



Annual Report

& FINANCIAL STATEMENTS

January 2018 - December 2018



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Chairman & CEO Message

Every annual report is a reminder to ourselves. It is a reminder of our purpose, and a chance to reflect on what we are doing, why we are doing it, and where we are heading. It is a chance to refocus on the most important things: the people we serve, and the projects that bring improvements to their lives. We are gatekeepers for this unique and brilliant organisation, and renew our commitment to work tirelessly for its success. This is done not just by increasing the intensity of our efforts, but by working smarter and more strategically, and implementing the best ideas and best practice.

Dear Supporter,

It pleases us greatly to introduce this annual report for 2018, which in fact represents a new phase in the development of Ethar Relief. This year has been very eventful and productive, and has seen Ethar break new ground in its activities, reach, and structure. Our work to improve collectively as an organisation is reflected in the outcomes and impacts of our projects, and has made us respond more dynamically to changes and challenges when they have occurred.

This year, in addition to emergency aid, we have focussed on bringing long-term, ongoing stability to refugee communities. We are maturing year by year as an organisation - and although aid will always be our first response, we are also well established to engage in development projects that will improve the overall conditions for refugees and deprived people living in the Horn of Africa. These include a variety of education, training, women development and sponsorship programmes designed to transition a whole generation of refugees and marginalised people into mainstream life.

Our main stakeholders in everything we do are the refugees and disadvantaged people themselves. In the process of refining and improving our projects reflectively, we have worked hard to promote ownership and decision-making among the communities we serve. Our programmes are based upon listening and responding to research, data, and most importantly the voices of refugees and deprived communities to determine what best meets their needs.

Over the past year we have overcome different challenges and situations – whether it be infrastructure issues following natural disasters, outbreaks of disease, or sudden increases in numbers

of displaced people and refugees. This has required fast, dynamic responses that have challenged our collective skills and abilities.

Throughout this time, the enormous contribution of our staff, volunteers, partners and supporters must be celebrated and appreciated. None of the progress, targets, and milestones could have been achieved without the collective determination of these amazing people. Their efforts have come together to bring another ground-breaking year of success and positive achievement, reflected in the improvement and preservation of many precious lives.

Furthermore, their role in increasing awareness and advocating for refugee issues is just as important as their contribution to aid and development projects. Our staff, volunteers, supporters and partners are always willing to go the extra mile for the benefit of those we serve – reflected in our best ever Ramadan and Qurbani responses this year.

We ask you to continue remembering the forgotten refugees suffering in Sudan, Yemen, Djibouti, Somalia, and all around the world.

Onwards, with firm commitment and resolve, to 2019. There is more work to do.

In light and peace,



Abdulkadir A. Naib
Chair of the Board



Sultan Omar
Executive Director

Where We Operate

Eritrea is one of the largest refugee producing countries in the world. In 2017, UNHCR statistics showed that there were more than half a million forcibly displaced refugees from Eritrea in refugee camps across the world. This number continues to grow daily.

Source: United Nations High Commissioner for Refugees, "Global Trends: Forced Displacement 2017."

Ethar Relief delivered aid and development projects in the following locations in 2018:



SUDAN

- Shagrab refugee camp
- UmGargoor refugee camp
- Kassala
- South Toker
- Port Sudan
- Khartoum
- ALGirba
- Wadi Sharifai



YEMEN

- Alkhokha refugee camp
- Kharaz refugee camp
- Hudaïda
- Sanaa
- Adan



DJIBOUTI

- Djibouti town
- Erta
- Abakh



SOMALIA

- Mogadishu



Challenges

Shagrab refugee camp in Sudan is a prime example of the conditions awaiting refugees fleeing conflict and unrest. Currently, it is the main camp receiving refugees escaping persecution in neighbouring Eritrea. As of 2018, it is home to approximately 50,000 displaced people.

Every day, at least 30-40 more people arrive at this already heavily crowded camp. The worst kinds of humanitarian conditions exist here, with little or no provision for food, water, healthcare and security.

The majority of people living in this camp receive little or no support to meet even basic human needs. On average, people will tend to eat on 2 out of the 7 days in a week. Medicine, clean water, and shelter are luxuries unavailable to most inhabitants.

Every year, thousands of (mainly young) people risk everything to escape from the horrors of this camp. People-traffickers take advantage of them and smuggle them across the Sahara desert, or through Libya and onwards in boats towards Europe. Many of those who take these trips die before reaching a safe destination.

In the past decade, Eritrean refugees have been among the top migrant groups attempting mass travel into Europe (along with Syrians, Yemenis, Iraqis and Afghans).

Source: The World Post (Huffington Post)

By 2017, Eritrea was second only to Afghanistan in producing the world's highest number of unaccompanied refugee children.

Source: United Nations High Commissioner for Refugees, "Global Trends: Forced Displacement 2017."

Projects

1. Emergency Aid
2. Food
3. Medicine & Clean Water
4. Ramadan & Qurbani
5. Development
6. Education & Skills
7. Orphans

Emergency aid

Emergency responses still form a large part of Ethar's operations. Conditions in refugee camps and surrounding areas continue to deteriorate, and the situation is exacerbated by external factors such as natural disasters and increases in refugee numbers.

