

**Annual Report & Statement of Accounts**  
**For 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022 (FY22)**

**THE TESFA SPONSORSHIP TRUST UK**

**Charity Registration No 1177205**



Christmas messages from the sponsored children at CBISDO's programme





**TheTesfa Sponsorship Trust UK**

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**For 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022**

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# The Tesfa Sponsorship Trust UK

## Administrative information

**Charity Number** 1177205

**Trustees on 31.03.2022**

Benjamin Booth  
Simon Paylor  
Paul Wilson

**Governing Instrument**

Trust Deed dated 12th December 2016

**Objectives**

The prevention or relief of poverty in Addis Ababa, Ethiopia by providing: grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.

**Correspondence Address**

3 Bryant Way  
Toddington  
Dunstable  
Bedfordshire  
LU5 6EX

**Primary Bankers**

Natwest Bank  
4 High Street North  
Dunstable  
LU6 1JU

**Independent Examiner**

Clive Beesley  
32 Lippitts hill  
Luton  
Bedfordshire  
LU2 7YN



# TheTesfa Sponsorship Trust UK

## Independent Examiners Report on the Accounts

Report to the Trustees/members of TheTesfa Sponsorship Trust UK on the accounts for the 12-month period ended 31<sup>st</sup> March 2022.

My work has been undertaken so that I may state to the charities trustees those matters I am required to state in my independent examination and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charities trustees for my examination work, for this report, or the opinions I have formed.

### 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 43(2) of the Charities Act 1993 and that an independent examination is needed.

It is my responsibility to; -

- Examine the accounts under section 43(2) of the Act;
- Follow the procedures laid down in the general directions given by the charity commissioners under section 43(7)(b) of the Act; and
- State whether particular matters have come to my attention.

### Basis of independent examiners statement

My examination was undertaken in accordance with 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 the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

### Independent examiners statement

I 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;
  - a. to keep accounting records in accordance with the Charities Act (section 41)
  - b. to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Act

have not been met; or

2. understanding of the accounts to be reached.

Clive Beesley  
Independent examiner

Signed



Date

10/12/2022



# **The Tesfa Sponsorship Trust UK**

## **Trustees Report For 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022**

### **Introduction;**

These accounts detail the period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

For tax purposes the charity is a registered charity and is known as; -

The Tesfa Sponsorship Trust UK (hereafter "Tesfa"), Charity Number 1177205

### **Purpose of the Trust:**

The prevention or relief of poverty in Addis Ababa, Ethiopia by providing: grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty.

### **Achievements in the Financial year:**

At the time of reporting, the number of children being sponsored through Tesfa is 164 along with 18 elderly persons. We remain hugely grateful for the continued commitment of our sponsors and supporters by investing in the lives of the most needy children and elderly in the communities we support in Addis Ababa, Ethiopia - the support continued throughout the pandemic which is a testimony to the commitment of our supporter base and their belief in how much of a difference sponsorship can make to the lives and futures of those in most need.

Sponsorship funds of £30,988 and additional gifts of £9,537 were sent to our 2 partners in Addis Ababa, supporting their work as follows::

- CBISDO (Community Based Integrated Sustainable Development Organisation) - at the time of reporting, 137 children and 17 elderly people were being sponsored by our supporters
- AHISDO (Addis Hiwot Integrated Sustainable Development Organisation) - at the time of reporting, 27 children and 1 elderly person were being sponsored by our supporters. Please see their website for more details and an overview of what they provide for the community they serve <http://ahisdoethiopia.org/>
- The extra monies include £500 for AHISDO to purchase a new computer and £8,925 to support the elderly sponsor program at CBISDO received from a newly developed relationship with the Kunde Foundation (a charitable trust set up by a close friend of the late Founder of CBISDO and AHISDO with very similar mission to Tesfa).

We also hugely benefited from the continued monitoring through our appointed Consultant based in Addis Ababa with 3 reporting cycles having been completed in the financial year. This has proved invaluable in being able to better support CBISDO and AHISDO during this tough COVID-19 pandemic, especially with the Tesfa Trustees being unable again to undertake a monitoring visit in FY22 due to the pandemic and other factors.



**In terms of other notable achievements:**

***Partner Capacity Building:***

- Through our consultant, we were able to fund the delivery of vital and timely governance training of the AHISDO Board and Management team.



