

THE DALITSO TRUST

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

THE DALITSO TRUST

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THE DALITSO TRUST

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

Trustees	K Densham, Chair S E Bennett, Vice Chair (resigned 17 May 2022) T Densham, Secretary D Knott, Trustee (appointed 7 June 2022)
Charity registered number	1090274
Principal office	14 Wychall Park Grove Birmingham B38 8AQ
Accountants	Crowe U.K. LLP Chartered Accountants Black Country House Rounds Green Road Oldbury West Midlands B69 2DG
Bankers	Lloyds TSB Black Horse House Medway Wharf Road Tonbridge Kent TN9 1QS
Project directors	T Husbands A Husbands

THE DALITSO TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and the financial statements for the year ended 31 March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) in preparing the annual report and financial statements.

Governing Documents

The Dalitso Trust is a U.K. registered charity, number 1090274 created in June 2001.

Objectives

The Charity was set up for the benefit of people in Malawi and bordering countries. The aim is to relieve poverty as well as to advance education and Christianity.

The Trust works in partnership with rural communities in Malawi to establish projects that engage, involve and develop the community. We aim to make these communities self-sufficient in the areas of our involvement to ensure that we provide sustainable solutions to local issues.

What we do

Community Health Education.

Under 6 Educational play & parenting skills.

Train Church leaders & facilitate discovery Bible studies

Who we work with

The Trust works with rural Malawians. We work with a Christian ethos and often through local churches. However, our work is inclusive and offered to all regardless of race, sex or religious beliefs. The team develop relationships that educate, equip and then support local communities and their leaders. The Trustees are aware that detriment and harm can arise from inappropriate forms of aid/development work. All work is evaluated to ensure this potential is minimised. The office in Malawi is rurally based in Malingunde.

This is how the DT team spent their time:

Activity:	18/19	19/20	20/21	21/22
	%	%	%	%
Church Leadership Training & DBS	20	22	25	25
Staff Training	18	18	15	15
U6 Happy Faces	22	25	35	30
Community Health Education	40	35	25	30

Review of Activities and Achievements

April 2021 saw schools reopening after a national 2 month closure and the distribution of Covid 19 vaccines throughout the country. Various border controls were in place for the whole year and limits for the sizes of public gatherings and recommendations around the wearing of face coverings. The Trust work was able to continue all its community based work that was outside and in compliance with social distancing regulations.

Dalitso Health – Community Health Evangelism (CHE)

CHE is a strategy developed by an organisation called Medical Ambassadors. This methodology enables organisations to work effectively with the poor, giving them choices to develop themselves, their families and communities if they so wish.

CHE health lessons are being taught weekly in Mbowera, Mbalame, Dzodzwe and Kapininga. These four villages also have Happy Faces running too.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

We have a staff team of five and 24 volunteers teaching 517 health lessons to over 25 different families this past year.

Once again we have been able to award families with Healthy Home Awards (HHA). 24 families received HHA One and 20 families HHA Two.

Our stock of hybrid goats has grown to five healthy adults. We have three males which will be used to help local communities this coming year. Our 24 hybrid rabbits have multiplied to 65 and 61 of these are involved in a breeding programme in four villages.

Juli 'I have been spending a lot of money in the market buying tea and bread only for myself, leaving my children at home hungry. I was thinking that I don't have enough money to feed them. I attended Happy Faces and received a home visit with a CHE lesson about making nutritional food at home with less money. It was then I realised that I am spending more money in tea rooms, rather than buying the ingredients to have at home. Now I'm feeding my family with less money and it is nutritional food. Thank you for the CHE lessons!'

Ash 'My husband and I did not have the best start to our relationship. Always we were arguing and fighting. Sometimes I was going to the witch doctor to buy magic charms to make him love me. I was hoping these charms would work. Then I decided to join a group of women who gathered to learn CHE lessons. During a home visit I received a lesson about marriage. I asked lots of questions and now I know how marriage can be. I want to bring happiness into my marriage so I am loving my husband, trusting and praying for him. All these things have helped bring a change in our family. We are happier and I feel our marriage is now strong. I am full of praise as our marriage has been restored.'

