

THE CHANGARAWA PROJECT

England & Wales · Charity number 1098215

Details

Status Registered

Legal form Other

Registered 2003-06-26

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: 'TO ADVANCE EDUCATION, RELIEVE POVERTY AND PRESERVE AND PROTECT GOOD HEALTH OF THE PEOPLE OF CHANGARAWA VILLAGE, TANZANIA AND THE SURROUNDING AREAS, IN PARTICULAR BUT NOT EXCLUSIVELY BY ALL OR ANY OF THE FOLLOWING MEANS:(A) THE PROVISION OF SUPPORT AND FINANCE FOR THE ZAWADI SCHOOL (FORMALLY KNOWN AS THE WALFORD ZAWADI SCHOOL);(B) THE PROVISION OF SUPPORT AND FINANCE FOR THE DOMESTIC, SOCIAL AND EDUCATIONAL WELLBEING OF ORPHANS ATTENDING PRIMARY OR SECONDARY SCHOOLS, OR UNDERTAKING VOCATIONAL TRAINING;(C) THE PROVISION OF LAND AND THE CONSTRUCTION AND MAINTENANCE OF SUCH BUILDINGS AS THE TRUSTEES CONSIDER NECESSARY FOR THE EDUCATIONAL NEEDS OF STUDENTS WHETHER AT THE ZAWADI SCHOOL OR WITHIN THE ORPHAN SUPPORT PROJECT;(D) THE PROVISION OF LOANS TO LOCAL PEOPLE OF EITHER SEX TO SUPPORT THEM IN SETTING UP OR DEVELOPING BUSINESS VENTURES WITH A VIEW TO SUPPORTING THEIR FAMILIES;(E) TO PROVIDE SUPPORT FOR EDUCATIONAL FACILITIES TO EDUCATE LOCAL PEOPLE IN SUCH TOPICS AS FAMILY PLANNING AND THE PREVENTION OF HIV AIDS;(F) TO PROVIDE FINANCE AND SUPPORT WHETHER THROUGH EMPLOYMENT OR OTHERWISE FOR DESTITUTE GRANDPARENTS OF CHILDREN WHO ARE CURRENT OR PAST STUDENTS AT THE ZAWADI SCHOOL AND WHO ARE WHOLLY OR PARTIALLY RESPONSIBLE FOR THE CARE OF SUCH CHILDREN;(G) TO UNDERTAKE ANY OTHER ACTIVITIES WHICH THE TRUSTEES CONSIDER TO BE HELPFUL IN FURTHERING THE OBJECTS OF THE CHANGARAWA PROJECT.

Activities: The charity provides funding for a school in Tanzania and also provides funding for a range of local activities designed to support the village community which has suffered enormously from drought and aids.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Overseas Aid/famine Relief, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People

Geography

- **Area of benefit:** TANZANIA
- Tanzania
- Oxfordshire
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£24,752	£41,160	-	-
2024-06-30	£31,558	£115,765	-	-
2023-06-30	£117,612	£87,817	-	-
2022-06-30	£129,591	£42,083	-	-
2021-06-30	£37,751	£40,831	-	-

Trustees

Name	Role	Appointed
ROSE EDWINA BAYLIS	Chair	2003-03-12
CAROLYN WALFORD		2003-03-12
FELISTAS KALOMO		
LUKE EDWARDS-STUART		2006-09-01
MICHAEL ROBARTS		2003-03-12
ROBERT WATKINSON		
SARAH NEWCOMER KONOPKA		2010-05-08

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England & Wales - Charity number 1098215

Accounts

THE CHANGARAWAWE PROJECT
(Charity No 1098215)

ANNUAL REPORT
and
FINANCIAL STATEMENTS
for the Year ended 30 June 2025

THE CHANGARAWA PROJECT

(Charity No 1098215)

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THE CHANGARAWA PROJECT

(Charity No 1098215)

THE OBJECTIVES OF THE CHARITY

(as set out in a Supplementary Deed dated 4 March 2012):

The Trustees must apply the income of the Charity in furthering the following objects:

To advance education, relieve poverty and preserve and protect the good health of the people of Changarawe Village, Tanzania and the surrounding areas, in particular but not exclusively, by all or any of the following means:

- a) the provision of support and finance for the Zawadi School (formerly known as the Walford Zawadi School);
- b) the provision of support and finance for the domestic, social and educational wellbeing of orphans attending primary or secondary schools, or undertaking vocational training;
- c) the provision of land and the construction and maintenance of such buildings as the Trustees consider necessary for the educational needs of students, whether at the Zawadi School or within the orphan support project;
- d) the provision of loans to local people of either gender to facilitate setting up or developing small business ventures with a view to supporting their families;
- e) to provide facilities for educating local people in such topics as family planning and the prevention of HIV Aids;
- f) to provide finance and support, whether through employment or otherwise, for destitute grandparents of children who are current or past students at the Zawadi School and who are wholly or partially responsible for the care of such children;
- g) to undertake any other activities which the Trustees consider to be helpful in furthering the other activities of The Changarawe Project.

TRUSTEES

Rose Edwina Baylis
Carolyn Anne Walford
Luke Edwards-Stuart
Michael Roberts
Felistas Kalomo
Robert Watkinson
Sarah Konopka

BANKS

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Coutts & Co
440 Strand
London WC2R 0QS

ADDRESS FOR CORRESPONDENCE

Priory Farm
Balscote
Banbury
Oxon OX15 6JL

WEBSITE

www.changaraweproject.org

THE CHANGARAWA PROJECT

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REPORT FROM THE CHAIR FOR THE YEAR ENDED 30 JUNE 2025

I am delighted to present my 10th annual report since I assumed the role of Chair in 2016.

As the Project moves gradually through its final phase, we are expecting the annual funding requirement to diminish steadily as the overall headcount of our beneficiaries reduces. There remains an ongoing requirement to provide funding for the local administrative support, although this too is expected to fall in the later stages of the rundown.

At this relatively early stage, still with seven years to run, the reduction in annual spending has been relatively modest, mainly because the headcount of students on advanced courses is not expected to start falling until 2030 and, depending on their longevity, the number of supported babubibis may well remain constant to the end. Between them, these two groups account for almost 60% of our total programme spending, with ongoing administrative support added on top of that. However, the number of children attending primary and secondary school will fall annually until the last cohort graduates in 2029, after which our spending will be limited to the remaining students undertaking advanced courses and, of course, the remaining babubibis.

Most of the administrative work is associated with the children in primary and secondary school so, while detailed discussions have not yet taken place, we are currently expecting the need for much of the administrative support to be eliminated by the end of 2029.

Against that background, the forecasting tool that we introduced last year has performed well and suggests that our expected future costs will be covered comfortably. This is due in no small measure to the strong support we continue to enjoy from standing order donors. Indeed, we have been very encouraged by the large proportion of our regular donors who have indicated their intention of maintaining their support through to the final years of the Project. We have not taken this for granted in our forecasts, but that undertaking does provide a cushion against unexpected future costs.

General Fund

The General Fund provides the bulk of the funding required to cover administrative costs. By far the largest proportion of those costs is accounted for by the salaries of the CDO team. Under the strict terms of the Memorandum of Understanding that is in place with CDO, the Trustees have the right to reduce the level of support as the Project enters its closing stages when the need for it is expected to decline. For the time being, however, we have taken the decision to maintain remittances at their existing level for as long as the cashflow forecast allows; these remittances are easily controlled as the quarterly commitment is expressed in sterling terms and is very broadly covered by regular income from standing orders and our annual reclaim of gift aid. Any drop in income should become immediately apparent, so that the Trustees should be in a position to give CDO ample notice of any need to reduce support levels.

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Nigel Lloyd Fund

The Nigel Lloyd Fund has historically provided the funding of two of our three development programmes, namely the support of orphans attending primary and secondary schools and of our babubibis. During the past year, this Fund has also become responsible for the funding of the advanced courses which, since 2016, had been largely funded by dedicated sponsorships (see below).

The costs covered from the Nigel Lloyd Fund are inherently harder to predict and control since they are, for the most part, expressed in local currency terms and are accordingly subject to currency fluctuations and inflation. As will be seen from the analysis of the Fund's income and expenditure account on page 9, costs have fallen modestly over the past 12 months and we expect this trend to continue.

A more detailed breakdown of local currency spending from the Fund is shown on page 13 and it is pleasing to report that there are only two areas of spending where our cashflow forecast has proved to be somewhat optimistic, namely school feeding (a mandatory government controlled scheme) and medical costs. We are reviewing both of these areas, but we expect it to become easier to predict feeding costs in particular, as the final cohort of children graduate from primary school at the end of 2025, leading to a reduction in the number of schools being attended. We have decided to retain the existing forecast for these areas for the time being, to determine whether the variances experienced in the past year were simply short-term anomalies.

The Nigel Lloyd Fund does also provide a significant contribution to the salaries of those members of the CDO team who are directly responsible for Orphan Welfare. In line with the decision we have taken for the General Fund, we have agreed, again on a discretionary basis, to stick to the current level of support in this area so that, here too we are, for the time being, exceeding our formal commitments under the Memorandum of Understanding.

Luke Edwards-Stuart is proposing to undertake a further Trustee visit in the course of 2026 and this will provide a good opportunity to take stock and to discuss the closing stages of the project with the CDO team.

Sponsorship Programme

At the start of the year under review, the encouraging cashflow forecast led us to suspend the appeal for new sponsorships. We were still holding £5,497 in reserve from existing sponsorships and this reserve was used up as the year progressed. Consequently it is now possible to provide a summary of the overall outcome.

In the decade during which it ran, no fewer than 59 students had the cost of their courses up to June 2025 entirely paid for by sponsorships. These were funded, with enormous generosity, by 24 individuals and three Charitable Trusts that between them contributed just under £50,000, a cost that would otherwise have fallen on the Nigel Lloyd Fund with devastating consequences for the Project as a whole. After adjusting for the inevitable imbalances between individual sponsorships (some overspent and others underspent) as the programme drew to a close, the final outcome has been that a mere £20 had to be provided from Nigel Lloyd Fund resources to pay for those courses – a truly remarkable statistic. As noted earlier, all future costs of the advanced courses

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are incorporated in our cash flow forecast (including the costs of the final year of studies for 8 students) and we are now confident of our ability to meet all those costs running through to 2032 from Nigel Lloyd Fund resources..

Finance

The accounts set out on pages 8 to 10 of this report show a very healthy financial position, with total assets of just under £158,000 at the 30 June year end. Whilst the General Fund enjoyed a small surplus for the year, spending in the Nigel Lloyd Fund exceeded its income by just under £17,000, and we expect this trend to continue.

In anticipation of this, the Trustees set aside reserves which will be used progressively to cover the shortfalls, in the first instance utilising the £33,000 term deposit held with Coutts and then moving on to sell units in the Ruffer Total Return Fund which are currently valued at just under £76,000. We expect these redemptions to provide sufficient funding for us to cover all existing spending commitments.

There are clearly a number of variables that affect the accuracy of our forecast, notably the actual level of income received by the two funds, movements in the Tanzanian shilling exchange rate and the level of local inflation. However, as noted earlier in my report, we will be able, if necessary, to adjust the level of support we provide for administrative costs without being in any danger of breaching our contractual obligations to CDO.

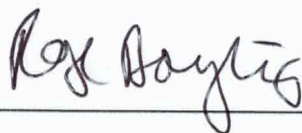
Given the healthy current cash position, we decided to switch our holding in the Ruffer fund from income to accumulation units in order to maximise our market exposure. This is reflected in the increase in value of the holding at the year end.

Finally, it is appropriate to report a change in our policy in relation to currency conversion risks. Some years ago, UK banks took the decision not to undertake currency conversions from sterling to so-called "exotic" currencies, including Tanzanian shillings. As a result, we have had no choice but to transfer sterling every quarter, leaving the currency conversion to be done locally. This meant that we were unable to predict the exact currency proceeds of each transfer, but our policy was to make an adjustment in the next following quarter to offset any shortfall or surplus relative to the intended transfer amount.

This year, evidence emerged that the rates being applied by CDO's bank (CRDB) were becoming uncompetitive, resulting in significant additional costs. We have therefore suspended the policy of making retrospective adjustments, so as to encourage CDO to negotiate better treatment in this area of their relationship with CRDB. We may decide to revert to our earlier policy once we are satisfied that the rates applied by CRDB have improved.

