

Annual Report & Statement of Accounts
For 1st April 2024 to 31st March 2025 (FY25)

THE TESFA SPONSORSHIP TRUST UK

Charity Registration No 1177205



World Elderly Day celebration at AHISDO



Paul's stopover in Addis and a visit to the Kindergarten within CBISDO's community



The Youth Centre run by CBISDO hosts one of the African Dream Circus training centers – as well as the professional teams training there, they offer circus skills training to the sponsored children and the community twice a week

The Tesfa Sponsorship Trust UK
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The Tesfa Sponsorship Trust UK

Administrative information

Charity Number 1177205

Trustees

Benjamin Booth

Lucy Booth (appointed 30th April 2025)

Simon Paylor (until 30th April 2025)

Paul Wilson (re-elected as Chair 5th March 2025)

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

Bedfordshire

LU5 6EX

Primary Bankers

Natwest Bank

4 High Street North

Dunstable

LU6 1JU

Independent Examiner

Mrs Hannah Clack

144 Kings Road

Evesham

The Tesfa Sponsorship Trust UK

Independent Examiners Report on the Accounts

Independent Examiners Report on the Accounts

I report to the trustees on my examination of The TESFA Sponsorship Trust UK ("the Trust") for the year ended 31st March 2025

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 2011 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:

16.01.25

Name:

Hannah Clack

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 2024 to 31st March 2025

Introduction

These accounts detail the period 1st April 2024 to 31st March 2025.

For tax purposes the charity is a registered charity and is known as: -
The Tesfa Sponsorship Trust UK (hereafter "Tesfa"), Charity Number 1177205

Achievements in the Financial year

The Trust continues to live out its objectives by facilitating the sponsorship of children and elderly people through our two partner Ethiopian NGOs, CBISDO and AHISDO.

At the end of FY25, the number of children being sponsored through Tesfa was 146 along with 20 elderly persons. We remain hugely grateful for the continued commitment of our sponsors and supporters by investing in the lives of the children and elderly in the communities we support in Addis Ababa, Ethiopia. Their ongoing and unwavering support 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 £28,891 and additional gifts of £8,547 were sent to our two partners in Addis Ababa, supporting their work as follows:

- CBISDO (Community Based Integrated Sustainable Development Organisation) - at the close of FY25, 127 children and 16 elderly people were being sponsored by our supporters – unchanged from the end of FY24.
- AHISDO (Addis Hiwot Integrated Sustainable Development Organisation) - at the close of FY25, 16 children and 4 elderly people were being sponsored by our supporters (down from 19 children in FY24).
- The extra gifts included:
 - £4,925 to support the elderly sponsor program at CBISDO from the Kunde Foundation, being 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 – their donation is routed through Tesfa and we provide a monitoring service for a nominal fee.
 - £700 to support the child & elderly sponsorship programme at CBISDO – in response to CBISDO's ongoing challenge with food price inflation, Tesfa presented the opportunity for sponsors to voluntarily increase their monthly giving from the core £15pm pm with any additional funds used to support the sponsorship programme – we have tagged this as 'Sponsorship Plus'. We remain ever grateful to have so many generous supporters who remain committed to supporting the needs of those in most need in the community.
 - A grant of £2,050 to fund the mandatory Strategic Review process for CBISDO – Tesfa's consultant, Tadesse Haile, managed the process and hired an in-country management consultant (the same person who undertook the NGO management training in FY24). The Strategic Review enabled the Board and Management to review CBISDO's strategy and direction for the next 5-year period. This report was required both internally and also for the Ethiopian Government agencies when applying for the necessary licences to operate. The next stage is for the CBISDO Management team to build an action plan to deliver on the outcome of the Strategic Review.

Financial Summary

Receipts

Sponsorship receipts have decreased reflecting a full year of income at the lower level of 146 children and 20 elderly which reduced from 162 children/ 20 elderly during FY24.

We continue to enjoy having so many loyal supporters who value the opportunity to invest in the lives of children and elderly through sponsorship and plan to develop a recruitment drive in FY26/27 to build back up the numbers of sponsors.

The majority of income is received by standing order directly from the individual. Sponsorship funds are treated as 'Restricted Funds' and 100% of those funds are remitted to the NGOs for the purpose of supporting the Sponsorship programmes.

