

The UWESO UK Trust

(a company limited by guarantee) working as

TRUST FOR AFRICA'S ORPHANS



Report and financial statements
for the year ended 31 December 2008

Registered Charity No. 1069208
Company Registration No. 3473165

Supporting the extended family

Report of the trustees for the year ended 31 December 2008

The trustees, who are also directors of the charity for the purposes of the Companies Act, have pleasure in presenting their report together with the independently examined financial statements for the year ended 31 December 2008. The financial statements have been prepared in accordance with the accounting policies set out on page 14 and comply with the charity's Memorandum and Articles, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

Contents

3	TAO principles and how we work
4	The Chairman's message
5	Objectives and policies
6	Projects
7	Tributes
8	Structure, governance and management
9	Financial results and future activities
10	Reserves policy and risk management
11	Accountant's report
12	Statement of financial activities
13	Balance sheet
14 – 19	Notes to the accounts
20	What donations fund
21	Trustees and Patrons

Supporting the extended family

TRUST FOR AFRICA'S ORPHANS

TAO principles

- We work with African communities, understanding their heritage, values and customs, and do not seek to impose European or Western styles of charitable assistance where this might cause long term cultural conflicts.
- We work on projects which allow orphans, and the families who care for them, to remain in their local environs. We understand the basic African spirit of community and family land ownership and do not seek to displace children or villages.
- We do not reinvent the wheel and work in partnership with local organisations.
- Our projects are initiated by the local communities themselves: we only start them after extensive discussion so we can fully incorporate their needs, rather than impose on them projects formulated in the UK.

How we work

- Our work is centred on enabling children and their extended families to remain in their own communities rather than an institution, with the focus on outcomes.
- TAO has a proven track record of delivering successful schemes for donors (e.g. Australian Aid Agency, The Big Lottery, Comic Relief, Elton John Aids Foundation, the European Union, La Chiesa Valdese and Norwegian Aid Agency).
- We work alongside local and national government policies in a co-operative way, but funding remains in our control.

Supporting the extended family

The Chairman's message

It is with particular pleasure I can report on behalf of the trustees that each of our current projects remains successfully on track.

Elsewhere in this document you will find details of those projects. However I want to highlight some particular successes. They illustrate how funding makes a very empowering – and sustained – difference to the lives of some of the poorest and dispossessed people in Africa. I emphasise the word 'sustained' because we are not in the business of handouts. TAO provides the tools and training for producing food and housing and improving hygiene – hence health – that lasts long after we have left.

Take the 500 families benefiting from the integrated development project for poor local communities. In 2008 those families produced some £300 each from cultivating their smallholdings, thanks to the training, tools, seeds and livestock.

In Northern Uganda, now there is some stability we are helping people who have been living for up to 20 years in camps for internally displaced people return to their homes. They fled because of the terrible atrocities wrought by the Lords Resistance Army. Many found their lands had been illegally taken. We are working with Uganda's Facilitation for Peace and Development to help them regain what is rightfully theirs and teach them needed agricultural skills.

Funding for these is thanks to the Big Lottery, the Baring and John

Ellerman foundations and other important donors.

In the first year we empowered more than 400 with land rights, trained 120 families and provided them with all they need to grow crops for food and for sale, from tomatoes to maize, and revenue-producing avocados. We also trained 30 local community leaders to help spread the word.

Nothing is wasted: livestock droppings provide fertiliser, the sun charges the solar-powered mobile phones used by our extension workers to text messages to the field offices. Everything is fit for purpose, from the motorised scooters the field workers use to small pick-up trucks carrying livestock and seedlings. No executive cars for them.

For 2009 we have several projects in the pipeline. Like all our projects they were identified with the help of people in Uganda, not by us in the UK. And like all our projects, should they get funding we, the trustees, will visit them to ensure they are being properly implemented as did Nick Hetherington, David Perkin, Jim Rattray and our coordinator Joy Mugisha in 2008.

