



CHANGE  
TOMORROW

1H REVIEW AND 2H OUTLOOK -  
2019

# 1H REVIEW & 2H OUTLOOK - 2019

## EXECUTIVE SUMMARY

This marks our first full year of operations and we are off to a great start!

- Total donations for the 1H were £22,000, with ~55% coming from recurring donations
  - As of June YTD, recurring income is covering 93% of our operating expenses
- Operating expenses for the 1H were £14,000, with ~32% coming from salaries & contract labour and food and school supplies accounting for 13% and 11%, respectively. Transportation costs, including car repayment, accounts for another 13%
  - On a project basis, over 85% of our operating expenses relate to the school
- We did have some significant capital expenditures in the 1H
  - A violent storm in May caused some structural damage to the school, forcing some repairs. Thanks in part to a Facebook fundraising campaign we brought in enough money to cover the repairs, and some other large one-time donations provided sufficient funding for us to move ahead with plans to install windows and doors, to extend the classroom walls all the way to the ceiling and encase the entire school in cement
  - So far this year we have spent £14,000 on capital projects, with ~75% of the money being spent on the school building
  - We are working with the district to get plans approved for our next phase of building work and hope to have the plans approved in the 2H, with work starting as funds are available
- Our Stand Up for Women program is proving very successful; we have over 50 women who attend our weekly meetings and the first 10 women have entered the 2<sup>nd</sup> phase and 7 out of 10 pigs are currently pregnant! We hope to start issuing the first loans under our Micro Loan program by the end of 2H
- We have had some staff turnover in the 1H, most notably our Headmaster, whose employment we terminated due to performance issues. We have hired a new Headmaster and so far he is working out well

### EXECUTIVE SUMMARY (CONT'D)

- Our volunteer program is in full swing and we welcomed 15 volunteers so far this year from Czech Republic, UK, US and Canada. These volunteers helped in a variety of ways – construction and maintenance of the school and farm and administrative duties
  - By the end of 2019, we expect to welcome 40 volunteers in total!
- As we were just getting started in 2018, we didn't have time to put together a number of policies and procedures but we now have key ones such as a Code of Conduct, Corporate Social Responsibility and a Health, Safety & Care policy and we have started to review these with our staff. It will be mandatory that all staff follow these policies



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## PROGRAM REVIEW

### Sponsorship Program

We started the year with 17 children being sponsored; by June we had grown that number to 42.

That is huge for us as it means that we are able to offer an education and a chance at a better life to more children in the village. Without an education, these children would be stuck in a cycle of poverty and hardship. With an education they stand a better chance at breaking out of that and also of lifting their family up as well.

The sponsorship program has its operational challenges for us:

- At the start of the program we did not require that donors sign up for an automatic payment; consequently some donors do not pay every month, forcing us to cover the fees and/or spend time following up. And once they do pay, some donors pay for multiple months at a time, making the tracking a bit more difficult
  - Going forward, we will be changing our communication with new donors and only offering them an automatic payment option
- As the program has grown, it has become more challenging to keep up with providing our donors with updates
  - We originally wanted to provide a detailed update on their sponsored child to each donor at the end of each term but due to the time it takes to compile the update, we have been forced to scale that back and will only provide school results and limit a detailed update to end of the year

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### PROGRAM REVIEW

#### Stand Up for Women

This program has been very well received in the community. The number of women who attend the weekly meetings does vary but we count ~50 women who attend with regularity. The meetings will continue to include bible study and English lessons but we have also started to introduce topics such as the importance of savings and some basic budgeting, and will be expanding the program to discuss issues such as gender inequality and violence against women – two issues that are sadly a significant issue in Uganda.



In March we purchased our first 10 pigs to give to the women who had moved into the 2<sup>nd</sup> stage of the program. After receiving some initial instruction from our vet, the women were responsible for caring for their pigs and we are thrilled to report that 7 of the 10 pigs are now pregnant.

Once the pigs deliver their litter, they will be kept in our piggery just long enough for the mother to wean them off nursing and then the pig and her piglets will be given to the women – minus one piglet that goes back into the program for the next group of women and one piglet that is given back to Change Tomorrow

Once the women in the pig program have been properly assessed and have brought forth a sound business opportunity, we anticipate rolling out our 3<sup>rd</sup> stage – the Micro Loan Program to woman, starting to deliver on our goal of empowering the local women and helping them achieve financial independence. We did issue a small loan in May to one woman as a test case. She used it to purchase coffee and will sell when the prices are high. She has been able to make one loan repayment and we are very optimistic that she will be able to repay the balance.

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## PROGRAM REVIEW

### The School

The first half of 2019 saw a significant increase in enrollment. We ended 2018 with 170 students and have 280 enrolled at the end of June.