The reprioritisation of funding and aid by the international community is also a significant problem, as other conflicts and disasters take attention and precedence, ultimately reducing the overall resources available. Hence, a great deal of our work involves raising awareness and increasing the profile of refugees in the region.

This section summarises the emergency and essential aid projects carried out in 2018, including food aid, clean water provision, and medical care.



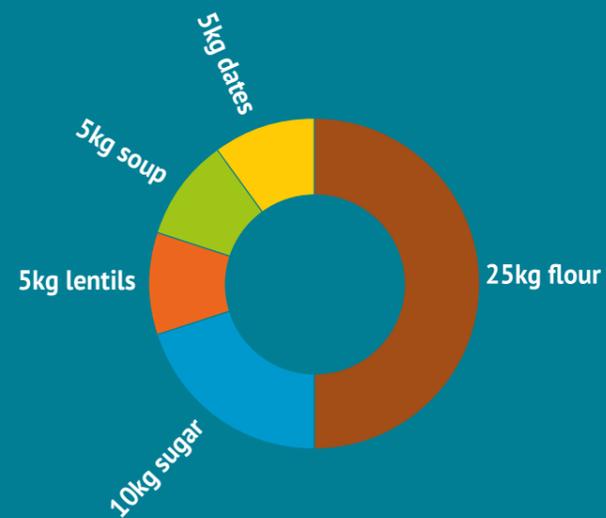


Food

1,000 families are being supported with regular food parcels across Sudan and Yemen. This includes all the food and nutrition items required for a family with children to eat and maintain health. The Family Feeding programme delivers food parcels directly to the doors of the most vulnerable people within refugee camps.

Additionally, food parcels were distributed during peak demand periods to thousands of refugees in camps, including Shagrab and UmGargoor in Sudan, and Kharaz and AlKhokha in Yemen.

What is inside a Food Pack?



4.5 litres
Oil

200g
Juice Concentrate

The food pack ingredients are chosen for their regional availability in bulk, and are designed to cover essential basics for survival and nutrition such as carbohydrates, fibre, and glucose.

This can feed 5 people for a month.



Medicine & Clean Water

Ethar Relief continues to maintain a network of existing clean water wells. This year we added 2 large wells and 6 community water pumps in South Toker (Sudan), and 3 wells in Kassala (Sudan) and 4 wells in Djibouti. Our wells are placed strategically in areas of maximum access and impact. Clean water represents one of the biggest health improvements for refugee communities, in conjunction with our regular health and sanitation education outreach programmes.

Ethar also distributed medical aid, including mosquito nets, water purification tablets, basic medicines, and household essentials such

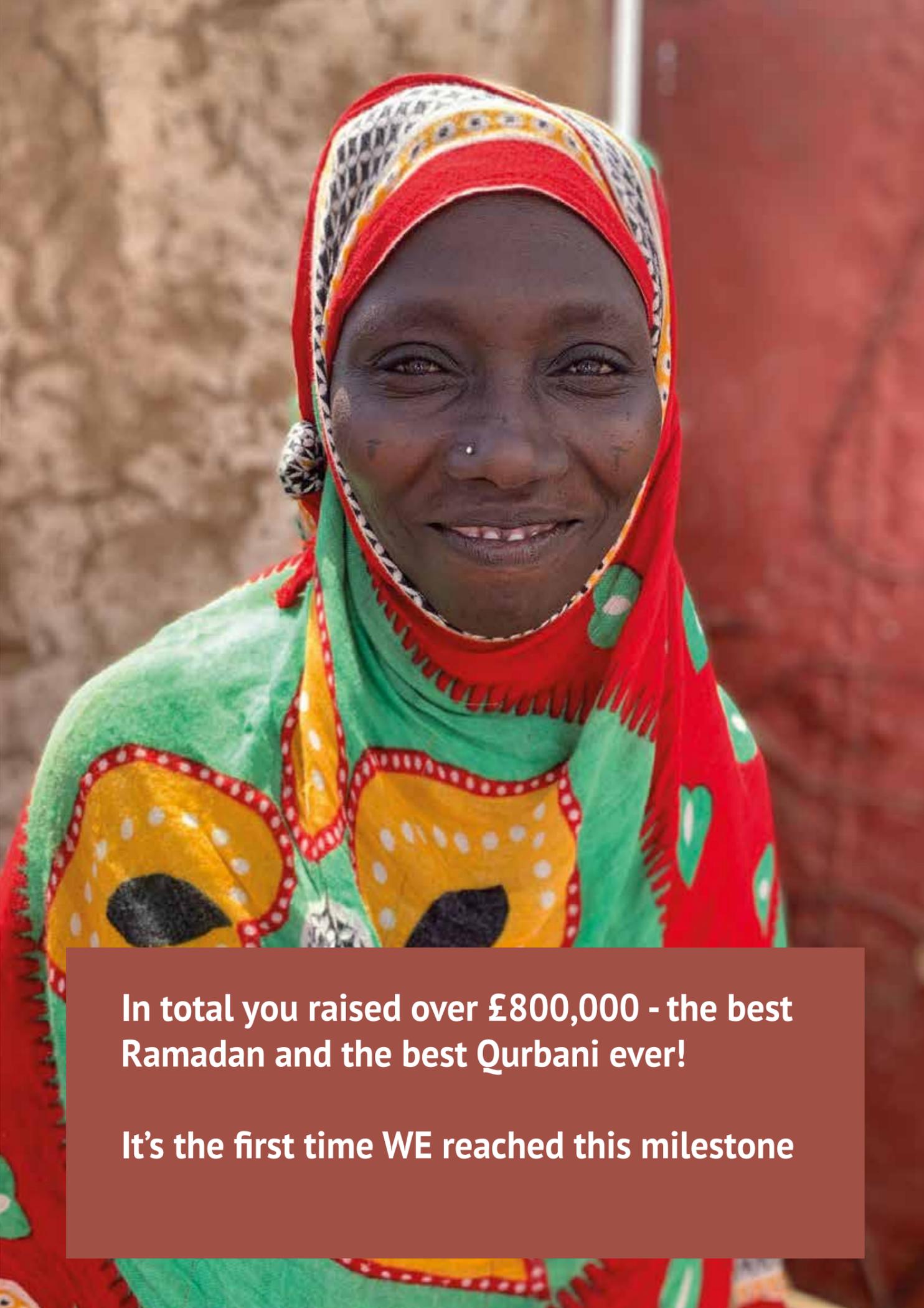
as drinking containers. Where refugees were stranded by infrastructure issues, distance, or natural disaster, Ethar arranged for water distribution directly to their homes using clean water containers.

