and love for people and planet. Guided by its values and inspired by shared visions, the Trust has supported its partners in advancing their missions, each contributing in unique ways toward the creation of a care economy. Over the past 25 years, the Trust has made significant contributions to regenerative food systems, education, ocean and soil health, community-owned currencies, universal basic income, and other dimensions of the care economy.

Also in 2025, across different regions and levels of society, the Trust's partners continued to develop new systems and paradigms designed to replace outdated models that undermine humanity's existence, our mutual trust, and collective well-being. Recognizing the urgency of the moment, the Trust had accelerated its giving in 2024 and 2025 to empower its partners to thrive independently of Mustardseed and scale their work.

At the Board of Trustees (BoT) meeting in April 2025 it was affirmed, what was decided a year earlier, that the Trust would conclude its programmatic operations by July 1st, 2025. The staff had been informed timely and compensated in accordance with the labour laws. Trustees also resolved that the Trust would continue in a reduced operational form until the liquidity position of 2enable changes, at which point the situation will be re-evaluated and the Trustees can determine the next steps. Beyond receiving and honouring many inspiring grant proposals, the highlight of the year was the Jamboree in April 2025. The Jamboree, held near Nice, marked the full flowering for the Trust. Over 50 participants from all over the world - thought leaders, practitioners, and philanthropists - held deep conversations and generated strategic insights to develop their organisations beyond what Mustardseed has enabled them to become and achieve. The gathering also unleashed substantial and final funding of new partnerships projects aligned with the Trust's mission. The projects will carry on the MT mission beyond its programmatic lifespan.

In line with what was agreed in the Trustee meeting, Bela Hatvany resigned as Trustee in June 2025. With deep appreciation, the co-founders Bela and Ellen Hatvany were honoured with the title of "Trustee Emeritus" of the Mustardseed Trust.

Activities in the second half of 2025 focused on pending administrative matters and the creation of the Mustardseed Trust 25-Year Journey Book.

Alida Bakema-Boon. Chair Mustardseed Trust

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

• Constitution

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

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

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

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

• Methods of appointment or election of Trustees

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

• Organisational structure and decision-making policies

The Trustees constitute the Board of Trustees, the main governance body. In 2025 there were two active committees: The Program Committee and The Finance and Admin Committee. The Board of Trustees has installed an Executive Team under leadership of the Managing Director, until June 2025. From July 2025, both committees as well as the executive team have wound down. The Board of Trustees remains the main governance body.

• Policies adopted for the induction and training of Trustees

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

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

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

• Pay policy for key management personnel

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

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

• Management

Mustardseed Trust governs the Charity (management and day to day operations) according to the operations manual, the constitution and the OSCR guidelines. Since the charity is in reduced form it has from 1st July 2025 no longer any staff. The Treasurer coordinate the work of the external auditors in liaison with the ex-MD, if available.

Up until 1st of July 2025 the Executive Team consisted of:

- Emmy van Kleef
Managing director (full-time)
- Katrina Bull
Partners & Operations (part-time)
- Petra Cauwels
Impact investment & operations (part-time)
- Christel Vervoort
Accountant (freelance)

OBJECTIVES AND ACTIVITIES

• Policies and objectives

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

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

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

www.mustardseedtrust.org.

• How the trust plans to achieve its objectives and aims

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

The trust continued the accelerated giving along the lines of our strategic objectives. We realised that when done thoughtfully, it can catalyse meaningful and lasting systems change in alignment with the Trust's vision. It was also agreed that after five years, the impact of the new strategy will be researched. We expect an update from our partners in 2030.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

OBJECTIVES AND ACTIVITIES (continued)

• Measuring Success

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

Success is measured through:

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

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

• Strategic Objectives

In lieu of continuing the existing 2025 work plan, the Trust redirected its programme:

- Strengthen the impact of existing partners who are advancing the care economy, all in their unique ways; and
- Enable visionary leaders and entrepreneurs to build regenerative food systems rooted in community, ecology, and social-justice.
- Enable continued cross- pollination and collaboration amongst our partners, enabled through the Jamboree and an amount of seed funding for the collaborations.