Demaris 'When I heard about CHE home visits I thought that people in my village would not accept this opportunity. People here do what they will do and I do not see any hunger for growth or learning. To be honest I was not sure I even needed this. After helping with two home visits my mind was totally changed as I now see the needs of the community. I am learning a lot and my eyes have become wide to see how we can grow as a family and community.'

Izianna 'At being invited to help with CHE I was feeling inferior and thinking no one will listen to me. I did a home visit and was surprised that people are actually open. After doing more visits I see that trust is developing and women are now coming to my home asking me follow up questions. If I do not know the answer, I tell them to come back later so that I can get help from the Dalitso team.'

Bea 'Before being a part of CHE home visits I was living a reckless life as I thought my life had no meaning. Being involved in CHE has changed my speech from my old bad language and even my home looks different because I now know I can make a positive difference in my community. Being trusted by the DT team and my village has changed my life.'

Violet 'I have seen the great opportunity that doing home visits brings. At Happy Faces some Mums are very shy, but when you go to their home they are relaxed and talkative. They ask a lot of questions and keen to learn. These home visits are a wonderful tool to impart this health knowledge. I am really proud to be a part of CHE.'

Dalitso Play – Free under 6 educational stay & play sessions

We are celebrating 10 years of Happy Faces (HF)! Four community groups are working in the same villages as CHE serving an average of 23 families a week. We have seen a recent reduction in our numbers due to the government roll out community based early childcare centres. These have been started nearby offering childcare to three to five year olds. This is a wonderful provision from the government and we hope it will help change the culture around early years education and help get children school ready. These centres are proving popular and some families have stopped HF to send their child for the childcare option. There is a small fee and the children are provided with porridge in the morning. This is obviously very attractive for many families as it allows them to work in their fields or businesses. Looking ahead we aim to build relationships with these centres to see how we can work together and impart some of the 10 years work of experience and wisdom the team have gained.

In November 2021 we held a very joyful graduation ceremony combining all four groups and inviting local leaders

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

as eighteen children graduated to move on to primary school.

We continue to invest in four volunteers as they continue to gain experience and confidence. This will be increased this coming year up to 16 volunteers to create teams of four in each village. Our hope is that in Sept 2023 these volunteer groups will take on more ownership and run their local groups with more autonomy.

Sue 'Before I started Happy Faces I was very rude and stubborn whilst also being shy to speak. After being given a chance of leading a session of Happy Faces, I am able now to speak up and have courage to speak in different environments. I try to remember that in addition to developing at Happy faces I am mum and friend to my daughter.'

Len 'Am praising God for having this opportunity that I can be part of Happy Faces. I used to depend a lot on other people like my father to provide what I needed. Through the lesson of ownership, this is where I came to know that I have responsibility of taking care of my children and also my daily needs. Depending solely on someone else makes you vulnerable especially if they die or stop helping. So in depending more upon myself I have discovered that I am able to solve more of my own problems. My new life after learning this is to find piece work to sustain my life.'

Sally 'Before I was cursing and shouting at my children to improve their behaviour. It was hurting and spoiling them. Joining Happy Faces let me see a different way. I have learnt to love, speak words of encouragement and pray for them. It was through a lesson about loving our children. I have seen a change in their character due to this love I am showing. I am thankful for Happy Faces to open up my mind for the better ways of raising up my children.'

Deborah 'I am a grandmother to twins who are currently part of Happy Faces. I used to bring my own daughter and it benefited us both so much to able to see things differently. I am helping my grandchildren in the same way I helped my daughter. It is only for one day in the week and free of charge, but the skill of encouraging mums to continue developing and learning during the whole week has helped me to build more relationship with my grandchildren.'

Flis 'Before Happy Faces I was a woman who did not know how to be a mother. I have two children and I live close to my parents. What I did everyday was get up, wash my face then tell my children to go to my parents' house. My parents were taking all the responsibility of breakfast, lunch and dinner. I would go off, go for gambling and come back late in the evening. I was not even having a time to talk or know my children. One time my son attended Happy Faces and he heard a story of how Jesus loves children. He told me that story and it inspired me in my heart so I went with him the next day. I experienced a true picture of motherhood in Happy Faces. The team have inspired me to stop gambling. I'm now able to value my children by putting them first. I'm really taking my responsibility and caring for the gift which God has trusted with me.'

The following testimonies are from volunteers who have helped lead sessions.

