

Annual Report & Statement of Accounts
For 1st April 2022 to 31st March 2023 (FY23)

THE TESFA SPONSORSHIP TRUST UK

Charity Registration No 1177205



Supplies of sanitary materials – including soap and sanitiser – for sponsored elderly at CBISDO



Certificate awarded to Tesfa by CBISDO during a Trustee's trip in March 2023

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Elderly lady waiting for CBISDO's day centre to open

The Tesfa Sponsorship Trust UK

Administrative information

Charity Number 1177205

Trustees on 31.03.2023

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

Miss Hannah Piff
144 Kings Road
Evesham

The Tesfa Sponsorship Trust UK

The Tesfa Sponsorship Trust UK

Independent Examiners Report on the Accounts

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31st March 2023

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

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

Independent examiner's statement

The procedures undertaken do not provide all the evidence that would be required in an audit, and therefore as an Independent Examiner I am not providing an audit opinion.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date: 24.01.24

Name:

Hannah Piff

Relevant professional qualification(s) or body (if any):

Student member of ACCA

Address:

144 Kings Road, Evesham.

The Tesfa Sponsorship Trust UK

Trustees Report For 1st April 2022 to 31st March 2023

Introduction:

These accounts detail the period 1st April 2022 to 31st March 2023.

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:

The core activity of the Trust continues to be to facilitate the sponsorship of children and elderly people through two Ethiopian NGOs, CBISDO and AHISDO. At the end of FY23, the number of children being sponsored through Tesfa is 162 (down two from FY22) along with 20 elderly persons (up two from FY22). 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. Their support continued throughout the pandemic and then the global inflation crisis that followed, 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 £30,319 and additional gifts of £7,654 were sent to our 2 partners in Addis Ababa, supporting their work as follows:

- CBISDO (Community Based Integrated Sustainable Development Organisation) - at the close of FY23, 135 children and 16 elderly people were being sponsored by our supporters.
- AHISDO (Addis Hiwot Integrated Sustainable Development Organisation) - at the close of FY23, 27 children and 4 elderly people were being sponsored by our supporters.
- The extra gifts include £450 for AHISDO to purchase a new printer and £6,582 to support the elderly sponsor program at CBISDO from 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 that of Tesfa's) – their donation is routed through Tesfa and we provide a monitoring service for a nominal fee.

Tesfa 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, especially with the Tesfa Trustees being unable again to undertake a monitoring visit in FY22 due to the pandemic and other factors.

Other notable achievements included a brief visit in March 2023 by one of the Tesfa trustees – here is an extract from the Blog on our website:

Paul Wilson, our Chair, had the chance to visit Addis Ababa earlier in the year and see for himself what a difference the sponsorship scheme is making in the two communities that we support.



Paul meets some of the leadership at CBISDO and is presented with a 'gabby' (an Ethiopian shawl) by one of the sponsored elderly from the community

"I finally made it back to Addis Ababa after nearly 4 years!", said Paul. "It was an amazing time, so good to see the way that the two projects are serving their communities. Special thanks to all those who sponsor a child or an elderly person (or both in some cases!!), you are making a real difference to their lives."



One of the project staff with some of the young people from the Special Needs School



The 'food on foot' programme that supports housebound elderly people with the volunteers ready for the delivery

In CBISDO, there was so much community life evident – 100 or so elderly visit the day care centre which includes a hot meal at lunchtime as well as the children coming to collect a takeaway meal after school.



The hard-working kitchen staff preparing stacks of 'injera'!

It was really evident from even Paul's brief trip that both CBISDO and AHISDO have proven their adaptability and resilience throughout the Covid pandemic and through the global inflation crisis that is currently hitting them hard – they are still adapting and driven by a passion to serve the most deprived families in their community.

The trustees continue to be massively grateful for the commitment and support of our sponsors. We are committed to continuing and growing our partnership with CBISDO and AHISDO – both through the sponsorship schemes and also supporting capacity building in both organisations. With regard to the latter, we are currently funding the training of the Management and Board members of both NGOs through Tesfa's consultant, Tadesse Haile (a long-standing supporter of the NGOs and friend of the late Dr Jember).

Formal key details:

Treasurer

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

Independent Examiner

The 2022/23 accounts were reviewed by; -
Miss Hannah Piff of 144 Kings Road, Evesham

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 at every Trustee meeting.
- Each year the account is examined by an independent person who has the necessary knowledge and experience outside of 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 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. Sponsorship funds are treated as 'Restricted Funds' and 100% of those funds are remitted to the NGOs we support who manage the Sponsorship programmes.

In addition to the claimed gift-aid from those sponsorship payments where applicable, we also receive one-off donations which are treated as unrestricted funds unless the donor expressly states the funds are for a specific purpose.