As mentioned in the Executive Summary, we did need to terminate the employment of our Headmaster, which was an unpleasant and unfortunate turn of events. However, we were quickly able to recruit a new Headmaster, who is proving to be quite diligent and hardworking. We anticipate he will grow and further develop in his role and be a real asset to our school. We look to recruit staff from all over Uganda but have had greatest success with those from the North.

We are starting to put some more structure into our school with our new policies. We do expect an adjustment period as these types of policies and procedures are not common. But we believe they are necessary to elevate our school to a higher standard.

We continue to enforce a strict no corporal punishment policy, however this has been met by some resistance from teachers, parents and even students. Despite their urgings, we are holding firm that children should learn in a safe environment, without fear of being beaten.

In the second half of the year, we will begin a program with the senior classes on gender inequality and violence against women. Both the boys and girls will be taught about these subjects. We hope by introducing these topics at an early age, we can begin to end the cycle of violence against women and create a more equitable society. In addition the girls will also be taught about the importance of education, empowerment, self respect and the disadvantages of early marriage and pregnancy.

At the beginning of the year we purchased new desks and chairs so every student now has a place to sit. We also completed work on the installation of a large water tank. This is a big win for us and our students as they should no longer have to go fetch water from the well.

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Also noted in the Executive Summary was the work we did on the school structure. This work was quite extensive, especially for such a new charity. We were able to install doors and windows for all of the school, ensuring the safety and comfort of our students. After a wall collapsed during a storm – luckily no students were in the classroom at the time – we realized that we needed to move ahead our plans to shore up the structure by extending the walls to the ceiling and encasing the school in cement. We were fortunate to receive enough donations to be able to do that. All of this work was completed in June and we are extremely pleased with the results.



Before



After

In the 2H of the year we will be completing work on a new kitchen – one that will be larger and with more storage space, but more importantly, be properly ventilated so our cook is not inhaling toxic fumes.

Our school does not have any electricity, and unfortunately with the installation of the doors and windows some of the classrooms are darker than they were. By the end of the year we will be looking to raise enough funds to invest in a solar solution that will power the existing school.

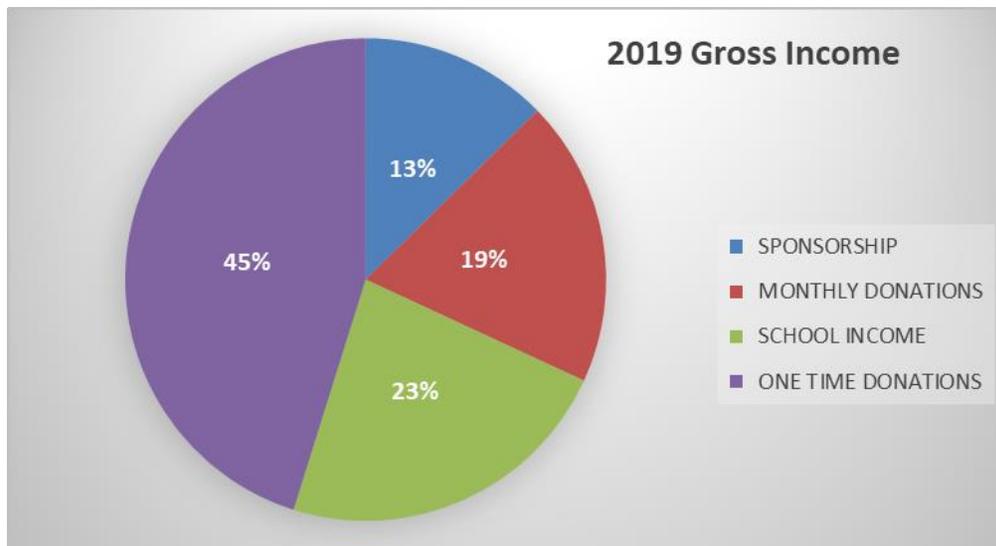
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## FINANCIAL REVIEW

We are happy with our financial results for the first half of the year.