Ellen, 'I am happy to be one of the people who can be trusted to help children in my own village. Before it was very hard to do it because of my shyness and fear. Now I'm grateful and inspired to help. I was encouraged by the courage of our facilitators who come to serve our community. I will continue helping so that children can be changed. I really feel that it is my responsibility to encourage mums in our community.'

Edith 'Before I started helping at Happy Faces I did not know all the alphabet and I was afraid to stand in front of people. But now I'm able to stand and know more of my letters. I have seen Gods hand helping me to do what I was not able to do.'

Mary 'Happy Faces is a good tool in my life. I had been faithfully attending sessions and the team asked me to help lead with them. Helping to lead has helped me focus on motherhood and teaching my own children. My husband enjoys seeing me helping and he is proud of me.'

Dina 'Before given a chance of leading HF, I had the desire to teach children, but no opportunity. Then Happy Faces equipped me and activated my dream to help children. After helping and some training I am very

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

comfortable to lead my fellow women who are coming with their children. I would love to do this every day! My new life is that I am teaching my own children at home and I am able to organise.'

Dalitso Leaders - Church Leaders Training

Follow Me (FM) are free part time Christian leadership courses. Each course lasts a year and equips local church leaders from any denomination.

Follow Me is running in four villages Mselera, Shawa, Nsalu and Mselera. We have 12 volunteer leaders and 33 students. In March we were able to celebrate thirty two students graduating.

Henry 'I am thankful for having this opportunity of participating in Follow Me. Before I had broken marriage because I mistreated my wife, thinking that men are better than women. After we went through the leader's marriage, I discovered that God created human beings. He created both male and female at the same time Geneses 1:27. Upon learning this verse, I have found that we are all equal in God eyes. Now I have started treating my wife and all women with respect. This has created harmony in our family. Our misunderstandings are much reduced because I myself was the problem. I do tell my fellow friends that a men and women are all equal no one is above the other.'

Petro 'I was unable to stand in front of people and speak the gospel. I had a lot of fear and thought that people would not understand me. Jameson encouraged me and invited me to help lead. The next week I did not attend to avoid helping. On returning the following week the team helped me develop my confidence and eventually I did it – I helped lead a session! Since then my fear is gone, I feel courage and faith within me.'

Esther 'I was not serious as a Christ follower. I did not talk during the church service but at home I was careless in gossip and what I am speaking. I could shout and insult my children when they have make a mistake. Follow Me has helped me not to shout or insult my children, but to gently correct and encourage them. My children no longer fear me, but respect me as their mother which makes me happy.'

Evelyn 'When I heard of the Holy Spirit but I could not understand. Now with this Follow Me course I have come to know the importance of the Holy Spirit. He leads and helps us to have fellowship with God the Father and God the Son.'

Nick 'Before I started FM I had lots of fear because of our cultural belief that a man should not go to a grave yard for a young child's burial. I have grown up in this cultural practice. After going through the topic of Leaders and cultural practices, it is when I had learnt that all of our practices need to be weighed against the word of God and measure their appropriateness. Does scripture support it? As we went deeper, I could not find any reason to hinder men attending an infant's burial. So now, I have no more fear because I know the truth compared to a cultural belief. I encouraged my fellow friends that some cultural practices are not helpful and can bring fear.'

Rob 'I am a grandfather and have been following Jesus since my youth. Follow Me made me aware that I can have a secret time to pray to God. This is from the leaders secret history (the leaders private time with God) and it opened my mind.

I have now learnt that this is a wonderful time where God and I meet and our relationship can grow.'

The following testimonies are from volunteers who have helped teach the courses.

Chiko 'Helping to lead in Follow Me has boosted the confidence I have in my leadership at church. Whenever they used to ask me to preach I worried about sharing the gospel message. These days the worries have gone away and I can enjoy speaking to 100 or 200 people.'

Andrew 'I was the secretary at our church just because I know how to write. Being a young man I was often not included to help make decisions because I was young.

The Follow Me team trusted me to lead a session and it happened that some older members of my church were there. Accepting me to lead at Follow Me has caused them to let me start leading at church. I am humbled to be trusted to help serve our community of believers.'

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

William 'Leading the group for the first time was not easy for me. Full of fear and losing confidence on where and how to start I took courage and started asking open questions to Follow Me participants and it became simple. I was able to hear from them from content of the passage, rather than telling them what I think the passage is saying. So now I am always ready to lead Follow Me because our FM leaders have modelled how to lead and encourage us.'