Throughout the year there were several campaigns promoting health and wellbeing. For example, in UmGargoor refugee camp, Ethar arranged for disinfectant spraying of the whole area to prevent further disease outbreak, and also restocked the struggling local hospital. In Kassala and Shagrab, Ethar Relief built several respite shelters for homeless refugees. In Kharaz, AlKhokha, Sanaa and Hodaidah, Ethar Relief increased its clean water and food distributions when ceasefires were announced.



Ramadan and Dhul Hijjah are special times for refugees, and also for Ethar's supporters around the world. Our campaigns to provide aid and raise awareness of refugee issues always receive unprecedented support during these periods.

What we did with your donations this
Ramadan & Dhul Hijjah 2018 (1439 AH)



**In total you raised over £800,000 - the best
Ramadan and the best Qurbani ever!**

It's the first time WE reached this milestone

What can we say – we're truly inspired by your huge support, generosity and positive actions during the holy months of Ramadan and Dhul Hijjah.

The support you given us, and the forgotten refugees, was record-breaking. You have contributed to alleviate suffering and changing lives on an unprecedented scale.

Just saying thank you doesn't cover how we feel about your amazing support. As we distribute your donations through our ongoing projects, we see the good that's being done and the joy you're bringing to the forgotten people. Words cannot describe it.

What's amazing this year is that most of the donations came from individuals, rather than organisations or special funds. This is a testament to our amazing supporters and volunteers, who constantly raise awareness and develop love and connection for the forgotten refugees, in the hearts of people.

However, beyond the celebration of this achievement is also the solemn realisation of the scale of the humanitarian crisis in East Africa and Yemen. Every day we remind ourselves why we've been raising money, what we must do with it, and who it needs to be spent on.

Every year we update you on how much we raised and what we're doing with that money. It's a reminder for us and a huge motivation for the future.

Together, we will keep giving, keep working, and we'll always remember the forgotten.