In 2025 we continued to follow the fruition plan, where funds were dispersed to partners enabling the above strategic objectives.

- Round Three: Support for new partners aligned with the regenerative food systems strategy
- Round Four: Remaining liquid funds distributed to trusted partners deeply aligned with Mustardseed's values
- Round Five: Commitment to distribute any future proceeds from 2Enable to aligned partners after the Trust winds down

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

• Programmatic outcomes

As part of its flowering, Mustardseed Trust organised a Jamboree in Nice, from 6 to 9 May 2025. Over 50 participants from all over the world - thought leaders, practitioners, and philanthropists - celebrated, held deep conversations and generated strategic insights to develop their organisations beyond what Mustardseed has enabled them to become and achieve. Long-standing partners that Mustardseed Trust has been supporting over years, such as the URDT and ARU, Faith in Leadership, MMCC, The Basic Income movement and Ecosystem Restoration Communities were present, as well as more recent partners such as Hatch Blue and Bowden Pillars Future were present.

<https://youtu.be/0djTBUnxvk8?si=CYQDN1xQNWJiJGNQ>

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

OBJECTIVES AND ACTIVITIES (continued)

- **Organisational objectives**

Outcome 1: Our partners are enabled to move forward by 'the second round' of grant giving.

Grants were dispersed as per the trustees wishes so that our partners could continue their work, ensuring the Mustardseed Trust values live on through them.

Outcome 2: organisations supported by MST in the third round, are moving food systems towards regenerative.

Through the thorough research third round of grants, we were able to support a number of food-system related partners with their work: the Bionutrient Food Association, working on measuring food density in produce.

Outcome 3: The jamboree is a final group hug where partners leave with (re)newed relationships that contribute to furthering their mission.

A successful Jamboree event with over 50 participants was organized in Nice from May 6 – 9 2025 (see highlight section on page 5) The jamboree also brought an opportunity to fund initiatives that were formed there such as collaborations and exchanges.

Outcome 4: Aqua-Spark shares are transferred to partners who benefit from mission aligned investment.

This did not materialize in 2025, due to AquaSpark's volatility of the portfolio. Mustardseed trust continues to monitor the fund with a desire to donate the shares when this makes sense.

Outcome 5: In the Fourth round organisations are supported by MST to further their mission.

As the trust monitored its liquidity status, it became apparent that funds could be disbursed. The fourth round of grants seeks to enable a variety of long-standing and novel partners that are mission aligned to Mustardseed trust in the regeneration and support for the web of life.

Outcome 6: Mustardseed values, partnerships and impact over the years are documented, and continued in a decentralized form

Various processes happened:

- The journey book initiated by the chair captures the history, mission and unique journey that Mustardseed had over the years.
- Our website continues to inform public on our purpose, our partners work and what impact they created over the years.
- Various groups were formed such a "Mustardseed Friends' network to continue the conversations among partners beyond Mustardseeds life span.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

OBJECTIVES AND ACTIVITIES (continued)

• Mustardseed Trust Partners

Over 75 partners were supported with grants during 2025. A highlight of the Partners that Mustardseed Trust supported in 2025 were:

- John D. Liu
- URDT
- ARU
- Dryland Solutions
- The Healing Path
- Bionutrient Food Association
- URDT Girls school Uganda
- MMCC Global
- Bowden Pillars Future
- Synchronicity Earth
- Be the Earth
- Soil Heroes

In addition to these partners, we funded a number of special collaborations as a result of the May 2025 Jamboree meeting of all partners in Nice.

Special collaborations:

- MST Community Friends Pool/Mustardseedlings
- Seaweed Hortimare/West Europe
- Seaweed East Africa
- Wilding Metrics
- Economic security for ecological regeneration
- Faith in Leadership/CPS
- Mycelium Uganda
- Agroflorestral/Grassroots

ACHIEVEMENTS AND PERFORMANCE

FINANCIAL REVIEW

• Financial Position

The total reserves held as at 31 December 2025 were \$3,749,881 (2024: \$9,150,294).