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

Of the £15,613.90 cash balance at the financial year end, 'Restricted Reserves' represented 65% of the cash (£10,148.93) being split as follows:

- £3,654.87 of Child and Elderly sponsor funds building up for the next semester sponsorship payment (due in August 2025).
- £2,509.87 of Seed Capital remaining from a supporter gift – there is a regular agenda item at Trustee meetings to identify if there is an appropriate opportunity to invest this fund in furthering the work of Tesfa.
- £3,984.19 of gifts received specifically for the NGOs (includes a £600 top-up gift from the Kunde Foundation for the elderly programme).
- £2,711.19 of funds ring-fenced for the training institute BSDTCC founded by the late Dr Jember Teferra (the founder of our partners CBISDO and AHISDO).

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 our consultant in Addis Ababa, Tadesse Haile, who reports 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.

Payments

Operational costs slightly increased to £3,967.53 being 9.31% of total income (FY24 was 8.61%). The increase reflected a full 12 months of the revised payment schedule paid to the appointed Addis Ababa consultant for ongoing Monitoring & Evaluation ('M&E') of the two NGOs with whom we partner over the full year – this revised MOU was signed 7th December 2023.

Since the start of FY23, any spending on NGO training through our consultant is designated as 'NGO Capacity Building' under 'Grants and Gifts' rather than Operational Costs as this reflects more accurately the process Tesfa undergoes in its spending decisions. The M&E funds paid to our consultant is considered as mandatory (hence designated as Operational Costs) whereas any decision on Tesfa funding training or other such items is discretionary and falls more logically therefore, as a 'Grant and 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 from the three signatories, all of whom are Trustees.

- A gift-aid application to the Inland Revenue for income to this account is applied for annually with such funds treated as unrestricted.

In terms of cash management, Tesfa has two interest bearing reserve accounts:

- **Business Reserve** - instant access account used for investing restricted sponsor funds ahead of the next semester payment and unrestricted funds until needed (such as the Gift Aid monies).
- **Liquidity Manager 35 Day** – a term savings account requiring 35 days' notice for any withdrawal of the funds - used for investing the Seed Capital and other restricted funds that are not immediately required for distribution.

Monitoring, Evaluation and Capacity Building

Tesfa hugely benefits from the continued monitoring through our appointed Consultant based in Addis Ababa with three reporting cycles having been completed in the financial year – Q1 2024, Q3 2024 and the annual review for 2024. This rhythm continues to prove invaluable to Tesfa in being able to gain a good level of oversight of the work of the two NGOs in delivering the sponsorship programmes and the challenges they continue to face – in turn, this enables us to demonstrate good 'value for money' in terms of the funding that Tesfa provides on behalf of our supporters. Additionally, it means Tesfa can better support CBISDO and AHISDO through grants, sponsorship payments and the funding of tailored management capacity building.

Governance updates

We continue to drive a 'continuous improvement' mindset into how we manage the charity and partner with the NGOs in Addis Ababa that we support and, in that regard, the following new policies are notable achievements for FY25:

- **Reserves Policy** - approved 24th September 2024 - delivers clarity on the minimum funds to be retained in the bank account as a reserves management tool, presently £1,500.
- **Financial Controls & Monitoring Policy** - approved 8th October 2024, the policy provides clarity on key elements such as banking controls, cash management guidelines and definitions concerning restricted and unrestricted funds.
- **Conflict of Interest Policy** – approved 5th March 2025
- **Chairperson** – Paul Wilson was re-elected as Chair for 2025 on the 5th March 2025.

Reporting

- A summary of the breakdown of the unrestricted funds held along with a 12 month forward looking view is presented at every Trustee meeting - this helps drive a regular discussion on Tesfa's capacity to provide further grants to support the partners in their mission.
- The accounts are examined annually by a suitably qualified Independent Examiner 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 accounts is also provided to the Charity Commission each year.