Praise 'I was asked to lead a session and I had plenty of time to prepare in advance, but I was afraid to lead. My fear was how to open the conversation with the group and have their attention. With the help of Holy Spirit, I asked someone to pray for us to start. Amazingly I introduced the topic and others warmly joined the conversation. It was great that they responded and they answered my worries on how to begin. Now I have confidence and I am even eager to lead, all fear is gone.'

David 'I grew up understanding that the only way to deliver the gospel message is through teaching and preaching. Then I attended Follow Me and was shown a new way – the way of facilitating. I went home and knew I wanted to learn how to facilitate. I have the chance through Follow Me and I discovered it is the best way for groups to discuss. I enjoy it as in every session I learn a new thing.'

FM is also being used in other parts of Malawi, Zambia and Mozambique too. We did not have any training for this group this year due to Covid restrictions. There are five other groups in Malawi that are currently running with 55 students.

We have been running Discovery Bible studies since 2019. The work has grown from six to eight groups and 40 to 85 participants. Eight people have been trained to help lead these groups. The amount of miracles is once again quite staggering and the level of faith and expectancy within the groups is very high. We have seen 184 miracles, 33 salvations and 26 baptisms.

Tondwe, 'I have been a Christian since birth. All I knew was to go to church, listen to the message and sing songs. After I joined discovery bible study group, I had an opportunity to read and tell my friends what am learning from the bible passage. I have been sharing again to others what I am learning from our group discussion.'

Peace 'I have been double minded person as I did not fully surrender myself to God. I was using witchcraft charms even though I believe in God. I am inspired by the story of Daniel in the bible and in his faith and trust. In learning this, I have decided to trust the only creator who is God that sharing with others what I have discovered.'

George 'For me to forgive someone was very hard. It came time God planted a new way of life in me. The verse which helped me is Luke 17:3-6 and it spoke into my life about forgiveness. This led me to change my life so I can forgive others no matter how often he/she can sin against me.'

Mrs Phiri 'In the past I could not remember words from a bible passage. Through dbs I have been able to concentrate when someone is reading the Bible. I can now retell what has been read, I'm quite good at it! When I am home I tell my friends these stories and how good God is.'

Doreen 'In the past I was talking a lot hoping my words will make people change and grow in faith. These days I am letting scripture, read through by people a couple times do the work. These words inspire my life.'

Lorraine 'I was keeping grudges in my heart which was restricting me. So one time at dbs I had the opportunity to learn about forgiving. This lesson helped me to find relief from the heavy load that was in my heart. I have experienced love and I tell my friends, don't hold grudges as they imprison you.'

Theresa 'Before coming to dbs I felt that I am perfect as I go to church on Sundays. This group has opened my eyes to hear that I am to be like Jesus. Now I see my sin, my judgement on others. I am learning more about love and caring for others. This is what I hear God whisper when I listen to Him.'

Ian 'Before I started the group in my heart I despised myself and lacked confidence. Little by little there has been a change and I am now seeing people healed when I pray. People are coming to my home in the day and night

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

asking me to pray for their healing. This group has helped me see who I really am and the gift God has given me.'

Due to government restrictions on the size of public gatherings we were unable to run any weekends of Kingdom Expansion. We look forward to organising these weekends when restrictions allow.

Since 2021 Jameson and a few volunteers have been using the Jesus at the Door (JAD) card at the market two days a week. 142 people came to faith, there were 308 healings and 11 marriages have been restored.

Ferb 'One day I met with Jameson and shared the issues we were going through as a family. He encouraged me to support my wife doing her home responsibilities, I could not understand it but he explained it clearly to me. Then I began to show love to my wife and supporting her as she is working in the fields because I work with NGO. Now my family is very different, we have good harvest this year and we are loving each other.

Agnesi 'Jameson walked past our home and he saw our sick grandson laying on the mat outside. He asked to pray for him. I could not believe he was praying, but surprisingly after he left even though he had been sick for 3 days he woke up and started playing with his friends. I'm thankful for what God did to heal my grandson.

Charity 'I was very sick and I had a lot of pain all over my body. I was laying in the shade near my house when Jameson prayed for me. At that same time the pain increased, he prayed a second time and I was little bit OK. When the sun was setting I found myself free from all pain and completely healed.'