In 2025, Mustardseed Trust made 78 grants. A total of \$5,762,171.51 was disbursed to support our partners.

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

● Reserves and investment policy

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

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

After the strategic decision to accelerate giving, these reserves are being systemically and carefully drawn down. The remaining capital is classified as capital reserves.

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

● Principal funding sources

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

● Financial effects of significant events

Throughout 2025, Mustardseed Trust continued to use UBS as its investment manager. The investments made in prior periods were systematically liquidated to facilitate the distribution of grants and fulfil the Trust's commitment to disbursing its remaining assets to mission-aligned partners to increase their impact.

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

● Principal risks and uncertainties

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

● Factors affecting the financial performance of the Trust

Given the planned realisation of investments in 2025, the number of variables influencing financial performance was limited. However, external factors such as market volatility, the U.S. economic policy, and currency exchange fluctuations were closely monitored.

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

MUSTARDSEED TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

PLANS FOR FUTURE PERIODS

Mustardseed Trust's focus in 2025 was to complete its fruition phase while ensuring a strong legacy by enabling partners and communities to thrive beyond the Trust's giving programme. The Trust will have no programmatic activities in 2026. Organisationally, the trustees will monitor its illiquid assets.

1. Support for Existing Partners

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

2. Asset Transfer and Stewardship

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

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

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



.....
A Bakema-Boon
(Chair of Trustees)
Date: 30 September 2026

MUSTARDSEED TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2025

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

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MUSTARDSEED TRUST

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Independent Examiner's Report to the Trustees of Mustardseed Trust

I report on the accounts of the charity for the year ended 31 December 2025 which are set out on pages 12 to 23.

Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 ('the Act') and the Charities Accounts (Scotland) Regulation 2006 ('the Accounts Regulations'). The trustees consider that the audit requirement of regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 44(1)(a) of the Act and regulation 4 of the Accounts Regulations; and
 - to prepare financial statements which accord with the accounting records, Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) and in other respects comply with regulation 8 of the Accounts Regulationshave not been met; or
2. to which, in my opinion, attention should be drawn in order to enable proper understanding of the financial statements to be reached.

This report is made solely to the charity's Trustees in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees for my work or for this report.

Signed: *Graeme Penman*

Dated: 30 September 2026

Graeme Penman
Institute of Chartered Accountants of Scotland

AAB Audit & Accountancy Limited
Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

MUSTARDSEED TRUST**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Note	Unrestricted funds 2025 \$	Total funds 2025 \$	Total funds 2024 \$
Income from:				
Investments	4	642,460	642,460	147,090
Total income		<u>642,460</u>	<u>642,460</u>	<u>147,090</u>
Expenditure on:				
Raising funds	5	-	-	1,548,779
Charitable activities		6,228,223	6,228,223	4,708,706
Total expenditure		<u>6,228,223</u>	<u>6,228,223</u>	<u>6,257,485</u>
Net movement in funds before other recognised gains/(losses)		(5,585,763)	(5,585,763)	(6,110,395)
Other recognised gains/(losses):				
Gains on revaluation of investments		185,350	185,350	256,540
Net movement in funds		<u>(5,400,413)</u>	<u>(5,400,413)</u>	<u>(5,853,855)</u>
Reconciliation of funds:				
Total funds brought forward		9,150,294	9,150,294	15,004,149
Net movement in funds		(5,400,413)	(5,400,413)	(5,853,855)
Total funds carried forward		<u><u>3,749,881</u></u>	<u><u>3,749,881</u></u>	<u><u>9,150,294</u></u>

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

The notes on pages 14 to 23 form part of these financial statements.

