



# Annual Report & Financial Statements

January 2020 - December 2020

## 2021 MARKS 15 YEARS OF ETHAR BEING ESTABLISHED BY THOSE WHO EXPERIENCED LIVE AS REFUGEES.

We know what it's like to feel suffering and persecution. Many of our Ethar Family, who now work with us, have fled conflict and feared for their lives.

We never want anyone to suffer like this ever again.

We commit, with every ounce of our determination and effort, to do whatever is in our power to support refugees in East Africa and Yemen.

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## Acknowledgements

During 2020 we continued to enjoy cherished and valuable support across our activities and projects, from many wonderful partners and collaborating organisations. We thank all partner and supporter organisations for their ever-consistent cooperation, partnership and positive encouragement, which remains sincere and unwavering in the face of unprecedented challenges.

In addition, we have received overwhelming help, kindness and goodwill from countless individuals, community organisations, local centres, places of worship, and small charitable enterprises. Despite the difficulties faced during the global pandemic, and despite many of those people and places closing their own doors for safety reasons, we still enjoyed immensely productive and positive communication with so many local people and organisations.

Volunteers and small groups of people worked tirelessly throughout 2020 to find alternatives to physical events and innovate safe ways to make local campaigns a reality. These individuals and groups are the strength of Ethar, and we are grateful for their selfless support and backing.



## Chairman & CEO Message

2020 was a tough year for the world, and a tough year for us at Ethar – but it was tougher for the forgotten refugees of East Africa and Yemen. It was a year of change, adaptation, and progress under the most difficult circumstances. It was a year in which we learnt so much more about ourselves and those who support humanitarian causes. We were inspired by the spirit and determination of refugee communities facing incredible uncertainty and instability. We were tested to the limit but emerged together with stronger will and higher expectations from ourselves. Together, we have realised that nothing will stop us in our mission to help those who are unrepresented and marginalised. Among the many challenges and difficulties, the opportunity to make a difference has kept us uplifted, motivated, and hopeful for the future.

## 2020: a year of new challenges and new achievements

It is our pleasure and honour, on behalf of the board of trustees and entire Ethar Family, to present Ethar Relief's Annual Report and Financial Statements for the year 2020. This year represented great challenges for everyone in the charitable sector, and yet we have witnessed the emergence of real-life heroes in our midst, achieving remarkable things despite the odds.

Most importantly, we must start by thanking our donors, partners, staff, and volunteers for the incredible support that we have received over the past year. Nothing that we have achieved, and none of the hurdles that we have overcome, would have been possible without you beside us every step of the way. In the past, we have written to thank you sincerely for your support – but what you did for us over the difficult year of 2020 goes beyond that. Even the word 'support' does little to sum up or contain everything for which we want to thank you. Likewise, even the word 'thanks' seems small compared to the appreciation, love and gratitude that we want to convey to each and every one of you. 2020 was a tragic year for many, but countless more tragedies were averted by your commitment, dedication, and care. Among the dark days of the global pandemic, light shined from the positive moments that you created through your generosity and kindness – not just towards the refugees that we serve, but to all of us equally as one Ethar Family.

The year 2020 was indeed a special and unique year...

unique in every way and in every sense of the word. It will be remembered in history as the year in which life almost stopped, and many of the challenges faced by humanity were truly unprecedented and extraordinary. The impacts of Covid-19 have been sustained and wide-ranging even beyond 2020, and for communities worst affected life may never be the same again.

From the very start of the year, we began to see that general activities around the globe were going to be disrupted. Like most charitable institutions, which depend on the donations of supporters for funds, we realised that this would be a very transformational and difficult time for us. With existing risk strategies and contingency planning – and by taking quick decisions on unprecedented and unforeseen challenges – we were able to mitigate or find alternatives to most of our processes. Ultimately, the continuity of our work for the public benefit was a highly motivating factor and concentrated our minds collectively to meet issues head-on.

The success of this response helped us to continue running our projects and building upon them, such as the monthly food supply programme which reached over 120,000 people threatened by food insecurity in refugee camps and surrounding areas. Similarly, we were able to keep up our regular support to orphans and even continue our non-Covid related health initiatives such as the eye cataract removal programme.

Education has always been one of strategic objectives of Ethar over the years, as it is the key to progression in life and is the main factor that will realise the ambi-

tion of refugees to sustainable family and community life outside of the camps. 2020 saw huge disruption as schools closed and children lost access not only to vital education, but to the other benefits of attending school such as social interaction, mental stimulation, motivation, and – crucially – daily meals. Ethar adapted its programme to continue supporting vulnerable children and families outside of the school context so that they were less likely to drop out and felt ready to return upon re-opening. Recently, we have established a partnership with renowned educational institutes in the UK and Sudan to execute an educational project focusing on women empowerment. The highlights of this new initiative will no doubt feature in forthcoming reports.

This report is incomplete without reiterating our appreciation and recognition for the crucial work of every partner and every individual who has been the backbone of our projects and activities on the ground, helping Ethar to deliver aid in the most difficult conditions. We appreciate your support, not only in delivery of aid, but in raising awareness to highlight the issues of forgotten refugees and ensuring that we can sustain our current projects and build upon them. This includes our tireless and dedicated team of staff and volunteers whose approach and attitude is beyond the call of duty and is an exemplary model for all of us involved with this cause. We would also like to appreciate every single penny donated by people; ordinary members of the public who put their hands in their pockets to support refugees. The generosity and spirit of our supporters in the UK and around the world is a constant source of inspiration for all.

## 2021 and the future

At the time of writing, it is autumn 2021. This year has marked our 15th since establishment in 2006 - our 15th year as an organisation in the service of humanity. We are excited about our 15th year; over the decades we have grown from a very small charity to one that raises millions to support refugees. However, this is just a symbolic milestone in our growth. It is amazing that we help the number of people we do, but their needs are increasing and so must our capacity.

2021, like the year preceding it, has been full of achievements and challenges in equal measure. We have seen the worldwide continuation of one of the worst pandemics in a century, the aftermath and rebuild in Sudan from some of the worst flooding in a century, and the displacement and loss of life in Tigray from one of the quickest escalating conflicts in recent years.

These new humanitarian challenges are representative of a changing world. We now have real effects of climate change impacting our operations, testing existing infrastructure and processes. We also have geopolitical changes affecting the region and the world, resulting in new conflicts and mass migration of people searching for safety. Furthermore, provision of healthcare and aid has never been challenged like it has these past few months; Covid has altered the landscape of how we can deliver help and support safely, and how we can care for people who are sick.

The culmination of these new challenges has resulted in a simple reality: there are more people than ever in the region we operate who are in need of our help.

In the light of these immediate changes, we realise that there will be long-term impacts on all humanitarian work and we are going to have to adapt accordingly. In our Annual Plan for 2021-2026, we have undertaken the exercise of re-prioritising and re-strategising, to focus on sustainable solutions and concentrate our efforts and resources to pursue innovation, adopt new technology, and increase capacity so that we can brighten the future of the greatest number of disadvantaged people.

Ethar's Annual Plan, starting in 2021, is focused on a trajectory to spearhead growth and increase support for refugee causes. It also promotes diversification and outreach towards new audiences to raise awareness and funds. A recent highlight of this strategy is our partnership with muzmatch, the online matching site, to launch a working bakery in Yemen which will provide employment, training and upskilling opportunities for refugees in the local community. The bakery will not just serve refugees and members of the public - it will be entirely run by refugees themselves, and provide additional opportunities throughout the supply and distribution chain. The aim is to empower refugees with skills, trades, and engagement in economic activity. This goes beyond aid, is sustainable and ambitious for a future in which refugees are not reliant on external help. Similarly, our solar panel project in Garora Hospital in East Sudan focuses on sustainability and renewable energy, to combat reliance on legacy

technologies in a fast-changing world.

As part of the Plan, we have developed our strategic priorities to expect strong organisational growth over the next five years. We have already, at the time of writing, exceeded our fundraising targets from 2020. Some of the expected effects of our strategy are already taking place in 2021: strong financial growth, refinement of governance, appointment of experienced humanitarian candidates to key managerial roles, and onboarding of new solicitors to build capacity. We want to achieve excellence in all operations and functions, and consolidate the great work from 2020 into 2021 to further strengthen the organisation in every aspect.

There have certainly been challenges continuing through 2021 and we are yet to emerge from the pandemic with certainty. There is also a lot to celebrate and a lot to reflect on. We are more aware now of the changes required in this 'new normal', and what parts of the 'old normal' will not be coming back. There is a lot of work to do if we want to keep serving the refugees of East Africa and Yemen in the best way, for the next 15 years and beyond.

