

THE SUSTAINABLE NATURAL RESOURCE MANAGEMENT ASSOCIATION (UK)

England & Wales · Charity number 1093680

Details

Other names ACTION ETHIOPIA, SUNARMA UK

Status Registered

Legal form Other

Registered 2002-09-03

Register [View on the Charity Commission register](#)

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Activities

Objects: THE ADVANCEMENT OF EDUCATION THE PROTECTION OF HEALTH AND THE RELIEF OF POVERTY OF THE PEOPLE OF AFRICA

Activities: Action Ethiopia is the working name for SUNARMA UK. It offers technical and financial support to our sister organisation in Ethiopia. The projects work with rural communities to help them manage natural resources and build sustainable livelihoods more effectively.

Classification

- **How:** Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** AFRICA
- Ethiopia
- Bristol City
- Devon

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£25,964	£19,340	-	-
2024-12-31	£32,722	£44,719	-	-
2023-12-31	£44,568	£49,267	-	-
2022-12-31	£67,350	£65,671	-	-
2021-12-31	£89,289	£77,093	-	-
2020-12-31	£136,279	£163,579	-	-

Trustees

Name	Role	Appointed
Anthony Mark Leslie Roberts		2022-11-23
Christopher John Birchall		2020-02-20
Peter von Lany		2013-10-04
Yordanos Teferi		2023-07-20

Accounts

Accounts

Action Ethiopia/Sunarma UK

For the period to 31st December 2025



Prepared on

14 April 2026

For the Year Ended 31 December 2025

In 2025, Action Ethiopia and our sister organisation, SUNARMA in Ethiopia (Sustainable Natural Resources Management Association), had a dual focus of integration of environmental conservation with sustainable livelihoods. This dual focus ensures that restoration efforts are both ecologically effective and economically viable for local communities.

Achievements by Project

1. Metema Project (UKAM/FCDO): Forest Governance and Frankincense Value Chain

The Metema project delivered significant progress in forest governance, restoration, and value chain development, with measurable outcomes across ecological and economic domains.

Key achievements include:

- 17,711 hectares of *Boswellia* forest protected and restored through participatory forest management systems.

- Strengthening of Forest Management

Cooperatives (FMCs), unions, and local governance structures.

- Delivery of gender equity and social inclusion (GESI) training to over 200 participants, increasing women's participation in leadership

- Construction of two cooperative warehouses, improving storage and product quality

- Establishment of 15.6 km of firebreaks, protecting approximately 870 hectares of forest

- Distribution of 963 fuel-efficient stoves, reducing pressure on forest resources



The project also strengthened the frankincense value chain, achieving a significant increase in market prices from ETB 28,500 to ETB 53,500 through improved marketing, trade fair participation, and mass media promotion.

Importantly, research collaboration with the University of Gondar generated peer-reviewed publications and policy briefs, strengthening both scientific knowledge and SUNARMA's institutional credibility.

2. Darwin Project: Community Resilience and Enterprise Development

The Darwin-supported project focused on income generation and enterprise development, directly benefiting 360 households.

Key outcomes include:

- Strengthening of Village Tree Enterprises (VTEs) for frankincense and beekeeping
- Distribution of 500 storage sacks, improving post-harvest quality
- Provision of modern beehives and equipment, increasing productivity
- Expansion and restructuring of VTEs, improving efficiency and participation

These interventions contributed to substantial income growth, supported by improved market access and higher product prices. The project demonstrated the effectiveness of combining enterprise development with ecological restoration to build long-term resilience.

3. Tree Planting and Forest Restoration Project

This project transitioned from planting to sustaining and protecting restored forest areas, ensuring long-term ecological impact.

Achievements include:

- Community-led fencing, weeding, and controlled grazing
- Improved survival and regeneration of planted trees
- Early livelihood benefits, including grass harvesting for livestock feed
- Increased participation of women in agroforestry, generating income

This shift toward maintenance reflects a maturing restoration model, where communities take ownership of long-term forest management.

4. Wof-Washa Livelihoods and Agroforestry Project

This flagship programme delivered large-scale livelihood and restoration outcomes, supporting 1,688 households directly and reaching thousands more indirectly.

Key achievements include:

- Planting of 320,279 multipurpose seedlings across 72 hectares
- Adoption of agroforestry practices by 1,688 households
- Distribution of 1,350 grafted apple seedlings to 165 households
- Support to 249 households in vegetable production using 5,268 kg of improved seed
- Establishment of forage systems supporting 518 households with 54,404 seedlings.
- In addition, a youth tree seed enterprise was established and collected 1,672 kg of seeds, amounting to ETB 341,100 income.



The project also developed two strategic framework plans. Agroforestry Implementation Strategy and a Tree Seed Enterprise and Marketing Strategy. These frameworks provide a foundation for long-term landscape restoration and economic development.

5. Regreening Project (Central Rift Valley)

This initiative focused on restoring degraded land and strengthening climate resilience.

Key achievements include:

Included Planting of 5,500 indigenous tree seedlings • Awareness training for 72 community members and stakeholders • Strengthened community ownership of restoration activities

The project contributed to biodiversity conservation and climate adaptation, while building local capacity for sustainable land management.

6. Project Closeout and Sustainability (Metema Projects)

The closure phase of the UKAM and Darwin projects ensured continuity and long-term sustainability.

Key outcomes include:

- Full implementation of forest management plans by cooperatives • Strengthened bylaw enforcement and governance systems • Increased participation of women,

youth, and persons with disabilities • Formal handover to community and government structures

Stakeholders strongly endorsed the continuation and scaling of these interventions, reflecting their impact and sustainability.

Challenges

The SUNARMA faced several significant challenges which included security constraints which restricted access in key project areas, delayed implementation and limited monitoring.

Inflation and cost pressures in Ethiopia can limit the amount of work that was planned, especially if there are delays caused by logistical and security restrictions in remote locations.

We are so thankful to our many individual supporters in the UK who enabled us to continue this work. The SUNARMA staff deserve our thanks and have delivered outstanding results under sometimes very difficult financial and physical conditions.

Financial review

This year, our income was £26,608 (2024 £32,722) while costs have been more than halved, at £19,450 (2023 £44,719) as a result of the streamlining of our Direct Mail processing and reduction in overheads, Consequently, the free reserves held on 31 December 2025 increased to £8,864 (2024 £1596)

Reserves Policy

The level of reserves are important to help with the funding that enables projects to continue and is continually monitored by Trustees.