I want to end by acknowledging our appreciation of our former chairman Richard Crowson. His years of leadership and direction have brought new life and opportunities to some of the poorest and most dispossessed children in Africa.

Background

There are three compelling reasons for TAO operating in Uganda:

- the devastating civil war in Uganda (ended 1986) killing many thousands;
- the AIDS epidemic: although past its peak AIDS continues to be a major cause of early death and is the main reason for children being orphaned; and
- the activities of 'The Lord's Resistance Army', the terrorist group operating in Northern Uganda, which at its peak in 2004 displaced 1.5 million people to live in Internally Displaced People Camps.

In consequence of the first two some two million children have been orphaned. Most have been taken in by relatives such as a grandmother, aunt or elder sister, themselves almost always already very poor, and often with several children of their own.

In the North, following negotiations between the LRA and Uganda Government, many people who were living in the camps now want to return home. With funding from The Big Lottery, the Baring Foundation and the John Ellerman Foundation TAO is helping them secure their former land and re-establish agricultural production through sustainable farming to provide food, employment and income.

To cope with the situation in Uganda the President's wife, Mrs Janet Museveni, founded 'The Uganda Women's Effort to Save Orphans' (UWESO) to help orphan families through the development of suitable local projects. It has branches at grass-roots level around the country.

The Trust for Africa's Orphans works alongside UWESO. It raises funds in the UK and elsewhere to develop projects to help orphan families and their carers

earn a decent livelihood, so that the children can be better fed and clothed and income generated for other necessities such as school fees. The projects also help the children to develop skills of their own and TAO has also supported the UWESO vocational and secondary training programme. These projects also seek to improve environmental conditions and the health of families.

Objectives and policies

The UWESO UK Trust is a non-governmental organisation first registered as a British Charity in May 1993. On 28 November 1997 it became a Private Company Limited by Guarantee, with charitable status granted in April 1998, after which it took over the business and assets of the unincorporated charity. The charity registered the name 'Trust for Africa's Orphans' with the Charity Commission on 4 April 2006 to facilitate fund raising.

The principal activity of TAO has been to support the work of its partner UWESO Uganda. It does this in a number of ways including:

- raising money outside Uganda which is then remitted to Uganda to fund locally identified projects to relieve the poverty of orphans and other children; and
- providing technical advice, as well as helping in project management and direction.

The company's aims and objectives, as set out in the Memorandum of Association, are:

"to relieve the poverty of, and to educate, orphans and other needy children in Uganda and elsewhere in the world who are in conditions of need, hardship and the distress arising therefrom, or who have need of assistance by reason of their youth or infirmity."

Projects

Funding is usually provided for between two to four years with the intention that projects should become self-sustaining. They are implemented with local branches of UWESO at grass-roots levels. Each project is supervised by qualified field staff.

The trust is currently developing a new participatory and results-based

Beekeeping

We have established projects in 11 districts. Whenever possible we include beekeeping as a component of Sustainable Farming projects (see below) because this improves the

Sustainable Farming

Sustainable (organic) farming methods make an enormous difference to participating families: yields can increase four-fold. A fully trained extension worker provides each family with tools, seeds, seedlings and breeding animals, usually pigs or goats, and modern beehives as well as training, advice and encouragement. With hard work by the family results are so impressive that neighbouring families soon want to follow suit, a real

Integrated Development

In August 2005 the UK's Big Lottery Fund approved a four year grant for an Integrated Development Project to support 600 poor families caring for orphans and vulnerable children in Rakai, Ssembabule and Mbarara Districts. Each extended family supports between 6 and 10 children.

Activities include providing demonstration housing, 5,000 litre rainwater harvesting tanks and pit latrines to 60 of the very poorest families to encourage others to copy

Monitoring and Evaluation (M&E) system. Aim is to develop a uniform M&E system for all projects that can be used as a management tool for everyone in the organisation, ranging from beneficiaries, field workers, the Programme Director and the Liaison Committee to the Board of Trustees in the UK.

yields of both honey and crops. Participating families can be operating up to 30 hives in three years. Each hive should produce two crops of honey and beeswax each year.

multiplier effect.