It is impossible to conclude this message without solemn and respectful remembrance of those who lost their lives during these unprecedented 18 months. Every year we witness tragedy and incredibly heart-breaking losses of life, but 2020 through to 2021 was on a scale previously not seen outside direct conflict zones. As humanitarians there is a degree of acceptance that we will encounter sad and difficult

scenarios – but we are also naturally affected by this and mourn every loss of precious life. The pandemic put that preciousness into even greater perspective, as we saw how precarious and fragile communities can be in the face of sudden and unforeseen events. We certainly saw this unfold in the refugee camps of East Africa and Yemen, and yet we even saw elements of this fragility in our local communities right here in the UK. For many of us, even with the greatest will in the world, we were helpless to intervene in the face of an invisible virus. It is only fitting that the last words we say are those of prayer, reflection, and compassion for those who have left us, and for those they have left behind.

**In light and peace,**



Sultan Omar  
Executive Director



Abdulkadir A. Naib  
Chair of the Board



## Inclusion for all in the Ethar Family

At Ethar Relief we cherish and strongly believe in maintaining a positive, inclusive environment for all. We refer to ourselves as the Ethar Family, to include all of us together – staff, volunteers, partners, supporters, and the people we help every day. We look after each other with love and universal human values. We care about every Family member and work hard for the wellbeing of each one.

We are a non-governmental, non-political humanitarian aid organisation, dedicated to helping people in need regardless of their ethnic origin, political affiliation, gender or religious beliefs. Our current projects provide aid and sustainable resources to displaced, poverty-impacted refugees and marginalised communities in Sudan, Yemen, Djibouti and Ethiopia (countries within or near the area traditionally referred to as The Horn Of Africa). These countries and locations are diverse and unique in themselves, and are never treated as a homogenous group despite their proximity to each other. Likewise, the communities within each country share culture, customs, and origins, but also diverge greatly in many aspects. Ethar Relief celebrates both the similarities and differences, and extends its support and advocacy towards refugees from these communities within the UK.

Our projects are designed to:

1. Alleviate the suffering of refugees by providing emergency aid such as food provisions, clean water access, and medical care.
2. Combat the long-term effects of poverty by setting up educational institutions and sponsorships which develop academic, practical and social skills.
3. Empower vulnerable groups, designing our programmes to ensure they have greater opportunities and choices through education and employment, enabling them to participate and take a lead in the positive development of their communities.

Ethar Relief is officially registered in the United Kingdom with the UK Charity Commission. It is also registered with the United Nations as a UN Observer organisation. Over the years, we have established a strong reputation globally for our presence, knowledge, and expertise in the region of East Africa and the southern Middle East. Therefore, in addition to our independent projects we also act as an adviser and delivery partner for other charitable and humanitarian organisations.

Ethar Relief prides itself on its openness, transparency, and inclusivity. We are not affiliated to any political, ethnic, or religious groups. Our work is carried out in the areas of most need regardless of politics or demographics. Our staff, volunteers, and beneficiaries reflect the rich diversity of the regions in which we operate, and beyond. We take great care to ensure the safeguarding and wellbeing of all stakeholders, both within our organisation and externally. Ethar Relief has a zero tolerance approach towards discrimination and abuse of any kind, and is dedicated to the healthy environment fostered within and by our organisation.





## Projects and Campaigns

### Humanitarian Relief

East Africa, particularly Sudan and its surrounding areas, faced unprecedented humanitarian crises during 2020. In addition to the unchecked spread of Covid across the region and within refugee camps, refugees and displaced communities suffered from the effects of civil unrest, armed conflicts, flooding, food insecurity, and water-borne diseases.

The onset of lockdowns around the world meant that many aid organisations were unable to get emergency humanitarian aid to refugee camps in East Africa and Yemen. For NGOs such as Ethar, who keep a permanent presence on the ground, our interventions were even more essential than usual. We distributed humanitarian aid during this most difficult time in East Sudan, Yemen, and Djibouti.

### Flooding

In Sudan, regional floods exacerbated by climate change and poor drainage infrastructure caused devastation for refugee communities living on the fringes of society. Hundreds of homes and makeshift dwellings were washed away, leaving thousands of people homeless overnight. Ethar supported the rebuilding of homes and the erection of emergency shelters. We also moved fast to provide blankets and hot meals for refugees who had lost all means to take care of themselves and their families.



## Nutrition

Emergency nutrition for babies, pregnant women, and other vulnerable people at risk from the effects of famine and starvation was distributed in refugee camps and surrounding areas across East Sudan and Yemen. Poor nutrition and malnutrition is a common factor affecting people lifelong, and in children this can be especially damaging to future health prospects.

It is important to note the distinction between this response and our food distribution programme which aims to combat hunger. Ethar regularly sees cases, in Sudan and Yemen especially, of children with signs of Severe Acute Malnutrition (SAM) and Moderate Acute Malnutrition (MAM), which are extremely dangerous conditions that go way beyond hunger and missing meals. There has been a tendency for the international community to consider SAM an emergency issue only - which it is in terms of the necessity for immediate response - but the vast majority of children affected with SAM actually live in non-emergency settings where you would not necessarily expect to find it. This is something we have encountered in settled refugee communities such as those who have been living in Sudan for several decades. Even among these established communities who are not in direct conflict zones, children are affected by life-threatening nutritional deficits.

This year we distributed infant formula milk, and nutritionally fortified high energy concentration foods, bars and food supplements to refugee families, to combat the effects of malnutrition. Such foods mitigate the risk of illnesses resulting from malnutrition, particularly in vulnerable groups such as newborns and pregnant women, increasing the chances of survival and healthy development for these new lives.



## Mobile water distribution

In Yemen there is a general shortage of wells and a particular difficulty in digging new wells in certain areas. Likewise, in East Sudan, seasonal flooding can cut people off from access to wells and clean water sources. In both East Sudan and Yemen, Ethar stepped in to provide a mobile water distribution service in which designated tanks were topped up and water treated appropriately to ensure its potability and suitability for human consumption and hygiene. This provision reduced the spread of disease from contaminated water and safeguarded these communities from further displacement, which is often the case when access to water can no longer be maintained.

## Covid

During the height of the Covid crisis, Ethar carried out a special 'anti-virus' programme for residents of refugee camps, which is expanded upon in the forthcoming section on healthcare. Provision of handwash stations amongst the refugee communities were essential to mitigate the spread of COVID in these already vulnerable communities where medical care is basic if accessible at all.



## Food Security

Ethar's food programme is one of our most successful and well established interventions, and one which is especially close to our heart and well backed by our supporters. The alleviation of hunger is not just necessary to fulfil the human right to food – it is also essential to remove opportunity costs that stand in the way of refugees progressing in their lives. So many refugee families are caught up in finding the next meal, when they have the potential to excel in a variety of life-changing initiatives. This is the reason why Ethar deems food security such an important factor in the overall scheme of interventions.

Over 120,000 people received food aid from our food distributions this year, giving refugee families and vulnerable people much needed nutrition and security. While this impact is considered short-term, it is essential for survival and prevention of further displacement and exploitation. In regions where conflict, climate and restrictions prevent sustainable measures to be put in place, it ensures that survival is paramount and the loss of life minimised.

In addition to our regular support programme which distributes family food packs on a monthly basis to vulnerable families, Ethar provided hot, fresh iftar meals during Ramadan for fasting refugees, and also distributed hot meals as part of its emergency crisis

responses. During the conflict which broke out in Ethiopia, many refugees arrived in East Sudan on foot having made dangerous and arduous journeys without sustenance. Ethar set up welcome stations to receive these new arrivals and provide them with hot meals to restore their strength.

Ethar helps its network of schools, those run directly by us and those supported by us, to provide meals to students attending. During the height of Covid, school closures meant that many pupils who relied on these meals were left without a very important lifeline. We therefore stepped up distribution of food packs within the community and included those pupils and their families who were known to be completely reliant on school meals. Orphans and families known to us to be vulnerable were prioritised during this distribution. In some cases where necessary, we kept school food provision capabilities active and open, even when the school was closed for studies.



## What's in a food pack?

The food pack feeds a family of approximately 7 people for a month. Food pack ingredients are chosen for their regional availability in bulk, and are designed to cover essential basics for health and nutrition by providing a balance of protein, carbohydrates, fibre, and glucose. The packs contain everything an average family needs to eat:



## Education

Ethar continued during 2020 to support a wide range of educational programmes including providing schools in East Sudan with teacher salaries, meals, resources and running costs. Education is one of the key pathways to break free from the poverty cycle, impacting the individuals, families as well as future generations to gain financial independence from aid. Support for these programmes has the potential to change lives of whole communities.