The Acton Ethiopia Board agrees and administers the disbursement of funds against a work programme agreed with field staff in Ethiopia. Occasional challenges on the ground, such as environmental factors, drought, excessive rain, etc., or delays in the response of local stakeholders, can mean that the project runs behind schedule. In this event, the Acton Ethiopia Board will renegotiate the activities to bring the projects back on track and this can result in the fluctuation of the level of restricted project reserves.

The Trustees acknowledge their responsibility to ensure that the charity at all times retains unrestricted reserves to ensure that it is able to fulfil its ongoing obligations. A target for these reserves has been set to cover three months of unrestricted expenditure.

The free reserves held on 31 December 2025 were £8,110 (2024 £1,596)

Trustees' responsibility statement.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose, with reasonable accuracy at any time, the financial position of the charity. 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.

The Trustees' annual report was approved on.....29 April 2026..... and signed on behalf of the Board of Trustees by:

P von Lany Trustee

A handwritten signature in blue ink, appearing to read 'P. von Lany', is written over the horizontal line.

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Position

Year Ended 31 December 2025

	Note	2025 £	2024 £
Current assets			
Debtors	5	-	833
Cash at bank and in hand		<u>10,256</u>	<u>4,393</u>
		10,256	5,226
Creditors: amounts falling due within one year	6	<u>1,392</u>	<u>3,630</u>
Net current assets		8,864	1,596
Total assets less current liabilities		<u>8,864</u>	<u>1,596</u>
Net assets			
Funds of the charity			
Restricted funds		644	-
Unrestricted funds		8,220	1,596
Total charity funds	7	<u>8,864</u>	<u>1,596</u>

Notes

1. Donations and legacies

Individuals and trusts	8,409
Just Giving	64
Donations generated by Direct Mail	<u>18,093</u>
	26,566

2. Investment income

Bank interest received	42
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3. Costs of raising funds

Direct Mail campaign	7,555
Consultancy	-
Donors and grant reporting	-
Just Giving expenses	<u>216</u>
	7,771

4. Charitable activities

SET staff training and operational support	7,432
Technical and policy advice	-
Public awareness	-
Office costs	3,297
Accountancy fees	-
Independent examination fees	840
Cost of trustees' meetings	-
Management costs	<u>-</u>
	11,569

5. Debtors

HMRC Gift aid	-
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6. Creditors

Accruals	1,090
Creditors	<u>302</u>
	1,392

7. Charitable funds

	01/01/2025	Income	Expenditure	Transfers	31/12/2025
General funds 2025	1,596	26,608	(19,340)	-	8,864
General funds 2024	13,593	32,722	(44,719)	-	1,596

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Activities

Year Ended 31 December 2025

		2025			2024
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Income and endowments from:					
Donations and legacies	1	25,922	644	26,566	32,641
Investment income	2	42	-	42	81
Total income		<u>25,964</u>	<u>644</u>	<u>26,608</u>	<u>32,722</u>
Expenditure					
Costs of raising funds	3	7,771	-	7,771	26,537
Charitable activities	4	11,569	-	11,569	18,182
Total Expenditure		<u>19,340</u>	<u>-</u>	<u>19,340</u>	<u>44,719</u>
Net (expenditure)/ income		6,624	644	7,268	(11,997)
Transfer between funds		-	-	-	-
Net movement in funds		<u>6,624</u>	<u>644</u>	<u>7,268</u>	<u>(11,997)</u>
Reconciliation of funds					
Total funds brought forward		1,596	-	1,596	13,593
Total funds carried forward		<u>8,220</u>	<u>644</u>	<u>8,864</u>	<u>1,596</u>

Independent examiner's report to the members/trustees of The Sustainable Natural Resource Management Association (UK)

I report on the accounts for the year ended 31 December 2025.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

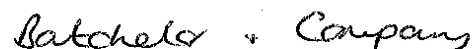
- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Marie Johns FCCA
Batchelor & Company Accountants Ltd
Charlton House, Cullompton, Devon EX15 1AE
29th April 2026



Accounts

Accounts

Action Ethiopia/Sunarma UK

For the period to 31st December 2024



Action Ethiopia: Executive Summary 2024

In Partnership with SUNARMA Ethiopia.

In 2024, Action Ethiopia worked closely with our Ethiopian sister organisation SUNARMA (Sustainable Natural Resources Management Association), enabling them to continue restoring ecosystems, building local resilience, and strengthening climate-smart livelihoods across several regions in Ethiopia. Operating in often complex and challenging environments—including conflict-affected areas in Amhara Region—SUNARMA's teams implemented community-centred interventions that advanced both ecological recovery and social wellbeing. Action Ethiopia has supported SUNARMA Head Office to implement its projects across the country.

These include the Metema dry forests and frankincense woodlands in Northwest Ethiopia, Wof-Washa Forest in the highlands of the country along the Rift Valley and Shashemene restoration zones, further south by the Rift Valley lakes. This was done amidst widespread insecurity, devaluation of the Ethiopian birr and interruptions to digital communication. Nevertheless the teams made remarkable progress, laying strong foundations for long-term, locally driven sustainability.

1. Metema Project (UKAM): Frankincense, Forest Governance, and Community Voice

The Metema area, located in North Gondar Zone, is a vast area for Frankincense production. In 2024, SUNARMA focused on strengthening local forest governance, restoring degraded *Boswellia* (frankincense) habitats, and supporting forest-based enterprise development.

A key highlight was a multi-stakeholder workshop involving 42 participants—including community leaders, government administrators, and forest cooperative members—which led to practical strategies for strengthening participatory forest governance. A follow-up field monitoring visit by a 20-member task force assessed forest management plans and illegal activity by outsiders in the Tach Lemlem Terara and Agamwuha sites.

To reduce wildfire risk, SUNARMA coordinated the construction of 12.7 kilometres of firebreaks around vulnerable forest areas. Meanwhile, four Participatory Forest Management Cooperatives (PFMCs) replanted over 15,000 tree seedlings—primarily to replace *Boswellia* trees lost to wildfires and droughts.

One of the year's most forward-looking interventions involved research on *Boswellia* propagation by cuttings. With input from the University of Gondar, SUNARMA planted over 1,000 cuttings as part of a trial to counteract the natural regeneration challenges faced by

frankincense trees. This innovative work lays the groundwork for large-scale vegetative propagation in future years.

Women were increasingly integrated into value-added forest enterprise activities. Eighty five individuals (mainly women) were trained in frankincense grading and value enhancement. The number of Village Tree Enterprises (VTEs) with business plans rose from 7 to 15, including groups engaged in frankincense collection, fuel-saving stove production and honey processing. Subsidised stove production reached 652 units, improving indoor air quality and reducing firewood demand for local households.