It remains for me to thank our donors and my fellow trustees for their continued support and hard work over the past year.

Rose Baylis, Chair of the UK Trustees
25 September 2025



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STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the financial statements of the Charity in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with the General Directions of the Charity Commission under Section 130 of the Charities Act 2011. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity, and enable them to ensure that the financial statements comply with relevant charities legislation. The Trustees 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.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

General Fund: Income and Expenditure Account

2024		2025
£	Income	£
600.00	Donations received	-
7,150.00	Recurrent donations received under standing orders	7,705.00
42.38	Interest received	41.00
2,980.21	Gift Aid refunds from HMRC (note 2)	3,228.63
<u>10,772.59</u>		<u>10,974.63</u>
	Expenditure	
10,756.42	Remittances to Tanzania (note 3)	10,570.24
41.11	Bank charges on remittances	32.63
79.00	Other expenses	79.00
<u>10,876.53</u>		<u>10,681.87</u>
(103.94)	Income surplus	292.76
22,997.42	Bank deposit at 1 July 2024	22,893.48
<u>22,893.48</u>	Bank deposit at 30 June 2025	<u>23,186.24</u>

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Nigel Lloyd Fund: Income and Expenditure Account

2024		2025
£	Income	£
767.12	Donations received	500.00
6,320.00	Recurrent donations received under standing orders	6,910.00
12,100.00	Donations relating to student sponsorship	-
125.33	Interest received	67.77
1,473.81	Investment income	803.47
-	Transfer from Sponsorship Reserve (note 3)	5,497.00
<u>20,786.26</u>		<u>13,778.24</u>
	Expenditure	
29,070.66	Remittances to Tanzania (note 4)	28,694.29
78.89	Bank charges on remittances	87.37
1,200.00	Spending on projects	1,000.00
40,000.00	Cost of investment	-
33,000.00	Transfer to deposit account	-
810.00	Printing costs	368.50
247.16	Website costs	268.70
421.67	Travel costs	-
60.00	Other expenses	60.00
1,321.00	Transfer to Sponsorship Reserve	-
<u>106,209.38</u>		<u>30,478.86</u>
(85,423.12)	Income surplus/(shortfall)	(16,700.62)
127,429.99	Bank deposit at 1 July 2024 (excluding Sponsorship Reserve)	42,006.87
<u>42,006.87</u>	Bank deposit at 30 June 2025	<u>25,306.25</u>

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Statement of Assets

2024		2025
£		£
	CAF Bank	
22,893.48	General Fund	23,186.24
42,006.87	Nigel Lloyd Fund	25,306.25
	Coutts & Co	
33,000.00	Interest bearing Deposit Account	33,000.00
5,497.00	Sponsorship Reserve (note 3)	-
<u>103,397.35</u>	Total Bank Balances	<u>81,492.49</u>
	Investments (note 5)	
72,865.97	Nigel Lloyd Fund	75,756.29
<u>176,263.32</u>	Total Assets as at 30 June 2025	<u>157,248.78</u>

Notes:

1. The accounts have been prepared using the income and expenditure basis of presentation.
2. The Changarawe Project enjoys charitable status, enabling it to reclaim Gift Aid on donations from UK taxpayers at the basic income tax rate
3. A restricted reserve has previously been held within the Nigel Lloyd Fund to ringfence money contributed by donors as sponsorship for the cost of advanced courses undertaken by students. The value of the reserve has been adjusted annually to reflect the cumulative sponsorship income less the sterling equivalent of the cumulative amount spent on student support since 2016, when the programme started. As at 30 June 2024, these amounts were £49,616 and £44,119 respectively, resulting in a surplus of £5,497. This difference has been eliminated in the course of the current year and the remainder of the reserve has been released as a consequence.
4. Breakdowns of the transfers to Tanzania from each account and the uses to which the money has been put are shown on pages 12 to 14.
5. During the course of the year, the holding of 22,533.311 'C' Income units in the Ruffer Total Return Fund were exchanged at nil cost for 13,446.510 'C' Accumulation units in the same Fund. The market price of the units at 30 June 2025 was £ 5.6339 per unit, resulting in a total market value of £75,756.29.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

INDEPENDENT EXAMINER'S REPORT to the Trustees of the Changarawe Project

I report on the accounts of the Changarawe Project for the year ended 30 June 2025, which are set out on pages 8 to 10.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under Section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of examination

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts 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 no opinion is given as to whether the accounts show a "true and fair view" and the report is limited to those matters set out in the statement below.

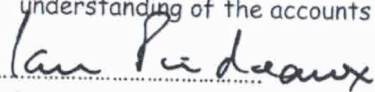
Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements (1) to keep accounting records in accordance with section 130 of the 2011 Act and (2) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met;

or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Ian Prideaux ACA
31 The Chase, London SW4 0NP

25 September 2025

THE CHANGARAWA PROJECT

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UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2025

2024		2025	
TZ sh '000	General Fund (see below for breakdown)	TZ sh '000	%
55,375	Staff welfare	38,721	85.8
10,638	Operational overheads	5,080	11.3
2,559	Other costs	1,303	2.9
<u>68,572</u>	Total General Fund	<u>45,104</u>	<u>100.0</u>
	Nigel Lloyd Fund (see page 13 for breakdown)		
12,548	Babubibi support	11,500	15.9
30,087	Orphan welfare	30,174	41.7
34,342	Sponsored courses	30,736	42.4
<u>76,977</u>	Total Nigel Lloyd Fund	<u>72,410</u>	<u>100.0</u>
<u>145,549</u>	Overall Totals	<u>117,514</u>	
	General Fund - Breakdown		
			% (of total)
47,160	Staff salaries	35,491	78.7
8,215	Other allowances	3,230	7.1
<u>55,375</u>	Total Staff Welfare	<u>38,721</u>	<u>85.8</u>
202	Utilities	-	-
150	Fees	250	0.6
2,624	Maintenance	1,170	2.6
4,064	Vehicle running costs	2,539	5.6
3,598	Office costs	1,121	2.5
<u>10,638</u>	Total Operational Overheads	<u>5,080</u>	<u>11.3</u>
2,559	Other costs	1,303	2.9
<u>68,572</u>	Total General Fund	<u>45,104</u>	<u>100.0</u>

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UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2025

2024		2025	
TZ sh '000	Nigel Lloyd Fund - Breakdown	TZ sh '000	% (of total)
1,650	Annual packages	1,350	1.9
8,898	Monthly packages	8,464	11.7
1,644	Social events	1,666	2.3
356	Medical costs	20	0.0
<u>12,548</u>	Total Babubibi Costs	<u>11,500</u>	<u>15.9</u>
10,954	School feeding programme	8,694	12.0
7,383	Medical costs	7,541	10.4
3,470	Educational costs (basic)	3,013	4.2
750	Domestic support costs	540	0.7
2,262	Social events	1,908	2.6
1,220	Peer educators	720	1.0
4,048	Library/study centre running costs (including feeding)	3,258	4.5
-	Replacement laptops	4,500	6.2
<u>30,087</u>	Total Orphan Project Costs	<u>30,174</u>	<u>41.6</u>
<u>34,342</u>	Cost of sponsored courses and support packages	<u>30,736</u>	<u>42.5</u>
<u>76,977</u>	Total Nigel Lloyd Fund	<u>72,410</u>	<u>100.0</u>
<u>145,549</u>	Total spending for the year from both Funds (see page 12)	<u>117,514</u>	

Breakdown of Money Transfers

2024		2025	
£		Administration Contribution	Development Contribution
10,756.42	General Fund (see page 8)	£	£
29,070.66	Nigel Lloyd Fund (see page 9)	10,570.24	23,289.42
		5,404.87	28,694.29
<u>39,827.08</u>	Total Sterling transfers	<u>15,975.11</u>	<u>39,264.53</u>
TZ sh '000			
125,558	Local currency proceeds of sterling transfers (note 1)		129,857
(3,906)	Adjustment required due to exchange rate fluctuations (note 2)		-
<u>121,652</u>	Value of transfers (based on agreed quarterly budgets)		<u>129,857</u>

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UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2025

Tanzanian Bank Reconciliation

2024 TZ sh '000		2025 TZ sh '000
31,892	Bank balances and cash in hand at 1 July 2024	13,488
	Receipts	
125,558	Money transferred during the year (see page 13)	129,857
8,258	Loan repayments under the credit scheme	9,201
578	Other local income	756
<u>134,394</u>	Total receipts	<u>139,814</u>
	Payments	
145,549	Project spending during the year (see pages 12 and 13)	117,514
6,400	New loans under the credit scheme	9,400
849	Other local expenses	673
<u>152,798</u>	Total payments	<u>127,587</u>
<u>13,488</u>	Bank balances and cash in hand at 30 June 2025	<u>25,715</u>
	Represented by CRDB Statement balances	
72	CDO Administration Account No 0152296625900	6,954
6,272	CDO Development Account No 01J2012185101	11,183
6,723	CDO Credit Scheme Account No 01J2012185102	6,969
<u>13,067</u>	Total bank balances	<u>25,106</u>
421	Cash in hand	609
<u>13,488</u>	Total bank and cash in hand at 30 June 2025 as above	<u>25,715</u>

Notes to unaudited summary of Tanzanian expenditure:

- The transfers of funds to Tanzania are based on detailed quarterly budgets. Actual spending will vary from these amounts. The differences are monitored and, where appropriate, adjustments are made to the amount transferred in the following quarter.
- Transfers are made in Sterling on a quarterly basis, with the currency conversion performed locally. This means that the local currency amount credited to CDO's account cannot be predicted accurately. With CDO's agreement, the practice of adjusting in the following quarter for shortfalls in the amounts received was suspended during the year due to concerns that the exchange rates being applied by CRDB had become uncompetitive. The Trustees intend to keep this policy change under regular review.
- The costs associated with the transfers amounted to £120, representing 0.3% of the amount transferred (2024: £120, representing 0.3%). The amounts transferred were converted at an average exchange rate of TZ sh 3307 to £1 (2024: 3152 to £1).

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England & Wales - Charity number 1098215

Accounts

THE CHANGARAWA PROJECT
(Charity No 1098215)

ANNUAL REPORT

and

FINANCIAL STATEMENTS

for the Year ended 30 June 2023

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THE OBJECTIVES OF THE CHARITY

(as set out in a Supplementary Deed dated 4 March 2012):

The Trustees must apply the income of the Charity in furthering the following objects:

To advance education, relieve poverty and preserve and protect the good health of the people of Changarawe Village, Tanzania and the surrounding areas, in particular but not exclusively, by all or any of the following means:

- a) the provision of support and finance for the Zawadi School (formerly known as the Walford Zawadi School);
- b) the provision of support and finance for the domestic, social and educational wellbeing of orphans attending primary or secondary schools, or undertaking vocational training;
- c) the provision of land and the construction and maintenance of such buildings as the Trustees consider necessary for the educational needs of students, whether at the Zawadi School or within the orphan support project;
- d) the provision of loans to local people of either gender to facilitate setting up or developing small business ventures with a view to supporting their families;
- e) to provide facilities for educating local people in such topics as family planning and the prevention of HIV Aids;
- f) to provide finance and support, whether through employment or otherwise, for destitute grandparents of children who are current or past students at the Zawadi School and who are wholly or partially responsible for the care of such children;
- g) to undertake any other activities which the Trustees consider to be helpful in furthering the other activities of The Changarawe Project.

TRUSTEES

Rose Edwina Baylis
Carolyn Anne Walford
Luke Edwards-Stuart
Michael Robarts
Felistas Kalomo
Robert Watkinson
Tatyana Eatwell
Sarah Konopka

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THE CHANGARAWA PROJECT

(Charity No 1098215)

REPORT FROM THE CHAIR FOR THE YEAR ENDED 30 JUNE 2023

I am delighted to present my eighth annual report since assuming the role of Chair of Trustees in the summer of 2016, a period that has seen far reaching changes in our activities and in our relationship with CDO, our administrative partners on the ground in Tanzania.

Due to the constraints imposed by Covid 19, we had been unable to arrange a trustee visit since November 2019. This was of real concern given the difficulties caused by having to rely on written reports and periodic telephone and email contact. This was especially true over a period during which our financial support for the various programmes was being scaled back, with all the potential this contained for straining the morale and commitment of the CDO team.

It was therefore of particular importance to arrange a further visit and we were very grateful to Rob Watkinson for making himself available to visit Changarawe in late June this year. In the event, we were very heartened by his account of the visit, which had the effect of allaying our major concerns.