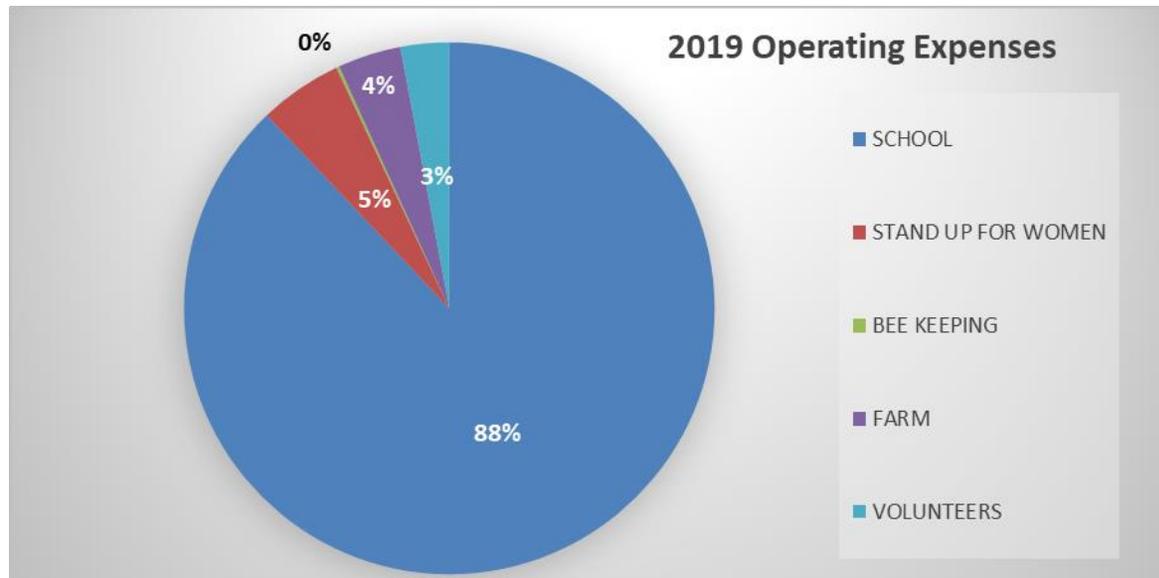
We were able to raise enough donations to cover our operating costs, as well as fund some capital projects, such as completing the school structure by installing windows and doors and cementing the entire school. Due to the need to complete the capital projects, we had to dip into our reserve. Of the £22k income we received, we spent £14k on operating expenses and another £14k on capital expenditures. We hope to make up this difference in the 2H, however we may show a deficit for this year.

Our funding comes from four sources: sponsorship of students, monthly donors, payment of school fees and one time donations. For the fiscal year, 55% of our donations were recurring income – crucial for us to plan efficiently.



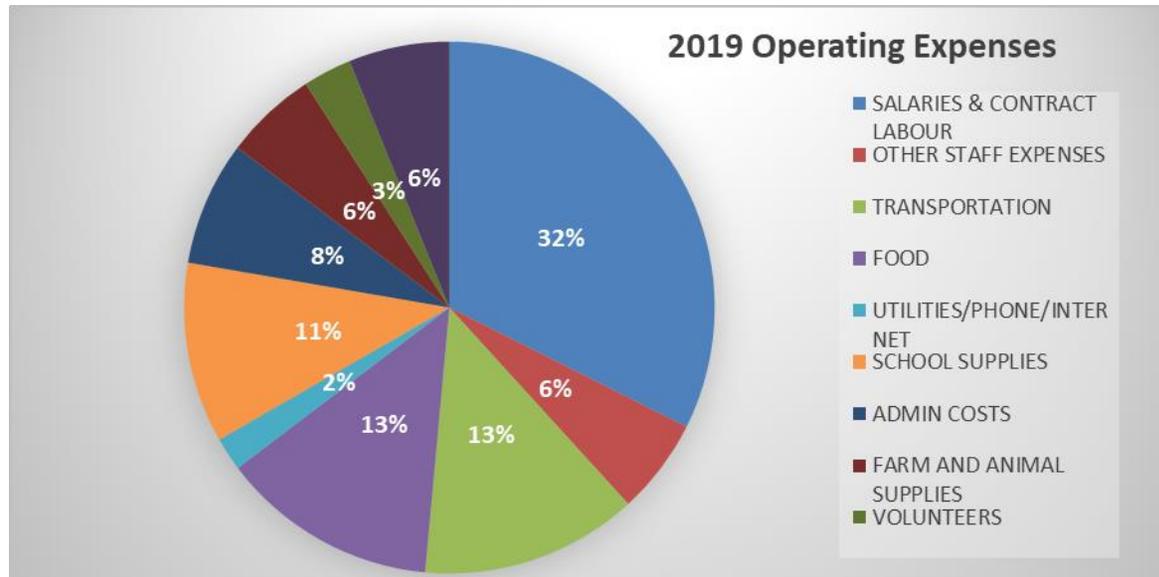
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Over 85% of our operating expenses relate to the operation of our school, with the remainder being spread amongst our Stand Up for Women program, bee keeping efforts and some expenses relating to our volunteer program



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Salaries, school supplies and food account for almost 50% of our operating costs.



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Almost 80% of our capital expenditures were for construction projects relating to the school, with another 11% for furniture for the school.