2. Darwin Project: Climate-Smart Agriculture and Livelihoods

The Darwin-funded programme focused on building rural resilience through a mix of training, community organisation and enterprise development. This year, despite significant access restrictions due to regional insecurity, the project made important strides in reaching farmers with practical and sustainable solutions.



Over 1,048 farmers were trained in climate-smart agriculture (CSA) practices. These sessions covered soil and water conservation, agroforestry, organic composting, and energy-efficient farming methods. The project also introduced energy-efficient sisal sacks to 120 frankincense-collecting households to improve the storage and market value of their produce.



Beekeeping groups, restructured into smaller, more accountable teams, recorded their first harvests: 110 kg and 80 kg from two VTEs. These achievements, modest in scale but symbolically powerful, demonstrated what can be done even under significant operational stress. One important lesson was the benefit of limiting group size to no more than 10 individuals to improve enterprise focus and accountability.

3. Wof-Washa Forest: Tree Planting, Seed Collection and Youth Engagement

Wof-Washa, an ancient forest in central Ethiopia, was one of the most productive zones for restoration work in 2024. In collaboration with WeForest and AFR100, SUNARMA coordinated

the planting of over 424,000 trees across 85 hectares during the 2023–2024 season. This brought the cumulative total to 976,880 trees planted over three years—surpassing the original target by 30%.

Species included native hardwoods, fruit-bearing trees, and fast-growing exotics suitable for soil restoration and household use. Tree survival rates from the 2022 and 2023 plantings were high (averaging 75–95%), and monitoring showed average heights exceeding 1.6 metres—a sign of strong early establishment.

Youth played a transformative role through a new seed collection enterprise, which gathered over 450 kg of native seeds and began laying plans for scaled-up production and market outreach in 2025. The project demonstrated how conservation goals can align with youth employment, entrepreneurship and long-term sustainability.

Household-level agroforestry also expanded dramatically: 539 households received over 148,000 seedlings for backyard and field-edge planting. These trees will enhance soil fertility, reduce erosion, and increase food and fodder production. One woodlot group planted 21,100 eucalyptus seedlings on 2.15 hectares of land, demonstrating SUNARMA’s support for integrated land-use planning.

4. Shashemene and Arsinegele Sites: Scaling Agroforestry and Dryland Management

In Shashemene and Arsinegele, SUNARMA continued to support community-led restoration efforts focused on degraded farmland and adjacent forest edges. Planting interventions included a mix of multipurpose species for forage, fuelwood, and household use.

Site preparation and community mobilisation allowed early planting during the rainy season, resulting in improved survival rates and tree establishment. Farmers who had participated in previous agroforestry campaigns were active in mentoring new households, reinforcing a model of farmer-to-farmer extension that has proven effective in SUNARMA’s work.



Lessons from this zone included the importance of improved nursery techniques, better spacing, and planting depth—skills that were actively transferred through seasonal training workshops and peer-to-peer site visits.

5. Learning, Adaptation and Local Enforcement

Throughout 2024, SUNARMA's success was grounded in its ability to adapt. Insecurity, internet shutdowns and fuel shortages required flexible delivery, mobile communications, and local delegation of authority.

One standout example was the Gundo PFMC in Metema, which enforced its bylaws rigorously, collecting over ETB 185,000 in fines from illegal loggers. This demonstrates the maturity of SUNARMA's approach to community governance, where the power to act is vested locally, and results follow from consensus and commitment.



The SUNARMA team in Ethiopia have delivered the projects in sometimes very difficult and dangerous places. We are so thankful for their commitment and professionalism. None of this would have been possible without the many individuals and partners who give so generously to the work of the organisation.

Financial review

A difficult year for fundraising has shown is reflected in a reduced income of £32,722 (2023 £44,568) while costs have been managed at £44,719 (2023 £48,767)

Reserves Policy

The level of reserves are important to help with the funding that enables projects to continue and is continually monitored by Trustees.

The Action Ethiopia Board agree and administer the disbursement of funds against a work programme agreed with field staff in Ethiopia. Occasional challenges on the ground, such as environmental factors, drought, excessive rain, etc., or delays in the response of local stakeholders can mean that the project runs behind schedule. In this event, the Action Ethiopia Board will renegotiate the activities to bring the projects back on track and this can result in the fluctuation of the level of restricted project reserves.

The Trustees acknowledge their responsibility to ensure that the charity at all times retains unrestricted reserves to ensure that it is able to fulfil its ongoing obligations. A target for these reserves has been set to cover three months of unrestricted expenditure.

The free reserves held on 31 December 2024 were £1596 (2023 £13,593)

Trustees' responsibility statement.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose, with reasonable accuracy at any time, the financial position of the charity. 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.

The Trustees' annual report was approved on..... and signed on behalf of the Board of Trustees by:

P von Lany
Trustee



22/10/2025

Independent examiner's report to the members/trustees of The Sustainable Natural Resource Management Association (UK)

I report on the accounts for the year ended 31 December 2024.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Marie Johns FCCA
Batchelor & Company Accountants Ltd

Charlton House, Cullompton, Devon EX15 1AE

14th October 2025



The Sustainable Natural Resource Management Association (UK)

Statement of Financial Activities

Year Ended 31 December 2024

		2024		2023	
	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
Income and endowments from:					
Donations and legacies	1	32,641	-	32,641	44,436
Investment income	2	81	-	81	132
Total income		<u>32,722</u>	<u>-</u>	<u>32,722</u>	<u>44,568</u>
Expenditure					
Costs of raising funds	3	26,537	-	26,537	21,662
Charitable activities	4	18,182	-	18,182	27,105
Total Expenditure		<u>44,719</u>	<u>-</u>	<u>44,719</u>	<u>48,767</u>
Net (expenditure)/ income		(11,997)	-	(11,997)	(4,199)
Transfer between funds		-	-	0	100
Net movement in funds		<u>(11,997)</u>	<u>-</u>	<u>(11,997)</u>	<u>(4,099)</u>
Reconciliation of funds					
Total funds brought forward		13,593	-	13,593	17,692
Total funds carried forward		<u>1,596</u>	<u>-</u>	<u>1,596</u>	<u>13,593</u>

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Position

Year Ended 31 December 2024

	Note	2024 £	2023 £
Current assets			
Debtors	5	833	963
Cash at bank and in hand		<u>4,393</u>	<u>15,403</u>
		5,226	16,366
Creditors: amounts falling due within one year	6	<u>3,630</u>	<u>2,773</u>
Net current assets		1,596	13,593
Total assets less current liabilities		<u>1,596</u>	<u>13,593</u>
Net assets			
Funds of the charity			
Restricted funds		-	-
Unrestricted funds		1,596	13,593
Total charity funds	7	<u>1,596</u>	<u>13,593</u>