The most significant finding was that, although CDO had experienced a certain level of staff turnover, those individuals recruited as replacements have been of uniformly high quality and a particularly impressive new Programme Officer, Innocent Rusomyo, had been appointed. To quote from Rob's report:-

"The professionalism of the CDO team and their commitment to supporting the beneficiaries of CDO's work and the wider community is self-evident and to be applauded.

Innocent (who joined in Jan 2022) has been instrumental in identifying and securing new sources of funding, drawing on his experience working in international NGOs.

Retention of high quality staff is a challenge for small NGOs. All CDO staff are incentivised to identify new sources of funding, with a reward of up to 10% of new funding secured."

We had been unaware of the scale of these new initiatives as they are accounted for separately as a standard condition attaching to each project. However, the crucial benefit from our perspective is the evidence that these projects provide of the way CDO is responding to the challenge of dealing with the consequences of our steadily reducing funding. It is now clear that they are looking positively to a future of which we will eventually not be a part. In particular, it provides reassurance that the CDO team will continue to support our programmes, whilst taking full advantage of the very effective reporting and accounting framework that we have been instrumental in creating. This will in all probability make it easier to attract funding from other sources in the future.

THE CHANGARAWA PROJECT

(Charity No 1098215)

Turning to the programmes themselves

Nigel Lloyd Fund

We stopped accepting new students into our educational support packages from the start of 2020 when student numbers stood at 150. As a result, we now support a total of 101 students overall, of whom 65 attend local Primary and Secondary schools, benefitting from a school feeding programme which we help to fund.

Five of the 15 students who completed their secondary education last summer met the criteria required to move onto advanced courses. These included the daughter of Helena Nicolaus, the former much loved head of the Zawadi School, who died tragically suddenly five years ago. We are delighted that Besta has done so well educationally and that she will continue to benefit from our support. As a rule of thumb, 15 students graduate from secondary school each year and roughly a third of these are able to move on to advanced courses.

Our sponsorship programme under which UK donors agree to fund the courses for students who are allocated to them has been a great success. It started in 2016 and, over the ensuing period, 49 students have been supported in this way by 23 individual sponsors and 3 charitable trusts, several of them returning to provide further sponsorships. Their generosity has made an enormous difference to our ability to fund these life-changing courses at a time when the costs of the other programmes were at their peak. Thanks to our separate legacy income reported in our last two annual reports, we are now much better placed to fund these courses from reserves, although offers of further sponsorships will always continue to be warmly welcomed.

The Nigel Lloyd study centre, the construction of which we funded some 14 years ago, is well maintained and around 10 students use the computer facilities installed there on a daily basis, accessing the Whizz distance learning courses that we provide and fund. The numbers should increase once remedial work has been done on some of its 15 computers. We have successfully negotiated a series of discounts on the annual Whizz licence fee, reflecting the projected slimming down of student numbers and these savings should enable us to continue the Whizz programme through to 2029 when the last of our students should in principle be leaving secondary school.

As an example of CDO's funding initiatives, a small hostel has been built in the grounds of the study centre without calling on the Trustees to fund it. The rooms are let to Mzumbe University students for Tsh 25,000 per month, without having any adverse impact on our own activities. It is also pleasing to report that the study centre grounds are well maintained and the garden there supplies fruit and vegetables for our students and bibibabus (grandparents who act as carers for many of the students).

Babubibi support

We currently support 52 elderly carers under this programme, of whom seven are currently seriously ill. There is little doubt that this support is of immense importance to the entire community and, importantly, alleviates the loneliness of some of the oldest and poorest village residents as well as ensuring that their health is regularly checked.

THE CHANGARAWA PROJECT

(Charity No 1098215)

The programme costs us around £3,000 annually, mostly for food and medical support, but we have no doubt that it is a cost well worth incurring.

As with the students, we have stopped accepting new carers into this programme so, over time, the costs should in principle tail off steadily.

Credit Scheme

After suffering a modest level of defaults during the Covid pandemic, this programme has returned to health and is currently operating normally, with 11 loans totalling Tsh 11 million outstanding, all of which are now being serviced regularly and on time.

CDO has proposed that a proportion of the loan capital should be made available to its staff, in order to enhance their employment packages. This would represent a departure from past practice, but we have indicated that we are supportive of the proposal, as long as villagers continue to have access.

Finance

We have made significant changes to the Charity's investments during the year and since the year end. The holding in the CAF Fixed Interest Fund which had been in place since 2006 suffered a sudden drop in value of just over £5,000 during 2022. This could only be explained as being the result of a change in the Fund's investment policy that had not been communicated to investors¹. The impact of the loss, whilst coming as something of a shock, should be viewed in context, since the holding had generated annual income averaging over £1,000 for the 17 years of its life. This resulted in an overall investment return that was actually broadly in line with inflation over the period, despite the disappointing reduction in its closing value.

It was decided to sell the holding in April 2023 and to accept the loss, because the Fund was in any case scheduled to be wound up by CAF at the end of June. Following discussion, it was decided to replace the holding with an investment in income units in the Ruffer Total Return Fund. The Ruffer fund differs from its predecessor in not following a prescribed benchmark, but instead aims to invest across a range of asset classes in order to achieve a positive long term return irrespective of short term fluctuations in market levels. It has an impressive performance record.

Given the high level of cash held in the Nigel Lloyd Fund in particular, it was decided to make the investment exclusively from that fund, investing an initial £35,000 in May 2023. A further £40,000 has been invested in the fund since the year end, taking the total invested to £75,000. In addition, a further £33,000 has been transferred to a 12 month fixed term deposit with Coutts Bank, thereby reducing the Charity's total cash balances with CAF Bank below the £85,000 level that would be protected by the UK's Financial Services Compensation Scheme.

Reverting to the issue of financial planning, our focus during the past year has been on predicting the level of costs likely to be incurred in Tanzania over the remaining approximately ten year life of the Charity. We have concluded that the current level of

¹ The fund had for many years invested in short dated bonds whose value was only modestly affected by fluctuations in interest rates; it would appear that the policy changed in around 2017 to holding longer dated bonds that were far more sensitive to rate changes and lost value when rates rose sharply last year

THE CHANGARAWA PROJECT

(Charity No 1098215)

cash and investments held is now broadly sufficient to cover the expected outgoings at current prices, but will need to be supplemented in order to cover almost inevitable cost increases over that period. The exact level of increases is clearly impossible to predict, but the Trustees have written to our regular donors with a view to gauging their willingness to continue with their existing standing orders (which currently generate approximately £15,000 annually across the two funds) for at least part of the period involved. As time passes and as cash outgoings reduce due to falling student numbers, we anticipate that cashflow prediction will become progressively easier and the need to maintain standing order income will thus become less pressing. As ever, we depend in the most fundamental way on the generosity and commitment of our remarkable donor base.

Further assistance has been provided since the end of the period by a wonderful £10,000 grant from the PF Charitable Trust which was specifically awarded to cover increases in the cost of sponsored advanced courses. The grant recognised that sponsorship is provided by donors based on current course costs and cannot necessarily be adjusted to offset subsequent increases that may occur during the life of the course. The grant will be very helpful in covering shortfalls that arise for this reason.

It has been decided to set sponsorship money aside in a Sponsorship Reserve Fund in order to account for it separately and to make it easier to monitor the funds that are available to meet recurrent operating costs. These costs include the contribution we make towards CDO's administrative overheads which is itself reducing year by year. The reserve, which will next year include the proceeds of the grant referred to above, is shown on page 11 of this report.

Conclusion

I must express my appreciation for the hard work of all the Trustees and, of course, for the seemingly endless generosity of our loyal donor base. Without that support, none of our work would have been possible.

The Trustees remain firmly committed to their key goal of continuing to support the existing cohort of students through to the end of their respective educational journeys and, given the magnificent response from the CDO team outlined in this report, we are now very confident that we will succeed in this aim.



Rose Baylis, Chair of the UK Trustees

31 October 2023

THE CHANGARAWA PROJECT

(Charity No 1098215)

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the financial statements of the Charity in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with the General Directions of the Charity Commission under Section 130 of the Charities Act 2011. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity, and enable them to ensure that the financial statements comply with relevant charities legislation. The Trustees 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.

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

General Fund: Income and Expenditure Account

2022		2023
£	Income	£
500.00	Donations received	16.77
12,234.68	Recurrent donations received under standing orders	7,878.00
1,190.00	Sales of textile products	5.00
564.31	Interest received	393.44
4,981.01	Gift Aid refunds from HMRC (note 2)	3,286.50
	Proceeds of sale of investment	13,934.16
<u>19,470.00</u>		<u>25,513.87</u>
	Expenditure	
17,098.73	Remittances to Tanzania (note 3)	14,353.27
56.68	Bank charges on remittances	42.43
115.00	Other expenses	82.00
<u>17,270.41</u>		<u>14,477.70</u>
2,199.59	Income surplus	11,036.17
9,761.66	Bank deposit at 1 July 2022	11,961.25
<u>11,961.25</u>	Bank deposit at 30 June 2023	<u>22,997.42</u>

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Nigel Lloyd Fund: Income and Expenditure Account

2022		2023
£	Income	£
325.85	Donations received	1,570.00
5,893.50	Standing orders	7,243.00
4,250.00	Donations relating to student sponsorship	1,000.00
98,526.38	Legacies	65,200.12
458.00	Sales of textile products	-
667.65	Interest received	668.48
-	Gift Aid refunds from HMRC (note 2)	142.03
-	Proceeds of sale of investment	16,275.28
<u>110,121.38</u>		<u>92,098.91</u>
	Expenditure	
22,937.42	Remittances to Tanzania (note 3)	30,488.65
63.32	Bank charges on remittances	77.57
1,500.00	Spending on projects	1,500.00
-	Cost of investment	35,000.00
-	Printing costs	824.29
216.00	Website costs	216.00
-	Travel costs	993.14
96.00	Other expenses	63.00
-	Transfer to Sponsorship Reserve (note 4)	4,176.00
<u>24,812.74</u>		<u>73,338.65</u>
85,308.64	Income surplus	18,760.26
23,361.09	Bank deposit at 1 July 2022	108,669.73
<u>108,669.73</u>	Bank deposit at 30 June 2023 (excluding Sponsorship Reserve)	<u>127,429.99</u>

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Statement of Assets

2022		2023
£	CAF Bank Limited	£
11,961.25	General Fund	22,997.42
108,669.73	Nigel Lloyd Fund	127,429.99
-	Sponsorship Reserve (note 4)	4,176.00
<u>120,630.98</u>	Total bank deposits	<u>154,603.41</u>
	Investments (note 5)	
14,367.04	General Fund	-
16,780.89	Nigel Lloyd Fund	34,259.49
<u>31,147.93</u>	Total Investments	<u>34,259.49</u>
<u>151,778.91</u>	Total Assets as at 30 June 2023	<u>188,862.90</u>

Notes:

1. The accounts have been prepared using the income and expenditure basis of presentation.
2. The Changarawe Project enjoys charitable status, enabling it to reclaim Gift Aid on donations from UK taxpayers at the basic income tax rate
3. Breakdowns of the transfers to Tanzania from each account and the uses to which the money has been put are shown on pages 13 to 15.
4. A restricted reserve has been created within the Nigel Lloyd Fund to hold money contributed by donors as sponsorship for the cost of advanced courses undertaken by students. The amount transferred from income represents the cumulative amount contributed, but not yet expended. Funds will be released from this reserve as the relevant course costs are incurred.
5. The holdings in the CAF Fixed interest Fund were sold during the year for £13,934.16 (General Fund) and £16,275.28 (Nigel Lloyd Fund). These holdings were replaced by a purchase by the Nigel Lloyd Fund of 10,429.704 units in the LF Ruffer Total Return Fund 'C' income units at a cost of £35,000; The market price at 30 June 2023 was £3.2848 per unit, giving a total market value of £34,259.49

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

INDEPENDENT EXAMINER'S REPORT to the Trustees of the Changarawe Project

I report on the accounts of the Changarawe Project for the year ended 30 June 2023, which are set out on pages 9 to 11.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under Section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of examination

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts 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 no opinion is given as to whether the accounts show a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements (1) to keep accounting records in accordance with section 130 of the 2011 Act and (2) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met;
- or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Ian Prideaux ACA
31 The Chase, London SW4 ONP