Mayankho 'One day I met Jameson on the road. He shared his and the Gospel with me. In our chat he asked if I have anything to ask that God can do for me. I told him about the sickness of my wife and he prayed. The time I reached home I found my wife washing the dishes. When I greeted her she confirmed that she is fine. I thank God for such miracle!'

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Resource Centre

In April 2021 we moved into our new building. One section of the building is now wired and has mains electricity. The toilet block and outdoor teaching area are finished and in use.

Work on the new dam is making excellent progress and as of March 2022 the blasting phase of their work has stopped. This will allow us to finish the internal ceilings and in liaison with the Water Board to fix the small amounts of roof damage from their blasting debris.

Land that is owned in Mbalame is being planted with trees and the boundary lines marked out with sisal plants as per local custom.

We were able to take down our old building and keep some of the roofing and window materials for future builds.

Visitors

There have been no overseas visitors again due to the Covid pandemic. We have however been able to use Zoom to our advantage by having people from overseas regularly interacting with the team, especially with Rhodess, Chippo and Paterson. This has been a blessing as our supporters are able to offer training and support even though travel has not been possible.

We are thankful the team have been able to have training and conversations with Bill Dixon, Mark Harbour, Nick Sutton, Nicola and David Bass, Brian and Val Marriott, Kevin and Erica Pippert, and Nick Harding.

Covid

The Covid vaccine has been widely available to the general public and we are pleased that those of the team wishing to be immunised have been.

Future Planning

In April 2022 we await a decision from the team in Malawi as to when they will receive international visitors again. We hope there will be a Covid booster vaccine roll out for the Malawian general public to help maintain levels of protection. Once again we will be promoting this to our team and those communities in which we work as part of our Covid 19 health lessons.

The nine acres in Mbalame continues to be landscaped and boundaries identified. Our aim is that in the long term this will become our training and retreat centre.

We remain vigilant of the possibility for further waves of Covid and/or a more virulent strain emerging. We hope that trips into Malawi will resume in 2022 or 2023. Once we have a date from the team in Malawi of when they are happy to receive international visitors, we will start work on procuring a replacement Hilux vehicle. We thank the Grace Charitable Trust for their previous donations in this regard and offering additional funds to fund this purchase.

Zoom is working well and we will maintain management meetings and training sessions using the platform.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Governance

Organisational Structure

A UK based board of Trustees oversee the activities of The Dalitso Trust. The Trustees are responsible for policy decisions and there is regular contact with the Directors. Towards the end of the year we started a process to have conversations looking to recruit a replacement trustee for Miss S. Bennett wishing to step down in June 2022.

Thomas and Alison Husbands (the Directors) run The Dalitso Trust day to day. They oversee Chipipo Chale, from the UK, as he leads the team in Malawi. The Senior Leadership Team in Malawi is Chipipo, Patterson Staiford and Rhodess Abel.

Employed staff consists of one UK employee and in Malawi, Malawi nationals comprising 13 staff members and 55 volunteers.

Finances

The Trust's income this year has remained stable with sufficient reserves in place.

Principal Funding Sources

The Trust's funding base is mostly relational and we encourage people to visit Malawi to see the work. We have a core group of individuals/families who give monthly and five partner churches. The pandemic has caused us to evaluate our income and we have had discussions between trustees, staff, our book keeper and partner churches. A revised budget was drawn up to highlight areas where savings of 10-20% could be made if needed. We are continuing to monitor finance levels carefully as economies reset after global lockdowns and there is a rise in inflation. At the time of signing this report the Trust's income has remained stable and in line with our predictions.

Investment Policy

Capital expenditure is limited to the requirements in Malawi. Historically the bulk of this has been for vehicles, land and buildings. We rely on raising sufficient finances for our needs and we have not entered into any borrowing arrangements.

Risk Management

Risks are regularly reviewed and discussed amongst the Malawian team and the trustees.

Reserves Policy

The Trust reserves policy is reviewed annually and the current reserve range is set from £16,500 to £20,500. The Trust has also set aside a further £20,000 which is earmarked to be put towards a new vehicle. The remaining balance is provisionally earmarked to finishing the Malingunde building project £2,500 and phase 1 of the Mbalame plot development £105,000.

