

Chifundo UK

(a Charitable Incorporated Organisation)

Trustees Report and Financial Statements

for the period

1 January 2023 to 31 December 2023

Registered charity: 1160791

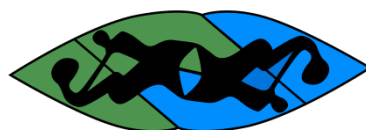


Table of Contents

Report of the Trustees	3
Independent Examiner's Report on the Accounts.....	7
Statement of Financial Activities for the year ended 31 December 2023.....	8
Statement of Assets and Liabilities at 31 December 2023	9
Notes to the Financial Statements for the year ended 31 December 2023.....	10

Report of the Trustees

The trustees of Chifundo UK present their annual report and accounts for the period 1 January 2023 to 31 December 2023 and confirm that they comply with the requirements of the Charities Act 2011, Chifundo UK's constitution as a Charitable Incorporated Organisation, and the charities SORP 2005. The trustees also confirm that section 4 (the public benefit requirement) of the Charities Act 2011 has been complied with.

Legal and administrative information

Name	Chifundo UK
Charity number	1160791
Charity address	28 Crookings Lane Penwortham Preston PR1 0HX

Trustees

Trustees serving during this period and their positions held were as follows:

Lynn Walton, Treasurer
Jean Gorman, Secretary
Susan Flynn
Gloria Morrison
Derrie Lizi
Princy Johnson

Independent Examiner

David Lewis F.C.A.

Structure, governance and management

Governing Documents

Chifundo UK is a Charitable Incorporated Organisation (CIO) with a Constitution, founded on 20 November 2014. Chifundo UK was entered on the Register of Charities of England and Wales on 9 March 2015. The financial statements comply with the current statutory requirements of the Charities Act 2011.

Trustee Recruitment, Induction and Training

Trustees are encouraged to attend external training events and to read the relevant literature provided by the Charity Commission.

Organisation

The charity trustees shall manage the affairs of the CIO and may, for that purpose, exercise all the powers of the CIO. The membership of the CIO is its trustees.

During 2023 the trustees met four times virtually via ZOOM, a sub group met once in person and there was also an informal trustees' meeting in person.

Aims and Activities

The aims of the CIO are:

- Chifundo and Chanasa both mean Compassion which is the basis and motivation for what we do as a charity, both here in the UK and in Malawi. Chanasa is the sister charity in Malawi with which Chifundo UK works. Together we reach out to women who need support and empowerment through education and income generation so that they can fulfil their potential and make a difference for their families, communities and country. It is women mutually helping each other.

To further these aims, the activities for the year 2023 were:

1. Funding the employment of a part time coordinator and a part time support worker in Malawi to support and organise the six sewing groups
2. Funding the rent of premises for each group in which to work
3. Buying and maintaining sewing equipment e.g. sewing machines
4. Funding women to attend tailoring training courses in Malawi
5. Supporting the making of Lotus Packs of reusable sanitary pads and bags for girls in government funded schools in Malawi alongside training in Menstrual Health to enable the girls to attend school regularly. Mothers' groups at the schools are also trained to make pads to start small businesses.
6. Raising awareness of the situation in Malawi and raising money through sales of products, appeals and by providing information on the work of Chanasa in Malawi
7. Selling ethical products made by Chanasa in Malawi through events and online
8. Selling ethical goods made by sewing group volunteers in the UK through events and online

Achievements and performance

HIGHLIGHTS

Highlights from 2023 include:

- A Craft Fair in November 2023 at Hoole URC Chester which was well attended and raised a record £1,170 including over £400 on Lotus packs and Lotus Flower Bags.
- Well attended events: a Coffee Morning at Our Lady's in Ellesmere Port in March 2023 with support from the Justice & Peace Group, a Fashion Show at St David's in Mold in June 2023 and a Coffee Morning at the Methodist Church and Community Centre in Neston in September 2023. Stalls at events run at Wesley in Chester by Chester Fair-Trading.
- An Appeal for the women in the Chanasa groups affected by Cyclone Freddie raised £2,400.
- The development of a range of Lotus Flower Bags together with Alternative Gift Certificates to be sold at a premium to support Lotus Project Work.
- A visit to Malawi by our Founder Susan Flynn, the first since 2019, to meet with Chanasa Trustees and Staff, to run workshops, assess and ensure the Appeal funding was used for its intended purposes and to bring back sewn products.
- Supporting, in Malawi, the sewing of pads and bags plus collation of and distribution of Lotus Packs with menstrual health training for girls, boys, staff and mothers. The total now reached is 4,072 girls helped at 16 schools.

- Transport of two barrels of underwear and supplies for making Lotus pads to Malawi from the UK for Lotus Project Work.