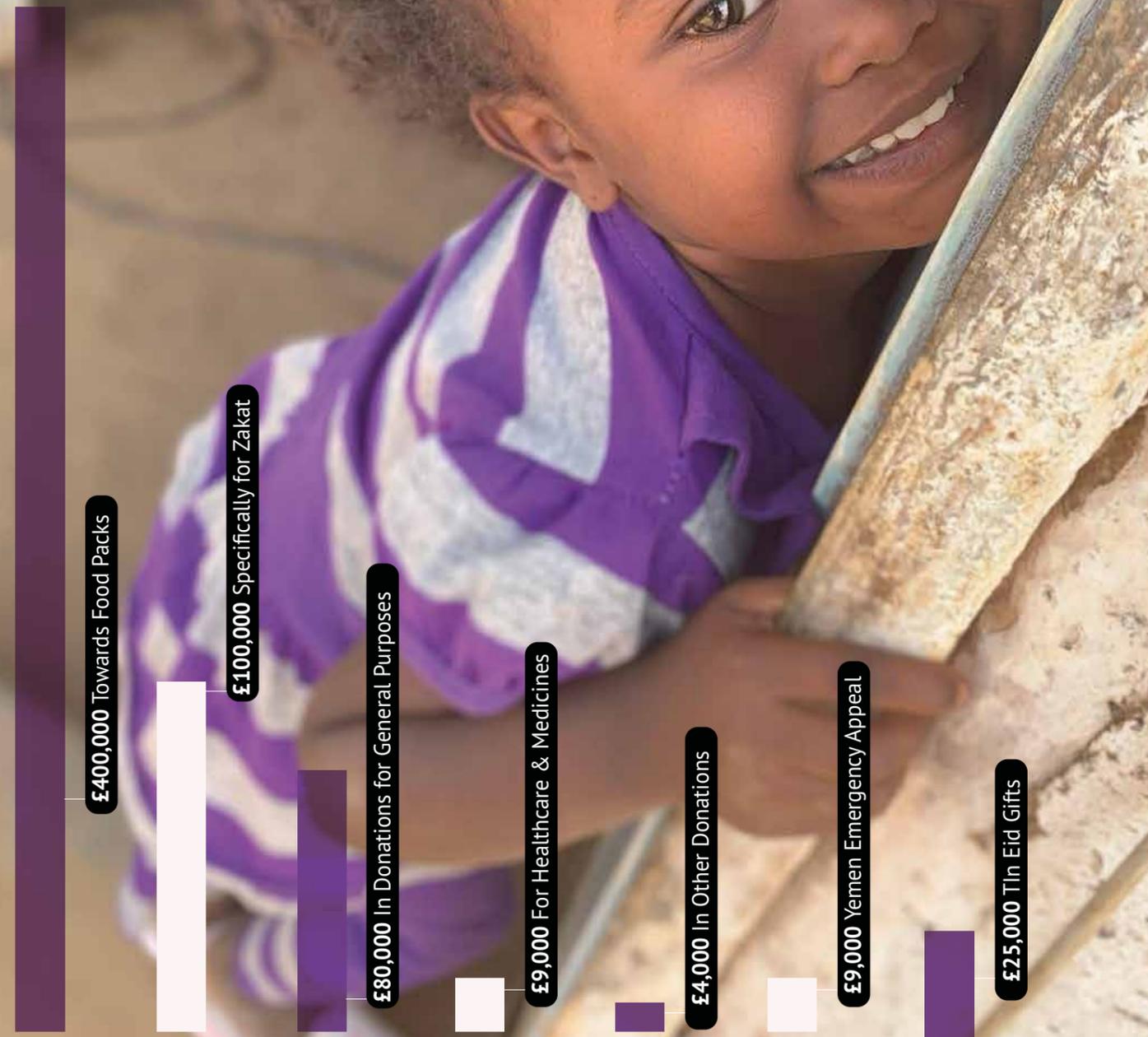
What you donated

In total we raised **£800,000** in Ramadan & Qurbani - breaking all previous records!

This includes more than:

Ramadan Donations Breakdown

45% Individuals **55%** Organisations



What We Did

12,000

Distributed more than **12,000** food packs in Sudan, Yemen, Djibouti and Somalia.

70,000

Directly fed more than **70,000** refugees with food packs.

30,000

Provided iftar and hot meals daily to over 30,000 people across all the refugee camps

£50,000

Distributed over **£50,000** zakat-mal and zakat-ul-fitr to over **15,000** people in need across all locations,.

2,000

Presented Eid Gifts to over 2,000 orphans and needy children in Yemen & Sudan.

Provided medical supplies and healthcare across the camps, including cataract removals, mosquito nets, distributing wheelchairs to disabled refugees, arranging minor operations and procedures.

Orphan sponsorship also increased significantly during Ramadan!

This Dhul Hijjah you again broke the record for the amount raised for Qurbani distribution – over £125,000 during the Hajj period.

Your sacrifices were given to refugees in Yemen, Sudan, and Djibouti.

Qurbani
أضحية 

In total this amounted to:



227 Cows



510 Sheep

Qurbani is very important not only because of the great reward and blessing associated with the sacrifice – it's also because meat and high quality nutrition is severely lacking in refugee diets.

The people who received your Qurbani needed and relied upon that meat, and their prayers for the donors are an invaluable benefit of our work.

...which, most importantly, fed

44,390 people!

Who we reached

This year, we were active in more places than ever. Your donations made a huge difference to the lives of people in the following locations:



Sudan



Yemen



Djibouti



Somalia

How much was spent

70%

Of what you donated was spent in the month of Ramadan on Food Packs, Iftar and hot meals, Zakat Mal, Fitrana and Eid Gifts.

30%

of remaining funds were be deployed throughout the year on projects such as water, education and health.

RefugeeCamp Factsheet

Where does Ethar operate, and in what kind of environment do the forgotten refugees live?

We mention the “forgotten refugees” a lot. They are considered forgotten because their plight has been ongoing for more than half a century in some cases, and the international community has forgotten about them or re-prioritised support away from them when new crises and conflicts occurred in the world.

Right now, in places such as the border of East Sudan and Eritrea, there are hundreds of thousands of people languishing in refugee camps, who face an existence only within its confines. In many cases they were born there, will live and die there, and their families and children will do the same.

Shagrab: The Biggest Example

Shagrab refugee camp in Sudan is currently the main camp receiving refugees fleeing persecution in neighbouring Eritrea. It is home to approximately 50,000 displaced people.

Every day, 30-40 more people arrive at this already heavily crowded camp. The worst kinds of humanitarian conditions exist here, with little or no provision for food, water, healthcare and security.

The majority of people living in this camp receive little or no support to meet even basic human needs. On average, people will tend to eat on 2 out of the 7 days in a week.

Every year, thousands of (mainly young) people risk everything to escape from the horrors of this camp. People-traffickers take advantage of them and smuggle them across the Sahara Desert, or through Libya and onwards in boats towards Europe. As you'll have seen from news reports, many of those who take these trips die before reaching a safe destination.



Projects & People

Spotlight:

How do we decide what's needed, and how do we distribute your donations? Here's an example of food distribution during Ramadan.

This year, a few weeks before Ramadan began, our Chief Executive Officer Sultan Omar and our Chief Operations Officer Saeed AbdelRahman visited the refugee camps in East Sudan and the surrounding region. They went to distribute aid, but also to take stock of what was needed most urgently in the camps and listen to the voices of refugees.