Related Parties

Book keeping and administration of the day-to-day UK banking is undertaken by Birmingham Vineyard. We thank them for their continuing support.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Trustees

Trustees are recruited with a view to what they can bring to The Dalitso Trust bearing in mind the mix of skills within it. Trustees are recruited by word of mouth and by direct approach to people who possess the appropriate skills and support the values of the Trust.

We are pleased that David Knott will be coming on board as a Trustee later in our June 2022 Trustee meeting.

New Trustees are given a briefing on the role of a Trustee and the current Trustees bring them up to date on the position of The Dalitso Trust. Copies of all relevant information are provided (such as Financial Statements, Trust Deed, copies of minutes of trustee meetings, guidance from the Charity Commission on the role and responsibilities of a Trustee). Questions are actively encouraged and all Trustees have direct access to the Senior Leadership Team in Malawi.

This report was approved by the Trustees on Monday the 24th of October 2022 and signed on their behalf by:

.....
K Densham

Chair of Trustees

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INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2022

Independent Examiner's Report to the Trustees of The Dalitso Trust ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2021.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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 UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 Charity as required by section 130 of the 2011 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 set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 as a body, for my work or for this report.

Signed:

Dated:

Kerry Brown FCA

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	2,365	40,470	42,835	61,438
Other trading activities	5	-	-	-	6
Investments	6	-	15	15	16
Total income		2,365	40,485	42,850	61,460
Expenditure on:					
Charitable activities		1,461	49,911	51,372	46,926
Total expenditure		1,461	49,911	51,372	46,926
Net income/(expenditure) before net gains on investments		904	(9,426)	(8,522)	14,534
Net gains on investments		-	-	-	106,574
Net income/(expenditure)		904	(9,426)	(8,522)	121,108
Transfers between funds	13	(1,876)	1,876	-	-
Net movement in funds		(972)	(7,550)	(8,522)	121,108
Reconciliation of funds:					
Total funds brought forward		8,930	193,734	202,664	81,556
Net movement in funds		(972)	(7,550)	(8,522)	121,108
Total funds carried forward		7,958	186,184	194,142	202,664

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

The notes on pages 15 - 26 form part of these financial statements.

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**BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	54,603	52,872
		<u>54,603</u>	<u>52,872</u>
Current assets			
Cash at bank and in hand		147,811	151,957
		<u>147,811</u>	<u>151,957</u>
Creditors: amounts falling due within one year	12	(8,272)	(2,165)
		<u>139,539</u>	<u>149,792</u>
Net current assets			
		<u>194,142</u>	<u>202,664</u>
Total assets less current liabilities			
		<u>194,142</u>	<u>202,664</u>
Net assets excluding pension asset			
		<u>194,142</u>	<u>202,664</u>
Total net assets		<u>194,142</u>	<u>202,664</u>
Charity funds			
Restricted funds:			
Restricted funds	13	7,958	8,930
Designated funds	13	127,500	129,500
Unrestricted funds	13	56,296	61,846
Revaluation reserve		2,388	2,388
		<u>186,184</u>	<u>193,734</u>
Total funds		<u>194,142</u>	<u>202,664</u>

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

K Densham
Chair of Trustees

The notes on pages 15 - 26 form part of these financial statements.

THE DALITSO TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

The Dalitso Trust is a charity registered with the Charity Commission in England and Wales.

The Charity's registered address is 14 Wychall Grove, Birmingham, B38 8AQ.

The Charity has been established for the benefit of persons in Malawi and bordering countries particularly to advance the Christian religion, to relieve poverty and to advance education.

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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Dalitso 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.

2.2 Going concern

Due to the Covid-19 pandemic the trustees have been closely monitoring the regular giving that supports the Trust. This was highlighted as an area of concern, however there have not been any significant changes in giving during the last year. This combined with the world adjusting to the pandemic the trustees feel that there is no longer a particular risk to regular giving. The Trust also currently has a significant cash reserve due to compensation from the compulsory purchase of our building and most of our plot by the Lilongwe Water Board. As a result, the trustees have a reasonable expectation that the Trust will continue in operational existence for the foreseeable future. Therefore, they continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements.

THE DALITSO TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. 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.

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

2.4 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.

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

All expenditure is inclusive of irrecoverable VAT.