Notes

1. Donations and legacies

Individuals and trusts	6,417
Just Giving	71
Donations generated by Direct Mail	<u>26,152</u>
	32,641

2. Investment income

Bank interest received	81
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3. Costs of raising funds

Direct Mail campaign	24,250
Consultancy	1,441
Donors and grant reporting	631
Just Giving expenses	<u>216</u>
	26,537

4. Charitable activities

SET staff training and operational support	10,420
Technical and policy advice	967
Public awareness	1,446
Office costs	2,774
Accountancy fees	206
Independent examination fees	1,200
Cost of trustees' meetings	203
Management costs	<u>967</u>
	18,182

5. Debtors

HMRC Gift aid	833
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6. Creditors

Accruals	3630
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7. Charitable funds

	01/01/2024	Income	Expenditure	Transfers	31/12/2024
General funds 2024	13,593	32,722	(44,719)	-	1,596
General funds 2023	17,692	44,568	(48,767)	100	13,593

Accounts

CHARITY REGISTRATION NUMBER: 1093680

The Sustainable Natural Resource Management Association (UK)

Unaudited Financial Statements

31 December 2023

The Sustainable Natural Resource Management Association (UK)

Financial Statements

Year ended 31 December 2023

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The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report

Year ended 31 December 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name	The Sustainable Natural Resource Management Association (UK)
Working name	SUNARMA UK Action Ethiopia
Charity registration number	1093680
Principal office	4 Broadway Fore Street Hemyock EX15 3RF Devon
The trustees	P von Lany C Birchall M Roberts Y Teferi (Appointed 20 July 2023)
Independent examiner	N Smy ACA Westcotts (SW) LLP Chartered Accountants Queens House New Street Honiton Devon EX14 1BJ
Bankers	Lloyds Bank plc 17 Cross Street Barnstaple Devon EX31 1BE

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Structure, governance and management

Governing document

The charity was formed and is governed by a declaration of Trust dated 10 June 2002. The charity is registered with the Charity Commission (No. 1093680) and its principal address is 4 Broadway, Fore Street, Hemyock, Devon, EX15 3RF.

The charity registered with the Charities Commission on 3 September 2002.

Action Ethiopia is the working name for SUNARMA UK. The charity offers technical and financial support to our sister organisation (SUNARMA Ethiopia) in Ethiopia. This document will refer to the working name Action Ethiopia.

Recruitment and appointment of management committee

The charity is managed by a management committee who shall be Charity Trustees within the meaning of the Charities Act. The charity shall always have at least three trustees.

In selecting persons to be appointed as trustees, the trustees shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications is able to make a contribution to the pursuit of the objects or the management of the charity.

No person shall be appointed as a trustee who is under 18 years of age or in such circumstances that if he or she is already a trustee, he or she would be disqualified from office under the provision of the following clause. No persons shall be entitled to act as a trustee until after signing a declaration of acceptance and willingness to act in the trusts of the charity.

A trustee shall cease to hold office if he or she is disqualified from acting as a trustee by virtue of the Charities Act; becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs; is absent without the permission of the trustees from all their meetings held within a period of six months and the trustees resolve that he or her office be vacated; or if the trustee notifies the remaining trustees of the wish to resign.

Objectives and activities

The principal objective of the charity is the advancement of education, the protection of health and the relief of poverty of the people of Africa. Action Ethiopia offers technical and financial support to our sister organisation in Ethiopia. The funds raised by Action Ethiopia are used to support programmes managed by SUNARMA Ethiopia. The project works with rural communities in Ethiopia to help them manage natural resources and build sustainable livelihoods more effectively. In planning our activities for the year we kept in mind the charity commission guidance on public benefit.

Action Ethiopia has a large group of individual supporters that it communicates with digitally and by letter. In addition information and progress is available on two websites, www.actionethiopia.org and www.sunarma.org.

Action Ethiopia also keeps in touch with supporters and the general public through Facebook and Twitter accounts.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Achievements and performance

Ethiopia has an ancient history that goes back millennia. For example the culture in the area around Axum, in the North of the country, predates the Pharaohs, which is quite a claim and gives hope that the political difficulties of the last year will be overcome in a short time.

Action Ethiopia's support of our sister organisation SUNARMA has this year been more indirect, providing funds and technical backup to the excellent team in Addis Ababa to enable them to carry out their work effectively. The following report provided by key members of each project, outlines their achievements. The team have guided the projects across Ethiopia, taking great strides in environmental management, sustainable economic development and fostering community resilience.

In North West Ethiopia around Metema: Frankincense Initiative

The Metema frankincense initiative, centred in North Gondar, has transformed forest governance through strategic stakeholder engagement and robust training initiatives. Impressively, the project convened 35 key stakeholders in biannual workshops, fostering dynamic discussions on forest management enhancements. Training efforts notably exceeded goals, with 200 PFMC members, including a good mix of men and women, receiving advanced training in group dynamics, conflict management and gender equity. These sessions exceeded participant targets by over 25% improving community capabilities in sustainable forest management. The formulation of comprehensive forest management plans for all participating forest cooperatives ensures a structured approach towards forest conservation and enterprise activities, including the production of over 340 locally made fuel-saving stoves, enhancing both environmental sustainability and community livelihoods.

The Metema project has made significant strides in biodiversity conservation and environmental management, particularly through its educational outreach, training an additional 158 community members, marking an impressive 61% achievement of its target. The strategic development and endorsement of community bylaws further improved cooperative governance, helping to sustain environmental stewardship. On the agricultural front, the project has distributed over 770 grafted mango seedlings and 630 kilos of cowpeas, substantially improving community food security and soil quality through the nitrogen-fixing properties of the plant. These initiatives have collectively generated substantial revenue, with frankincense sales over ETB 23.5 million Birr.



A handful of raw Frankincense

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Achievements and performance *(continued)*

Wof Washa Project: Enhanced Fuel-Saving Stove Initiative

Despite challenges, the cooperative has produced and distributed 175 fuel-saving stoves, helping environmental conservation and providing health benefits for women. This initiative underscores a commitment to advancing sustainable technologies, even in difficult environmental and political conditions.



Taking the stove home

Tree Planting and Forest Restoration

This extensive reforestation effort has led to the planting of over 350,000 tree seedlings across 70 hectares of previously degraded land, a substantial increase from previous years. This initiative has not only rejuvenated the local ecosystem but has also improved environmental degradation issues like flooding and soil erosion, marking a significant improvement in ecological health and stability.