SUPPORT FOR CHANASA MALAWI

- Six Chanasa women's groups meet in four different locations in Blantyre's poor suburbs. Three areas (4 groups) have rented premises. The other two groups in Ndirandi had to move out of the room they were renting and need to find another one. A total of 53 women are involved together with a part time Coordinator and a part time Support Worker. The number of women has decreased slightly from the previous year as a few have got jobs.
- Cyclone Freddie hit Southern Malawi in March 2023 and several of the women in Chanasa groups were badly affected. Chifundo UK launched an appeal and, including Gift Aid, the sum of £2,588 was sent to Malawi. 14 of the women's homes had been affected with 4 of them having to leave their homes. After consultation it was decided to give each of the 14 women a large food pack, 4 blankets, a rainproof sheet, plastic crockery and cutlery and bed linen for the 4 who had left their homes. The other women all had a small food pack. The distribution of any remaining money will be made based on a report to be compiled by Susan Flynn after her visit to Malawi in April/May 2024.
- Six women were funded to attend tailoring training courses in Malawi in 2023.
- Payments to the women in Malawi have been significantly increased to help with the large rise in the cost of living in Malawi due to inflation of 28% and the devaluation of the currency by 44%.

LOTUS PROJECT

Work was completed for the Lotus Project at Nkolokoti School where in total 967 girls were trained. 173 girls at two rural schools were then trained followed by 200 girls at a school in Blantyre which was sponsored by NBS Banks (a Malawian bank). The girls, together with mothers, boys and staff were trained at both locations. Here in the UK Lotus Packs Alternative Gift Certificates together with Lotus Flower Bags (see Sewing Group below) have been a great success in both raising funds and awareness of the project.

SEWING GROUP

The UK sewing group has met in person and worked to design three Lotus Flower bags. These are similar to existing bags and have a Lotus Flower appliqued on to the front. They are sold at a higher price that reflects the cost of the bag plus paying for a schoolgirl in Malawi to receive a Lotus Pack and Menstrual Health training.

WOMEN MAKING A DIFFERENCE

Women Making a Difference have been updated via email, a Whatsapp group and meeting up while running stalls and events together with a meeting with illustrated talk by Susan Flynn following her visit to Malawi in Spring 2023.

FUNDRAISING AND SALES IN THE UK

Chifundo UK continues to be a member of BAFTS (The British Association of Fair Trade Shops and Suppliers). Internet sales were very low but sales at the events listed above were good.

Financial review

Overview

Total income for this period was £14,640 (£14,720 in 2022). £5,695 (£3,189 in 2022) was raised for the Lotus Project including a grant of £5,000 from the Farthing Trust.

Total expenditure for the period was £15,249 (£17,181 2022). £7,238 of this was for the Lotus Project, partly being money that had been received in previous years.

There remains in the UK £2,414 of restricted funding for the Lotus Project. More needs to be raised to fund this work in the future.

The 53 women working for Chanasa in Malawi were each given a 10,000 Malawi Kwacha bonus at Easter and 25,000 Malawi Kwacha at Christmas. The amounts were raised considerably from 2022 due to the large increase in inflation in Malawi and devaluation of the currency.

Reserves Policy

Chifundo UK will hold reserves of at least £1,000 to act as a cushion against any shortfall in revenue and in order to continue to fulfil its charitable purposes.

Restricted Funds

Charities have an obligation to account to donors of funds and the public in general that they are using monies entrusted to them for the purpose for which they are given. Chifundo UK received new restricted funds as detailed in Note 1 on page 10 below where the donor required that the money is spent on a particular purpose.

Independent Examiner's Report on the Accounts

I report on the accounts of the company for the period 1 January 2023 to 31 December 2023 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 period under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commission. 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 the 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 present 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 (other than that disclosed below)

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave 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.

Signed:  Date: 21.2.24

Name: David Lewis

Relevant professional qualification(s) or body (if any): F.C.A.

Address: 39 Earlsway, Chester, CH4 8AY, United Kingdom.