2.6 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

THE DALITSO TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Freehold buildings	- 2% straight line
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 15% reducing balance

2.7 Revaluation of tangible fixed assets

The charity has adopted the revaluation model to revalue items of property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. The fair value of items of plant and machinery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity.

2.8 Financial instruments

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at transaction price.

Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

There are no complex financial instruments

2.9 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.10 Role of Volunteers

The charity relies on the efforts of its volunteers. The value of these volunteers is not incorporated within the accounts.

THE DALITSO TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Critical accounting estimates and areas of judgment

Estimates and judgments 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:

- i) Valuation of freehold land (see note 9).
- ii) Residual value of freehold buildings (see note 9).

4. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	2,365	40,470	42,835	60,017
Gift aid on donations	-	-	-	1,421
	<u>2,365</u>	<u>40,470</u>	<u>42,835</u>	<u>61,438</u>
<i>Total 2021</i>	<u><u>11,260</u></u>	<u><u>50,178</u></u>	<u><u>61,438</u></u>	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Fundraising Income	-	-	6
	<u>-</u>	<u>-</u>	<u>6</u>
<i>Total 2021</i>	<u><u>6</u></u>	<u><u>6</u></u>	

THE DALITSO TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income	15	15	16
	<u>15</u>	<u>15</u>	
<i>Total 2021</i>	<u>16</u>	<u>16</u>	

7. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Leadership	8,680	4,595	13,275	13,025
Training	5,209	2,410	7,619	6,779
CHE	8,681	4,018	12,699	11,302
Under 6's	12,153	5,626	17,779	15,820
	<u>34,723</u>	<u>16,649</u>	<u>51,372</u>	<u>46,926</u>
<i>Total 2021</i>	<u>30,366</u>	<u>16,560</u>	<u>46,926</u>	

THE DALITSO TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Leadership 2022 £	Training 2022 £	CHE* 2022 £	Under 6's 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	5,890	3,534	5,890	8,246	23,560	18,198
Depreciation	639	384	640	896	2,559	2,607
Project expenses	1,012	607	1,012	1,417	4,048	4,140
Travel expense	774	464	774	1,083	3,095	5,066
Education fund expenses	365	220	365	511	1,461	355
	<u>8,680</u>	<u>5,209</u>	<u>8,681</u>	<u>12,153</u>	<u>34,723</u>	<u>30,366</u>
<i>Total 2021</i>	<u><u>7,592</u></u>	<u><u>4,554</u></u>	<u><u>7,593</u></u>	<u><u>10,627</u></u>	<u><u>30,366</u></u>	

* Community Health Education

Analysis of support costs

	Leadership 2022 £	Training 2022 £	CHE* 2022 £	Under 6's 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	3,600	2,160	3,600	5,041	14,401	13,234
Depreciation	40	24	40	56	160	188
Office expenses	377	226	378	529	1,510	1,415
Governance costs	578	-	-	-	578	1,723
	<u>4,595</u>	<u>2,410</u>	<u>4,018</u>	<u>5,626</u>	<u>16,649</u>	<u>16,560</u>
<i>Total 2021</i>	<u><u>5,433</u></u>	<u><u>2,225</u></u>	<u><u>3,709</u></u>	<u><u>5,193</u></u>	<u><u>16,560</u></u>	

* Community Health Education

THE DALITSO TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,500 (2021 - £1,500).

9. Staff costs

	2022 £	2021 £
Wages and salaries	29,833	29,355
Pension Costs	8,128	2,077
	<u>37,961</u>	<u>31,432</u>

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

	2022 No.	2021 No.
UK based staff	1	1
Malawi based staff	13	14
	<u>14</u>	<u>15</u>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel of the organisation comprise of trustees and project directors. One member of key management was remunerated for their services to the organisation. The total amount of employee benefits paid to key management personnel were £30,168 (2021: £24,062).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