The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Achievements and performance *(continued)*

Enhancing Livelihoods around Wof-Washa Forest

In partnership with WeForest and local authorities, this project has laid the groundwork for integrating conservation efforts with community development. Through ongoing vegetation surveys and collaborative project launches, it has established a robust framework for the forests' continuing environmental and social improvement initiatives.

We would like to thank the trusts and foundations that have supported us, including the many individual supporters who have helped advance the progress of so many Ethiopian communities.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Financial review

The hiatus in project activity funded by Action Ethiopia as we develop new projects is reflected in a reduced income for 2023 of £44,436 (2022: £67,343). The total expenditure was £49,267 (2022: £65,671). Our unrestricted reserves having decreased to £13,593 (2022: £17,692).

Reserves policy

The levels of reserves are important to help with the continued funding of projects undertaken by the charity and are continually monitored by the Trustees.

The Action Ethiopia board agree and administer the disbursement of funds against a work programme agreed with field staff in Ethiopia. Occasional challenges on the ground such as environmental factors (drought, excessive rain etc) or delays in response of local stake holders can mean the project runs behind schedule. In this event the Action Ethiopia board will renegotiate the activities to bring the project back on track and this can result in the fluctuation of the level of restricted project reserves.

The Trustees acknowledge their responsibility to ensure that the charity, at all times, retains unrestricted reserves to ensure that it is able to fulfil its ongoing obligations. A target for these reserves has been set to cover 3 months of unrestricted expenditure.

The free reserves held at 31 December 2023 were £13,593 (2022: £17,692).

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Trustees' responsibilities statement

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

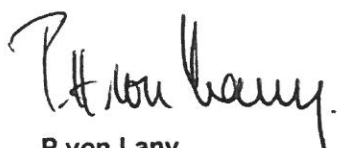
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the applicable Charities SORP;
3. make judgments and accounting estimates that are reasonable and prudent;
4. 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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.

The trustees' annual report was approved on 15th August 2024 and signed on behalf of the board of trustees by:



P von Lany
Trustee

The Sustainable Natural Resource Management Association (UK)

Independent Examiner's Report to the Trustees of The Sustainable Natural Resource Management Association (UK)

Year ended 31 December 2023

I report to the trustees on my examination of the financial statements of The Sustainable Natural Resource Management Association (UK) ('the charity') for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



N Smy ACA
Independent Examiner
Westcotts (SW) LLP
Chartered Accountants
Queens House
New Street
Honiton
Devon
EX14 1BJ

Date: 18 September 2024

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Activities

Year ended 31 December 2023

		Unrestricted funds £	2023 Restricted funds £	Total funds £	2022 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	44,436	–	44,436	67,343
Investment income	5	132	–	132	7
Total income		<u>44,568</u>	<u>–</u>	<u>44,568</u>	<u>67,350</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	21,662	–	21,662	25,954
Expenditure on charitable activities	7,8	27,105	500	27,605	39,717
Total expenditure		<u>48,767</u>	<u>500</u>	<u>49,267</u>	<u>65,671</u>
Net (expenditure)/income		<u>(4,199)</u>	<u>(500)</u>	<u>(4,699)</u>	<u>1,679</u>
Transfers between funds		100	(100)	–	–
Net movement in funds		<u>(4,099)</u>	<u>(600)</u>	<u>(4,699)</u>	<u>1,679</u>
Reconciliation of funds					
Total funds brought forward		17,692	600	18,292	16,613
Total funds carried forward		<u>13,593</u>	<u>–</u>	<u>13,593</u>	<u>18,292</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 19 form part of these financial statements.

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Current assets			
Debtors	12	963	3,008
Cash at bank and in hand		15,403	19,450
		<u>16,366</u>	<u>22,458</u>
Creditors: amounts falling due within one year	13	<u>2,773</u>	<u>4,166</u>
Net current assets		<u>13,593</u>	<u>18,292</u>
Total assets less current liabilities		<u>13,593</u>	<u>18,292</u>
Net assets		<u>13,593</u>	<u>18,292</u>
Funds of the charity			
Restricted funds		—	600
Unrestricted funds		<u>13,593</u>	<u>17,692</u>
Total charity funds	14	<u>13,593</u>	<u>18,292</u>

These financial statements were approved by the board of trustees and authorised for issue on 15th August 2024, and are signed on behalf of the board by:


P von Lany
Trustee

The notes on pages 11 to 19 form part of these financial statements.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is 4 Broadway, Fore Street, Hemyock, Devon, EX15 3RF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Cashflow statement

The charity has taken advantage of the exemption in FRS102 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

4. Donations and legacies

2023	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Individuals and Trusts	5,611	—	5,611
Just Giving (General)	684	—	684
Other donations and legacies			
Donations generated by Direct Mail	38,141	—	38,141
	<u>44,436</u>	<u>—</u>	<u>44,436</u>
2022	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Individuals and Trusts	10,307	—	10,307
Just Giving (General)	71	—	71
Humanitarian Assist	—	10,000	10,000
Other donations and legacies			
Donations generated by Direct Mail	46,965	—	46,965
	<u>57,343</u>	<u>10,000</u>	<u>67,343</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

5. Investment income

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Bank interest	132	132	7	7

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Cost of public appeals	17,114	17,114	21,099	21,099
Other costs of generating funds	4,548	4,548	4,855	4,855
	<u>21,662</u>	<u>21,662</u>	<u>25,954</u>	<u>25,954</u>

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Cost of public appeals -				
Direct Mail campaign	17,114	17,114	21,099	21,099

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Other costs of generating funds -				
UK travel	—	—	212	212
Consultancy	3,306	3,306	3,306	3,306
Donors and grant reporting	1,026	1,026	1,026	1,026
Just Giving expenses	216	216	311	311
	<u>4,548</u>	<u>4,548</u>	<u>4,855</u>	<u>4,855</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

7. Expenditure on charitable activities by fund type

2023	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Field activity in Ethiopia -			
Wofwasha - Fuel saving stoves	–	500	500
Training and support in Ethiopia -			
SET staff training and operational support	13,527	–	13,527
Technical and policy advice	2,018	–	2,018
Public awareness	3,032	–	3,032
Support costs	8,528	–	8,528
	<u>27,105</u>	<u>500</u>	<u>27,605</u>
2022			
	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Field activity in Ethiopia -			
WofWasha - Fuel saving stoves	–	8,015	8,015
Training and support in Ethiopia -			
Visits to Ethiopia	268	2,735	3,003
SET staff training and operational support	8,089	–	8,089
Technical and policy advice	2,018	–	2,018
Proposal and report writing	5,000	–	5,000
Public awareness	3,032	–	3,032
Project development	–	1,015	1,015
Support costs	9,545	–	9,545
	<u>27,952</u>	<u>11,765</u>	<u>39,717</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

8. Expenditure on charitable activities by activity type

2023	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Office costs	4,051	–	4,051
Accountancy fees	1,426	–	1,426
Independent examination fees	950	–	950
Cost of trustees' meetings	83	–	83
Management costs	2,018	–	2,018
	<u>8,528</u>	<u>–</u>	<u>8,528</u>
2022	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Office costs	4,940	–	4,940
Accountancy fees	1,426	–	1,426
Independent examination fees	950	–	950
Cost of trustees' meetings	211	–	211
Management costs	2,018	–	2,018
	<u>9,545</u>	<u>–</u>	<u>9,545</u>

9. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>950</u>	<u>950</u>

10. Staff costs

The charity had no employees during the current or previous year.