They met with heads and representatives of the refugees, and also talked to refugees living in a wide variety of locations and conditions about their needs and concerns. Their report formed the basis of our campaign this Ramadan – we asked you to donate towards what was most needed in the camps.

Once Ramadan began, we started to see your overwhelming response to our appeal for donations. We were able to place orders for food supplies from the nearest large cities to the refugee camps (such as Kassala in East Sudan), and our local staff prepared the supplies into packs ready for deployment.

Our CEO Sultan Omar travelled out to the camps in time for Ramadan, accompanied by a delegation of volunteers from among the donors and supporters of Ethar. As he does every year, Mr Sultan personally supervised the first batch of distribution of food packs to refugees on the ground, supporting our permanent team of local staff.

The accompanying group of donors had the opportunity to help out, and see how the distribution works. Whilst they witnessed the smiles of joy on the faces of the people, they also saw the extent of the humanitarian crisis in the region, and saw how many people were unreachable and couldn't be helped on that occasion.

The bitter sweet experience encouraged our team and made everyone more determined to work harder and raise more money and awareness upon return to the UK.

Want to be involved next time?
Contact us on 0121 309 0230 or fill our volunteering form at <http://etharrelief.org/getinvolved/volunteer/>



Development

Ethar Relief recognises that the refugee communities in Sudan, Yemen and surrounding regions are well established in the camps, and in the case of most inhabitants, people have very little opportunity to move on. Owing to the length of time that some conflicts have endured, many people are born, live, and die in these refugee camps.

In addition to providing emergency relief and disaster response, Ethar also develops projects that support the refugee community holistically and improve quality of life within the camps, giving refugees opportunities to progress safely into a life outside the camps. These initiatives range from infrastructure projects e.g. building schools, community spaces, mosques and medical centres, to programmes providing education, training and skills within viable fields.

Education & Skills

Gaining a good education to a reasonable standard is one of the only legitimate ways of progressing away from the refugee camps. A qualification or skill is essential in finding employment and earning a living in surrounding towns and cities, and one refugee with a secure job can provide a stable life for an entire family, lifting them out of poverty.

Ethar Relief is directly supporting the running of 44 schools across Sudan, Yemen, and Djibouti. In addition to this, Ethar sponsors 140 teachers, ensuring that good quality teaching staff continue to be incentivised to stay in teaching as a career, benefiting the next generation of school children.

School dropout is also a significant issue, and we have encouraged more than 13,000 children to remain in education through our School Feeding Programme. Lack of food is a major factor in school dropout rates, and Ethar Relief has committed to providing a positive incentive for children to attend school regularly by ensuring nutritious meals are available for them.

Orphans

Ethar Relief has established the Al-Amal School in East Sudan which specifically caters for the education, wellbeing and emotional needs of orphaned children. In 2018 over 1,000 orphans were being taken care of across our sponsorship and educational programmes.



Communicating with Staff & Volunteers

Our small but dedicated team of amazing staff members are supported strongly by a willing army of enthusiastic and motivated volunteers. Our staff and volunteers take ownership of the cause of Ethar, and have adopted its aims and vision into their lives, dedicating themselves to improving the situation of refugees and people in need. They remember the forgotten victims of conflict and disaster, carry out positive actions to help them, and remind others around them to do the same. Ethar Relief is proud of every single one of them. Volunteers founded Ethar and have always been its backbone. Ethar continues to benefit from a vast and committed network of volunteers who support its activities, further its causes, raise funds and contribute to essential work. Most volunteers make a regular commitment ranging from a few hours to a full working week.

They come from a diverse range of backgrounds (including some former refugees), and contribute a wide variety of experience and expertise - some with professional skills, and others through generally donating portions of time and effort. Ethar is dedicated to developing, supporting and motivating its volunteers, and the trustees are grateful for their ongoing tireless support.

The management has worked hard to improve communication between staff and volunteers at all levels in order to create a smooth and efficient operating environment. As the charity's programmes and commitments develop, formal communications policies and channels are being established to ensure best practice. This will create greater stakeholder ownership and eliminate incidences of miscommunication or inconvenience to staff, volunteers, supporters and beneficiaries.

Risk Statement

Risk	Management	Action
Poor results against agreed objectives.	<ul style="list-style-type: none"> Regular reports by Executives to the Trustees. Annual review prior to annual planning process. Departmental strategy alignment to agreed objectives. 	Trustees Executive Team Management
Inadequate revenue funding in the short, medium and long term.	<ul style="list-style-type: none"> Planning of Fundraising Strategy Annual Plan & Budget 	Trustees Executive Team Management
Inadequate funds to meet high demand for support and aid to beneficiaries.	<ul style="list-style-type: none"> Fundraising strategy alignment to operational strategy. Resource allocation strategy Diversification of income sources. 	Executive Team Management
Human Re sources Shortages.	<ul style="list-style-type: none"> HR Strategy alignment with Annual plan and Operational Strategy. 	Management

Financial Statements

ERITREA AND THE HORN OF AFRICA RELIEF

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Objectives and aims

The main objective of the Charity is to provide humanitarian assistance to people in the Horn of Africa and Yemen.

Financial Review

Reserves policy

The Charity has a reserves policy of six months of its annual core costs.

Structure, Governance and Management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The Charity is governed by a Trust Deed dated 6 February 2005.