Such small sustainable farms can support many different crops as well as livestock, honey and beeswax production. The family's nutrition and income are substantially improved as a result. Produce is sold to provide an income for the family and cover the initial investment. Income is used for, shelter, education, medicine, food and transport etc.

them. Tree planting, improved farming practices and support for income-generating activities are included. The grant also funds publicity for the project such as leaflets and radio slots; training for staff and community volunteers such as paralegals and committees; the cost of travel; and monitoring and evaluation.

Additional funding for the water tanks came from La Chiesa Valdese (an Italian Church), Barclays Bank of Uganda and Hilden Charitable Fund.

Vocational Education

The vocational education project began in June 2002 by providing Vocational Training for orphans initially at Nile Vocational Institute followed by Migyera Vocational Training Centre. The Nile Vocational Institute, which is well established, provided an excellent benchmark.

Funds were raised by the UK Trust principally from the EU and the Elton John Aids Foundation. UWESO in Uganda also raised funds locally and from the United States. There was substantial progress – the Vocational Training Centre building was

completed in 2004, together with accommodation for teachers, classrooms, dormitories for both girls and boys and associated infrastructure and a cattle farm on the surplus land. Orphans and destitute children can be trained in tailoring and garment cutting, brick laying and making concrete, and carpentry and joinery as well as in secondary education. The involvement of the UK Trust came to an end in 2007: its role as the conduit for start up funding was complete and UWESO Uganda assumed full control of all activities.

Tributes

We again express our gratitude to our various funding agencies – past and present. They include the Australian Aid Agency, Barclays Bank of Uganda, The Baring Foundation and The John Ellerman Foundation, La Chiesa Valdese of Italy, Comic Relief, the Big Lottery Fund, Department for International Development, Elton John Aids Foundation, the European Commission, the Hilden Charitable Fund, the Isle of Man Overseas Aid Committee, the Norwegian Aid Agency (NORAD), Scott Bader Commonwealth Ltd and the States of Guernsey Overseas Aid Committee. We have also received support for our work from several other UK Trusts and Foundations. We are also grateful to our Patrons who are listed on page 21.

We owe special thanks to two people who volunteered to visit and work with our partners in Uganda in 2008 to help move projects forward. Justine Moles,

an architect, has now designed some improved low cost housing: the first are scheduled to be built in 2009. Robert Rattray, a computer systems expert, has helped develop a much improved monitoring and evaluation system.

We continue to rely on individual supporters for a useful part of our core funding and are most grateful to them all. In 2008 a sponsored swim, church donations, a carol concert and a golfing day all raised our profile and provided welcome additional funds.

We also extend our thanks to Dr Esezah Kakudidi, Chairperson, and the members and staff of the Liaison Committee in Kampala and to the Chairperson, Members and staff of the UWESO National Executive Committee there, as well as the local branches of UWESO through whom the projects are implemented.

Structure, governance and management

Chairman of the Trust for Africa's Orphans is Mr Iain Knapman, a retired banker. He took over from Mr Richard Crowson in 2007. Mr Knapman was formerly Chairman of the UWESO UK Trust Programme Liaison Committee in Uganda.

The committee employs and from the beginning has heavily relied on Mrs Joy Mugisha as Secretary and Programme Coordinator. She provides detailed direction, support and co-ordination of projects.

The Trustees are members of the management committee of the charity. New Trustees are elected by the Board of Trustees and serve for three years. One third of members retire annually at each Annual General Meeting and are then eligible for re-election in accordance with the articles. A member is eligible for re-election until he/she reaches the age of 78 years.