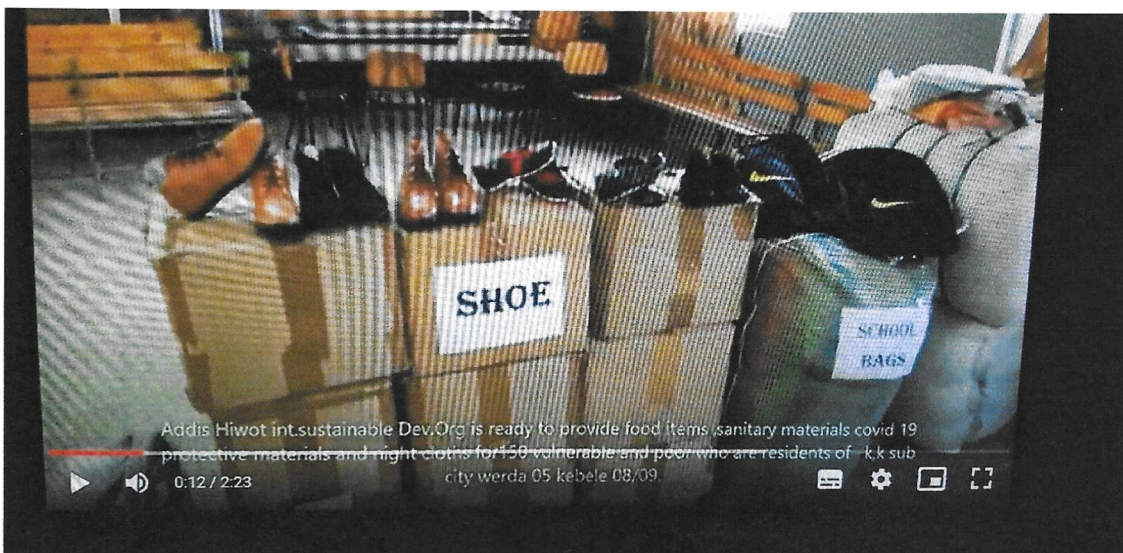
**AHISDO General Assembly and Board Members Orientation Training on Governance Roles and Responsibilities – May 29-30, 2021**

- Talks are underway for similar training for CBISDO's Board and Management too as Tesfa continues to look for opportunities to capacity build our partners



***Families of the sponsored children and the Elderly continue to receive essential support of foodstuffs and sanitary materials as well as core sponsorship services***

A proportion of the sponsor funds have been used by both of the project areas to provide basic foodstuffs such as Teff flour, pasta, rice and oil. It also provided funding for hygiene related products, such as hand sanitizer and cloth face masks. This support has made such a difference to families during this pandemic and will have helped reduce the spread of Covid in an area where people live close together in often challenging circumstances.





## **Formal key details:**

### **Treasurer**

Role undertaken by the Trustee, Paul Wilson throughout the financial period

### **Independent Examiner**

The 2021/22 accounts were reviewed by; -  
Clive Beesley of 32 Lippitts Hill, Beds, LU2 7YN

### **Trustees**

There are currently three trustees; -  
Benjamin Booth  
Simon Paylor  
Paul Wilson (Chairperson)

The trustees review the examined accounts each year and submit these with the appropriate forms to the Charity Commission. To date the trustees have not claimed any payments for their activities other than for either reimbursement of trip expenses whenever visiting Addis Ababa on a monitoring trip representing Tesfa or for stationery costs incurred in the administration of the charity.

### **Reporting:**

- A summary of the unrestricted funds is presented to the periodic Trustees meeting (currently monthly).
- Each year the account is examined by an independent and qualified person outside the charity and this is in turn reported to the Trustees at the AGM.
- A copy of the examined account is also provided to the trustees and charity commission each year.

### **Income**

The majority of income is received by standing order directly from the individual or by cheque and relates to the individual's sponsorship of a child or elderly person in the projects that Tesfa supports. In addition, one-off donations are received and treated as unrestricted funds unless the donor expressly states the funds are for a specific purpose.

Of the £16,611.53 cash balance at the financial year end, 'Restricted Reserves' represented 58% of the cash, being £7,149.47 of Child and Elderly sponsor funds building up for the next semester payment (due after 1st June 2022) and £2,509.87 of Seed Capital remaining from a supporter gift.

### **Summary of Bank Account:**

#### **Current Account: - XXXX2619**

- This account is managed by the Treasurer and is the general account. All payments from this account are by either bank payment, direct debit or by cheque all of which require two signatures.
- Gift Aid applications to the Inland Revenue for income to this account is applied for annually with such funds treated as unrestricted.
- Authorised signatories on the account are: - Benjamin Booth, Simon Paylor and Paul Wilson. All expenditure (be that via Bank transfers or cheque payments) requires two signatures for authorisation from the three signatories on the account (all of whom are trustees)



## Conclusion:

The main areas of payments will continue to be the provision of funding for the sponsorship of children and elderly people within the Kebeles where the two Ethiopian NGOs operate that Tesfa supports (CBISDO and AHISDO) in Addis Ababa, Ethiopia.

In addition, unrestricted funds will be invested in two main areas:

1. to ensure Tesfa is fully compliant with the Charity Commission for England & Wales regulations and best practices and
2. the effective monitoring & evaluation of the charitable partners with whom Tesfa has a formal partnership - currently CBISDO and AHISDO. This will be achieved through both the commissioning of a consultant in Addis Ababa who will be reporting to Tesfa periodically (currently every 4 months) and an annual monitoring visit by at least one Trustee of Tesfa. Trip plans were regrettably deferred again due to the continuing concerns over both the COVID-19 pandemic and the security situation). It is the Trustees' intention to use the locally based Consultant to greater effect during this pandemic.