Formal key details:

Treasurer

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

Independent Examiner

The 2024/25 accounts were reviewed by:
Mrs Hannah Clack of 144 Kings Road, Evesham

Trustees

There are currently three Trustees: -

- Benjamin Booth
- Simon Paylor - Simon gave notice in February 2024 of his intention to stand down and the Trustees began a process of recruiting a new trustee. Simon remained a trustee throughout FY25.
- 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/ administrative costs incurred in the administration of the charity (such as the website hosting fee).

Conclusion

The main area of distribution of the donations that Tesfa receives 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.

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.

Public Benefit Statement:

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

Trustees' Responsibilities

Charity law requires us as Trustees to prepare financial statements for each accounting year which record the receipts and payments of the charity for the year.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable us to ensure that the financial statements comply with the Charities Act 2011.

We also have a responsibility to safeguard the assets of the charity and to take reasonable steps to prevent fraud or any other irregularities.

Approval

This report was approved by the trustees and signed on their behalf by:

Paul Wilson 

Date 19th January 2026

The Tesfa Sponsorship Trust UK

Statement of Receipts and Payments

For 1st April 2024 to 31st March 2025

Receipts & Payments Accounts - Financial Year ending 31 March 2025					
				2025	2024
			£	£	
Receipts					
	Donations	Sponsorship - standing orders	26,283.00		26,243.00
		Sponsorship - manual payers	120.00		1,740.00
		Sub-total		26,403.00	27,983.00
		Other gifts (1)	9,278.40		6,426.62
		Restricted funds received for BSDTCC (2)	1,273.00		5,944.25
	Other Receipts	Gift Aid Tax Rebate	5,450.50		665.00
		Bank interest	198.06		0.00
		Sub-total		16,199.96	13,035.87
		Total Receipts		42,602.96	41,018.87
Payments					
	Grants and gifts	Sponsorship funds	28,891.00		32,195.00
		Other gifts	8,547.00		5,925.00
		NGO Capacity Building	2,050.00		1,800.00
		Rebates to sponsors (overpayments etc)	225.00		0.00
		Sub-total		39,713.00	39,920.00
	Operational costs	Administration	637.53		698.61
		Bank payment fees	330.00		240.00
		Trustee trip costs to Ethiopia	0.00		342.70
		Monitoring & Evaluation costs (3)	3,000.00		2,250.00
		Sub-total		3,967.53	3,531.31
		Total Payments		43,680.53	43,451.31
		Surplus / Deficit		-1,077.57	-2,432.44

Costs as a % of income
9.31%

The Tesfa Sponsorship Trust UK

Statement of Assets & Liabilities as at 31st March 2025

Statement of Assets and Liabilities - as at 31 March 2025				
Assets			2025	2024
	Cash at Bank	Opening cash	16,691.47	19,123.91
		add surplus/(shortfall)	-1,077.57	-2,432.44
		Closing cash as at 31/03/24	15,613.90	16,691.47
		Cash split by bank account type:		
		Current account	5,386.81	6,662.44
		Business Reserve account	5,148.90	10,029.03
		Liquidity Manager 35-day account	5,078.19	0.00
		Total	15,613.90	16,691.47
	Other Assets			
		Gift aid Debtor (tax-year 2024/25)	5,396.35	5,450.50
		Total Assets	21,010.25	22,141.97
Liabilities		Invoices/ Loans	0.00	0.00
		Total Liabilities	0.00	0.00
The accounts were approved by the trustees and signed on their behalf by:				
		Paul Wilson	Date:	
Notes to the accounts				
		Cash split by reserves category:		
		Unrestricted Reserves (4)	5,464.97	6,669.94
		Restricted Reserves		
		Sponsor funds received and yet to be distributed	3,654.87	3,559.47
		Gifts for the NGOs collected - yet to be distributed	0.00	1,241.00
		Seed Capital gift	2,509.87	2,509.87
		Donations held for BSDTCC	3,984.19	10,148.93
		Total	15,613.90	16,691.47

Notes to the accounts:

(1) 'Other gifts' includes £4,925 linked to a gift from the Kunde Foundation for the Elderly program at CBISDO routed through Tesfa and £1,160 from CRED Foundation for sending to CBISDO.

(2) 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'.

(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 at £750 per quarter

(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 as requested by Partners of Tesfa and approved via quarterly Trustee meetings (or ad-hoc when required). Tesfa's reserves policy means this balance will be a minimum £1,500