All of them are either from, or have had close association with, Uganda and/or other parts of Africa over many years. Their expertise ranges from law, finance, diplomacy, business and PR to tropical agriculture and farming. They therefore have personal relevant knowledge and experience of Uganda.

The trustees regularly visit the country to monitor the projects, help move them forward and ensure they are being correctly implemented:

- through a sound monitoring and evaluation system they demand and receive regular feedback from their partner, UWESO
- they monitor and control the flow of funds to the partner in response to quarterly budget requests to cover the project activities, ensuring that they have the necessary manpower resources to manage the projects effectively.

Activities in Uganda operate under a Memorandum of Understanding signed with UWESO in Uganda in 2001 through a separate programme, the UWESO UK Trust Programme.

A Liaison Committee controls and manages the projects sponsored and financed by the trust. To facilitate co-operation, the National Executive Committee (NEC) of UWESO has two representatives as ex-officio members of the Liaison Committee, whose Chairperson also sits on the NEC.

The trust may also nominate two members as representatives on the Liaison Committee. At present Mr David Matovu, former MP for Entebbe Municipality and a consultant with various international agencies is the sole UK representative.

Chairman of the Liaison Committee is Dr Esezah Kakudidi, a Professor of Botany at Makerere University. Projects are implemented through local UWESO Branches.

The UWESO UK Trust Programme has its own bank accounts and prepares its own financial accounts under the control of a Finance Officer and an Honorary Treasurer. They are independently reported upon. Employees are on the payroll of UWESO in Uganda but financed by funds from the UK Trust. During 2008, they consisted of Project Coordinator South & Kampala, Mr. Baker Waiswa, Project Coordinator North, Mr. Tom Etii, Finance Officer, Mrs Schola Kagumire, Administrative Assistant, Miss Susan Barbara Kibenge, together with supporting staff and appropriately qualified Project Staff out in the field. The current Administrator is Ms Lydia Mbanza.

Financial results and future activities

During the year to 31 December 2008, the charity raised £434,536 (£431,738 net of costs) from the general public and various agencies to carry out the projects outlined above. Total expenditure during 2008 was £410,030.

As shown in the restricted funds column in the Statement of Financial Activities, £411,448 of income was for particular projects and we still hold £89,181 which will be used as these projects progress. 2008 saw the start of two new projects which extended our sustainable farming expertise to districts in the North of Uganda, where the plight of displaced people is extreme and our expertise is particularly suitable. The total of the

major grants for these projects is £709,203 over the three-year period 2008-2011 (£499,203 from Big Lottery Fund and £210,000 from the Baring and Ellerman Foundations). We are actively seeking additional funding to increase the animal traction aspect of these projects to aid agricultural productivity in the area.

Governance costs of £2,308 are kept to an absolute minimum as the majority of income received is used to support the projects in Uganda.

At year-end we had £89,181 (2007: £84,854) available in the restricted funds to support our ongoing projects and a general fund balance of £32,393 (2007: £12,214).

Independent examiners

A resolution that Menzies LLP be re-appointed as independent examiners

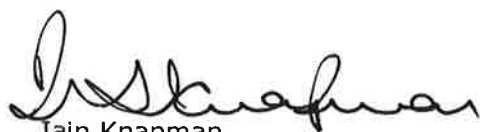
of the charity will be put to the Annual General Meeting.

Investment policy

Under Clause 4(n) of the Certificate of Incorporation the Trustees have wide powers of investment but in 2008 all

funds have been held in Bank Accounts and with CCLA Investment Management Ltd.

Approved by the Trustees and signed on their behalf by:



Iain Knapman
Chairman

Date: 16th September 2009

Reserves policy

The level of reserves is determined by the trustees. Many of the funds received are for specific projects and these are reflected in the financial statements as restricted funds. The level of unrestricted funds is kept under review and expenditure is limited to ensure that the charity retains an operating contingency to cover unexpected shortfall in the charity's income.