31 October 2023

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2023

2022		2023	
TZ sh '000	General Fund (see below for breakdown)	TZ sh '000	%
45,793	Staff welfare	44,675	72.8
13,769	Operational overheads	14,640	23.9
4,931	Other costs	2,040	3.3
<u>64,493</u>	Total General Fund	<u>61,355</u>	<u>100.0</u>
	Nigel Lloyd Fund (see page 14 for breakdown)		
9,315	Babubibi support	9,363	16.9
26,032	Orphan welfare	23,298	42.2
22,296	Sponsored courses	22,580	40.9
<u>57,643</u>	Total Nigel Lloyd Fund	<u>55,241</u>	<u>100.0</u>
<u>122,136</u>	Overall Totals	<u>116,596</u>	
	General Fund - Breakdown		% (of total)
37,820	Staff salaries	37,692	61.4
7,973	Other allowances	6,983	11.4
<u>45,793</u>	Total Staff Welfare	<u>44,675</u>	<u>72.8</u>
767	Utilities	504	0.8
270	Fees	480	0.8
4,583	Maintenance	3,659	6.0
2,198	Vehicle running costs	2,647	4.3
3,926	Office costs	6,296	10.3
2,025	Training	1,054	1.7
<u>13,769</u>	Total Operational Overheads	<u>14,640</u>	<u>23.9</u>
2,576	Manufacture of textile products for sale in the UK	-	-
2,355	Other costs	2,040	3.3
<u>4,931</u>	Total Other Costs	<u>2,040</u>	<u>3.3</u>
<u>64,493</u>	Total General Fund	<u>61,355</u>	<u>100.0</u>

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2023

2022		2023	
TZ sh '000	Nigel Lloyd Fund - Breakdown	TZ sh '000	% (of total)
560	Annual packages	520	0.9
7,230	Monthly packages	7,438	13.4
1,125	Social events	1,090	2.0
400	Medical costs	315	0.6
<u>9,315</u>	Total Bibi Babu Costs	<u>9,363</u>	<u>16.9</u>
5,898	School feeding programme	6,548	11.9
6,891	Medical costs	6,810	12.3
5,646	Educational costs (basic)	4,716	8.5
1,595	Domestic support costs	670	1.2
1,935	Social events	1,744	3.2
478	Peer educators	566	1.0
3,589	Library/study centre running costs (including feeding)	2,244	4.1
<u>26,032</u>	Total Orphan Project Costs	<u>23,298</u>	<u>42.2</u>
<u>22,296</u>	Cost of sponsored courses and support packages	<u>22,580</u>	<u>40.9</u>
<u>57,643</u>	Total Nigel Lloyd Fund	<u>55,241</u>	<u>100.0</u>
<u>122,136</u>	Total spending for the year from both Funds (see page 13)	<u>116,596</u>	

BREAKDOWN OF MONEY TRANSFERS

2022		2023	
£		£	
17,098.73	General Fund (see page 9)	14,353.27	
22,937.42	Nigel Lloyd Fund (see page 10)	30,488.65	
<u>40,036.15</u>	Total Sterling transfers	<u>44,841.92</u>	
TZ sh '000		TZ sh '000	
122,285	Local currency proceeds of sterling transfers (note 1)	122,964	
(872)	Adjustment required due to exchange rate fluctuations (note 2)	(2,099)	
<u>121,413</u>	Intended value of transfers (based on agreed quarterly budgets)	<u>120,865</u>	

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2023

Tanzanian Bank Reconciliation

2022 TZ sh '000		2023 TZ sh '000
23,949	Bank balances and cash in hand at 1 July 2022	28,043
	Receipts	
122,285	Money transferred during the year (see page 14)	122,964
6,936	Loan repayments under the credit scheme	8,809
3,281	Income from government sources	-
292	Other local income	20
<u>132,794</u>	Total receipts	<u>131,793</u>
	Payments	
122,136	Project spending during the year (see pages 13 and 14)	116,596
	New loans under the credit scheme	10,600
1,014	Other local expenses	748
<u>123,150</u>	Total payments	<u>127,944</u>
<u>33,593</u>	Bank balances and cash in hand at 30 June 2023	<u>31,892</u>
	Represented by CRDB Statement balances	
18,923	CDO Administration Account No 0152296625900	16,373
39	CDO Development Account No 01J2012185101	8,191
9,062	CDO Credit Scheme Account No 01J2012185102	7,238
5,550	Term deposit	-
33,574	Total bank balances	31,802
19	Cash in hand	90
<u>33,593</u>	Total bank and cash resources at 30 June 2023 as above	<u>31,892</u>

Notes to unaudited summary of Tanzanian expenditure:

1. The transfers of funds to Tanzania are based on detailed quarterly budgets. Actual spending will vary from these amounts. The differences are monitored and, where appropriate, adjustments are made to the amount transferred in the following quarter.
2. Transfers are made in Sterling, with the currency conversion performed locally. This means that the local currency amount credited to CDO's account cannot be predicted accurately. Adjustments are made in the following quarter to compensate for any surplus or shortfall compared to the intended amount.
3. The costs associated with the transfers amounted to £120, representing 0.3% of the amount transferred (2021: £120, representing 0.3%). The amounts transferred were converted at an average exchange rate of TZ sh 2742 to £1 (2022: 3054 to £1).

THE CHANGARAWA PROJECT
(Charity No 1098215)

ANNUAL REPORT
and
FINANCIAL STATEMENTS
for the Year ended 30 June 2023

THE CHANGARAWA PROJECT

(Charity No 1098215)

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THE CHANGARAWA PROJECT

(Charity No 1098215)

THE OBJECTIVES OF THE CHARITY

(as set out in a Supplementary Deed dated 4 March 2012):

The Trustees must apply the income of the Charity in furthering the following objects:

To advance education, relieve poverty and preserve and protect the good health of the people of Changarawe Village, Tanzania and the surrounding areas, in particular but not exclusively, by all or any of the following means:

- a) the provision of support and finance for the Zawadi School (formerly known as the Walford Zawadi School);
- b) the provision of support and finance for the domestic, social and educational wellbeing of orphans attending primary or secondary schools, or undertaking vocational training;
- c) the provision of land and the construction and maintenance of such buildings as the Trustees consider necessary for the educational needs of students, whether at the Zawadi School or within the orphan support project;
- d) the provision of loans to local people of either gender to facilitate setting up or developing small business ventures with a view to supporting their families;
- e) to provide facilities for educating local people in such topics as family planning and the prevention of HIV Aids;
- f) to provide finance and support, whether through employment or otherwise, for destitute grandparents of children who are current or past students at the Zawadi School and who are wholly or partially responsible for the care of such children;
- g) to undertake any other activities which the Trustees consider to be helpful in furthering the other activities of The Changarawe Project.

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THE CHANGARAWA PROJECT

(Charity No 1098215)

REPORT FROM THE CHAIR FOR THE YEAR ENDED 30 JUNE 2023

I am delighted to present my eighth annual report since assuming the role of Chair of Trustees in the summer of 2016, a period that has seen far reaching changes in our activities and in our relationship with CDO, our administrative partners on the ground in Tanzania.

Due to the constraints imposed by Covid 19, we had been unable to arrange a trustee visit since November 2019. This was of real concern given the difficulties caused by having to rely on written reports and periodic telephone and email contact. This was especially true over a period during which our financial support for the various programmes was being scaled back, with all the potential this contained for straining the morale and commitment of the CDO team.

It was therefore of particular importance to arrange a further visit and we were very grateful to Rob Watkinson for making himself available to visit Changarawe in late June this year. In the event, we were very heartened by his account of the visit, which had the effect of allaying our major concerns.

The most significant finding was that, although CDO had experienced a certain level of staff turnover, those individuals recruited as replacements have been of uniformly high quality and a particularly impressive new Programme Officer, Innocent Rusomyo, had been appointed. To quote from Rob's report:-

"The professionalism of the CDO team and their commitment to supporting the beneficiaries of CDO's work and the wider community is self-evident and to be applauded.

Innocent (who joined in Jan 2022) has been instrumental in identifying and securing new sources of funding, drawing on his experience working in international NGOs.

Retention of high quality staff is a challenge for small NGOs. All CDO staff are incentivised to identify new sources of funding, with a reward of up to 10% of new funding secured."

We had been unaware of the scale of these new initiatives as they are accounted for separately as a standard condition attaching to each project. However, the crucial benefit from our perspective is the evidence that these projects provide of the way CDO is responding to the challenge of dealing with the consequences of our steadily reducing funding. It is now clear that they are looking positively to a future of which we will eventually not be a part. In particular, it provides reassurance that the CDO team will continue to support our programmes, whilst taking full advantage of the very effective reporting and accounting framework that we have been instrumental in creating. This will in all probability make it easier to attract funding from other sources in the future.

THE CHANGARAWA PROJECT

(Charity No 1098215)

Turning to the programmes themselves

Nigel Lloyd Fund

We stopped accepting new students into our educational support packages from the start of 2020 when student numbers stood at 150. As a result, we now support a total of 101 students overall, of whom 65 attend local Primary and Secondary schools, benefitting from a school feeding programme which we help to fund.

Five of the 15 students who completed their secondary education last summer met the criteria required to move onto advanced courses. These included the daughter of Helena Nicolaus, the former much loved head of the Zawadi School, who died tragically suddenly five years ago. We are delighted that Besta has done so well educationally and that she will continue to benefit from our support. As a rule of thumb, 15 students graduate from secondary school each year and roughly a third of these are able to move on to advanced courses.

Our sponsorship programme under which UK donors agree to fund the courses for students who are allocated to them has been a great success. It started in 2016 and, over the ensuing period, 49 students have been supported in this way by 23 individual sponsors and 3 charitable trusts, several of them returning to provide further sponsorships. Their generosity has made an enormous difference to our ability to fund these life-changing courses at a time when the costs of the other programmes were at their peak. Thanks to our separate legacy income reported in our last two annual reports, we are now much better placed to fund these courses from reserves, although offers of further sponsorships will always continue to be warmly welcomed.

The Nigel Lloyd study centre, the construction of which we funded some 14 years ago, is well maintained and around 10 students use the computer facilities installed there on a daily basis, accessing the Whizz distance learning courses that we provide and fund. The numbers should increase once remedial work has been done on some of its 15 computers. We have successfully negotiated a series of discounts on the annual Whizz licence fee, reflecting the projected slimming down of student numbers and these savings should enable us to continue the Whizz programme through to 2029 when the last of our students should in principle be leaving secondary school.

As an example of CDO's funding initiatives, a small hostel has been built in the grounds of the study centre without calling on the Trustees to fund it. The rooms are let to Mzumbe University students for Tsh 25,000 per month, without having any adverse impact on our own activities. It is also pleasing to report that the study centre grounds are well maintained and the garden there supplies fruit and vegetables for our students and bibibabus (grandparents who act as carers for many of the students).

Babubibi support

We currently support 52 elderly carers under this programme, of whom seven are currently seriously ill. There is little doubt that this support is of immense importance to the entire community and, importantly, alleviates the loneliness of some of the oldest and poorest village residents as well as ensuring that their health is regularly checked.

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The programme costs us around £3,000 annually, mostly for food and medical support, but we have no doubt that it is a cost well worth incurring.

As with the students, we have stopped accepting new carers into this programme so, over time, the costs should in principle tail off steadily.

Credit Scheme

After suffering a modest level of defaults during the Covid pandemic, this programme has returned to health and is currently operating normally, with 11 loans totalling Tsh 11 million outstanding, all of which are now being serviced regularly and on time.

CDO has proposed that a proportion of the loan capital should be made available to its staff, in order to enhance their employment packages. This would represent a departure from past practice, but we have indicated that we are supportive of the proposal, as long as villagers continue to have access.

Finance

We have made significant changes to the Charity's investments during the year and since the year end. The holding in the CAF Fixed Interest Fund which had been in place since 2006 suffered a sudden drop in value of just over £5,000 during 2022. This could only be explained as being the result of a change in the Fund's investment policy that had not been communicated to investors¹. The impact of the loss, whilst coming as something of a shock, should be viewed in context, since the holding had generated annual income averaging over £1,000 for the 17 years of its life. This resulted in an overall investment return that was actually broadly in line with inflation over the period, despite the disappointing reduction in its closing value.