Furthermore, Ethar sponsored students to take up university places, both in Sudan and abroad (such as the initiative that has seen 30 students from refugee communities take up university places in Turkey, where they gained entry on merit but did not have the means to travel and study there). Supporting access to higher education for refugee children allows them to attain skills, experience and qualifications that will in turn enable them to access further opportunities such as professional employment. Many of these students intend to return to their communities to share their knowledge, experience and create positive change.



## School Closures

When schools closed due to Covid, education was disrupted for thousands of children. Ethar supported those most vulnerable to dropping out by facilitating their needs in order to keep them enrolled in school. In fragile environments, children are at high risk of drop-out from school, and Covid provided optimum conditions for them consider not returning to education upon reopening. Ethar therefore acted quickly to assess needs and provide solutions, ranging from help with university accommodation costs, keeping boarding school accommodation open for orphans without family homes, continuing school meal provision despite school closures in some areas, and other support as requested by vulnerable families. Provision of school meals and accommodation was vital to ensure the safety and survival of these students, without which they risk falling prey to exploitation.

Ethar kept financial support for schools and teachers' salaries in place where possible, to ensure teachers did not move away in search of new employment. Retaining teaching staff during the pandemic was essential to ensure schools were able to provide an education on re-opening. This also motivated teachers to keep in touch with students to make sure they stayed motivated to continue their involvement in education and prepared well for their return to school. In these uncertain times where the environment is already so fragile, providing reassurance, information updates and offering tailored support is just as important as giving out aid and resources.



### Jawhara's Story

This is Jawhara, who started life in a refugee camp. Ethar asked its supporters to sponsor her, and they answered the call.

With that support, she accessed schooling, and then excelled in her studies.

Inspired by her new world of opportunity, Jawhara was determined to achieve. After witnessing so many deaths from illness and injury in the refugee camp, she set her mind on studying medicine to become a doctor.

Right now, she is in medical school on a scholarship won through her brilliant academic results. She has only one intention: to qualify, return to the camp and help as many people as possible.

### Child and Orphan Welfare

Due to Covid restrictions, direct contact with children and orphans in our programmes was minimised, to safeguard against the spread of the virus. Despite the restrictions, Ethar ensured continuation of support to our Orphans as provided by their sponsors, so that they had the means to survive and keep stable during the outbreak. This became a lifeline for them and their families and ensured the orphans did not drop out of education before schools re-opened.

Despite the difficult year, the orphans and vulnerable children in our care did eventually get to sit their school exams when they were rescheduled by education authorities, and the results were overwhelmingly positive. The vast majority of children progressed to higher grades and further education, which is an essential focus of our children's programmes and unlocks opportunities for them to progress in life.

Where families with children were identified as being particularly vulnerable, Covid-hygiene kits were distributed, including masks, soap, sanitiser, and important safety guidance, to help reduce the spread of the virus amongst communities.



## Ibrahim's Story

Ibrahim was born in a refugee camp in East Sudan and became an orphan at around 11 years old. He came to the attention of Ethar, who, with your support, arranged for his care, including access to education in one of Ethar's flagship schools for refugees.

Ibrahim began to flourish from the moment he started receiving good quality care, regular nutritious meals, and access to a well-rounded education. He proved to be exceptionally bright and capable of anything he put his mind to. Ibrahim rapidly excelled through secondary school, and progressed to receive a full university scholarship - where Ethar continued its support for him.

Within a few short years, Ibrahim emerged as a graduate in computer science from a recognised institution in Sudan. He is now working as a project manager on Ethar's projects through a local NGO, directly helping people in the refugee camps through his skills and qualifications.



## Healthcare

During 2020, it was important for us to maintain our presence in hospitals, clinics and mobile clinics distributing medicines and providing healthcare within refugee camps.

Our healthcare initiatives this year included:

- Cooperating with local health authorities and coordinating Covid responses with partners
- Maintaining our Eye Cataract Clinic across Sudan and Djibouti, which goes round the camps diagnosing, treating and alleviating minor sight difficulties for refugees
- Coordinating the response to the seasonal flooding emergency
- Supporting over a hundred refugees to access and pay for medical treatments within Sudan
- Commencement of the construction of flagship hospitals in Shagarab refugee camp in Sudan, and Al Khokha refugee camp in Yemen
- Installing a large solar power facility in the hospital serving the residents of South Tokar, East Sudan



## Water, Sanitation and Hygiene (WaSH)

Despite our experience of digging wells and constructing pumps in remote areas where refugees and marginalised people struggle to access clean water, 2020 proved different to anything we have ever encountered. Even with our excellent local knowledge, teams of experts on the ground, and the fact that we enjoy great relationships with local authorisation departments where we operate, we have never had so many obstacles in our way. As such, during this year our water construction projects suffered and very little was achieved in this sector.

The challenges have been predominantly due to the restrictions, difficulties, and barriers in place at different points in the project cycle, all of which stem from the disruption caused by the global Covid-19 pandemic. Whether we like it or not, there are some circumstances which simply cannot be overcome by our great contacts and relationships, or even by paying a premium for materials and other costs. Sometimes, what we want to do just cannot happen in the timeframe that we wish.

The issues we have encountered include difficulties travelling with specialist equipment and operatives during these times of greater restriction, additional precautions and requirements, or pauses in licencing and authorisations to operate in certain jurisdictions.

Where does this leave us? Will this mean a stop to our new water projects? Have operations now become too difficult or unviable? The good news is no, not at all. According to our best understanding, and our discussions with local authorities in the areas we operate, this is really a case of delay rather than cancellation.

Much like the rest of the world, the people we work with were adversely effected by the pandemic, particularly where new water supplies could not be installed to help communities flourish. Where feasible, Ethar implemented a mobile water supply as an interim measure in efforts to minimise the risk of exposure to Covid within enclosed communities.

Already, we are starting to see movement and planning towards a resumption of activities - but things will move slowly and we are bound by the rules and regulations of the places where we work.

We are optimistic and positive about the future of our water operations. We apologise for the delays to the projects and assure our supporters that they will go ahead in the way they were originally intended. Nothing is cancelled, and our efforts to implement projects and help refugees will never decrease.

We thank our kind supporters for their continued backing and patience during such a difficult year.





## Ramadan

Ramadan is a special time for many refugee communities, especially (but not exclusively) those who follow the Islamic faith. It is always a significant turning point for Ethar, in which our team along with funders and supporters renew their efforts to collect and distribute much needed resources to support those who need it most.

The donations we receive during Ramadan helped us reach out to a wider and broader range of people in the refugee camps, and also extend our reach to rural areas.

For most refugees, the month of fasting is no different to any other month in terms of hunger. However, many still find it to be a time of spiritual uplift and a moment they look forward to greatly in the calendar.

This Ramadan we raised over £1.6M, representing a phenomenal effort by our supporters and a fantastic collective push by the global Ethar Family. 2020 surpassed all previous results, despite the intense Covid-19 crisis. Thanks to these endeavors, we reached thousands more refugees in Sudan, Djibouti, Yemen and Ethiopia.



*"As a mother, I've been struggling to support my children in the hot weather. Very often we spend hours trying to secure clean water and some food. Thanks to your generous support I was able to have fresh Iftar during Ramadan with my children. We are very grateful for your support."*

*- Halima, mother of 5, refugee in Djibouti.*



## Summary of outcomes in Ramadan

13,000 people were supplied with clean water from our mobile water distribution in Yemen

14,000 people received Zakat ul Fitr

6 huts/shelters were built, accommodating 45 people

Over 25 community water wells and 1 large water station fund secured

Funds for 6 schools secured, benefitting 2,400 students

13,000 month-long family food packs distributed

Over 90,000 refugees received food from our food pack distribution

3,000 people were provided with hot meals for Iftar in Yemen and Djibouti

6,000 people received Zakat Mal in cash

The Covid-19 programme provided resources to over 20,000 people in Um-Gargour and Shagarab refugee camps in East Sudan

Funds for 6 schools secured, benefitting 2,400 students

## Qurbani

The Qurbani event is another important date in the Ethar calendar. Once again, it is a significant time of the year for many refugees, and does not just represent the distribution of fresh meat. For refugees who follow the Islamic faith (and even for some who do not) the Qurbani sacrifice is an important spiritual act rooted in the Abrahamic tradition.

Additionally, the consumption of meat, and access to fresh meat generally, is rare in the refugee camps. For hundreds of people each year this is often the only opportunity to enjoy meat and its nutritional benefits.