The Board of Trustees comprises 6 members, who appoint, appraise and dismiss an Executive Director, who runs the Charity on a daily basis.

Recruitment and appointment of new trustees

New trustees are appointed as necessary by the existing trustees

Reference and administrative details

Registered Charity number

1115371

Principal address

467 Coventry Road
Birmingham
West Midlands
B10 0TJ

Trustees

Mr Abdulrahman Saleh Mahmud	
Mr Iddriss Sayed Abdulkader	Treasurer
Mr Mohammed Juma Bakhit -	resigned 29/4/2018
Mr Abdelsalam Mohamed Ali	
Mr Abdulkadir A Naib	Chair
Miss Hanan Basher	Secretary
Miss Ranya Kule -	appointed 29/4/2018
Mrs Susan Yassin -	appointed 29/4/2018

Mr Sultan Omar	CEO
Mr Saeed Abdelrahman	COO

Accountant

Abdullah Mohamud ACMA,CGMA
Chartered Management Accountant
Almanaar
244 Acklam Road
London
W10 5YG

Auditors

Shareef & Co Statutory Auditors
18 - 22 Stoney Lane
Yardley
Birmingham
West Midlands
B25 8YP

Bankers

NatWest Bank
308 Harborne Road
Birmingham
B15 3AA

Al-Rayyan Bank
394 Coventry Road
Birmingham
B10 0UF

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;
- 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 enable them 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 30 October 2019 and signed on its behalf by:

Mr Abdulkader A. Naib - Chairman / Trustee


Opinion

We have audited the financial statements of Eritrea and the Horn of Africa Relief (the 'charity') for the year ended 31 December 2018 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 2018 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

ETHAR RELIEF

- 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

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. 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

30 October 2019

ERITREA AND THE HORN OF AFRICA RELIEF

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	Year Ended 31.12.18 Total funds £	Period 1.4.17 to 31.12.17 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	483,161	1,922,734	-	2,405,895	1,861,367
Investment income	3	23	-	-	23	6
Total		483,184	1,922,734	-	2,405,918	1,861,373
EXPENDITURE ON						
Raising funds	4	79,433	317,733	-	397,166	168,008
Charitable activities	5	-	1,892,264	-	1,892,264	1,863,740
Grants payable		-	-	-	-	-
Other		3,300	-	-	3,300	3,000
Total		82,733	2,209,997	-	2,292,730	2,034,748
NET INCOME/(EXPENDITURE)						
		400,451	(287,263)	-	113,188	(173,375)
Transfers between funds	15	(317,733)	317,733	-	-	-
Net movement in funds		82,718	30,470	-	113,188	(173,375)
RECONCILIATION OF FUNDS						
Total funds brought forward		174,676	1,050	549	176,275	349,650
TOTAL FUNDS CARRIED FORWARD		257,394	31,520	549	289,463	176,275

The notes form part of these financial statements

ERITREA AND THE HORN OF AFRICA RELIEF

BALANCE SHEET
AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	11	16,938	851
CURRENT ASSETS			
Debtors	12	6,000	-
Cash at bank		273,975	182,274
		<u>279,975</u>	<u>182,274</u>
CREDITORS			
Amounts falling due within one year	13	(7,450)	(6,850)
NET CURRENT ASSETS		<u>272,525</u>	<u>175,424</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>289,463</u>	<u>176,275</u>
NET ASSETS		<u>289,463</u>	<u>176,275</u>
FUNDS	15		
Unrestricted funds		257,394	174,676
Restricted funds		31,520	1,050
Endowment funds		549	549
TOTAL FUNDS		<u>289,463</u>	<u>176,275</u>

The financial statements were approved by the Board of Trustees on 30 October 2019 and were signed on its behalf by:



Mr Abdulkadir A Naib - Chair (Trustee)

The notes form part of these financial statements

ERITREA AND THE HORN OF AFRICA RELIEF

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Cash flows from operating activities:			
Cash generated from operations	1	112,052	(191,335)
Net cash provided by (used in) operating activities		<u>112,052</u>	<u>(191,335)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(20,374)	-
Interest received		23	6
Net cash provided by (used in) investing activities		<u>(20,351)</u>	<u>6</u>
Change in cash and cash equivalents in the reporting period		<u>91,701</u>	<u>(191,329)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>182,274</u>	<u>373,603</u>
Cash and cash equivalents at the end of the reporting period		<u>273,975</u>	<u>182,274</u>

The notes form part of these financial statements

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	113,188	(173,375)
Adjustments for:		
Depreciation charges	4,287	283
Interest received	(23)	(6)
Increase in debtors	(6,000)	-
Increase/(decrease) in creditors	600	(18,237)
Net cash provided by (used in) operating activities	112,052	(191,335)

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds are donations received for specific projects and donors specify that the donations can only be used for those projects.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

2. DONATIONS AND LEGACIES

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Voluntary income	1,565,607	1,200,233
Grants	840,288	661,134
	<u>2,405,895</u>	<u>1,861,367</u>

3. INVESTMENT INCOME

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Interest receivable - trading	23	6