It was decided to sell the holding in April 2023 and to accept the loss, because the Fund was in any case scheduled to be wound up by CAF at the end of June. Following discussion, it was decided to replace the holding with an investment in income units in the Ruffer Total Return Fund. The Ruffer fund differs from its predecessor in not following a prescribed benchmark, but instead aims to invest across a range of asset classes in order to achieve a positive long term return irrespective of short term fluctuations in market levels. It has an impressive performance record.

Given the high level of cash held in the Nigel Lloyd Fund in particular, it was decided to make the investment exclusively from that fund, investing an initial £35,000 in May 2023. A further £40,000 has been invested in the fund since the year end, taking the total invested to £75,000. In addition, a further £33,000 has been transferred to a 12 month fixed term deposit with Coutts Bank, thereby reducing the Charity's total cash balances with CAF Bank below the £85,000 level that would be protected by the UK's Financial Services Compensation Scheme.

Reverting to the issue of financial planning, our focus during the past year has been on predicting the level of costs likely to be incurred in Tanzania over the remaining approximately ten year life of the Charity. We have concluded that the current level of

¹ The fund had for many years invested in short dated bonds whose value was only modestly affected by fluctuations in interest rates; it would appear that the policy changed in around 2017 to holding longer dated bonds that were far more sensitive to rate changes and lost value when rates rose sharply last year

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cash and investments held is now broadly sufficient to cover the expected outgoings at current prices, but will need to be supplemented in order to cover almost inevitable cost increases over that period. The exact level of increases is clearly impossible to predict, but the Trustees have written to our regular donors with a view to gauging their willingness to continue with their existing standing orders (which currently generate approximately £15,000 annually across the two funds) for at least part of the period involved. As time passes and as cash outgoings reduce due to falling student numbers, we anticipate that cashflow prediction will become progressively easier and the need to maintain standing order income will thus become less pressing. As ever, we depend in the most fundamental way on the generosity and commitment of our remarkable donor base.

Further assistance has been provided since the end of the period by a wonderful £10,000 grant from the PF Charitable Trust which was specifically awarded to cover increases in the cost of sponsored advanced courses. The grant recognised that sponsorship is provided by donors based on current course costs and cannot necessarily be adjusted to offset subsequent increases that may occur during the life of the course. The grant will be very helpful in covering shortfalls that arise for this reason.

It has been decided to set sponsorship money aside in a Sponsorship Reserve Fund in order to account for it separately and to make it easier to monitor the funds that are available to meet recurrent operating costs. These costs include the contribution we make towards CDO's administrative overheads which is itself reducing year by year. The reserve, which will next year include the proceeds of the grant referred to above, is shown on page 11 of this report.

Conclusion

I must express my appreciation for the hard work of all the Trustees and, of course, for the seemingly endless generosity of our loyal donor base. Without that support, none of our work would have been possible.

The Trustees remain firmly committed to their key goal of continuing to support the existing cohort of students through to the end of their respective educational journeys and, given the magnificent response from the CDO team outlined in this report, we are now very confident that we will succeed in this aim.



Rose Baylis, Chair of the UK Trustees

31 October 2023

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STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the financial statements of the Charity in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with the General Directions of the Charity Commission under Section 130 of the Charities Act 2011. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity, and enable them to ensure that the financial statements comply with relevant charities legislation. The Trustees 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.

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

General Fund: Income and Expenditure Account

2022		2023
£	Income	£
500.00	Donations received	16.77
12,234.68	Recurrent donations received under standing orders	7,878.00
1,190.00	Sales of textile products	5.00
564.31	Interest received	393.44
4,981.01	Gift Aid refunds from HMRC (note 2)	3,286.50
	Proceeds of sale of investment	13,934.16
<u>19,470.00</u>		<u>25,513.87</u>
	Expenditure	
17,098.73	Remittances to Tanzania (note 3)	14,353.27
56.68	Bank charges on remittances	42.43
115.00	Other expenses	82.00
<u>17,270.41</u>		<u>14,477.70</u>
2,199.59	Income surplus	11,036.17
9,761.66	Bank deposit at 1 July 2022	11,961.25
<u>11,961.25</u>	Bank deposit at 30 June 2023	<u>22,997.42</u>

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Nigel Lloyd Fund: Income and Expenditure Account

2022		2023
£	Income	£
325.85	Donations received	1,570.00
5,893.50	Standing orders	7,243.00
4,250.00	Donations relating to student sponsorship	1,000.00
98,526.38	Legacies	65,200.12
458.00	Sales of textile products	-
667.65	Interest received	668.48
-	Gift Aid refunds from HMRC (note 2)	142.03
-	Proceeds of sale of investment	16,275.28
<u>110,121.38</u>		<u>92,098.91</u>
	Expenditure	
22,937.42	Remittances to Tanzania (note 3)	30,488.65
63.32	Bank charges on remittances	77.57
1,500.00	Spending on projects	1,500.00
-	Cost of investment	35,000.00
-	Printing costs	824.29
216.00	Website costs	216.00
-	Travel costs	993.14
96.00	Other expenses	63.00
-	Transfer to Sponsorship Reserve (note 4)	4,176.00
<u>24,812.74</u>		<u>73,338.65</u>
85,308.64	Income surplus	18,760.26
23,361.09	Bank deposit at 1 July 2022	108,669.73
<u>108,669.73</u>	Bank deposit at 30 June 2023 (excluding Sponsorship Reserve)	<u>127,429.99</u>

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Statement of Assets

2022		2023
£	CAF Bank Limited	£
11,961.25	General Fund	22,997.42
108,669.73	Nigel Lloyd Fund	127,429.99
-	Sponsorship Reserve (note 4)	4,176.00
<u>120,630.98</u>	Total bank deposits	<u>154,603.41</u>
	Investments (note 5)	
14,367.04	General Fund	-
16,780.89	Nigel Lloyd Fund	34,259.49
<u>31,147.93</u>	Total Investments	<u>34,259.49</u>
<u>151,778.91</u>	Total Assets as at 30 June 2023	<u>188,862.90</u>

Notes:

1. The accounts have been prepared using the income and expenditure basis of presentation.
2. The Changarawe Project enjoys charitable status, enabling it to reclaim Gift Aid on donations from UK taxpayers at the basic income tax rate
3. Breakdowns of the transfers to Tanzania from each account and the uses to which the money has been put are shown on pages 13 to 15.
4. A restricted reserve has been created within the Nigel Lloyd Fund to hold money contributed by donors as sponsorship for the cost of advanced courses undertaken by students. The amount transferred from income represents the cumulative amount contributed, but not yet expended. Funds will be released from this reserve as the relevant course costs are incurred.
5. The holdings in the CAF Fixed interest Fund were sold during the year for £13,934.16 (General Fund) and £16,275.28 (Nigel Lloyd Fund). These holdings were replaced by a purchase by the Nigel Lloyd Fund of 10,429.704 units in the LF Ruffer Total Return Fund 'C' income units at a cost of £35,000; The market price at 30 June 2023 was £3.2848 per unit, giving a total market value of £34,259.49

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FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

INDEPENDENT EXAMINER'S REPORT to the Trustees of the Changarawe Project

I report on the accounts of the Changarawe Project for the year ended 30 June 2023, which are set out on pages 9 to 11.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under Section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of examination

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts 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 no opinion is given as to whether the accounts show a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements (1) to keep accounting records in accordance with section 130 of the 2011 Act and (2) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met;
- or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Ian Prideaux ACA
31 The Chase, London SW4 ONP

31 October 2023

THE CHANGARAWA PROJECT

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UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2023

2022		2023	
TZ sh '000	General Fund (see below for breakdown)	TZ sh '000	%
45,793	Staff welfare	44,675	72.8
13,769	Operational overheads	14,640	23.9
4,931	Other costs	2,040	3.3
<u>64,493</u>	Total General Fund	<u>61,355</u>	<u>100.0</u>
	Nigel Lloyd Fund (see page 14 for breakdown)		
9,315	Babubibi support	9,363	16.9
26,032	Orphan welfare	23,298	42.2
22,296	Sponsored courses	22,580	40.9
<u>57,643</u>	Total Nigel Lloyd Fund	<u>55,241</u>	<u>100.0</u>
<u>122,136</u>	Overall Totals	<u>116,596</u>	
	General Fund - Breakdown		
			% (of total)
37,820	Staff salaries	37,692	61.4
7,973	Other allowances	6,983	11.4
<u>45,793</u>	Total Staff Welfare	<u>44,675</u>	<u>72.8</u>
767	Utilities	504	0.8
270	Fees	480	0.8
4,583	Maintenance	3,659	6.0
2,198	Vehicle running costs	2,647	4.3
3,926	Office costs	6,296	10.3
2,025	Training	1,054	1.7
<u>13,769</u>	Total Operational Overheads	<u>14,640</u>	<u>23.9</u>
2,576	Manufacture of textile products for sale in the UK	-	-
2,355	Other costs	2,040	3.3
<u>4,931</u>	Total Other Costs	<u>2,040</u>	<u>3.3</u>
<u>64,493</u>	Total General Fund	<u>61,355</u>	<u>100.0</u>

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UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2023

2022		2023	
TZ sh '000	Nigel Lloyd Fund - Breakdown	TZ sh '000	% (of total)
560	Annual packages	520	0.9
7,230	Monthly packages	7,438	13.4
1,125	Social events	1,090	2.0
400	Medical costs	315	0.6
<u>9,315</u>	Total Bibi Babu Costs	<u>9,363</u>	<u>16.9</u>
5,898	School feeding programme	6,548	11.9
6,891	Medical costs	6,810	12.3
5,646	Educational costs (basic)	4,716	8.5
1,595	Domestic support costs	670	1.2
1,935	Social events	1,744	3.2
478	Peer educators	566	1.0
3,589	Library/study centre running costs (including feeding)	2,244	4.1
<u>26,032</u>	Total Orphan Project Costs	<u>23,298</u>	<u>42.2</u>
<u>22,296</u>	Cost of sponsored courses and support packages	<u>22,580</u>	<u>40.9</u>
<u>57,643</u>	Total Nigel Lloyd Fund	<u>55,241</u>	<u>100.0</u>
<u>122,136</u>	Total spending for the year from both Funds (see page 13)	<u>116,596</u>	

BREAKDOWN OF MONEY TRANSFERS

2022		2023
£		£
17,098.73	General Fund (see page 9)	14,353.27
22,937.42	Nigel Lloyd Fund (see page 10)	30,488.65
<u>40,036.15</u>	Total Sterling transfers	<u>44,841.92</u>
TZ sh '000		TZ sh '000
122,285	Local currency proceeds of sterling transfers (note 1)	122,964
(872)	Adjustment required due to exchange rate fluctuations (note 2)	(2,099)
<u>121,413</u>	Intended value of transfers (based on agreed quarterly budgets)	<u>120,865</u>

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UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2023

Tanzanian Bank Reconciliation

2022		2023
TZ sh '000		TZ sh '000
23,949	Bank balances and cash in hand at 1 July 2022	28,043
	Receipts	
122,285	Money transferred during the year (see page 14)	122,964
6,936	Loan repayments under the credit scheme	8,809
3,281	Income from government sources	-
292	Other local income	20
<u>132,794</u>	Total receipts	<u>131,793</u>
	Payments	
122,136	Project spending during the year (see pages 13 and 14)	116,596
	New loans under the credit scheme	10,600
1,014	Other local expenses	748
<u>123,150</u>	Total payments	<u>127,944</u>
<u>33,593</u>	Bank balances and cash in hand at 30 June 2023	<u>31,892</u>
	Represented by CRDB Statement balances	
18,923	CDO Administration Account No 0152296625900	16,373
39	CDO Development Account No 01J2012185101	8,191
9,062	CDO Credit Scheme Account No 01J2012185102	7,238
5,550	Term deposit	-
33,574	Total bank balances	31,802
19	Cash in hand	90
<u>33,593</u>	Total bank and cash resources at 30 June 2023 as above	<u>31,892</u>

Notes to unaudited summary of Tanzanian expenditure:

1. The transfers of funds to Tanzania are based on detailed quarterly budgets. Actual spending will vary from these amounts. The differences are monitored and, where appropriate, adjustments are made to the amount transferred in the following quarter.
2. Transfers are made in Sterling, with the currency conversion performed locally. This means that the local currency amount credited to CDO's account cannot be predicted accurately. Adjustments are made in the following quarter to compensate for any surplus or shortfall compared to the intended amount.
3. The costs associated with the transfers amounted to £120, representing 0.3% of the amount transferred (2021: £120, representing 0.3%). The amounts transferred were converted at an average exchange rate of TZ sh 2742 to £1 (2022: 3054 to £1).