The safe slaughter and distribution of meat is a logistical challenge which Ethar found important to meet, despite the huge difficulties presented by the pandemic. The Ethar team was present during the distribution of meat and other provisions in all locations across the refugee camps, ensuring that these were delivered in a timely manner and with maximum effect.

Our Qurbani campaign raised over £209K during the Dhul Hijjah period. The success of the Qurbani/Udhiyah campaign enabled us to deliver fresh meat to over 68,000 refugees and marginalised people across Sudan, Djibouti, Yemen & Ethiopia.

Due to the unique challenges we faced this year, there were some hurdles to overcome in our Qurbani distribution. The main challenge was the availability of cows for Qurbani in Ethiopia, which was limited this year due to the way in which farmers and livestock herders had been affected by conflict and natural conditions. However, in cases where we could not source appropriately healthy cows these were substituted with the equivalent in sheep to fulfil the Qurbani of the donor.



## Fundraising & Volunteers

Ethar's highest priority is that our donors and supporters should feel safe donating to us. Likewise, it is important for us as an organisation to be transparent with our finances and fundraising procedures, giving our stakeholders, volunteers, donors, and recipients a greater sense of trust. To reflect this, we joined the Fundraising Regulatory Board, which provides charitable organisations with fundraising rules of behaviour. This establishes the criteria for all charity organisations and third-party fundraisers in the UK when it comes to fundraising, thereby protecting our donors and the organisation.

2020 proved a challenging year within Ethar's fundraising and volunteering departments. Due to the sudden outbreak of Covid-19, the majority of our planned activities had to be cancelled or postponed with no known date of resumption. The world had suddenly altered, and we had no choice but to adjust as well.

Our robust volunteer network of just under 200 people immersed themselves in digital trends and activities that they might use to fundraise and engage with new audiences. All activities such as street collections, fundraising dinners, appeals and social events to encourage giving and promote volunteering had stopped. To date, this has been one of our biggest

However, this did not deter us. One of the biggest benefits of having a large, motivated group is their energy and drive to raise awareness of refugee issues among the wider public. The pandemic taught us to appreciate the close ones around us and the value of helping one another.

This was the year of support and solidarity, in which we would come together as humanitarians to help each other just as much as we help the forgotten refugees.

Throughout 2020, our amazing volunteers did invaluable work to spread awareness about refugees issues in the context of the pandemic, through various available avenues.

Naturally, we altered our strategy this year, and most of our outreach went digital - from online fundraising to podcasts, seminars, and fundraising platforms. Yusuf, our Manchester based organiser, did an outstanding job of assembling a team of 60 new core volunteers and empowering them to recruit new volunteers and generate funds for the charity. When we were gradually allowed to venture out following the easing of restrictions in the summer, we kept things simple by delivering food parcels to families followed by controlled outdoor activities

such as park walks and bike rides. Our volunteers had further successful campaigns with car washes and other community-based initiatives. Everything was controlled within the Covid context to ensure that safety and health was at the forefront of our work, both for ourselves and the people we reached out to. Our incredible volunteers were able to show great responsibility whilst adhering to Ethar's core principles.

Our volunteers' commitment, selflessness, and positive attitude during this challenging year has been a great boost to all of us in the Ethar Family.

Similarly, our donor relations team faced a range of issues when regular visits to donors had to be replaced with virtual online engagements. Although it may seem 'convenient' on the surface, one of this department's strengths is the face-to-face connections, close interactions, and enthusiasm for sharing Ethar's story with donors in the natural, every-day setting.

The team, however, was determined to overcome this, so they reached out to new donors, forged new contacts, and expanded the donor base. Ethar Relief was able to make inroads into the digital space through a partnership with one of the world's largest Muslim online matching apps, muzmatch, which provided the organisation with enormous exposure to new demographics in different countries. The team contacted all current supporters, outlining Ethar

Relief's programmes and the focus for the year, and emphasising how their support was more important than ever given the turbulent global situation.

Online fundraising became our greatest asset, and we were able to synthesise the causes we were promoting to the audiences we wanted to engage with. Altering the strategy to move seamlessly into a digital format proved beneficial and Ethar had a lot of success with this. This ultimately helped us grow our network of supporters and improve our teamwork, whilst encouraging growth in the charity as whole.

What has been a difficult year has taught us the importance of relationships, support, and solidarity, which we have shared with the entire Ethar Family.

# Embracing digital cloud technology across Ethar

## A digital revolution

In 2019, The Board of Trustees, in response to anticipated risks and security requirements, and in line with a review and streamlining of governance, recommended a holistic overhaul of Ethar's IT and digital technology infrastructure. This would represent an interconnected, integrated system which would cover all aspects of stakeholder touchpoints, from staff internal communications to the journey of a supporter on our website. Such a solution would also allow for efficient deployment within the field, optimising the value of every penny given and further increasing transparency from a governance perspective.

An IT, Digital and Comms implementation strategy was drawn up and deployment began from the midpoint of 2019.

## The role of the digital cloud

In 2020, a comprehensive new system-level digital cloud-based solution had indeed been implemented and was increasing in uptake and use across all our systems and within every department. Ethar views its organisational ecosystem in a holistic manner, and

set out to establish an integrated and interoperable digital cloud which would enable us to work faster, smoother and give us longevity over the next 10-20 years.

From the start of the year, we saw the implementation and roll-out of our new ecosystem which had been initiated the year before. Uptake was extended to all stakeholders including staff, trustees, deployment partners, beneficiaries as well as donors, and the feedback to this was overwhelmingly positive.

The rollout of this system not only increased efficiency and gave greater transparency, but also provided much richer data points from which we were able to carry out analysis of our systems and processes. Many legacy processes were brought online, and many existing procedures and processes were streamlined to the benefit of all stakeholders.

Crucially, the fact that we had this system in place was vital in helping us lead the digital transformation of the organisation, which was a key factor in mitigating and insulating us from the effects of Covid-19 on legacy processes and activities. Staff, volunteers and partners were already familiar with the new systems, and therefore we did not have to rush them through as

a new measure to combat the pandemic – rather, they were already to hand as part of our existing practice.

The comprehensive digitalisation of the new system also reflected in the high income that Ethar was able to raise in 2020, despite the many setbacks brought about by Covid. We aim to follow through on finalising and completing the roll-out of other elements of our ecosystem from 2020 to 2021. This is an ongoing dynamic process in our pursuit to achieve excellence for our organisation and ultimately for the people we seek to help.

## Five key areas of the ecosystem

The comprehensive digital cloud-based ecosystem we established can be broken down into the following five areas, which have now been rolled out and are being constantly developed in response to the needs of the organisation and user feedback.

1. Marketing
2. Email & Collaboration
3. Finance
4. HR
5. Business Processes

## New methods of communication

The switch to digital and technological solutions played an important role in the way we communicated with all stakeholders throughout 2020.

Digital media including live-streaming and social platforms were used effectively and regularly throughout our campaigns, and in some cases (e.g. our Ramadan special broadcasts) these drew in live audiences and repeat viewers from across the world numbering in the thousands.

The pandemic and the emphasis on digital communication enabled us to gain access to new supporter demographics, and much of the volunteering was also coordinated online this year. Ethar enjoyed great support and exposure among traditionally younger platforms such as Instagram, but also found ways to balance our outreach by keeping in touch with supporters via telephone, email, instant messaging and even postal mail for those who preferred it. In this regard, we are delighted by the performance of our donor relations department who made sure that good communication – in the donor's preferred medium – was a priority during uncertain and isolating times.

A testament to the outreach efforts of the entire team and its good communication practices was the fact that this year we increased the share of individual

giving over organisational funding, which is a sign of the health of the charity and a commendable achievement in the circumstances. As always, we are grateful for the engagement and enthusiasm of our supporters and well-wishers who never fail to respond to our campaigns, calls to action or general communications. The generous support of our donors ensured essential emergency aid was ongoing during the pandemic, alleviating hunger and thirst for vulnerable and displaced communities across the Sudan, Yemen, Djibouti and Ethiopia. It enabled vital food aid, hygiene kits, and mobile clean water distribution in the face of the pandemic, ensuring thousands of people in refugee communities remained safe and survived through lockdown. It kept the hope alive that the people we help are always part of the Ethar Family - they were not forgotten even when the entire world was pre-occupied with the pandemic.



# Financial Review 2020

We set out Ethar's financial performance in 2020 and review our position at the end of the year. It was an exceptional year with the impact of the Covid-19 pandemic, which had an unexpected impact on Ethar's reserves and financial risk.