MUSTARDSEED TRUST**BALANCE SHEET
AS AT 31 DECEMBER 2025**

	Note	2025 \$	2024 \$
Fixed assets			
Investments	11	3,579,485	7,263,886
		<u>3,579,485</u>	<u>7,263,886</u>
Current assets			
Cash on deposit	12	151,552	1,888,753
Cash at bank and in hand		50,487	51,265
		<u>202,039</u>	<u>1,940,018</u>
Current liabilities			
Creditors: amounts falling due within one year	13	(31,643)	(53,610)
		<u>170,396</u>	<u>1,886,408</u>
Net current assets			
Total assets less current liabilities		<u>3,749,881</u>	<u>9,150,294</u>
Charity funds			
Unrestricted funds	14	3,749,881	9,150,294
Total funds		<u><u>3,749,881</u></u>	<u><u>9,150,294</u></u>

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



.....
A Bakema-Boon
(Chair of Trustees)

Date: 30 September 2026

The notes on pages 14 to 23 form part of these financial statements.

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. General information

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

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Mustardseed Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The presentational currency is USD (\$).

2.2 Going concern

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

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

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

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

2.3 Income

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

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

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

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.4 Expenditure

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

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

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

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Foreign currencies

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

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

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

2.6 Investments

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

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

2.7 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.

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. Accounting policies (continued)

2.8 Liabilities and provisions

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

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

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

2.9 Financial instruments

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

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

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

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

Valuation of investments

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

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****4. Investment income**

	Unrestricted funds 2025 \$	Total funds 2025 \$	Total funds 2024 \$
Dividend income	-	-	76,106
Share of results of unlisted partnership (note 11)	633,091	633,091	-
Interest receivable	9,369	9,369	70,984
	<u>642,460</u>	<u>642,460</u>	<u>147,090</u>
Total 2024	<u>147,090</u>	<u>147,090</u>	

5. Expenditure on raising funds

	Unrestricted funds 2025 \$	Total funds 2025 \$	Total funds 2024 \$
Share of results of unlisted partnership (note 11)	-	-	1,508,122
Portfolio management fees	-	-	40,657
Total 2025	<u>-</u>	<u>-</u>	<u>1,548,779</u>
Total 2024	<u>1,548,779</u>	<u>1,548,779</u>	

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****6. Analysis of grants**

	Grants to Institutions 2025 \$	Grants to Individuals 2025 \$	Total funds 2025 \$	Total funds 2024 \$
Grants and Donations	5,762,172	20,629	5,782,801	4,369,725
Total 2024	4,369,725	-	4,369,725	

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

	2025 \$	2024 \$
Name of institution		
Ecosystem Restoration Camps / Foundation	-	430,000
Grassroots Economics Foundation	135,000	450,000
Zeitpolster	450,000	-
Association Yagana de Gagnaga	-	55,000
Bionutrient Food Association	125,000	-
Oceans Oasis Association	600,000	-
Basic Income Earth Network (BIEN)	300,000	-
Generation-Re	-	50,000
The Weather Makers	250,000	500,000
Alliance for Food Sovereignty in Africa (AFSA)	150,000	-
URDT	500,000	2,031,000
Faith in Leadership	500,000	70,000
MMCC - Global	-	74,000
Bowden Pillars Future	120,000	-
Mutirão Agroflorestal	-	87,000
Grounded International	145,500	50,000
Fresh Ventures	-	57,000
Creabitat	166,000	110,702
Dry Land Solutions	-	55,500
Buckminster Fuller Institute	125,200	-
Hatch Blue	135,000	-
We Share Forward Foundation	161,661	-
Vereniging Achteraf is Mooi Wonen	191,293	-
Other (non-material) grants to institutions	1,728,147	349,523
	5,782,801	4,369,725

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****7. Analysis of expenditure by activities**

	Activities undertaken directly 2025 \$	Grant funding of activities 2025 \$	Support costs 2025 \$	Total funds 2025 \$	Total funds 2024 \$
Grants and Donations	159,953	5,782,801	285,469	6,228,223	4,708,707
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total 2024	57,115	4,369,725	281,867	4,708,707	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

Analysis of support costs

	Total funds 2025 \$	Total funds 2024 \$
Personell costs	226,857	197,303
Bank charges	12,979	10,873
Taxes paid/ (received)	(6,362)	154
Governance costs	51,995	73,537
	<u> </u>	<u> </u>
Total 2025	<u>285,469</u>	<u>281,867</u>

8. Independent examiner's remuneration

	2025 \$	2024 \$
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	25,000	-
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	-	30,000
	<u> </u>	<u> </u>

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****9. Staff costs**

	2025 \$	2024 \$
Salaries & other contracted payroll costs	199,716	160,725
Social security	20,068	25,727
	<u>219,784</u>	<u>186,452</u>

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

	2025 No.	2024 No.
Trustees	3	4
Management staff	3	3
	<u>6</u>	<u>7</u>

During the year the charity made redundancy and termination payments totalling \$92,549 (2024: \$nil), relating to 3 employees.