THE DALITSO TRUST

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Tangible fixed assets

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 April 2021	44,322	45,975	4,711	95,008
Additions	4,450	-	-	4,450
At 31 March 2022	<u>48,772</u>	<u>45,975</u>	<u>4,711</u>	<u>99,458</u>
Depreciation				
At 1 April 2021	480	38,016	3,640	42,136
Charge for the year	569	1,990	160	2,719
At 31 March 2022	<u>1,049</u>	<u>40,006</u>	<u>3,800</u>	<u>44,855</u>
Net book value				
At 31 March 2022	<u><u>47,723</u></u>	<u><u>5,969</u></u>	<u><u>911</u></u>	<u><u>54,603</u></u>
At 31 March 2021	<u><u>43,842</u></u>	<u><u>7,959</u></u>	<u><u>1,071</u></u>	<u><u>52,872</u></u>

Included in land and buildings is freehold land at valuation of £6,875 (2021: £6,875) which is not depreciated. The estimated residual value of the buildings is considered to be equal to the valuation of the buildings and the depreciation charge is therefore £Nil (2020: £Nil).

The carrying amount under the cost model of the assets which have been revalued would have been £11,362 (2021 - £11,362).

THE DALITSO TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other creditors	6,603	605
Accruals and deferred income	1,669	1,560
	<u>8,272</u>	<u>2,165</u>

THE DALITSO TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds					
Vehicle	20,000	-	-	-	20,000
Malingunde building project	4,500	-	-	(2,000)	2,500
Mbalame plot development	105,000	-	-	-	105,000
	<u>129,500</u>	<u>-</u>	<u>-</u>	<u>(2,000)</u>	<u>127,500</u>

Designated Funds

Vehicle: Fund for planned replacement of Toyota Hilux Truck used as primary transport for all visitors.

Malingunde building project: First stage building project to provide replacement office and teaching space after compulsory purchase of previous land and building.

Mbalame building project: Second stage building project to provide new training facilities and long term base of operations.

Transfers

The transfer of 1,876 is for the depreciation on the restricted fund for the vehicle fund.

The transfer of 2,000 is to reduce the designated fund for the Malingunde building project as agreed by the trustees.

General funds

General Funds - all funds	61,846	40,485	(49,911)	3,876	56,296
Revaluation reserve	2,388	-	-	-	2,388
	<u>64,234</u>	<u>40,485</u>	<u>(49,911)</u>	<u>3,876</u>	<u>58,684</u>
Total Unrestricted funds	<u>193,734</u>	<u>40,485</u>	<u>(49,911)</u>	<u>1,876</u>	<u>186,184</u>

Restricted funds

Education Fund	905	2,365	(1,461)	-	1,809
Vehicle Fund	8,025	-	-	(1,876)	6,149
	<u>8,930</u>	<u>2,365</u>	<u>(1,461)</u>	<u>(1,876)</u>	<u>7,958</u>
Total of funds	<u>202,664</u>	<u>42,850</u>	<u>(51,372)</u>	<u>-</u>	<u>194,142</u>

THE DALITSO TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
Designated funds						
Vehicle	-	-	-	20,000	-	20,000
Malingunde building project	-	-	-	4,500	-	4,500
Mbalame plot development	-	-	-	105,000	-	105,000
	-	-	-	129,500	-	129,500
General funds						
General Funds - all funds	72,004	50,200	(46,571)	(120,361)	106,574	61,846
Revaluation reserve	9,552	-	-	(7,164)	-	2,388
	81,556	50,200	(46,571)	(127,525)	106,574	64,234
Total Unrestricted funds	81,556	50,200	(46,571)	1,975	106,574	193,734
Restricted funds						
Education Fund	-	1,260	(355)	-	-	905
Vehicle Fund	-	10,000	-	(1,975)	-	8,025
	-	11,260	(355)	(1,975)	-	8,930

THE DALITSO TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. Statement of funds (continued)

Restricted funds

Education fund - fund to pay for the cost of higher education for the older students in Malawi

Vehicle fund - fund to purchase a replacement for the Hilux truck which transports people in Malawi. This includes a transfer, for the depreciation charge in the year, with general funds for £1,876.

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	5,629	48,974	54,603
Current assets	2,329	145,482	147,811
Creditors due within one year	-	(8,272)	(8,272)
Total	7,958	186,184	194,142

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	7,505	45,367	52,872
Current assets	1,780	150,177	151,957
Creditors due within one year	(355)	(1,810)	(2,165)
Total	8,930	193,734	202,664

15. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the UK fund and amounted to £7,368 (2021: £1,362). Contributions totalling £6,301 (2021: £301) were payable to the fund at the balance sheet date and are included in creditors.