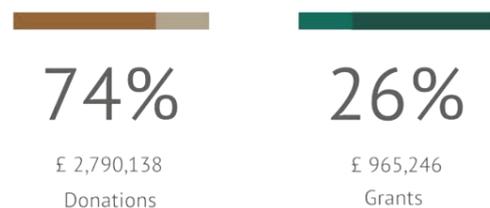
## Financial performance

### Income

Ethar receives income primarily from two sources:

- Donations and other fundraising activities, through the generous support of our donor base.
- Grants from other organisations (restricted funding).

Total income in 2020 increased from £2.5M in 2019 to £3.7M in 2020. This is due to the significant generosity during the pandemic of our supporters. Income from Donations and fundraising activities increased from £1.5M to £2.8M. Our programmes grants continued to remain relatively consistent at £0.9M. The following chart shows the breakdown of income between our principal sources.



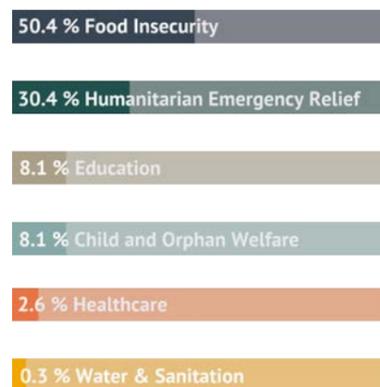
### Expenditure

Ethar's expenditure falls into three main categories, namely:

- Costs of implementing programmes on the ground across the Horn of Africa
- Fundraising costs
- Support costs, that comprise our office and governance costs

Total expenditure in 2020 increased to £2.8 M (2019: 2.5M), driven by our increased spend on programmes in 2020 of £2.4M (2019: £2M).

The chart below shows the breakdown of our expenditure between the main categories.



In the Statement of Financial Activities support costs are allocated to spend on charitable activities (programmes) and fundraising, to represent the true cost of programmes and fundraising activities.

Our fundraising expenditure in 2020 decreased, £0.4M (2020) compared to £0.6M in 2019. This was a result of Ethar embracing digital fundraising as compared to in-person events and activities as a result of the pandemic.

## Financial Results and Closing Reserves

Ethar reported a surplus of £0.8M for 2020 (2019: a deficit of £0.1M). This surplus is made up of £0.1M on unrestricted reserves and £0.7M on restricted reserves.

Restricted funds: The level of restricted surplus or deficit fluctuates from year to year due to the differences in timings between the receipt of grant income and the corresponding project expenditure. In 2020, the surplus is a result of the delays experienced in implementing some programmes during the pandemic.

Unrestricted funds comprise income from general fundraising activities and donations that are given as unrestricted funds. This supports Ethar's programme support and operating costs.

The position of reserves is presented in the Statement of Financial Activities. The process by which the reserves target is set is explained in Ethar's reserves policy, as stated in the reserves section.

### Reserves policy

Ethar's unrestricted reserves at 31st December 2020 were £0.21M (including free reserves of £0.19m) and its restricted reserves as at 31st December 2020 were £0.7M.

Ethar has determined it needs unrestricted reserves for the following purposes:

- To provide working capital and manage seasonality of income, for the effective running of the charity
- To protect against unrestricted income fluctuations as expected during and post the pandemic
- To protect against unforeseen project expenditure due to the inherently risky economic and other situations in the Horn of Africa, including inflation and foreign currency volatility
- To enable Ethar to invest in future growth opportunities that would benefit the people we seek to help

Ethar's unrestricted reserves target is set accordingly to a methodology of considering liquidity risk (short term timing differences between income and expenditure), security (assessment in the level of risk in funding sources) and investment opportunity.

Ethar is developing and revising its reserves, budget calculations and considering financial impacts [We have commenced the assessment during 2021 and expect to have an agreed methodology by the close of 2021].

### Going Concern

The trustees have assessed Ethar's ability to continue as a going concern. The trustees have considered various factors when forming their conclusions as to whether Ethar is a going concern and considered all risks that are known at the date of this report including Covid-19.

The key risks of the financial model are described in the risk management section. The risks can be summarised as a risk of decline in income, dependency on fundraising and a fall in programme expenditure leading to reduced ability to cover core costs.

The trustees believe that Ethar's years of experience in the Horn of Africa gives it the ability to harness its strengths and build financial resilience that will present opportunities for growth. Ethar has had positive discussions with its core funders, partners and donors.

After considering these factors, the trustees have concluded that the charity has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on a going concern basis.

# About Us

## Charity's purpose and charitable objects:

### Activities

Ethar's official charitable activities as registered with the UK Charity Commission include:

- Providing emergency relief and development programmes to Eritrean refugees in particular, and to other marginalised communities across the Horn of Africa and Yemen.
- Providing services and financial support to victims of natural and other kinds of humanitarian disaster.
- Focusing our projects on:
  - Humanitarian emergency relief
  - Water, sanitation and hygiene
  - Food & nutrition security
  - Healthcare & wellbeing
  - Education & Training
  - Child welfare (including care for orphans)
  - Prevention or relief of poverty
- Grants to individuals and organisations to achieve these objectives.



## Statement of public benefit

The objects of the charity are for the public benefit in support of people primarily in and from the Horn of Africa, particularly (though not exclusively) for Eritrean refugees in East Sudan for the following purposes:-

1. The prevention or relief of poverty by providing grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty;
2. To promote and advance the education (including social and physical training) of people in such ways as the charity's trustees think fit;
3. The relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money (or other means deemed suitable) for persons, bodies, organisations and/or countries affected;
4. The relief of sickness and the preservation of health among people;
5. The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment, empowering and

enabling individuals to generate a sustainable income and be self-sufficient.

6. The advancement of such other purposes as are exclusively charitable in England and Wales as the trustees shall determine in their sole discretion. Furthermore, any charitable purposes for the benefit of the people of the Horn of Africa, in particular (but not exclusively) Eritrean refugees, as well as those refugees originating from the region who are resident in the United Kingdom and particularly for the following purposes:

- a) To relieve poverty by providing funding overseas for appropriate projects and providing refugees in the UK with advice, counselling, representation, and other relevant services.
- b) To advance education and training, including research for the public benefit into developing countries and to publish the results; and
- c) To relieve sickness and preserve and protect good health.

## Where we operate



# Structure, governance and management

## Organisational structure

Ethar Relief is governed by a Board of Trustees who maintain oversight of the organisation and ensure that it is meeting its charitable remit and objectives. The trustees are based in the UK and have delegated the day-to-day management of the organisation to the CEO, who regularly reports back to the Board.

The CEO is supported by the COO and Development Manager, Head of Finance, Head of Marketing, Head of Programmes and Head of Fundraising as the Management Team. [Note: As of July 2021 the Development Manager role has been dissolved and duties handed over to a new Finance and Corporate Services Manager, who sits on the Management Team.

## Trustee recruitment

Trustee recruitment is undertaken through a range of routes dependent on the identified needs. When a new addition to the Board is identified, this is followed by an interview process with a panel of existing trustees and approval by the Board. The trustees are then formally elected by the members at the next annual general meeting. New trustees receive a personalised induction, including briefings from the Chair, CEO and other Executive team members. They are encouraged to visit our projects in the field when the opportunity arises. Trustees also receive ongoing training, either

one to one or through briefings at board meetings and as and when specific training needs are identified.

The Board of Trustees is still evolving and is looking to recruit trustee roles which can introduce specific expertise from a variety of relevant sectors. Within the Board itself, Ethar is in the process of setting up the Finance and Audit Committee and the Programmes Committee, to operate as sub-committees of the board with specific expertise and oversight on the relevant parts of the organisation. Responsibilities are allocated to key people to focus on areas of importance and improvement.

During 2020, in the absence of finalised sub-committees, the Board as a whole took responsibility to ensure that systems are in place to monitor programme quality and strategic fit, and to provide management with advice and a sounding-board on all aspects of the organisation's work.

## Legal structure

Ethar Relief is a registered charity established on 2nd July 2006 (registration number 1115371) with a trust deed document approved at inception and last updated by special resolution on 27th January 2019. Its objects and powers are set out in its trust deed

document.

*During 2021 Ethar began the process of re-establishing as a Charity Incorporated Organisation (CIO) structure and future reports will reflect this change, including a new charity registration number (1169308). Trustees of Eritrea and the Horn of Africa Relief ETHAR (Charity number 1115371) voted to wind up the existing charity and transfer all assets to Ethar Relief (Charity number: 1169308). This process was finalised during the trustees' meeting held on 10th October 2021, after which date Ethar moves forward as a CIO entity. Practically, this means no change for the people we help or our donors. It is merely a change to the legal structure of the charity from a trust to an incorporated organisation.*

## Tax status

Ethar Relief has charitable status and is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes; no trading or business activities are undertaken.