The number of employees whose employee benefits (excluding employer pension costs) exceeded \$81,000 was:

	2025 No.	2024 No.
In the band \$111,001 - \$121,000	1	-

10. Trustees' remuneration and expenses

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

	2025 \$	2024 \$
Chair - Remuneration	<u>13,385</u>	<u>26,169</u>

During the year ended 31 December 2025, travelling expenses totaling \$13,338 were reimbursed or paid directly to 2 Trustees (2024 - \$11,428 to 4 Trustees).

The key management personnel of the charity comprise the Trustees and the managing director. The total employee benefits of the key management personnel of the charity were \$77,198 (2024: \$89,831)

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****11. Fixed asset investments**

	Listed investments \$	Unlisted investments - 2Enable \$	Unlisted investments - Aquaspark \$	Total \$
Cost or valuation				
At 1 January 2025	4,860,015	2,000,635	403,236	7,263,886
Share of results	-	633,091	-	633,091
Disposals	(4,502,000)	-	-	(4,502,000)
Revaluations	269,191	-	(84,534)	184,657
Other movements	(149)	-	-	(149)
At 31 December 2025	<u>627,057</u>	<u>2,633,726</u>	<u>318,702</u>	<u>3,579,485</u>

Listed investments are an investment portfolio managed by UBS in the United States of America. Included within the portfolio as at 31 December 2025 are amounts investments and a cash balance (note 12)

The charity has a share in 2 Enable Partners LP, an unincorporated partnership registered in Delaware USA. The year end balance of \$2,633,726 represents the Trust's share of the partnership. The Trust recognised it's share of the results of 2 Enable Partners LP in the Statement of Financial Activities.

The charity has a share in Aqua-Spark Co~peratieve U.A. an investment fund registered in the Netherlands which specialises in investment in sustainable aquaculture. The year end balance held represents the charity's 0.15% share in the fund as at 31 December 2025.

12. Current asset investments

	2025 \$	2024 \$
Cash on deposit	<u>151,552</u>	<u>1,888,753</u>

13. Creditors: Amounts falling due within one year

	2025 \$	2024 \$
Accruals and deferred income	<u>31,643</u>	<u>53,610</u>

MUSTARDSEED TRUST**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025****14. Statement of funds****Statement of funds - current year**

	Balance at 1 January 2025 \$	Income \$	Expenditure \$	Gains/ (Losses) \$	Balance at 31 December 2025 \$
Unrestricted funds					
General Funds - all funds	9,150,294	642,460	(6,228,223)	185,350	3,749,881
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Statement of funds - prior year

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

15. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2025 \$	Total funds 2025 \$
Fixed asset investments	3,579,485	3,579,485
Current assets	202,039	202,039
Creditors due within one year	(31,643)	(31,643)
Total	<u>3,749,881</u>	<u>3,749,881</u>

MUSTARDSEED TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

15. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

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

16. Operating lease commitments

The Charity had no commitments under non-cancellable operating leases at 31 December 2025.

17. Related party transactions

In addition to transactions with Trustees, detailed at note 10, the charity made grant payments of \$529,787 to the ARU and Uganda Rural Development and Training Programme, and \$600,000 to Ocean's Oasis Association in the year, entities with common board members.

The charity also made grant payments of \$191,293 to Vereniging Achteraf is Mooi Wonen and \$44,316 to 't Voedselbos Bavelsearde. Both entities were founded or co-founded by employees of Mustardseed Trust.

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