Restricted Funds Reserves are needed to cover the future estimated expenditure on specific projects for which the restricted funds were raised. For each restricted fund the trustees and management monitor the future needs to ensure that sufficient restricted funds remain to complete the project. If there were cases where savings are made during the implementation of a project, consideration would be given to extending the scope of the project. If there were cases where there is insufficient in reserve to complete the project as envisaged, the project would be scaled down.

Donors usually provide resources to cover expenditure over subsequent periods, up to 18 months. The pattern of expenditure of these funds can be somewhat erratic because it depends on actual progress of the specific projects. Delays frequently occur, especially at the beginning of projects or on phases. The effect is that

balances on restricted funds can fluctuate significantly from one year end to another.

Unrestricted Funds Reserves are needed to ensure that the costs of the charity's infrastructure can be covered for a reasonable period pending the receipt of further unrestricted funds. They are also required so that trustees can allocate additional funds to projects where the restricted funds need to be enhanced.

The trustees consider that a cushion of Unrestricted Reserves of around £50,000 to be reasonable. However the trustees recognise that the method of operating the charity has meant that achievement of this target may take some years. The charity concentrates its efforts on raising donations from major donors on a project-by-project basis. Donor agencies allow only a small portion of funding to be used for core organisational costs: the build up of unrestricted reserves depends on general donations.

In the absence of a significant endowment, trustees will continue to explore the possibilities of increasing the unrestricted reserves by soliciting appropriate donations. To the extent that the level of reserves falls below the target, greater caution will be exercised.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and believe that pursuing the policy of a steady build up to a reasonable level of unrestricted reserves (see right) will eventually provide sufficient resources in the event of adverse conditions. The

trustees have also examined other operational and business risks which we face and confirm that they have established systems to mitigate the significant risks. This has been done by undertaking a risk analysis and an assessment report.

Accountants' Report to the Members on the Unaudited Accounts of The Trust for Africa's Orphans

We report on the accounts of the company for the year ended 31 December 2008 which are set out on pages 12 to 19.

Respective responsibilities of the directors and the reporting accountants

As described in the Statement of Trustees' Responsibilities, the company's directors (charity trustees) are responsible for the preparation of the financial statements and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under s221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in s249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year, specified in s249A(4) of the Act as modified by s249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in s249B(1).

Menzies RHP

16 SEPTEMBER 2009

MENZIES LLP
Reporting Accountants and Chartered Accountants
Ashcombe House
5 The Crescent
Leatherhead
Surrey
KT22 8DY

Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 December 2008

	Notes	Unrestricted Funds £	Restricted Funds £	2008 Total £	2007 Total £
Incoming resources					
Incoming resources from generated funds					
Donations and similar incoming resources					
Gift Aid and sundry donations	2	19,360	-	19,360	13,075
Grants	3	-	407,001	407,001	206,496
Investment income	4	<u>3,728</u>	<u>4,447</u>	<u>8,175</u>	<u>4,622</u>
Total incoming resources		<u>23,088</u>	<u>411,448</u>	<u>434,536</u>	<u>224,193</u>
Resources expended					
Costs of generating voluntary income	5	2,798	-	2,798	2,519
Costs of charitable activities					
Projects in Uganda – grants payable to partner organisation UWESO and project expenditure					
		-	404,924	404,924	227,829
Governance costs		<u>111</u>	<u>2,197</u>	<u>2,308</u>	<u>2,173</u>
Total resources expended	7	<u>2,909</u>	<u>407,121</u>	<u>410,030</u>	<u>232,521</u>
Net incoming resources	8	20,179	4,327	24,506	(8,328)
Total funds brought forward		<u>12,214</u>	<u>84,854</u>	<u>97,068</u>	<u>105,396</u>
Total funds carried forward	16,17	<u>32,393</u>	<u>89,181</u>	<u>121,574</u>	<u>97,068</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