4. RAISING FUNDS

Raising donations and legacies

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Staff costs	120,696	59,912
Office and venue rents	28,483	15,440
Telephone	5,029	1,132
Marketing & PR	93,575	21,048
Bank and other fees	7,627	3,049
Fund raising costs	65,000	34,498
Building maintenance	-	5,357
Professional fees	38,896	19,435
Accounts fees	4,000	3,000
Printing and stationery	10,479	2,040
Travel expenses	11,364	2,605
Voluntary expenses	374	-
Insurance	229	209
Cleaning expenses	2,032	-
Heat and light	4,650	-
Training costs	445	-
Depreciation	4,287	283
	<u>397,166</u>	<u>168,008</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (See note 6) £	Totals £
Grants payable	1,892,264	1,892,264

6. GRANTS PAYABLE

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Grants payable	1,892,264	1,863,740

The total grants paid to institutions during the year was as follows:

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Charitable grants	1,892,264	1,863,740

7. SUPPORT COSTS

	Governance costs £
Other resources expended	3,300

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the period ended 31 December 2017

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2018 nor for the period ended 31 December 2017

9. STAFF COSTS

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Wages and salaries	<u>120,696</u>	<u>59,912</u>

The average monthly number of employees during the year was as follows:

	Year Ended 31.12.18	Period 1.4.17 to 31.12.17
Full time staff	<u>3</u>	<u>3</u>
Part time staff	<u>10</u>	<u>5</u>
	<u>13</u>	<u>8</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	372,272	1,489,095	-	1,861,367
Investment income	<u>6</u>	-	-	<u>6</u>
Total	<u>372,278</u>	<u>1,489,095</u>	-	<u>1,861,373</u>
EXPENDITURE ON				
Raising funds	168,008	-	-	168,008
Charitable activities				
Grants payable	-	1,863,740	-	1,863,740
Other	<u>3,000</u>	-	-	<u>3,000</u>
Total	<u>171,008</u>	<u>1,863,740</u>	-	<u>2,034,748</u>
NET INCOME/(EXPENDITURE)	<u>201,270</u>	<u>(374,645)</u>	-	<u>(173,375)</u>
Transfers between funds	<u>(374,564)</u>	<u>374,564</u>	-	<u>-</u>
Net movement in funds	<u>(173,294)</u>	<u>(81)</u>	-	<u>(173,375)</u>

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
RECONCILIATION OF FUNDS				
Total funds brought forward	347,970	1,131	549	349,650
TOTAL FUNDS CARRIED FORWARD	<u>174,676</u>	<u>1,050</u>	<u>549</u>	<u>176,275</u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 January 2018	2,831
Additions	<u>20,374</u>
At 31 December 2018	<u>23,205</u>
DEPRECIATION	
At 1 January 2018	1,980
Charge for year	<u>4,287</u>
At 31 December 2018	<u>6,267</u>
NET BOOK VALUE	
At 31 December 2018	<u>16,938</u>
At 31 December 2017	<u>851</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	<u>6,000</u>	<u>-</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Taxation and social security	2,996	-
Other creditors	<u>4,454</u>	<u>6,850</u>
	<u>7,450</u>	<u>6,850</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	Endowment fund	2018 Total funds	2017 Total funds
	£	£	£	£	£
Fixed assets	16,938	-	-	16,938	851
Current assets	247,906	31,520	549	279,975	182,274
Current liabilities	(7,450)	-	-	(7,450)	(6,850)
	<u>257,394</u>	<u>31,520</u>	<u>549</u>	<u>289,463</u>	<u>176,275</u>

15. MOVEMENT IN FUNDS

	At 1.1.18	Net movement in funds	Transfers between funds	At 31.12.18
	£	£	£	£
Unrestricted funds				
General fund	174,676	400,451	(317,733)	257,394
Restricted funds				
Restricted	1,050	(287,263)	317,733	31,520
Endowment funds				
Endowment	549	-	-	549
TOTAL FUNDS	<u>176,275</u>	<u>113,188</u>	<u>-</u>	<u>289,463</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	483,184	(82,733)	400,451
Restricted funds			
Restricted	1,922,734	(2,209,997)	(287,263)
TOTAL FUNDS	<u>2,405,918</u>	<u>(2,292,730)</u>	<u>113,188</u>

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.17	Net movement in funds	Transfers between funds	At 31.12.17
	£	£	£	£
Unrestricted Funds				
General fund	347,970	201,270	(374,564)	174,676
Restricted Funds				
Restricted	1,131	(374,645)	374,564	1,050
Endowment funds				
Endowment	549	-	-	549
TOTAL FUNDS	<u>349,650</u>	<u>(173,375)</u>	<u>-</u>	<u>176,275</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	372,278	(171,008)	201,270
Restricted funds			
Restricted	1,489,095	(1,863,740)	(374,645)
TOTAL FUNDS	<u>1,861,373</u>	<u>(2,034,748)</u>	<u>(173,375)</u>

Transfers between funds

The transfer of £317,733 in the year represents work carried out on specific projects in addition to that claimed from donor organisations and arises where additional needs are identified once a project has been commenced but additional donations are not available.

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2018.