THE CHANGARAWA PROJECT

England & Wales - Charity number 1098215

Accounts

THE CHANGARAWA PROJECT
(Charity No 1098215)

ANNUAL REPORT
and
FINANCIAL STATEMENTS
for the Year ended 30 June 2022

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(Charity No 1098215)

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(Charity No 1098215)

THE OBJECTIVES OF THE CHARITY

(as set out in a Supplementary Deed dated 4 March 2012):

The Trustees must apply the income of the Charity in furthering the following objects:

To advance education, relieve poverty and preserve and protect the good health of the people of Changarawe Village, Tanzania and the surrounding areas, in particular but not exclusively, by all or any of the following means:

- a) the provision of support and finance for the Zawadi School (formerly known as the Walford Zawadi School);
- b) the provision of support and finance for the domestic, social and educational wellbeing of orphans attending primary or secondary schools, or undertaking vocational training;
- c) the provision of land and the construction and maintenance of such buildings as the Trustees consider necessary for the educational needs of students, whether at the Zawadi School or within the orphan support project;
- d) the provision of loans to local people of either gender to facilitate setting up or developing small business ventures with a view to supporting their families;
- e) to provide facilities for educating local people in such topics as family planning and the prevention of HIV Aids;
- f) to provide finance and support, whether through employment or otherwise, for destitute grandparents of children who are current or past students at the Zawadi School and who are wholly or partially responsible for the care of such children;
- g) to undertake any other activities which the Trustees consider to be helpful in furthering the other activities of The Changarawe Project.

TRUSTEES

Rose Edwina Baylis
Carolyn Anne Walford
Luke Edwards-Stuart
Michael Robarts
Felistas Kalomo
Robert Watkinson
Tatyana Eatwell
Sarah Konopka

BANK

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WEBSITE

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THE CHANGARAWA PROJECT

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REPORT FROM THE CHAIR FOR THE YEAR ENDED 30 JUNE 2022

This is my fourth annual report since the Trustees took the decision to embark on a gradual and carefully phased reduction in support for the Changarawe community. The key driver of our spending profile remains the number of children enrolled in the programme and, by extension, the level of staffing required to address their needs.

The Trustees are of course aware that, in addition to providing for the care of these students, we also provide important support for the wider community through employment opportunities, as well as by direct funding of the families involved. A certain level of tension is bound to be created as the administration element of funding is progressively withdrawn.

The need for the changed approach has been carefully spelled out to CDO and the indications to date suggest that our position is understood, if not welcomed, by the local team. We have been much encouraged by the fact that day to day operations have continued to run smoothly despite a certain level of staff turnover. Financial management on the ground has been excellent with accurate reports fed back on a monthly basis, covering budgets and cashflow, as well as prompt answers to any queries that are raised.

As I have explained in previous reports, we provide funding for administrative costs (a large proportion of which is represented by salaries) from our General Fund, whilst funding of our various development programmes comes from the Nigel Lloyd Fund.

The General Fund

We switched our basis of support for administrative costs from itemised budgets to a lump sum regime in July 2017 and have gradually reduced the amount sent each quarter to a point at which, from the start of 2023, it will be running at half its original level. This reflects our view that there is a steadily decreasing need for the charity to support a large team of local staff. To the extent that CDO wish to retain additional capacity, they are obviously free to look to other sources of financial support.

It is clearly important for us to safeguard the continued employment of certain key individuals who directly support the students enrolled in the Nigel Lloyd programme and, for that reason, those salaries (four in total) and the associated payroll taxes are covered by quarterly transfers from the Nigel Lloyd Fund into the CDO administration account. These transfers are in addition to the fixed amounts sent from the General Fund.

Over the period, now four years, during which this regime has been in place, administrative spending has been very disciplined and has not exceeded the amounts provided from London, albeit supplemented by occasional contributions and grants from other sources.

Although the **budgets** for the administration account are no longer itemised, the monthly reports which account for **spending** continue to be itemised in very considerable detail and this enables us to be satisfied that the money we send is applied in an appropriate manner. Apart from other considerations, this is a requirement of UK anti-money

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laundrying regulations. It is worth noting that we are required to complete annual anti money laundering questionnaires from both the Charity Commission and CAF Bank. The fact that we can account accurately for all local spending has proved invaluable in this regard.

The Nigel Lloyd Fund

We use this fund to support our various development programmes. This support has two main components. The first is the provision of welfare support for students going through their educational journeys from primary to secondary school up to the point at which they sit O level exams. At the moment, we have 91 students (the majority being orphans) attending primary or secondary school, plus one further orphan girl who is seriously ill and therefore not at school. We meet all her medical costs.

Having sat their O level exams, the students' formal compulsory education ceases but, depending on the grades achieved, they can go on to apply for two year A level courses or other vocational courses (for the most part lasting three years) and for the students opting for such courses, we pay the course fees and provide support for travel and accommodation as required. This latter support forms the second major element of our financial commitment.

The two elements of support involve materially different dynamics. We decided to stop enrolling new students into the programme from the end of 2020 and consequently the number of supported students is now on a steady and reasonably predictable downward trend, with the last cohort expected to graduate from secondary school in 2029. As a result, the financial commitment is also now on a declining trend. In marked contrast, the potential number of students moving on to advanced courses will remain constant until 2029, simply because a roughly equal number will graduate from secondary school every year.

It is an exciting measure of the charity's success that the number of students being accepted for A level and other advanced course has risen steadily over the years to the point that, in 2022, we are supporting no fewer than 21 students through this final stage of their education.

In addition to these two major student related commitments, the Nigel Lloyd Fund continues to support the long-standing Babu Bibi initiative, whereby we provide food, bedding, medicine and a certain amount of social support for elderly relatives of the students, the majority of whom are either carers of our students, or have previously acted as such. The number supported in this way will naturally diminish over time, given that new student entrants are no longer being accepted.

Finance

At the time (2020) that the decision was taken to stop enrolling new students into the programme, we announced our intention to stop active fund raising from the end of 2023, since we anticipated that by that point our resources would be sufficient to meet the remaining costs of supporting the declining number of students through to the O level stage. At that point, our plan was to continue to seek sponsors for those students opting for advanced courses and it is very pleasing to be able to report that, to date, the vast majority of this considerable financial commitment has indeed been covered in

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that way. The generosity of donors' response to the appeal for sponsors has been nothing short of remarkable.

In practice, two important subsequent developments have had a significant impact on the original funding plan. The first was a Tanzanian government announcement that the families of children in full time education would be required to pay for meals supplied by their schools. It took time for this new initiative to become embedded and for the exact cost to become clear but, from the outset, we agreed to add the cost of these meals to the support already provided. This, together with our decision to pay for certain of the staff salaries out of the Nigel Lloyd Fund, explains why, despite the reducing number of supported students, the expenditure out of the fund has actually **risen** since 2019 - from just over £19,000 then, to almost £25,000 in 2022. We do nevertheless expect a decline in spending going forward, as these unforeseen additional costs have now stabilised. Whilst the salary support is expected to continue unchanged, all other elements of spending should now decline in line with the number of students enrolled.

The second (and by far the more important) development has been the receipt of three significant legacies from the estates of former donors which have fundamentally transformed our finances. This was obviously totally unexpected when we took the decision to stop active fund raising at the end of 2023. Without those legacies it would have been very difficult to stand by that decision, especially given the steady rise in demand for advanced courses and the consequent need to seek out ever more sponsors at a time of significant economic uncertainty in the UK. The impact of the legacies can be seen in the Nigel Lloyd Fund's cash balance at the year end of £109,000 shown on page 10, which has since increased through further legacy distributions to over £150,000 at the time of writing this report.

As matters now stand, our analysis of the likely trend in our Tanzanian spending gives us a degree of confidence that we can stand by the decision to "go it alone" from the end of 2023, even though the last students will not leave secondary school until 2029 and the last advanced course students will not complete their studies before 2031 at the earliest. We think, other things being equal, that our financial resources will by then be sufficient to cover the associated costs without having to appeal for further sponsorships. We will continue to monitor cashflow trends during the course of the coming year and plan to write to donors and sponsors with an update as to our conclusions towards the end of 2023.

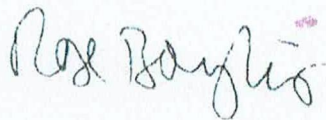
I have to report that we have not escaped entirely unscathed by the financial turmoil in UK financial markets in the summer of 2022. Rising interest rates undermined the value of the fixed interest investments of both of our funds and we deemed it prudent to amend our accounting policy to reflect the reduction in their market value. This is shown on page 10 and further explained in note 4 on that page. We are in contact with Charities Aid Foundation who promote the fund in question, with a view to deciding on the most appropriate response. Such a fund would normally recover much, if not all, of the decline in value as market conditions become more settled.

THE CHANGARAWA PROJECT

(Charity No 1098215)

Conclusion

With the number of supported families now steadily declining, we can look back with considerable satisfaction on what this small charity has achieved. None of it would have been possible without a dedicated local team on the ground in Tanzania and, above all, our endlessly supportive and generous long-term donors. The journey has faced its challenges, but the reward has been enormous.



Rose Baylis, Chair of the UK Trustees
6 January 2022

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the financial statements of the Charity in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with the General Directions of the Charity Commission under Section 130 of the Charities Act 2011. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity, and enable them to ensure that the financial statements comply with relevant charities legislation. The Trustees 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.

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

General Fund: Income and Expenditure Account

2021		2022
£	Income	£
505.00	Donations received	500.00
14,672.51	Recurrent donations received under standing orders	12,234.68
67.00	Sales of textile products	1,190.00
484.17	Interest received	564.31
4,272.62	Gift Aid refunds from HMRC (note 2)	4,981.01
<u>20,001.30</u>		<u>19,470.00</u>
	Expenditure	
22,144.39	Remittances to Tanzania (note 3)	17,098.73
71.72	Bank charges on remittances	56.68
57.00	Printing costs	-
97.00	Other expenses	115.00
<u>22,370.11</u>		<u>17,270.41</u>
(2,368.81)	Income surplus (2021: Income shortfall)	2,199.59
12,130.47	Bank deposit at 30 June 2021	9,761.66
<u>9,761.66</u>	Bank deposit at 30 June 2022	<u>11,961.25</u>

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Nigel Lloyd Fund: Income and Expenditure Account

2021		2022
£	Income	£
1,435.77	Donations received	325.85
5,954.77	Standing orders	5,893.50
8,750.00	Donations relating to student sponsorship	4,250.00
-	Legacies	98,526.38
1,025.00	Sales of textile products	458.00
565.52	Interest received	667.65
18.75	Other income	-
<u>17,749.81</u>		<u>110,121.38</u>
	Expenditure	
15,691.00	Remittances to Tanzania (note 3)	22,937.42
48.28	Bank charges on remittances	63.32
1,500.00	Spending on projects	1,500.00
815.81	Printing costs	-
216.00	Website costs	216.00
190.00	Other expenses	96.00
<u>18,461.09</u>		<u>24,812.74</u>
(711.28)	Income surplus (2021: Income shortfall)	85,308.64
24,072.37	Bank deposit at 1 July 2021	23,361.09
<u>23,361.09</u>	Bank deposit at 30 June 2022	<u>108,669.73</u>

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Statement of Assets

2021		2022
£		£
9,761.66	CAF Bank Limited	11,961.25
23,361.09	General Fund	108,669.73
	Nigel Lloyd Fund	
<u>33,122.75</u>	Total bank deposits	<u>120,630.98</u>
	Investments (note 4)	
16,000.00	General Fund	14,367.04
20,000.00	Nigel Lloyd Fund	16,780.89
<u>36,000.00</u>	Total Investments	<u>31,147.93</u>
<u>69,122.75</u>	Total Assets as at 30 June 2022	<u>151,778.91</u>

Notes:

1. The accounts have been prepared using the income and expenditure basis of presentation.
2. The Changarawe Project enjoys charitable status, enabling it to reclaim Gift Aid on donations from UK taxpayers at the basic income tax rate.
3. Breakdowns of the transfers to Tanzania from each account and the uses to which the money has been put are shown on pages 12 to 14.
4. The investments are represented by holdings of B class shares in the CAF Fixed Income Fund, which in previous years have been shown in the accounts at their original cost. The holdings suffered a significant loss of value in the closing days of the period and it was decided to alter their accounting treatment by reporting their market value at the year end.