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity were received by the trustees. Two trustees were re-imbursed expenses of £83 (2022: £348) during the year.

12. Debtors

	2023 £	2022 £
Prepayments and accrued income	–	356
Other debtors	<u>963</u>	<u>2,652</u>
	<u>963</u>	<u>3,008</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

13. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	295	1,748
Accruals and deferred income	2,478	2,418
	<u>2,773</u>	<u>4,166</u>

14. Analysis of charitable funds

Unrestricted funds

2023	At 1 January 2023	Income	Expenditure	Transfers	At 31 December 2023
	£	£	£	£	£
General funds	<u>17,692</u>	<u>44,568</u>	<u>(48,767)</u>	<u>100</u>	<u>13,593</u>
2022	At 1 January 2022	Income	Expenditure	Transfers	At 31 December 2022
	£	£	£	£	£
General funds	<u>10,013</u>	<u>57,350</u>	<u>(53,906)</u>	<u>4,235</u>	<u>17,692</u>

The object of the charity is the advancement of education, the protection of health and the relief of poverty of the people of Africa, especially Ethiopia.

General unrestricted funds are funds held in reserve to be made available for the purpose of furthering the objectives of the charity whilst not being restricted to any specific project or item of expense.

Designated funds are general unrestricted funds which have been allocated by the Trustees' to a particular project. These funds are not restricted by the original donor.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

14. Analysis of charitable funds *(continued)*

Restricted funds

2023

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	At 31 December 2023 £
Metema Covid 19	600	—	—	(600)	—
Wofwasha - Fuel saving stoves	—	—	(500)	500	—
Humanitarian Assist	—	—	—	—	—
	<u>600</u>	<u>—</u>	<u>(500)</u>	<u>(100)</u>	<u>—</u>

2022

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
Metema Covid 19	600	—	—	—	600
Wofwasha - Fuel saving stoves	6,000	—	(8,015)	2,015	—
Humanitarian Assist	—	10,000	(3,750)	(6,250)	—
	<u>6,600</u>	<u>10,000</u>	<u>(11,765)</u>	<u>(4,235)</u>	<u>600</u>

These funds are specifically ring fenced for the projects described earlier, supported by donors and held in reserve prior to transfer to Ethiopia.

15. Analysis of net assets between funds

2023

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Current assets	16,366	—	16,366
Creditors less than 1 year	(2,773)	—	(2,773)
Net assets	<u>13,593</u>	<u>—</u>	<u>13,593</u>

2022

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Current assets	21,858	600	22,458
Creditors less than 1 year	(4,166)	—	(4,166)
Net assets	<u>17,692</u>	<u>600</u>	<u>18,292</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

16. Related parties

Executive officer costs and allocation

These allocations are based on best estimates of time apportioned to the activities indicated.

	Time %	£ cost
Charitable activities		
Technical, policy and field support	18	2,018
Public awareness	26	3,032
Other expenditure		
Governance	18	2,018
Cost of raising funds		
Fund raising	9	1,026
Writing and reporting to donors	29	3,306
Total apportioned costs	<u>100</u>	<u>11,400</u>

Accounts

**The Sustainable Natural
Resource Management
Association (UK)**

**Unaudited Financial
Statements**

31 December 2022

**Charity number:
1093680**

The Sustainable Natural Resource Management Association (UK)

Financial Statements

Year ended 31 December 2022

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Statement of financial position	10
Notes to the financial statements	11 to 19

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report

Year ended 31 December 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

Reference and administrative details

Registered charity name	The Sustainable Natural Resource Management Association (UK)		
Working name	SUNARMA UK Action Ethiopia		
Charity registration number	1093680		
Principal office	4 Broadway Fore Street Hemyock EX15 3RF Devon		
The trustees	P von Lany C Birchall R Snook M Roberts	(Resigned 23 November 2022) (Appointed 23 November 2022)	
Executive officer	P Langdon		
Independent examiner	N Smy ACA Westcotts (SW) LLP Chartered Accountants Queens House New Street Honiton Devon EX14 1BJ		
Bankers	Lloyds Bank plc 17 Cross Street Barnstaple Devon EX31 1BE		

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Structure, governance and management

Governing document

The charity was formed and is governed by a declaration of Trust dated 10 June 2002. The charity is registered with the Charity Commission (No. 1093680) and its principal address is 4 Broadway, Fore Street, Hemyock, Devon, EX15 3RF.

The charity registered with the Charities Commission on 3 September 2002.

Action Ethiopia is the working name for SUNARMA UK. The charity offers technical and financial support to our sister organisation (SUNARMA Ethiopia) in Ethiopia. This document will refer to the working name Action Ethiopia.

Recruitment and appointment of management committee

The charity is managed by a management committee who shall be Charity Trustees within the meaning of the Charities Act. The charity shall always have at least three trustees.

In selecting persons to be appointed as trustees, the trustees shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications is able to make a contribution to the pursuit of the objects or the management of the charity.

No person shall be appointed as a trustee who is under 18 years of age or in such circumstances that if he or she is already a trustee, he or she would be disqualified from office under the provision of the following clause. No persons shall be entitled to act as a trustee until after signing a declaration of acceptance and willingness to act in the trusts of the charity.

A trustee shall cease to hold office if he or she is disqualified from acting as a trustee by virtue of the Charities Act; becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs; is absent without the permission of the trustees from all their meetings held within a period of six months and the trustees resolve that he or her office be vacated; or if the trustee notifies the remaining trustees of the wish to resign.

Objectives and activities

The principal objective of the charity is the advancement of education, the protection of health and the relief of poverty of the people of Africa. Action Ethiopia offers technical and financial support to our sister organisation in Ethiopia. The funds raised by Action Ethiopia are used to support programmes managed by SUNARMA Ethiopia. The project works with rural communities in Ethiopia to help them manage natural resources and build sustainable livelihoods more effectively. In planning our activities for the year we kept in mind the charity commission guidance on public benefit.