Of the £19,129.91 cash balance at the financial year end, 'Restricted Reserves' represented 58% of the cash (£11,847.53) being £7,291.47 of Child and Elderly sponsor funds building up for the next semester payment (due in August 2023), £2,509.87 of Seed Capital remaining from a supporter gift and £2,046.19 of funds held for the training institute BSDTCC founded by the later Dr Jember Teferra (also founder of our partners CBISDO and AHISDO).

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 from the three signatories, all of whom are Trustees.
- Gift Aid applications to the Inland Revenue for income to this account is applied for annually with such funds treated as unrestricted.

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 (city districts) 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 (M&E) 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 whenever possible. It is the Trustees' intention to use the locally based Consultant to greater effect being seen as the most effective and cost-effective method of the required M&E.

Additionally:

3. In early 2021, the Trustees agreed to increase the minimum retention of unrestricted reserves from £1,000 to £1,500 to cover approximately a year's equivalent of core operating costs including a very basic level of Monitoring & Evaluation costs.

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

30th January 2024

The Tesfa Sponsorship Trust UK

Statement of Receipts and Payments For 1st April 2022 to 31st March 2023

The Tesfa Sponsorship Trust UK			
Receipts & Payments Account - Financial Year to 31 March 2023			
		£	£
Receipts			
	Sponsorship - standing orders	27,626.00	
	Sponsorship - manual payers	2,100.00	
	Sub-total		29,726.00
	Other gifts (2)	7,279.37	
	Gift Aid Tax Rebate	6,820.35	
	Restricted funds received for BSDTCC (3)	2,046.19	
	Sub-total		16,145.91
	Total Receipts		45,871.91
Payments			
Grants and gifts	Sponsorship funds	30,319.00	
	Other gifts	7,654.00	
	NGO Capacity Building	1,200.00	
	Rebates to sponsors (overpayments etc)	0.00	
	Sub-total		39,173.00
Operational costs	Administration	676.53	
	Bank payment fees	210.00	
	Trustee trip costs to Ethiopia	0.00	
	Monitoring & Evaluation costs (4)	3,300.00	
	Sub-total		4,186.53
	Total Payments		43,359.53
	Surplus / (shortfall)		2,512.38
Cash at Bank			
	Opening cash	16,611.53	
	add surplus/(shortfall)	2,512.38	
	Closing cash as at 31/03/23	19,123.91	
	Represented by:		
	Current account	19,123.91	
	Made up of reserves:		
	Unrestricted Reserves (5)	7,276.38	
	Restricted Reserves (6)	11,847.53	
Notes:			
1) Sponsor funds novated from Life Church - relates to sponsors who have yet to novate to Tesfa and are still paying money to Life Church via standing order			
2) 'Other gifts' includes £6,582 linked to a gift from the Kunde Foundation for the Elderly program at CBISDO routed through Tesfa			
3) Relates to individual gifts received for the benefit of Jember's Institute (BSDTCC) with Tesfa taking over the role from Cheltenham Network of Churches during FY23 of informal 'collection agent'.			
4) Payments to Tadesse Haile, an Addis Ababa based consultant contracted to work for Tesfa in the monitoring and evaluation of CBISDO and AHISDO plus NGO Capacity Building activity - contract reviewable annually			
5) 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)			
6) Restricted Funds includes - Sponsor funds received and yet to be distributed of £7,291.47; Seed Capital gift of £2,509.87 remaining; funds held for BSDTCC £2,046.19			

Costs as a % of income
9.13%

The Tesfa Sponsorship Trust UK

Statement of significant financial variances between FY22 and FY23

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.

Payments

Operational costs increased to £4,186 being 9.13% of total income (FY22 was 6.02%) - this includes £3,300 paid to the appointed Addis Ababa consultant for ongoing Monitoring & Evaluation of the two NGOs with whom we partner over the full year. This sum included £1,200 for the production of a special report linked to the governance of CBISDO and recommendations on capacity building of the CBISDO Board and Management.

This consultancy has become even more critical due to Covid travel restriction in the FY20 to FY22 period, meaning we had to be adaptive with the Trustees' monitoring having to be 'remote' for long periods of time.

The % of operational costs to income also increased as income fell by 9% given FY22 included the Covid appeal.

The Tesfa Sponsorship Trust UK

Statement of Assets & Liabilities as at 31st March 2023

The Tesfa Sponsorship Trust UK				
Statement of Assets and Liabilities for year ended 31st March 2023				
	Unrestricted Funds	Restricted Funds	Total FY23	Total FY22
Petty Cash	£ -	£ -	£ -	£ -
Bank Current Account balance	£ 7,276.38	£ 11,847.53	£ 19,123.91	£ 16,611.53
Total	£ 7,276.38	£ 11,847.53	£ 19,123.91	£ 16,611.53
(All assets listed within detailed accounts)			£ -	£ -
Land (none)			£ -	£ -
Buildings (none)			£ -	£ -
Liabilities (No known liabilities)			£ -	£ -
			£ 19,123.91	£ 16,611.53