Balance Sheet as at 31 December 2008

	Notes	2008	2007
		£	£
Fixed assets			
Tangible assets	12	<u>214</u>	<u>428</u>
		<u>214</u>	<u>428</u>
Current assets			
Debtors	13	2,228	4,421
Cash at bank and in hand	14	<u>121,534</u>	<u>94,295</u>
		123,762	98,716
Creditors: amounts falling due within one year	15	<u>(2,402)</u>	<u>(2,076)</u>
Net current assets		<u>121,360</u>	<u>96,640</u>
Net assets		<u>121,574</u>	<u>97,068</u>
Funds			
Unrestricted funds	16	32,393	12,214
Restricted funds	17	<u>89,181</u>	<u>84,854</u>
		<u>121,574</u>	<u>97,068</u>

For the year ended 31 December 2008 the company was entitled to exemption under section 249A(1) of the Companies Act 1985. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The trustees acknowledge their responsibility for:


1. ensuring the company keeps accounting records which comply with section 221; and
2. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit and loss for each financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Board of Trustees and signed on their behalf by:



Trustee



Trustee

Date: 16th September 2009

Notes forming part of the financial statements for the year ended 31 December 2008

1. Accounting policies

Convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and the Companies Act 1985. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) issued in March 2005.

Investment Income

Investment income is accounted for in the period when the charity is entitled to receive it.

Resources Expended

Expenditure is included on an accruals basis. Management and administration costs are those incurred in running the charity.

Tax Recoverable

Income received where a claim for repayment of tax has or will be made to H M Revenue and Customs is grossed up for the tax recoverable. The tax recoverable is shown as a debtor until the amount is recovered.

Grants and Other Income

Charitable donations are included when they are received.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

Office Equipment and Depreciation

Depreciation is provided at a rate calculated to write off the cost less residual value of each asset evenly over its expected useful life and is now charged as follows:

Office equipment	20% on a straight line basis
------------------	------------------------------

It is the policy of the charitable company to write off in the year of purchase items of office equipment and furniture and fittings costing less than £500 each. There were no items purchased in this category during the year.

Foreign Currencies

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction.

Operating Leases

Rental in respect of operating leases are charged to the SOFA as the cost is incurred.

Grants Payable

Expenditure on grants payable is recorded once the trust has made an unconditional commitment to pay the grant and this is communicated to the beneficiary, or the grant has been paid, whichever is the earlier.

Notes forming part of the financial statements for the year ended 31 December 2008

2. Gift Aid and sundry donations

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Donations				
Committed giving	1,230	-	1,230	910
Donations	<u>18,130</u>	<u>-</u>	<u>18,130</u>	<u>12,165</u>
Total	<u>19,360</u>	<u>-</u>	<u>19,360</u>	<u>13,075</u>

3. Grants

The following grants were received by the charity in the year, all of which have been included within restricted funds.

	2008 £	2007 £
Contracts for operational programmes		
UK agencies – Big Lottery Fund - Integrated Development	121,182	188,540
UK Agencies – Big Lottery Fund – Poverty Alleviation	150,600	--
Government Agencies – States of Guernsey Overseas Aid	30,000	--
European Union – Vocational Training	--	2,698
Non-UK agency – La Chiesa Valdese – Int. Dev. & Water	11,255	10,258
UK Trusts/Foundations – Hilden Charitable Fund	--	5,000
UK Trusts/Foundations – Baring & John Ellerman Foundations – Empowerment of women & children (land issues)	68,964	--
UK Trusts/Foundations – Scott Bader Commonwealth	<u>25,000</u>	<u>--</u>
Total	<u>407,001</u>	<u>206,496</u>

Notes forming part of the financial statements for the year ended 31 December 2008

4. Investment income and interest

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Deposit interest	<u>3,728</u>	<u>4,447</u>	<u>8,175</u>	<u>4,622</u>
Total	<u>3,728</u>	<u>4,447</u>	<u>8,175</u>	<u>4,622</u>

5. Fund-raising costs

Represents the costs directly incurred in raising funding for the charity's projects.