## Auditor appointment

The Board passed a resolution to tender for audit services for the period ending 31st December 2021, the current auditors are invited to tender. The board will make a decision in early 2022.

# Risk statement

Ethar's trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks, setting them out here according to the requirements of the Charities (Accounts and Reports) Regulations 2008. This year, in addition to the traditional challenges faced by the humanitarian sector, the advent of Covid-19 required us to adapt existing risk mapping and risk management quickly in order to better anticipate disruptions and mitigate previously unforeseen threats to our work.

Before Covid-19, Ethar Relief was already an established operator in some of the world's most sensitive and volatile regions. The challenges faced on the ground are often exacerbated by uncertainty, conflict, hardship, poor infrastructure, natural disasters, and various additional problems faced by communities suffering from extreme poverty. As such, we hold a comprehensive risk register which is in constant review.

## Risk overview

Category	Risk	Mitigation
<b>Compliance &amp; Governance</b>	Lack of investment in Governance, Risks and Compliance (GRC), HR, ICT to meet organisational growth, creating no or poor internal control understanding and behaviour, compliance issues and loss of key funder relationships.	<ol style="list-style-type: none"> <li>1. Risk management training and staff awareness of risks</li> <li>2. Unstaffed GRC department and guidance</li> <li>3. Due Diligence</li> <li>4. Policies and workflows</li> </ol>
<b>Financial Management</b>	Unsustainable business model, reliance on limited income streams. Lack of income generation to sustain organisation (social enterprise / trading / endowment / investments).	<ol style="list-style-type: none"> <li>1. Increase of % PD, decrease in org first year.</li> <li>2. KPIs introduced</li> <li>3. Budget</li> <li>4. Strategy implemented.</li> <li>5. Finance / M&amp;F / Exec / digital strategies.</li> <li>6. Introduction of recovery fund.</li> <li>7. Bringing in Partners processes.</li> <li>8. Compliance and record keeping.</li> <li>9. Appointment of Finance Director</li> </ol>

Category	Risk	Mitigation
<b>Governance</b>	Competency and Capability esp. of the Leadership/Management team.	<ol style="list-style-type: none"> <li>1. Review of roles and responsibilities</li> <li>2. Training</li> <li>3. Appointment of Executive Assistant</li> <li>4. Authority provided to Executives</li> <li>5. Trustee and Executive working relationship</li> <li>6. Direction in area</li> </ol>
<b>External</b>	Adverse, media coverage caused by political or inappropriate media management strategies/behaviours and external scrutiny impacting reputation	<ol style="list-style-type: none"> <li>1. Direction top down</li> <li>2. GRC</li> <li>3. Protocols</li> <li>4. Communications coordinator</li> <li>5. Marketing manual and writing guidance</li> <li>6. Follow mandate of the organisation</li> </ol>
<b>Operational</b>	GDPR compliance and in contravention of data protection legislation. Ethar Trade-mark unprotected.	<ol style="list-style-type: none"> <li>1. Trademark application</li> <li>2. Marketing manual guide</li> <li>3. Suspended insecure services</li> <li>4. Follow protocol set in mandate of organisation</li> </ol>
<b>External</b>	Loss of key suppliers/partners - impacts future relationships resulting in potential loss of key partners / stakeholders, ultimately adversely affecting refugees and people we help.	<ol style="list-style-type: none"> <li>1. Loss of suppliers</li> <li>2. Onboarding process. Contract terms for every partnership/ service.</li> <li>3. Department budgets = Financial management</li> <li>4. Interdepartmental work flows</li> <li>5. Financial records - A/C Payable system</li> </ol>
<b>Integrity</b>	Potential for Safeguarding issues arising.	<ol style="list-style-type: none"> <li>1. Policies in place</li> <li>2. Spot checks on projects</li> <li>3. Policy training and new system in field.</li> </ol>
<b>Operational</b>	Lack of programmes function / strategy / staff capability to apply humanitarian / development programming. Lack of oversight of charitable expenditure of the 'last mile' and 'last stop'.	<ol style="list-style-type: none"> <li>1. On the ground specialists</li> <li>2. More compliance systems</li> <li>3. Introduction of various funds</li> <li>4. Project feedback - paysheets &amp; signature from beneficiaries</li> </ol>

Category	Risk	Mitigation
<b>Integrity</b>	Fraud, corruption and bribery resulting in financial, reputation and legal repercussions. Ethar unable to meet objectives to help beneficiaries.	<ol style="list-style-type: none"> <li>1. Set up processes for field, Finance, Programmes and GRC.</li> <li>2. Audit Complete.</li> <li>3. Finance Director</li> <li>4. Segregation of duties</li> <li>5. Cultural change in saying "No"</li> <li>6. Anti-Money Laundering &amp; Anti-Fraud Policies</li> <li>7. Monitor Expenditure - Execs</li> </ol>
<b>Compliance</b>	Non-compliance with Fundraiser regulator Code, "Charity Commission's charities working internationally" and other key regulations across the organisation	<ol style="list-style-type: none"> <li>1. Policies in place - fundraising regulator</li> <li>2. GRC</li> <li>3. Training</li> <li>4. Head of Fundraising to oversee department</li> </ol>
<b>Financial Management</b>	Low reserves, unrestricted funds stretched diluting ability to help beneficiaries. Fluctuation of FX rates / transfers impacted. Lack of treasury function to manage funds volatility.	<ol style="list-style-type: none"> <li>1. Foreign exchange strategy</li> <li>2. Looking into cryptocurrency</li> <li>3. Introduction of Recovery fund</li> <li>4. Business Impact Report</li> <li>5. Utilise reputable MSB e.g. Rational FX - FCA Compliant</li> </ol>

# Statement of Trustees' responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the

financial statements; and

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 28 October 2021 and signed on its behalf by:

**Mr Abdulkader A. Naib - Chairman / Trustee**



## Report of the independent auditors to the Trustees of Eritrea and the Horn of Africa Relief

### Opinion

We have audited the financial statements of Eritrea and the Horn of Africa Relief (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively,

may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained

in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable

assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Shareef & Co**

Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

18 - 22 Stoney Lane

Yardley

Birmingham

West Midlands

B25 8YP

**28 October 2021**

ERITREA AND THE HORN OF AFRICA RELIEF  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds	Restricted funds	Endowment funds	Total funds
		£	£	£	2020 £
<b>INCOME FROM</b>					
Appeals and donations	2	1,075,414	1,714,724	-	2,790,138
Charitable activities	3	-	965,246	-	965,246
Investments	4	47	-	-	47
<b>TOTAL INCOME</b>		<b>1,075,461</b>	<b>2,679,970</b>	<b>-</b>	<b>3,755,431</b>
<b>EXPENDITURE ON</b>					
Raising funds	5	411,346	-	-	411,346
Charitable activities	6	563,048	1,922,741	-	2,485,789
Total resources expended		<b>974,394</b>	<b>1,922,741</b>	<b>-</b>	<b>2,897,135</b>
Net incoming/(outgoing) resources for the year		<b>101,067</b>	<b>757,229</b>	<b>-</b>	<b>858,296</b>
Total funds brought forward		152,820	32,107	549	185,476
Transfer between funds		(49,170)	49,170	-	
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>204,717</b>	<b>838,506</b>	<b>549</b>	<b>1,043,772</b>

All the above results derived from continuing activities. There are no recognised gains and losses other than those stated above. The notes on the pages below form an integral part of these financial statements.

ERITREA AND THE HORN OF AFRICA RELIEF  
COMPARATIVE YEAR 2019 STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted funds	Restricted Funds	Endowment funds	Total funds
		£	£	£	2019 £
<b>INCOME FROM</b>					
Appeals and donations	2	745,387	832,504	-	1,577,891
Charitable activities	3	-	901,728	-	901,728
Investments	4	77	-	-	77
<b>TOTAL INCOME</b>		<b>745,464</b>	<b>1,734,232</b>	<b>-</b>	<b>2,479,696</b>
<b>EXPENDITURE ON</b>					
Raising funds	5	473,426	103,065	-	576,491
Charitable activities	6	376,612	1,630,580	-	2,007,192
Total resources expended		<b>850,038</b>	<b>1,733,645</b>	<b>-</b>	<b>2,583,683</b>
Net incoming/(outgoing) resources for the year		(104,574)	587	-	(103,987)
Total funds brought forward		257,394	31,520	549	289,463
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>152,820</b>	<b>32,107</b>	<b>549</b>	<b>185,476</b>

All the above results derived from continuing activities. There are no recognised gains and losses other than those stated above. The notes on the pages below form an integral part of these financial statements.