The holdings are 16,713.635 shares (General Fund) and 19,521.745 shares (Nigel Lloyd Fund). The market price at 30 June 2022 was £0.8596 per share, giving a total market value of £31,148 (2021: market price £1.0156, giving a value of £36,844).

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

INDEPENDENT EXAMINER'S REPORT to the Trustees of the Changarawe Project

I report on the accounts of the Changarawe Project for the year ended 30 June 2022, which are set out on pages 8 to 10.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under Section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

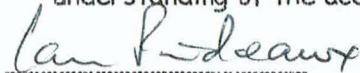
Basis of examination

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts 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 no opinion is given as to whether the accounts show a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements (1) to keep accounting records in accordance with section 130 of the 2011 Act and (2) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met;
- or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Ian Prideaux ACA
31 The Chase, London SW4 0NP

6 January 2023

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2022

2021 TZ sh '000		2022 TZ sh '000	%
	General Fund (see below for breakdown)		
49,829	Staff welfare	45,793	71.0
14,285	Operational overheads	13,769	21.4
2,446	Other costs	4,931	7.6
<u>66,560</u>	Total General Fund	<u>64,493</u>	100.0
	Nigel Lloyd Fund (see page 13 for breakdown)		
3,123	Zawadi School	-	-
22,488	Orphan welfare	26,032	45.1
10,718	Sponsored courses	22,296	38.7
9,394	Bibi Babu project	9,315	16.2
<u>45,723</u>	Total Nigel Lloyd Fund	<u>57,643</u>	100.0
<u>112,283</u>	Overall Totals	<u>122,136</u>	
	General Fund - Breakdown		
			% (of total)
41,129	Staff salaries	37,820	58.6
8,700	Other allowances	7,973	12.4
<u>49,829</u>	Total Staff Welfare	<u>45,793</u>	71.0
314	Utilities	767	1.2
260	Fees	270	0.4
7,803	Maintenance	4,583	7.1
1,833	Vehicle running costs	2,198	3.4
4,040	Office costs	3,926	6.1
35	Credit scheme training	2,025	3.1
<u>14,285</u>	Total Operational Overheads	<u>13,769</u>	21.3
1,628	Manufacture of textile products for sale in the UK	2,576	4.0
818	Other costs	2,355	3.7
<u>2,446</u>	Total Other Costs	<u>4,931</u>	7.7
<u>66,560</u>	Total General Fund	<u>64,493</u>	100.0

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2022

2021 TZ sh '000	Nigel Lloyd Fund - Breakdown	2022 % (of total)
888	School feeding	-
647	School medical costs	-
477	School uniforms	-
667	Graduation ceremony	-
444	Other school costs	-
<u>3,123</u>	<u>Total Zawadi School Costs</u>	<u>-</u>
1,314	Secondary school feeding programme	5,898 10.1
6,293	Medical costs	6,891 12.0
5,225	Educational costs (basic)	5,646 9.8
900	Domestic support costs	1,595 2.8
1,844	Social events	1,935 3.4
455	Peer educators	478 0.8
6,457	Library/study centre running costs (including feeding)	3,589 6.2
<u>22,488</u>	<u>Total Orphan Project Costs</u>	<u>26,032 45.1</u>
<u>10,718</u>	<u>Cost of sponsored courses and support packages</u>	<u>22,296 38.7</u>
705	Annual packages	560 1.0
7,566	Monthly packages	7,230 12.5
1,083	Social events	1,125 2.0
40	Medical costs	400 0.7
<u>9,394</u>	<u>Total Bibi Babu Costs</u>	<u>9,315 16.2</u>
<u>35,005</u>	<u>Total Nigel Lloyd Fund</u>	<u>57,643 100.0</u>
<u>101,565</u>	<u>Total spending for the year from both Funds (see page 12)</u>	<u>122,136</u>

BREAKDOWN OF MONEY TRANSFERS

2021 £		2022 £
22,144.39	General Fund (see page 8)	17,098.73
15,691.00	Nigel Lloyd Fund (see page 9)	22,937.42
<u>37,835.39</u>	<u>Total Sterling transfers</u>	<u>40,036.15</u>
TZ sh '000		TZ sh '000
114,732	Local currency proceeds of sterling transfers (note 1)	122,285
(1,005)	Adjustment required due to exchange rate fluctuations (note 2)	(872)
<u>113,727</u>	<u>Intended value of transfers (based on agreed quarterly budgets)</u>	<u>121,413</u>

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2022

Tanzanian Bank Reconciliation

2021 TZ sh '000		2022 TZ sh '000
25,288	Bank balances and cash in hand at 1 July 2021	23,949
	Receipts	
114,732	Money transferred during the year (see page 13)	122,285
2,176	Loan repayments under the credit scheme	6,936
323	Income from local initiatives	-
-	Income from government sources	3,281
87	Other local income	292
<u>117,318</u>	Total receipts	<u>132,794</u>
	Payments	
112,283	Project spending during the year (see pages 12 and 13)	122,136
5,500	New loans under the credit scheme	-
874	Other local expenses	1,014
<u>118,657</u>	Total payments	<u>123,150</u>
<u>23,949</u>	Bank balances and cash in hand at 30 June 2022	<u>33,593</u>
	Represented by CRDB Statement balances	
11,372	CDO Administration Account No 0152296625900	18,923
3,283	CDO Development Account No 01J2012185101	39
7,700	CDO Credit Scheme Account No 01J2012185102	9,062
-	Term deposit account	5,550
<u>22,355</u>	Total bank balances	<u>33,574</u>
1,594	Cash in hand	19
<u>23,949</u>	Total bank and cash resources at 30 June 2022 as above	<u>33,593</u>

Notes to unaudited summary of Tanzanian expenditure:

1. The transfers of funds to Tanzania are based on detailed quarterly budgets. Actual spending will vary from these amounts. The differences are monitored and, where appropriate, adjustments are made to the amount transferred in the following quarter.
2. Transfers are made in Sterling, with the currency conversion performed locally. This means that the local currency amount credited to CDO's account cannot be predicted accurately. Adjustments are made in the following quarter to compensate for any surplus or shortfall compared to the intended amount.
3. The costs associated with the transfers amounted to £120, representing 0.3% of the amount transferred (2021: £120, representing 0.3%). The amounts transferred were converted at an average exchange rate of TZ sh 3051 to £1 (2021: 3006 to £1).

THE CHANGARAWA PROJECT

England & Wales - Charity number 1098215

Accounts

THE CHANGARAWA PROJECT
(Charity No 1098215)

ANNUAL REPORT
and
FINANCIAL STATEMENTS
for the Year ended 30 June 2021

THE CHANGARAWA PROJECT
(Charity No 1098215)

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THE CHANGARAWA PROJECT

(Charity No 1098215)

THE OBJECTIVES OF THE CHARITY

(as set out in a Supplementary Deed dated 4 March 2012):

The Trustees must apply the income of the Charity in furthering the following objects:

To advance education, relieve poverty and preserve and protect the good health of the people of Changarawe Village, Tanzania and the surrounding areas, in particular but not exclusively, by all or any of the following means:

- a) the provision of support and finance for the Zawadi School (formerly known as the Walford Zawadi School);
- b) the provision of support and finance for the domestic, social and educational wellbeing of orphans attending primary or secondary schools, or undertaking vocational training;
- c) the provision of land and the construction and maintenance of such buildings as the Trustees consider necessary for the educational needs of students, whether at the Zawadi School or within the orphan support project;
- d) the provision of loans to local people of either gender to facilitate setting up or developing small business ventures with a view to supporting their families;
- e) to provide facilities for educating local people in such topics as family planning and the prevention of HIV Aids;
- f) to provide finance and support, whether through employment or otherwise, for destitute grandparents of children who are current or past students at the Zawadi School and who are wholly or partially responsible for the care of such children;
- g) to undertake any other activities which the Trustees consider to be helpful in furthering the other activities of The Changarawe Project.

TRUSTEES

Rose Edwina Baylis
Carolyn Anne Walford
Luke Edwards-Stuart
Michael Roberts
Felistas Kalomo
Robert Watkinson
Tatyana Eatwell
Sarah Konopka

BANK

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

ADDRESS FOR CORRESPONDENCE

Priory Farm
Balscote
Banbury
Oxon OX15 6JL

WEBSITE

www.changaraweproject.org

THE CHANGARAWA PROJECT

(Charity No 1098215)

REPORT FROM THE CHAIR FOR THE YEAR ENDED 30 JUNE 2021

The planned rundown in the support provided to our various programmes in Tanzania, which were set out in some detail in my 2020 report, became firmly established during the course of the year to 30 June 2021, and have been broadly accepted by the Childhood Development Organisation (CDO), our Tanzanian NGO partners.

Covid 19

The Covid pandemic has clearly had significant consequences for our work and indeed for the whole of the Changarawe community. Whilst evidence of infections in Changarawe itself was quite limited, it forced support operations to be suspended for a considerable period and was clearly a major concern for the CDO team, faced as they were by an almost complete absence of support from government and lack of access to vaccinations.

The pandemic has also precluded any possibility of a Trustee visit for the past two years. This has inevitably impacted our relationship with CDO and eroded personal knowledge of and contact with the team administering our programmes, particularly as it coincided with the reduction in the level of our financial support.

Changes in support

The key change this year has been the ending of support for the Zawadi School and a consequent reduction in the number of local staff whose salaries we cover. At the same time, the number of orphans enrolled in the Nigel Lloyd Fund programmes has fallen further to 110 because, as set out in our new policy, we have not replaced students reaching the end of their educational journeys.

We expect the trend of falling student numbers to continue steadily, with the final cohort leaving secondary school towards the end of the current decade. In the meantime, we continue to provide financial support for CDO's administrative overheads (including salaries) and we continue to provide an unchanged level of support for the bibi babu welfare programme, as we are aware that these elderly people are hugely dependent on the programme for their basic needs, receiving minimal support from the community or, indeed the state. The majority of them are (or have been) carers of supported students and it thus follows that the number of bibi babus receiving assistance will also decline, in all probability rather more quickly, due to their age and infirmity.

It is clearly vital that CDO continue to administer the Nigel Lloyd programmes on our behalf and, in order to ensure that this happens, we have decided to contribute a specific amount of money every quarter from the Nigel Lloyd Fund to cover the costs of the two dedicated programme officers, currently Diaz Mwinuka and Teresina Kyakwe, as well as Elizabeth Jackson, the nurse who monitors the health of the students. This decision recognises that CDO have complete discretion as to the spending of money sent from the General Fund to cover the local administrative outgoings. By sending additional funds to cover the salaries of these three key individuals, we aim to ensure that these vital roles are effectively ring-fenced and protected.

THE CHANGARAWA PROJECT

(Charity No 1098215)

A further cost, which was not anticipated when the rundown of support was originally planned, has been the decision to cover the cost of a new feeding programme in all schools, imposed by the Tanzanian government, that would otherwise fall on the families of our students and, in all probability, result in many of them going unfed.

Funding policy

As I reported last year, our regular donors have overwhelmingly committed to maintaining their standing orders through to the end of 2023, at which point we aim to have accumulated sufficient resources to be able to meet our remaining commitments to CDO and to the steadily falling numbers of students and bibi babus. As matters currently stand, we will arrange no major fund raising events after 2023 and we anticipate that standing order income will diminish significantly from that point.

A proportion of students leaving secondary school are expected to achieve O level results that will entitle them to apply for advanced courses, in the first instance A levels. In Tanzania, all such courses are fee based and we aim to cover these costs through our highly successful and well supported sponsorship programme. We plan in addition to utilise for this purpose any funds that remain after the last of the Nigel Lloyd Fund students have completed their basic education.

I will cover the funding positions of the General and Nigel Lloyd Funds in turn.

General Fund

As a result of the reduction in the number of local salaries supported from the General Fund, we have reduced the scale of our fixed quarterly transfer by roughly a third, to £4,000, thereby aligning it with the fund's regular income from standing orders. As a result, going forward, income should broadly cover expenditure until 2023.

This is not yet apparent from the accounts shown on page 8, for two reasons. First, the reduction in our quarterly contribution took effect only from the first quarter of 2021; secondly, we made a significant additional contribution at the start of the period to assist CDO with the cost of reconstruction following the earthquake that struck the village late in 2019, as I reported last year.