Chifundo UK

Statement of Financial Activities for the year ended 31 December 2023

		Notes	2023	2023	2022	2022
Incoming Resources			Unrestricted	Restricted	Unrestricted	Restricted
Voluntary Income						
	Donations with Gift Aid		£ 1,730		£ 3,246	
	Donations without Gift Aid		£ 1,649		£ 5,395	
	Lotus Project Donations with Gift Aid	1		£ 5,264		£ 3,189
	Lotus Project Donations without Gift Aid	1		£ 513		
	Cyclone Appeal with Gift Aid	2		£ 1,914		
	Cyclone Appeal without Gift Aid	2		£ 18		
	Small Donations with Gift Aid		£ 40	£ 132	£ 82	
	Income Tax recovered	3	£ 469	£ 132	£ 934	
				£ 11,729		£ 12,846
Activities for Generating Funds						
	Sales of Chanasa Products at Events		£ 878		£ 641	
	Sales of Lotus Flower Bags/Certificates		£ 262	£ 410		
	Sales of Chanasa Products to Shops		£ 73		£ 14	
	Sales of Chifundo Products		£ 348		£ 532	
	Internet Sales		£ 103			
	Craft Fair not including Product Sales		£ 468		£ 506	
	Postage charged		£ 3		£ 4	
	Other Fundraising		£ 340		£ 165	
				£ 2,885		£ 1,862
Other Income						
	Interest		£ 26		£ 12	
				£ 26		£ 12
Total Income				£ 14,640		£ 14,720
Resources Expended						
Cost of Generating Funds						
	Chanasa Products		£ 930		£ 65	
	Raw materials		£ 38		£ 53	
	Postage		£ 11		£ 14	
	Equipment to send to Malawi				£ 93	
				£ 979		£ 226
Course Fees in Malawi						
	Beehive Tailoring School		£ 200			
				£ 200		£ -
Grants to Chanasa						
	Equipment Grants				£ 100	
	Staff Salaries and Administration		£ 1,668		£ 5,000	
	Rent		£ 500		£ 1,000	
	Other grants		£ 1,754		£ 750	
				£ 3,922		£ 6,850
Cyclone Appeal						
	Grants to Cyclone Appeal	2	£ 34	£ 2,554		
				£ 2,588		£ -
Lotus Project Costs						
	Lotus Project			£ 7,213		£ 9,753
				£ 7,213		£ 9,753
Administration						
	Website		£ 139		£ 120	
	Monthly bank account fees		£ 60		£ 81	
	Other Admin costs		£ 48		£ 76	
	Cost of Overseas payments	1	£ 75	£ 25	£ 50	£ 25
				£ 347		£ 352
Total Resources Expended				£ 15,249		£ 17,181
Net incoming / (outgoing) resources				-£ 609		-£ 2,461
Reconciliation of Funds						
Opening balance CAF account at 1 January				£ 12,595		£ 14,983
Opening balance PayPal account at 1 January				£ 115		£ 188
Net incoming / (outgoing) resources				-£ 609		-£ 2,461
				£ 12,101		£ 12,710
Closing balance CAF Bank account at 31 December				£ 12,055		£ 12,595
Closing balance PayPal Account at 31 December				£ 46		£ 115
				£ 12,101		£ 12,710

Statement of Assets and Liabilities at 31 December 2023

	Notes	2023	2022
Assets			
Current Assets			
Cash at CAF Bank		£ 12,055	£ 12,595
Cash at PayPal		£ 46	£ 115
Creditors			
Amounts falling due within a year		£ -	£ -
		£ 12,101	£ 12,710
Liabilities			
All liabilities			
		£ -	£ -
			£ -
Net Assets			
		£ 12,101	£ 12,710
Funds			
Unrestricted Funds		£ 9,687	£ 8,753
Restricted Funds - Lotus Project		£ 2,414	£ 3,957
Restricted Funds - Cyclone Appeal			
Total Funds		£ 12,101	£ 12,710

Notes to the Financial Statements for the year ended 31 December 2023

Note 1

Restricted Funds are for the Lotus Project

Lotus Project

Balance from 2022		£	3,957	
			£	3,957
Incoming Resources				
	Donations with Gift Aid	£	-	
	Donations without Gift Aid excluding trusts	£	281	
	Farthing Trust	£	5,000	
	Money from Lotus Flower bags & Certificates	£	410	
	Income tax recovered	£	4	
			£	5,695
Outgoing Resources				
	Grants to Lotus Project in Malawi	£	6,360	
	Items purchased in UK and sent to Malawi	£	528	
	Shipping Costs	£	325	
	Cost of overseas payments	£	25	
			£	7,238
Net incoming / (outgoing) resources			-£	1,543
Balance carried forward			£	2,414

Note 2

Cyclone Appeal

Incoming Resources				
	Donations with Gift Aid	£	513	
	Donations without Gift Aid	£	1,914	
	From general fund	£	33	
	Income tax recovered	£	128	
			£	2,588
Outgoing Resources				
	Transfer Malawi	£	2,100	
	Transfer Malawi	£	488	
			£	2,588
Net incoming / (outgoing) resources			-£	0

Note 3

A claim for Gift Aid on Small Donations was made for the 12 month period to 5 April 2023
Gift Aid on all other donations was claimed for the 12 month period to 13 November 2023

These accounts have been prepared using the Receipts and Payments method. As the gross income is below £25,000 there is no requirement from the Charity Commission to have the accounts independently examined or audited. However, the trustees have chosen to have the accounts independently examined.

Lynn Walton
Treasurer
Chifundo UK