## Trustees' Responsibilities

The Charities Act 1993 requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and the surplus of the trust for that period. In preparing those financial statements the trustees are required to;

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in existence.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the trust. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the trustees;

Paul Wilson ..... 

Date ..... 12th August 2022



# The Tesfa Sponsorship Trust UK

## Statement of Receipts and Payments For 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022

### The Tesfa Sponsorship Trust UK

#### Receipts & Payments Account - Financial Year to 31 March 2022

		£	£
<b>Receipts</b>			
	Sponsorship - standing orders	26,543.00	
	Sponsorship - manual payers	4,950.00	
	Sponsorship - novations from Life Church (1)	533.00	
	Sub-total		32,026.00
	Other gifts (2)	12,016.92	
	Gift Aid Tax Rebate	6,220.82	
	Bank Interest	0.00	
	Sub-total		18,237.74
	<b>Total Receipts</b>		<b>50,263.74</b>
<b>Payments</b>			
<b>Grants and gifts</b>	Sponsorship funds	30,988.00	
	Other gifts	9,537.83	
	Rebates to sponsors (overpayments etc)	500.00	
	Sub-total		41,025.83
<b>Operational costs</b>	Administration	638.08	
	Bank payment fees	240.00	
	Trustee trip costs to Ethiopia	0.00	
	Monitoring & Evaluation costs (3)	2,150.00	
	Sub-total		3,028.08
	<b>Total Payments</b>		<b>44,053.91</b>
	<b>Surplus / (shortfall)</b>		<b>6,209.83</b>
<b>Cash at Bank</b>			
	Opening cash	10,401.70	
	add surplus/(shortfall)	6,209.83	
	Closing cash as at 31/03/21	16,611.53	
	Represented by:		
	Current account	16,611.53	
	Made up of reserves:		
	Unrestricted Reserves (4)	6,952.19	
	Restricted Reserves (5)	9,659.34	

Costs as a % of  
income  
6.02%

#### Notes:

- 1) Sponsor funds novated from Life Church - relates to sponsors who had yet to novate to Tesfa and are still paying money
- 2) 'Other gifts' includes £9,000 linked to a gift from the Kunde Foundation for the Elderly program at CBISDO
- 3) Payments to Tadesse Haile, an Addis Ababa based consultant contracted to work for Tesfa in the monitoring and evaluation of CBISDO and AHISDO - contract reviewable annually
- 4) Unrestricted reserves represents additional income that has no specified purpose attached to it (such as Gift Aid claim income) - the level of funds is used to cover Tesfa operating costs and any grant distributions requested by Partners of Tesfa when approved via quarterly Trustee meetings (or ad-hoc when required)
- 5) Restricted Funds include - Sponsor funds received and yet to be distributed of £7,149.47 and a Seed Capital gift of £2,509.87 remaining



## **The Tesfa Sponsorship Trust UK**

### **Statement of significant financial variances between FY21 and FY22**

#### **Receipts**

Sponsorship receipts have increased slightly despite a small decrease in the number of sponsors, primarily linked to the economic impact of the covid pandemic. We continue to enjoy having so many loyal supporters who value the opportunity to invest in the lives of children and elderly through sponsorship.

There were several more sponsors switching their standing orders from Life Church as they novated from paying Tesfa through Life Church, South Bedfordshire. We are forever grateful for the ongoing support from Life Church as we continued to novate the remaining sponsors to Tesfa, a process that started in late 2018. The Life Church bank account was closed on the 31<sup>st</sup> March 2022 to end the novation process.

#### **Payments**

Operational costs reduced to £3,028 being 6% of total income (FY21 was 9.7%) - this includes £2,150 paid to the appointed Addis Ababa consultant for ongoing Monitoring & Evaluation of the two NGOs with whom we partner over the full year. This consultancy has become even more critical due to Covid travel restriction meaning we have had to be adaptive with the Trustees monitoring having to be 'remote' at present.

At the reporting date, Tesfa's consultant was reporting on a further monitoring visit and if this fixed fee of £900 had been included in FY22, then the Operating Cost % would have increased to 7.8% but still below that of FY21.



# The Tesfa Sponsorship Trust UK

## Statement of Assets & Liabilities as at 31<sup>st</sup> March 2022

The Tesfa Sponsorship Trust UK				
Statement of Assets and Liabilities for year ended 31st March 2022				
	Funds	Funds	2020-21	2019-20
Petty Cash	£ -	£ -	£ -	£ -
Bank Current Account balance	£ 6,952.19	£ 9,659.34	£ 16,611.53	£ 10,401.70
<b>Total</b>	£ 6,952.19	£ 9,659.34	£ 16,611.53	£ 10,401.70
(All assets listed within detailed accounts)			£ -	£ -
Land (none)			£ -	£ -
Buildings (none)			£ -	£ -
Liabilities (No known liabilities)			£ -	£ -
			<b>£ 16,611.53</b>	<b>£ 10,401.70</b>