**ERITREA AND THE HORN OF AFRICA RELIEF**  
BALANCE SHEET 31 DECEMBER 2020

	Note	2020	2019
		£	£
<b>FIXED ASSETS</b>	12		
Tangible assets		12,134	13,519
<b>Total fixed assets</b>		<b>12,134</b>	<b>13,519</b>
<b>CURRENT ASSETS:</b>	13		
Debtors		127,693	12,569
Cash at bank and in hand		1,014,241	169,911
<b>Total current assets</b>		<b>1,141,934</b>	<b>182,480</b>
<b>Creditors:</b>			
Amounts falling due within one year	14	110,296	10,523
<b>Total current liabilities</b>		<b>110,296</b>	<b>10,523</b>
<b>NET CURRENT ASSETS</b>		<b>1,031,638</b>	<b>171,957</b>
<b>NET ASSETS</b>		<b>1,043,772</b>	<b>185,476</b>
<b>THE FUNDS OF THE CHARITY</b>			
Unrestricted funds		204,717	152,820
Restricted funds		838,506	32,107
Endowment funds		549	549
<b>TOTAL FUNDS</b>		<b>1,043,772</b>	<b>185,476</b>

The financial statements were approved by the Board of Trustees and authorised for issue on 28 October 2021 and were signed on its behalf by:



Mr Abdulkadir A. Naib - Trustee

**ERITREA AND THE HORN OF AFRICA RELIEF**  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020	2019
		£	£
<b>Cash flows from operating activities:</b>			
Cash generated from operations	11	850,458	(104,141)
<b>Net cash (used in)/provided by operating activities</b>		<b>850,458</b>	<b>(104,141)</b>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(6,174)	0
Interest received		47	77
<b>Net cash provided by (used in) investing activities</b>		<b>(6,128)</b>	<b>77</b>
Change in cash and cash equivalents in the reporting period		844,330	(104,064)
Cash and cash equivalents at the beginning of the reporting period		169,911	273,975
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>1,014,241</b>	<b>169,911</b>

**ERITREA AND THE HORN OF AFRICA RELIEF**  
 RECONCILIATION OF NET INCOME/(EXPENDITURE)  
 TO NET CASH FLOW FROM OPERATION ACTIVITIES:

**A. RECONCILIATION OF CASH FLOW FROM OPERATION ACTIVITIES:**

	2020	2019
	£	£
Net income/ Expenditure for the reporting period (as per the Statement of Financial Activities)	858,296	(103,987)
Adjustments for:		
Depreciation charge	7,560	3,419
Interest received	(47)	(77)
Increase in Debtors	(115,124)	(6,569)
Increase/ (decrease) in creditors	99,773	3,073
	<b>850,458</b>	<b>(104,141)</b>

**B. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2020	2019
	£	£
Cash at bank and in hand in the UK	<b>1,014,241</b>	<b>169,911</b>

The notes form part of these financial statements

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## Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

### Basis of preparation of the accounts

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Section IA of FRS102 and Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The charity has taken advantage of the exemption from the requirement to produce a cash flow statement.

The charity meets the definition of a public entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction unless otherwise stated in the relevant accounting policy note.

### Preparation of the accounts on a going concern basis

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern.

There were no key judgements made by the trustees which have a significant effect on the accounts. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next accounting period.

### Income

Income is recognised where the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

### Expenditure and irrevocable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities, includes the costs undertaken to further the purposes of the charity and their associated costs.

- Raising funds, where the charity incurs costs of fundraising
- Support costs of activities for charitable purposes comprising any costs including salary costs of any staff that are involved with supporting the charitable activities.
- Governance costs shall include all expenditure directly incurred in the management of the charity's assets and compliance with charitable and statutory requirements.

The methods and principles for the allocation and apportionment of all costs between the different activity categories of resources set out above are:-

There are a number of costs, where it is impracticable to allocate these costs precisely between administration and charitable expenditure and the trustees have allocated such costs on the basis of reasonable estimates as follows: On the basis of salary costs and estimated time spent on different activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at costs and depreciated over their estimated useful economic life on a straight-line basis. The charity has not acquired any assets over the

capitalisation cost of £500 in the current year or prior year.

- |   |     |
|---|-----|
| • Computer and Software                             | 25% |
| • Furniture and office equipment                    | 10% |
| • Buildings   | 5%  |
| • Leasehold improvements over the life of the lease |     |

### Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments in short term deposit accounts.

### Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and Provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

### Taxation

The charity meets the criteria and tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK taxation purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992. No corporation tax liability arises in the accounts.

### Funds Accounting

Funds held by the charity are:  
Restricted funds – these are funds which are subject to specific conditions imposed by the donors or when funds are raised for a particular restricted purpose. The Charity at present holds no restricted funds.  
Unrestricted funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

ERITREA AND THE HORN OF AFRICA RELIEF  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2020

1. INCOME FROM DONATIONS AND LEGACIES	Unrestricted	Restricted	Total funds	Total funds
	Funds 2020	Funds 2020	2020	2019
			£	£
<b>2. GENERAL</b>				
Appeals and donations	1,075,414	1,714,724	2,790,138	1,577,891
<b>TOTAL DONATIONS AND LEGACIES</b>	<b>1,075,414</b>	<b>1,714,724</b>	<b>2,790,138</b>	<b>1,577,891</b>
<b>3. INCOME FROM CHARITABLE ACTIVITIES</b>				
Al-Khair Foundation	-	9,789	9,789	5,500
Amana Dar Al-Khair	-	12,687	12,687	6,435
Ar-Rahmah Trust	-	4,000	4,000	-
Canadian Eritrean Youth Development	-	64,452	64,452	-
Charity Right	-	500,708	500,708	653,464
Human Aid	-	30,947	30,947	-
International Waqf And Relief Foundation	-	4,000	4,000	-
Islamic Help	-	7,700	7,700	-
GLM Task Force	-	111,600	111,600	50,000
Pen O Paper	-	11,771	11,771	29,326
RefuCare	-	4,659	4,659	-
UK Islamic Mission	-	41,100	41,100	-
Ummah Welfare Trust	-	-	-	157,002
We Help Foundation	-	130,000	130,000	-
World Helping Initial Project Support Organisation (WHIPSO)	-	31,833	31,833	-
<b>TOTAL INCOME FROM CHARITABLE ACTIVITIES</b>	<b>-</b>	<b>965,246</b>	<b>965,246</b>	<b>901,728</b>

4. INVESTMENT INCOME

	2020	2019
	£	£
Profit generated on Bank deposits	47	77
<b>Total</b>	<b>47</b>	<b>77</b>

5. EXPENDITURE ON RAISING FUNDS

	2020	2019
	£	£
Fundraising and marketing costs	298,375	573,191
Support costs	112,971	-
<b>Total</b>	<b>411,346</b>	<b>573,191</b>

6. CHARITABLE ACTIVITIES

	Grants Payable	Support Costs	Total	Total
	2020	2020	2020	2019
	£	£	£	£
Humanitarian emergency relief	730,301	27,606	757,907	613,432
Food Insecurity	1,206,356	45,444	1,251,800	1,009,822
Education	195,073	7,349	202,422	163,293
Health Care	62,647	2,355	65,002	52,323
Child and Orphan Welfare	194,668	7,333	202,001	162,953
Water & Sanitation	6,415	242	6,656	5,369
Total	2,395,460	90,329	<b>2,485,789</b>	2,007,192

7. GRANTS TO PARTNER ORGANISATIONS

	2020
	£
<b>Djibouti Projects</b>	
Sanabil Al-khayr Association	<b>66,473</b>
<b>Ethiopia Projects</b>	
Sanabil Al-khayr Association	<b>29,617</b>
<b>Sudan Projects</b>	
Welfare and Development Charity Organisation	<b>1,531,664</b>
Sudan Commission of Refugees	<b>141,999</b>
<b>Yemen Projects</b>	
Ard Al Sedq Association	<b>255,785</b>
<b>TOTAL GRANTS</b>	<b>2,025,538</b>

## 8. ANALYSIS OF SUPPORT COSTS

	Office costs	Finance costs	IT costs	HR costs	Governance Costs	Total
	2020	2020	2020	2020	2020	2020
	£	£	£	£	£	£
<b>Charitable Activities</b>						
Humanitarian emergency relief	4,370	13,691	1,933	95	7,517	27,606
Food Insecurity	7,194	22,537	3,182	156	12,375	45,444
Education	1,163	3,645	514	25	2,001	7,348
Health Care	373	1,168	165	8	641	2,355
Child and Orphan Welfare	1,161	3,637	513	25	1,997	7,333
Water & Sanitation	38	120	17	2	66	243
	<b>14,299</b>	<b>44,798</b>	<b>6,324</b>	<b>311</b>	<b>24,597</b>	<b>90,329</b>
<b>Raising Funds</b>	19,065	52,265	8,432	413	32,796	<b>112,971</b>
<b>TOTAL</b>	<b>33,364</b>	<b>97,063</b>	<b>14,756</b>	<b>724</b>	<b>57,393</b>	<b>203,300</b>

Support costs are apportioned proportionally to activity. Any overseas office costs have been directly attributed to the costs of delivering charitable activities in the country.