6. Projects in Uganda

Grants payable to partner organisation UWESO and project expenditure

	2008 £	2007 £
Migyera Institute - Vocational Training Project	1,962	7,646
Integrated Development – Water & Sanitation (3 districts)	167,017	171,663
Poverty Alleviation & Empowerment for Land Access (3 districts)	<u>182,317</u>	<u>--</u>
Total – included in Resources Expended (note 7)	<u>351,296</u>	<u>179,309</u>

7. Resources expended

Costs directly allocated to activities	Basis of allocation	Costs of generating funds £	Project expenditure £	Governance costs £	2008	2007
					£	£
Grants payable (note 6)	direct	-	351,296	-	351,296	179,309
Salary costs	time spent	1,524	28,955	-	30,479	30,456
Examination fees	direct	-	-	1,955	1,955	1,820
Payroll	direct	-	-	353	353	353
preparation costs						
Printing and literature	direct	-	-	-	-	-
Events costs	direct	-	-	-	-	16
American Fund	direct	85	-	-	85	85
Support costs						
Office costs	staff time	<u>1,189</u>	<u>24,673</u>	<u>-</u>	<u>25,862</u>	<u>20,482</u>
		<u>2,798</u>	<u>404,924</u>	<u>2,308</u>	<u>410,030</u>	<u>232,521</u>

Notes forming part of the financial statements for the year ended 31 December 2008

8. Net incoming resources

This is stated after charging:

	2008	2007
	£	£
Property rental	3,142	2,938
Depreciation	214	214
Examiners' remuneration:		
Independent examination	1,955	1,820
Other services	<u>353</u>	<u>353</u>

9. Taxation

As a charity, The Trust for Africa's Orphans, is exempt from tax on income and gains falling within s505 of the Taxes Act 1988 and the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

10. Employees and staff costs

The trust employs a full-time Co-ordinator in the U.K.
The cost of employing that member of staff was:

	2008	2007
	£	£
Co-ordinator's salary	27,720	27,720
National Insurance (Employer's)	<u>2,759</u>	<u>2,736</u>
	<u>30,479</u>	<u>30,456</u>

11. Trustees' remuneration

The trustees receive no remuneration for their services (2007 - £nil). Expense claims totalling £6,593 for travel and accommodation incurred on behalf of the trust were reimbursed to 3 trustees (2007 - £2,204 to 2 trustees). Indemnity insurance costs totalled £434 (2007 - £422).

12. Tangible fixed assets

	Office equipment	Total
	£	£
Cost		
As at 1 January 2008	5,606	5,606
Additions	<u>--</u>	<u>--</u>
As at 31 December 2008	<u>5,606</u>	<u>5,606</u>
Depreciation		
As at 1 January 2008	5,178	5,178
Provided in the year	<u>214</u>	<u>214</u>
As at 31 December 2008	<u>5,392</u>	<u>5,392</u>
Net Book Value		
As at 31 December 2008	<u>214</u>	<u>214</u>
As at 31 December 2007	<u>428</u>	<u>428</u>

Notes forming part of the financial statements for the year ended 31 December 2008

13. Debtors

	2008	2007
	£	£
Income tax refund	1,110	2,010
Prepayments	618	1,911
Rent deposit	<u>500</u>	<u>500</u>
	<u>2,228</u>	<u>4,421</u>

14. Cash at bank and in hand

	2008	2007
	£	£
Cash at bank – current account	13,338	4,639
Cash at bank – deposit accounts	108,057	89,579
Cash in hand	<u>139</u>	<u>77</u>
	<u>121,534</u>	<u>94,295</u>

15. Creditors: amounts falling due within one year

	2008	2007
	£	£
Accruals	<u>2,402</u>	<u>2,076</u>
	<u>2,402</u>	<u>2,076</u>

16. Unrestricted funds

	General reserves	Fixed assets funds	Total
	£	£	£
Balance at 1 January 2008	11,786	-	11,786
Surplus for the year	20,179	428	20,607
Transfers between funds	<u>214</u>	<u>(214)</u>	<u>--</u>
Balance at 31 December 2008	<u>32,179</u>	<u>214</u>	<u>32,393</u>

The unrestricted funds of the charity may be applied for charitable purposes at the discretion of the trustees.