These two factors explain the income shortfall in the General Fund shown in the accounts. We expect this shortfall to be eliminated going forward. This in turn will allow us to redirect Gift Aid reclaims to benefit the Nigel Lloyd Fund from now on.

Nigel Lloyd Fund

The position of the Nigel Lloyd fund is rather more complicated. First, its income includes donations by intending sponsors. This income stream is monitored separately and students entering advanced courses are allocated to individual sponsors, offsetting the costs incurred in Tanzanian Shillings against the sterling amounts contributed by the sponsor concerned. Due to currency fluctuations and timing differences, this offset is necessarily approximate, but to date we have broadly succeeded in meeting the majority of course costs without recourse to the Nigel Lloyd Fund's recurrent income from standing orders and fund raising events.

THE CHANGARAWA PROJECT

(Charity No 1098215)

Inclusion of cashflows relating to the sponsorship activities in the Fund accounts shown on page 9 has had the effect of distorting the underlying funding position which is currently running a material annual deficit. Sponsorship income this year was £8,750, whilst actual course expenses shown on page 13 totalled TZ shillings 10.7 million (roughly £3,600). Excluding these figures from the fund accounts would make it clear that the underlying income shortfall in the fund this year was actually of the order of £5,800.

Going forward, this shortfall will be addressed in part by switching Gift Aid reclaims (£4,300 this year) to the Nigel Lloyd Fund and partly by the steady reduction in outgoings expected to result from the falling number of students and bibi babus receiving support. Our forecasts indicate that the fund will be close to achieving a balanced position by the end of 2023, other things being equal.

Future sources of funding

As the 2023 deadline approaches, the Trustees' focus will inevitably turn to our ability to fund our commitments, as regular income from standing orders and fund raising events starts to tail off. As shown on page 10, we hold units valued at just under £37,000 in the CAF Fixed Income Fund. These units are liquid and readily realisable and we will sell them as needed to make up any residual funding shortfall.

At the time of last year's report, the Trustees judged that the additional source of funding represented by this holding would cover our commitments up to 2029, apart from the cost of advanced courses for which we would have needed to continue to seek additional sponsorship.

However, in recent months, there has been a major development in that we have been notified of three legacies, two of them substantial, from the estates of previous standing order donors. Once received, the proceeds of these legacies are very likely to be sufficient to cover all course fees for students moving into advanced courses, once the current sponsorship fund has been exhausted.

This news came as a complete surprise to the Trustees and was, to put it mildly, somewhat overwhelming. We are currently unable to put an exact figure on the total anticipated income from this source, but it will almost certainly be sufficient for the Trustees to plan with confidence for the remainder of the life of the Chagarawe Project, as we move into our 26th year of operations. Fuller details of the legacies will naturally be included in next year's accounts.

Conclusion

I should conclude by renewing my thanks to all our past and present donors for their huge and loyal support for our work, as well as to my fellow Trustees who give unsparingly of their time on an entirely voluntary and unpaid basis. The task we face remains significant but, with this latest welcome development, is now reduced to proportions that at least seem manageable.



Rose Baylis, Chair of the UK Trustees
18 November 2021

THE CHANGARAWA PROJECT

(Charity No 1098215)

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the financial statements of the Charity in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with the General Directions of the Charity Commission under Section 130 of the Charities Act 2011. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the Charity, and enable them to ensure that the financial statements comply with relevant charities legislation. The Trustees 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.

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

General Fund: Income and Expenditure Account

2020		2021
£	Income	£
7,136.45	Donations received	505.00
14,367.17	Recurrent donations received under standing orders	14,672.51
1,165.00	Fund raising events	
221.00	Sales of textile products	67.00
555.50	Interest received	484.17
5,282.14	Gift Aid refunds from HMRC (note 2)	4,272.62
<u>28,727.26</u>		<u>20,001.30</u>
	Expenditure	
26,392.54	Remittances to Tanzania (note 3)	22,144.39
85.19	Bank charges on remittances	71.72
59.00	Printing costs	57.00
1,209.74	Travel costs	-
-	Cost of fund raising advice and rebranding	-
671.05	Expenses of fund raising events	-
79.00	Other expenses	97.00
<u>28,496.52</u>		<u>22,370.11</u>
230.74	Income shortfall (2020: <i>Income surplus</i>)	(2,368.81)
11,899.73	Bank deposit at 30 June 2020	12,130.47
<u>12,130.47</u>	Bank deposit at 30 June 2021	<u>9,761.66</u>

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Nigel Lloyd Fund: Income and Expenditure Account

2020		2021
£	Income	£
20,262.38	Donations received	1,435.77
5,660.41	Standing orders	5,954.77
2,500.00	Donations relating to student sponsorship	8,750.00
-	Sales of textile products	1,025.00
648.83	Interest received	565.52
-	Gift Aid refunds from HMRC (note 2)	18.75
<u>29,071.62</u>		<u>17,749.81</u>
	Expenditure	
16,347.46	Remittances to Tanzania (note 3)	15,691.00
44.81	Bank charges on remittances	48.28
1,500.00	Spending on projects	1,500.00
1,791.67	Travel costs	-
372.85	Printing costs	815.81
400.00	Event costs	-
432.00	Website costs	216.00
60.00	Other expenses	190.00
<u>20,948.79</u>		<u>18,461.09</u>
8,122.83	Excess of Income over Expenditure	(711.28)
15,949.54	Bank deposit at 1 July 2020	24,072.37
<u>24,072.37</u>	Bank deposit at 30 June 2021	<u>23,361.09</u>

THE CHANGARAWA PROJECT

(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Statement of Assets

2020		2021
£	CAF Bank Limited	£
12,130.47	General Fund	9,761.66
24,072.37	Nigel Lloyd Fund	23,361.09
<u>36,202.84</u>	Total bank deposits	<u>33,122.75</u>
	Investments (note 4)	
16,000.00	General Fund	16,000.00
20,000.00	Nigel Lloyd Fund	20,000.00
<u>36,000.00</u>	Total Investments	<u>36,000.00</u>
<u>72,202.84</u>	Total Assets as at 30 June 2021	<u>69,122.75</u>

Notes:

1. The accounts have been prepared using the income and expenditure basis of presentation.
2. The Changarawe Project enjoys charitable status, enabling it to reclaim Gift Aid on donations from UK taxpayers at the basic income tax rate.
3. Breakdowns of the transfers to Tanzania from each account and the uses to which the money has been put are shown on pages 12 to 14.
4. The investments are represented by holdings of B class shares in the CAF Fixed Income Fund, shown in the accounts at their original cost. The holdings are 16,713.635 shares (General Fund) and 19,521.745 shares (Nigel Lloyd Fund). The market price at 30 June 2021 was £1.0168 per share, giving a total market value of £36,844 (2020: £37,011).

THE CHANGARAWA PROJECT
(Charity No 1098215)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

INDEPENDENT EXAMINER'S REPORT
to the Trustees of the Changarawe Project

I report on the accounts of the Changarawe Project for the year ended 30 June 2021, which are set out on pages 8 to 10.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners under Section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

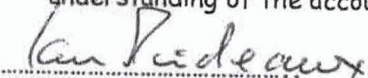
Basis of examination

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts 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 no opinion is given as to whether the accounts show a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements (1) to keep accounting records in accordance with section 130 of the 2011 Act and (2) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met;
- or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



18 November 2021

Ian Prideaux ACA
31 The Chase, London SW4 ONP

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2021

2020		2021	
TZ sh '000	General Fund (see below for breakdown)	TZ sh '000	%
57,592	Staff welfare	49,829	74.8
23,392	Operational overheads	14,285	21.5
1,700	Other costs	2,446	3.7
82,684	Total General Fund	66,560	100.0
	Nigel Lloyd Fund (see page 13 for breakdown)		
3,326	Zawadi School	3,123	6.8
28,365	Orphan project	33,206	72.6
5,730	Bibi Babu project	9,394	20.6
37,421	Total Nigel Lloyd Fund	45,723	100.0
120,105	Overall Totals	112,283	
	General Fund - Breakdown		
			% (of total)
48,030	Staff salaries	41,129	61.7
9,562	Other allowances	8,700	13.1
57,592	Total Staff Welfare	49,829	74.8
406	Utilities	314	0.5
479	Fees	260	0.4
15,813	Maintenance	7,803	11.6
4,225	Vehicle running costs	1,833	2.8
2,469	Office costs	4,040	6.1
-	Credit scheme training	35	0.1
23,392	Total Operational Overheads	14,285	21.5
369	Manufacture of textile products for sale in the UK	1,628	2.5
1,331	Other costs	818	1.2
1,700	Total Other Costs	2,446	3.7
82,684	Total General Fund	66,560	100.0

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2021

2020		2021	
TZ sh '000	Nigel Lloyd Fund - Breakdown	TZ sh '000	% (of total)
1,097	School feeding	888	1.9
995	School medical costs	647	1.4
-	School uniforms	477	1.0
560	Graduation ceremony	667	1.5
201	Story telling grannies	-	0.0
149	Montessori training	-	0.0
324	Other school costs	444	1.0
3,326	Total Zawadi School Costs	3,123	6.8
-	Secondary school feeding programme	1,314	2.9
5,168	Medical costs	6,293	13.8
5,799	Educational costs (basic)	5,225	11.4
11,407	Educational costs (sponsored)	10,718	23.4
1,080	Domestic support costs	900	2.0
1,421	Social events	1,844	4.0
673	Peer educators	455	1.0
2,817	Library/study centre running costs (including feeding)	6,457	14.1
28,365	Total Orphan Project Costs	33,206	72.6
576	Annual packages	705	1.5
3,920	Monthly packages	7,566	16.6
763	Social events	1,083	2.4
471	Medical costs	40	0.1
5,730	Total Bibi Babu Costs	9,394	20.6
37,421	Total Nigel Lloyd Fund	45,723	100.0
120,105	Total spending for the year from both Funds (see page 12)	112,283	

BREAKDOWN OF MONEY TRANSFERS

2020		2021	
£		£	
26,392.54	General Fund (see page 8)	22,144.39	
16,347.46	Nigel Lloyd Fund (see page 9)	15,691.00	
42,740.00	Total Sterling transfers	37,835.39	
TZ sh '000		TZ sh '000	
121,252	Local currency proceeds of sterling transfers (note 1)	114,732	
177	Adjustment required due to exchange rate fluctuations (note 2)	(1,005)	
121,429	Intended value of transfers (based on agreed quarterly budgets)	113,727	

THE CHANGARAWA PROJECT

(Charity No 1098215)

UNAUDITED ANALYSIS OF TANZANIAN EXPENDITURE

FOR THE YEAR ENDED 30 JUNE 2021

TANZANIAN BANK RECONCILIATION

2020 TZ sh '000		2021 TZ sh '000
18,423	Bank balances and cash in hand at 1 July 2020	25,288
	Receipts	
121,252	Money transferred during the year (see page 13)	114,732
6,113	Loan repayments under the credit scheme	2,176
155	Income from local initiatives	323
118	Other local income	87
<u>127,638</u>	Total receipts	<u>117,318</u>
	Payments	
120,105	Project spending during the year (see pages 12 and 13)	112,283
-	New loans under the credit scheme	5,500
668	Other local expenses	874
<u>120,773</u>	Total payments	<u>118,657</u>
<u>25,288</u>	Bank balances and cash in hand at 30 June 2021	<u>23,949</u>
	Represented by CRDB Statement balances	
4,797	CDO Administration Account No 01J2012185100	11,372
7,153	CDO Development Account No 01J2012185101	3,283
120	CDO Credit Scheme Account No 01J2012185102	7,700
13,200	Term deposit account	-
25,270	Total bank balances	22,355
18	Cash in hand	1,594
<u>25,288</u>	Total bank and cash resources at 30 June 2021 as above	<u>23,949</u>

Notes to unaudited summary of Tanzanian expenditure:

1. The transfers of funds to Tanzania are based on detailed quarterly budgets. Actual spending will vary from these amounts. The differences are monitored and, where appropriate, adjustments are made to the amount transferred in the following quarter.
2. Transfers are made in Sterling, with the currency conversion performed locally. This means that the local currency amount credited to CDO's account cannot be predicted accurately. Adjustments are made in the following quarter to compensate for any surplus or shortfall compared to the intended amount.
3. The costs associated with the transfers amounted to £120, representing 0.3% of the amount transferred (2020: £130, representing 0.3%). The amounts transferred were converted at an average exchange rate of TZ sh 3006 to £1 (2020: 2841 to £1).