Action Ethiopia has a large group of individual supporters that it communicates with digitally and by letter. In addition information and progress is available on two websites, www.actionethiopia.org and www.sunarma.org.

Action Ethiopia also keeps in touch with supporters and the general public through Facebook and Twitter accounts.

The Sustainable Natural Resource Management Association (UK)

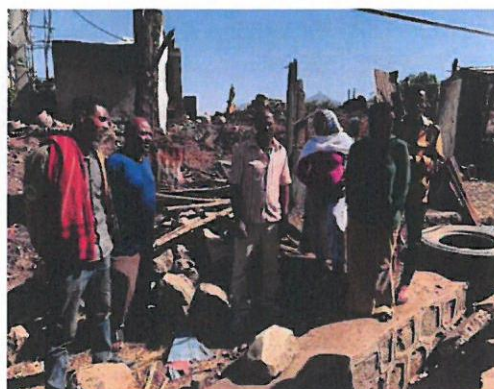
Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Achievements and performance

Ethiopia is a vast country, about the size of France and Spain combined, so it is not surprising that the differences between one part of the country and another can also be significant. There can be drought, flooding, and war all in one country affecting some people and not touching others. It follows that some parts of the country may prosper while others do not.

Last year we reported that the town of Debra Sina had been badly affected by the war between the Tigrayan Peoples Liberation Front (TPLF) and the Ethiopian Government forces. This war has ended but the consequences of the hostilities will last for a long time. Action Ethiopia and SUNARMA our Ethiopian sister organisation, were able to provide immediate food relief.



Those directly affected and the town administration wanted to pass on their gratitude for the support given them and presented SUNARMA with this certificate.



Thank you very much to so many UK supporters who enabled supplies to arrive quickly. SUNARMA are known and trusted locally which meant we could move quickly bringing relief directly to those who needed it.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

A track from Debra Sina travels south along the base sharp Rift Valley escarpment that arrives at Debra Mazza where the registered women's cooperative of the same name is constructing fuel-saving stoves. This cooperative of 18 women has been established for five years.

Together with SUNARMA/Action Ethiopia they have agreed to make 700 fuel-saving stoves for a women's group in Wofwasha Gennete, some three hours walk to the edge of Wofwasha Forest. Demand from Wofwasha Gennete is high and by creating a market for the Debra Mazza cooperative this project has enabled and subsidised stoves for a remote area that would never otherwise have received fuel saving stoves.



The Wofwasha Gennete women pay a reduced rate for the stoves but are responsible for transporting their new stoves home. The pictures show women waiting patiently to collect their stoves and then transport them home using donkeys.



It is remarkable that so much progress has been made in 2022 and the picture shows part of the 350 stoves constructed this year.

During the fighting, many people from towns and villages on the main road fled towards the forest and were accommodated by friends and relatives so congratulations are due to the SUNARMA staff and the women's group for such success in sometimes dangerous situations.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

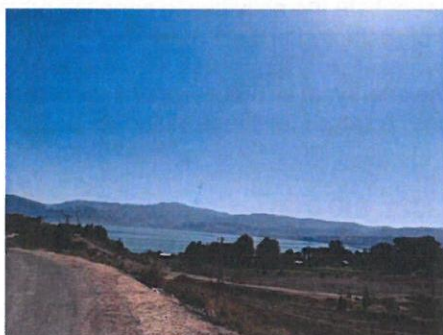
Year ended 31 December 2022

Part of what we do in Action Ethiopia is working with SUNARMA to identify where there is the greatest need in other regions and if we have the resources and skills to meet them.

SUNARMA is well known in the country so often requests for assistance come directly from local authorities. This year we have looked at two new potential areas, funding scoping work to understand what is happening and how any challenges can be met.

The first is further north towards Tigray in an area called Hyaq which has a lake of the same name and the second is south towards Kenya and the rift valley lakes based from the town of Arsi Negele.

The beautiful Lake Hyaq hides two problems. The first is that the land has been over cultivated resulting in soil erosion that is filling the lake with silt. The soil is exhausted and the runoff of chemicals and artificial fertiliser is reducing fish stocks to dangerously low levels.



There is a second Lake called Hardibo which once fed water to Lake Hyaq, however, pumped irrigation and the re-routing of rivers have contributed to both siltation and reducing the water level in the lakes. The catchment area in the hills around is vast but a programme of tree planting, soil conservation and income generation from new sources would help stabilise the area. These are exactly the skills SUNARMA/Action Ethiopia has developed and we are working to develop this project.

The second problem for Hyaq is the terrible toll the war has taken on women. The emotional and cultural consequences of violence against women are not currently in Action Ethiopia's skill set and we are working at developing partnerships in the country with organisations that can help so these challenges can be met at the same time.

The second potential project area is in and around the town of Arsi Negele which is south of Addis Ababa on the road to Kenya. The town is 'booming' and the main industry is the distillation of Ariki, an Ouzo like spirit, that is sold around the country and to international markets.

To fuel the distillation process there has been widespread destruction of forests in the region. The by-product of the process also causes pollution when it gets into rivers and lakes. We have worked with local partners and planted 400,000 eucalyptus and indigenous trees and aim to develop a way of changing the by-product into organic fertiliser that can be used to grow wheat and maize.

None of this would be possible without the skill and dedication of the SUNARMA team in Ethiopia and the many supporters in the UK and Europe. Thank you.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Financial review

The hiatus in project activity funded by Action Ethiopia as we develop new projects is reflected in a reduced income for 2022 of £67,343 (2021: £89,289). The total expenditure was £65,671 (2021: £77,093). Our unrestricted reserves having increased to £17,692 (2021: £10,013).

Reserves policy

The levels of reserves are important to help with the continued funding of projects undertaken by the charity and are continually monitored by the Trustees.

The Action Ethiopia board agree and administer the disbursement of funds against a work programme agreed with field staff in Ethiopia. Occasional challenges on the ground such as environmental factors (drought, excessive rain etc) or delays in response of local stakeholders can mean the project runs behind schedule. In this event the Action Ethiopia board will renegotiate the activities to bring the project back on track and this can result in the fluctuation of the level of restricted project reserves.

The Trustees acknowledge their responsibility to ensure that the charity, at all times, retains unrestricted reserves to ensure that it is able to fulfil its ongoing obligations. A target for these reserves has been set to cover 3 months of unrestricted expenditure.

The free reserves held at 31 December 2022 were £17,692 (2021: £10,013).