## 9.

### TRUSTEES' REMUNERATION AND BENEFITS

Neither the trustees nor any persons connected with them have received any remuneration during the current or preceding year.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the period ended 31 December 2019.

## 10. EMPLOYEES

	2020	2019
	£	£
<b>TOTAL STAFF COSTS</b>	<b>416,677</b>	273,859
Wages and Salaries	<b>391,303</b>	255,495
Social Security	<b>17,001</b>	15,711
Pensions	<b>8,373</b>	2,653

The key management of the charity is comprised of the Chief Executive, COO, Head of Finance, Head of Programmes, Head of Marketing and Head of Fundraising. The total employee benefits paid to these individuals (including employer's pension and national insurance was £170,965 (2019: £135,300).

	2020	2019
	£	£
Employees with remuneration more than £60,000	Nil	Nil

**THE AVERAGE NUMBER OF EMPLOYEES DURING THE YEAR ANALYSED BY FUNCTION**

	2020	2019
	No:	No:
UK Staff	18	17
Fundraising and Marketing	7	7
Programmes Support	6	6
Management and administration	5	4
	<b>18</b>	<b>17</b>
The average monthly number of employees during the year was as follows:		
<b>Full time staff</b>	<b>10</b>	<b>8</b>
- Fundraising and Marketing	4	3
- Programmes Support	3	3
- Management and administration of the charity	3	2
<b>Part time staff</b>	<b>8</b>	<b>9</b>
- Fundraising and Marketing	3	4
- Programmes Support	3	3
- Management and administration of the charity	2	2
<b>TOTAL</b>	<b>18</b>	<b>17</b>

**12. TANGIBLE FIXED ASSETS**

	Leasehold Improvements	Computer Equipment	Office Equipment	Total
	£	£	£	£
Cost	4,951	8,472	9,782	23,205
Additions	-	4,194	1,980	6,174
At 31 December 2020	4,951	12,666	11,762	<b>29,379</b>
<b>DEPRECIATION</b>				
At 1 January 2020	303	1,956	7,427	9,686
Charge for year	990	3,907	2,662	7,559
At 31 December 2020	1,293	5,863	10,089	<b>17,245</b>
<b>NET BOOK VALUE</b>				
At 31 December 2020	3,658	6,803	1,673	<b>12,134</b>
At 31 December 2019	4,648	6,516	2,355	<b>13,519</b>

13. DEBTORS	2020	2019
	£	£
Trade debtors	105,798	12,569
Other debtors	15,895	-
Prepayments	6,000	-
	<b>127,693</b>	12,569

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020	2019
	£	£
Deferred income	102,155	-
Other creditors and accruals	8,141	10,523
	<b>110,296</b>	10,523

	2020	2019
	£	£
New grant obligations	102,155	-
As at 31 December	102,155	-

15. PROVISION FOR LIABILITIES AND CHARGES	2020	2019
	£	£
As at 1 January	4,486	-
As at 31 December	8,141	4,486

16. MOVEMENT IN FUNDS	1 January 2020	Income	Expenditure	Transfers	31 December 2020
	£	£	£	£	£
Humanitarian	4,302	318,300	257,582		65,020
Food Insecurity	20,146	1,464,701	1,206,355		278,492
Education	3,258	142,646	195,074	49,170	-
Health Care	1,044	104,850	62,647		43,247
Child and Orphan Welfare	3,251	410,028	194,668		218,611
Water & Sanitation	106	239,445	6,415		233,136
	<b>32,107</b>	<b>2,679,970</b>	<b>1,922,741</b>	<b>49,170</b>	<b>838,506</b>
Movement on restricted funds	152,820	1,075,461	974,394	(49,170)	204,717
General funds					
Movement in unrestricted funds	<b>152,820</b>	1,075,461	974,394		<b>204,717</b>
	<b>549</b>	-	-		<b>549</b>
Endowment funds					
<b>Total movement on reserves</b>	<b>185,476</b>	<b>3,755,431</b>	<b>2,897,135</b>		<b>1,043,772</b>

COMPARATIVES FOR MOVEMENT IN FUNDS

MOVEMENT IN FUNDS	At 1 January 2019 £	Income £	Expenditure £	At 31 December 2019 £
Humanitarian emergency relief	4,223	232,346	232,267	4,302
Food Insecurity	19,778	1,088,163	1,087,795	20,146
Education	3,198	175,961	175,902	3,257
Health Care	1,025	56,382	56,363	1,044
Child and Orphan Welfare	3,191	175,595	175,535	3,251
Water & Sanitation	105	5,785	5,783	107
<b>Movement on restricted funds</b>	<b>31,520</b>	<b>1,734,232</b>	<b>1,733,645</b>	<b>32,107</b>
General funds	257,394	745,464	850,038	152,820
<b>Movement in unrestricted funds</b>	<b>257,394</b>	<b>745,464</b>	<b>850,038</b>	<b>152,820</b>
Endowment funds	549	-	-	549
<b>TOTAL MOVEMENT ON RESERVES</b>	<b>289,463</b>	<b>2,479,696</b>	<b>2,583,683</b>	<b>185,476</b>

17. NET ASSETS ANALYSIS

	Unrestricted Funds £	Restricted Fund £	Endowment Fund £	2020 Total Funds £
<b>Funds balances as at 31 December 2020</b>	£	£	£	£
<b>Fixed Assets</b>	12,134	-	-	<b>12,134</b>
<b>Current assets</b>	200,724	940,661	549	<b>1,141,934</b>
<b>Current liabilities</b>	(8,141)	(102,155)	-	<b>(110,296)</b>
	204,717	838,506	549	<b>1,043,772</b>
	<b>Unrestricted Funds £</b>	<b>Restricted Fund £</b>	<b>Endowment Fund £</b>	<b>2019 Total Funds £</b>
<b>Funds balances as at 31 December 2019</b>	£	£	£	£
<b>Fixed Assets</b>	13,519	-	-	<b>13,519</b>
<b>Current assets</b>	149,824	32,107	549	<b>182,480</b>
<b>Current liabilities</b>	(10,523)	-	-	<b>(10,523)</b>
	152,820	32,107	549	<b>185,476</b>

**18. CONSTITUTION**

The charity is constituted as a trust. The charity is transitioning from a trust to a Charitable Incorporated Organisation in 2021. All assets and liabilities will be transferred to the new CIO (Charity number: 1169308) as of July 2021.

**19. COMMITMENTS: OPERATING LEASES**

As at 31 December 2020 the charity has the following commitments under non-cancellable operating leases

	Equipment	Property	2020 Total	2019 Total
	£	£	£	£
Between one and five years	443	24,000	24,443	24,443
	443	24,000	24,443	24,443

**20. RELATED PARTY TRANSACTIONS**

There were no related party transactions between Ethar Relief and its trustees/management team. As such, paid £Nil consultancy/management nor any other services to company/persons connected to the trustees / senior management team (2019: £Nil).

**21. PENSION COSTS**

As at 31 December 2020 the charity operated one defined contribution scheme, provided by The National Employment Saving Trust (NEST). The charity paid contributions at a rate of 7% of employee salaries during the period.

The pension cost included in the Statement of Financial Activities was £8,373 (2019: £2,653)

**22. LEGACIES**

There were no legacies during the period (2019: £Nil)

**23. CAPITAL COMMITMENTS**

There were no capital commitments outstanding as at 31 December 2020 (2019: £Nil)

**24. POST BALANCE SHEET EVENTS**

The charity is transitioning from a trust to a CIO (as per note 18). The charity continues to monitor and realign its activities as a result of the ongoing Covid-19 pandemic. The trustees and management team are managing the impact as detailed in the Going Concern statement; there have been no material changes to activity since the balance sheet date.





#### **Head Office**

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