Notes forming part of the financial statements for the year ended 31 December 2008

17. Restricted funds

	Balance at 1 January 2008	Incoming resources	Programme expenditure	Balance at 31 December 2008
	£	£	£	£
Vocational Training	2,900	--	(2,900)	--
Integrated Development	77,454	134,454	(193,396)	18,512
Poverty Alleviation & Empowerment	--	251,994	(208,325)	43,669
Water – Health Centres	<u>4,500</u>	<u>25,000</u>	<u>(2,500)</u>	<u>27,000</u>
Total	<u>84,854</u>	<u>411,448</u>	<u>(407,121)</u>	<u>89,181</u>

The restricted funds represent the balances on the relevant projects after the expenditure authorised by the trustees.

18. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Fund balances at 31 December 2008 are represented by:			
Fixed assets	214	-	214
Current assets	34,581	89,181	123,762
Current liabilities	<u>(2,402)</u>	<u>-</u>	<u>(2,402)</u>
Total net assets at 31 December 2008	<u>32,393</u>	<u>89,181</u>	<u>121,574</u>

19. Capital commitments

There were no capital commitments as at 31 December 2008 or 31 December 2007.

20. Operating lease commitments

The following operating lease payments are committed to be paid within one year:

	2008	2007
	£	£
Expiring:		
One to two years	<u>3,625</u>	<u>4,866</u>

What donations fund

£10	3 hand hoes or spades – basic equipment for sustainable farming
£15	1 beehive (5 – 10 beehives will enable a poor family to start a business in beekeeping for life)
£30	1 wheelbarrow
£50 - £100	Seeds and seedlings for a family to grow sustainable crops
£100	Will establish a small Woodlot for agro-forestry / environment purposes
£80	3 female goats – for a family to start a goat farming business
£130	Provides materials for a goat pen – including metal roofing sheets for rainwater collection
£170	1 male goat (improved breed)
£360	Provides for the construction of a 5,000 litre ferro-cement tank for a family for the collection and storage of rainwater
£2,000	The annual salary for a trained Extension Worker
£2,500	Construction of a brick built house for an orphan family headed by a child or elderly relative

Supporting the extended family

Trustees

Ms Mary-Jane Aladren (retired 17.9.08)

Mrs Wyn Borger

Mr Richard Crowson CMG

Mr William Daley

Mr Nick Hetherington

Mrs Joy Kamugasha (retired 17.9.08)

Mr Iain Knapman (Chairman)

Miss Beata Kyamanywa (retired 17.9.08)

Miss Pamela Mounter

Mr David Perkin

Mr James Rattray FCA (Treasurer)

Patrons

H.E. Mrs Joan Rwabyomere, The Uganda High Commissioner in United Kingdom

Mrs Margaret Daly

Lady Diana de Deney

Mrs Sharda Madhvani

Mr Lloyd Mullen

The Earl of Sandwich

Mr Arthur Scotchmer

Mrs Helen Taylor Thompson OBE

Miss Sheelagh Warren MBE

Company Secretary & Programme Coordinator

Mrs Joy Mugisha

Registered Office

1st Floor, Sefton House, 2 Molesey Road,

Hersham, Surrey KT12 4RQ

Tel. & Fax: 01932 269877

Website: www.trustforafricasorphans.org.uk

Independent Examiners

Menzies LLP, Ashcombe House,

5 The Crescent, Leatherhead, Surrey KT22 8DY

Bankers

CAF Bank Limited, 25 Kings Hill Avenue,

West Malling, Kent ME19 4JQ

Supporting the extended family