ERITREA AND THE HORN OF AFRICA RELIEF

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Voluntary income	1,565,607	1,200,233
Grants	840,288	661,134
	<u>2,405,895</u>	<u>1,861,367</u>
Investment income		
Interest receivable - trading	23	6
	<u>2,405,918</u>	<u>1,861,373</u>
EXPENDITURE		
Raising donations and legacies		
Wages	120,696	59,912
Office and venue rents	28,483	15,440
Telephone	5,029	1,132
Marketing & PR	93,575	21,048
Bank and other fees	7,627	3,049
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Professional fees	38,896	19,435
Accounts fees	4,000	3,000
Printing and stationery	10,479	2,040
Travel expenses	11,364	2,605
Voluntary expenses	374	-
Insurance	229	209
Cleaning expenses	2,032	-
Heat and light	4,650	-
Training costs	445	-
Fixtures and fittings	4,287	283
	<u>397,166</u>	<u>168,008</u>
Charitable activities		
Charitable grants	1,892,264	1,863,740
Support costs		
Governance costs		
Auditors' remuneration	3,300	3,000
	<u>2,292,730</u>	<u>2,034,748</u>
Total resources expended		

This page does not form part of the statutory financial statements

ERITREA AND THE HORN OF AFRICA RELIEF

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Year Ended 31.12.18 £	Period 1.4.17 to 31.12.17 £
Net income/(expenditure)	<u><u>113,188</u></u>	<u><u>(173,375)</u></u>

This page does not form part of the statutory financial statements

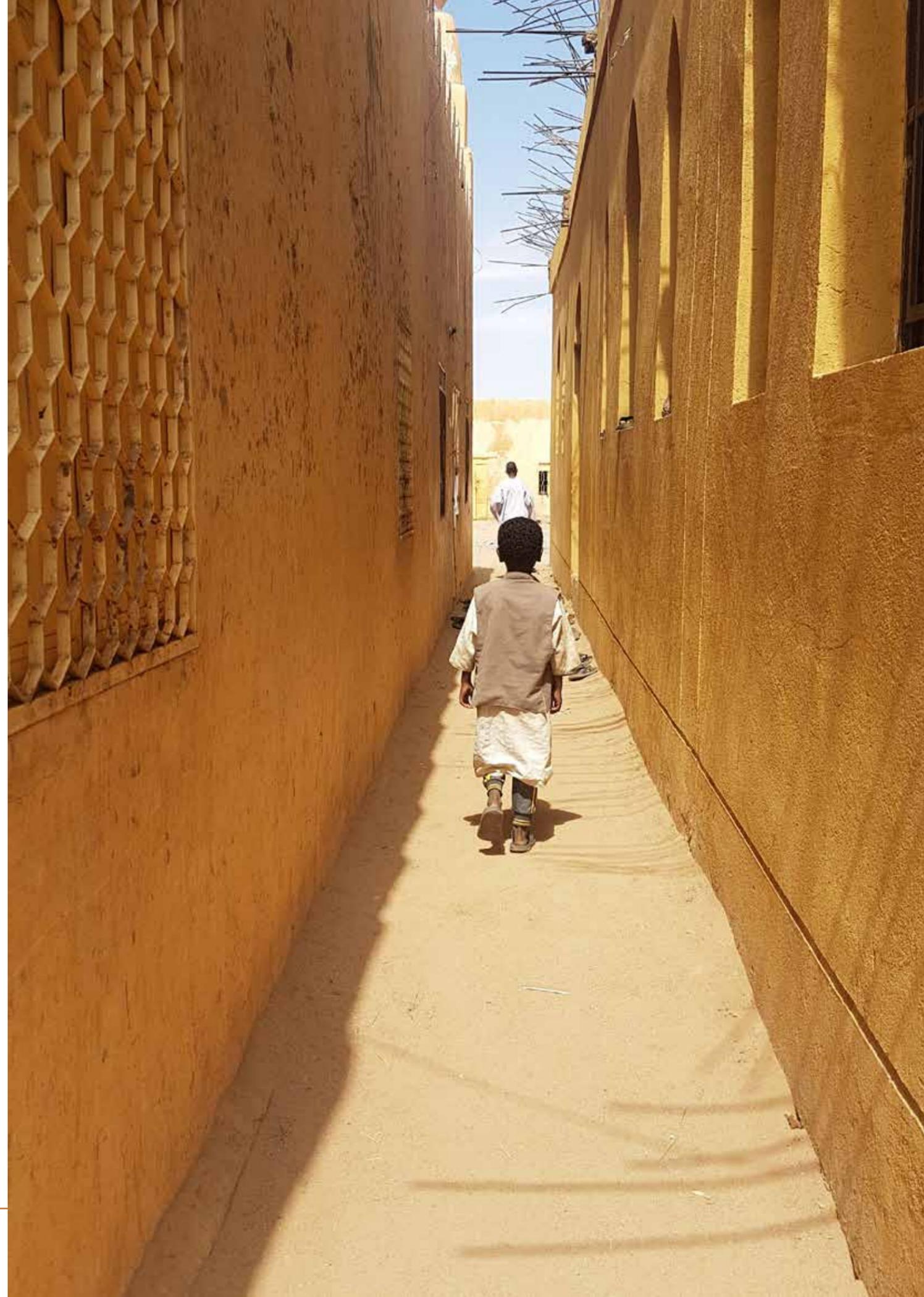
Acknowledgments

Ethar Relief wishes to thank the following organisations for their consistent support, partnership and positive encouragement.



A special thank you to the Sudan Refugee Affairs Commissioner.

We would also like to thank the many institutions, community centres, places of worship, and businesses who provided huge support to our work, and are too numerous to mention here individually.





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