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Trustees' responsibilities statement

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

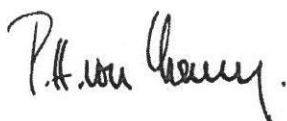
The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the applicable Charities SORP;
3. make judgments and accounting estimates that are reasonable and prudent;
4. 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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.

The trustees' annual report was approved on 20 July 2023 and signed on behalf of the board of trustees by:



P von Lany
Trustee

The Sustainable Natural Resource Management Association (UK)

Independent Examiner's Report to the Trustees of The Sustainable Natural Resource Management Association (UK)

Year ended 31 December 2022

I report to the trustees on my examination of the financial statements of The Sustainable Natural Resource Management Association (UK) ('the charity') for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**N Smy ACA
Independent Examiner
Westcotts (SW) LLP
Chartered Accountants
Queens House
New Street
Honiton
Devon
EX14 1BJ**

Date: 4 August 2023

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Activities

Year ended 31 December 2022

		Unrestricted funds £	2022 Restricted funds £	Total funds £	2021 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	57,343	10,000	67,343	89,289
Investment income	5	7	–	7	–
Total income		<u>57,350</u>	<u>10,000</u>	<u>67,350</u>	<u>89,289</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	25,954	–	25,954	22,664
Expenditure on charitable activities	7,8	27,952	11,765	39,717	54,429
Total expenditure		<u>53,906</u>	<u>11,765</u>	<u>65,671</u>	<u>77,093</u>
Net income		<u>3,444</u>	<u>(1,765)</u>	<u>1,679</u>	<u>12,196</u>
Transfers between funds		4,235	(4,235)	–	–
Net movement in funds		<u>7,679</u>	<u>(6,000)</u>	<u>1,679</u>	<u>12,196</u>
Reconciliation of funds					
Total funds brought forward		10,013	6,600	16,613	4,417
Total funds carried forward		<u>17,692</u>	<u>600</u>	<u>18,292</u>	<u>16,613</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 11 to 19 form part of these financial statements.

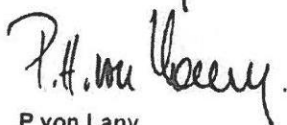
The Sustainable Natural Resource Management Association (UK)

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Current assets			
Debtors	12	3,008	2,546
Cash at bank and in hand		19,450	18,042
		<u>22,458</u>	<u>20,588</u>
Creditors: amounts falling due within one year	13	4,166	3,975
Net current assets		<u>18,292</u>	<u>16,613</u>
Total assets less current liabilities		<u>18,292</u>	<u>16,613</u>
Net assets		<u>18,292</u>	<u>16,613</u>
Funds of the charity			
Restricted funds		600	6,600
Unrestricted funds		17,692	10,013
Total charity funds	14	<u>18,292</u>	<u>16,613</u>

These financial statements were approved by the board of trustees and authorised for issue on 20 July 2023, and are signed on behalf of the board by:



P von Lany
Trustee

The notes on pages 11 to 19 form part of these financial statements.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements

Year ended 31 December 2022

1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is 4 Broadway, Fore Street, Hemyock, Devon, EX15 3RF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Cashflow statement

The charity has taken advantage of the exemption in FRS102 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
2022			
Donations			
Individuals and Trusts	10,307	—	10,307
Just Giving (General)	71	—	71
Humanitarian Assist	—	10,000	10,000
Other donations and legacies			
Donations generated by Direct Mail	46,965	—	46,965
	<u>57,343</u>	<u>10,000</u>	<u>67,343</u>
2021			
Donations			
Individuals and Trusts	6,960	—	6,960
Paypal	10	—	10
Just Giving (General)	58	—	58
Metema Fuel saving stoves	—	6,652	6,652
WofWasha Fuel saving stoves	—	20,000	20,000
Other donations and legacies			
Donations generated by Direct Mail	55,609	—	55,609
	<u>62,637</u>	<u>26,652</u>	<u>89,289</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest	7	7	—	—

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Cost of public appeals	21,099	21,099	18,918	18,918
Other costs of generating funds	4,855	4,855	3,746	3,746
	<u>25,954</u>	<u>25,954</u>	<u>22,664</u>	<u>22,664</u>

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Cost of public appeals -				
Direct Mail campaign	21,099	21,099	18,918	18,918

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Other costs of generating funds -				
Fundraising/marketing	—	—	887	887
UK travel	212	212	263	263
Consultancy	3,306	3,306	1,740	1,740
Donors and grant reporting	1,026	1,026	540	540
Just Giving expenses	311	311	316	316
	<u>4,855</u>	<u>4,855</u>	<u>3,746</u>	<u>3,746</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

7. Expenditure on charitable activities by fund type

2022	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Field activity in Ethiopia -			
Wofwasha - Fuel saving stoves	–	8,015	8,015
Training and support in Ethiopia -			
Visits to Ethiopia	268	2,735	3,003
SET staff training and operational support	8,089	–	8,089
Technical and policy advice	2,018	–	2,018
Proposal and report writing	5,000	–	5,000
Public awareness	3,032	–	3,032
Project development	–	1,015	1,015
Support costs	9,545	–	9,545
	<u>27,952</u>	<u>11,765</u>	<u>39,717</u>
2021	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Field activity in Ethiopia -			
Metema - Covid 19	15	400	415
Metema - Fuel savings stoves	–	12,602	12,602
WofWasha - Fuel saving stoves	15	14,000	14,015
Humanitarian Assist	6,250	–	6,250
Borona	171	–	171
Training and support in Ethiopia -			
SET staff training and operational support	9,349	305	9,654
Technical and policy advice	1,062	–	1,062
Proposal and report writing	1,675	–	1,675
Public awareness	1,596	–	1,596
Support costs	6,989	–	6,989
	<u>27,122</u>	<u>27,307</u>	<u>54,429</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

8. Expenditure on charitable activities by activity type

	Unrestricted Funds	Restricted Funds	Total Funds
2022	£	£	2022 £
Office costs	4,940	—	4,940
Accountancy fees	1,426	—	1,426
Independent examination fees	950	—	950
Cost of trustees' meetings	211	—	211
Management costs	2,018	—	2,018
	<u>9,545</u>	<u>—</u>	<u>9,545</u>

	Unrestricted Funds	Restricted Funds	Total Funds
2021	£	£	2021 £
Office costs	3,450	—	3,450
Accountancy fees	1,275	—	1,275
Independent examination fees	885	—	885
Cost of trustees' meetings	317	—	317
Management costs	1,062	—	1,062
	<u>6,989</u>	<u>—</u>	<u>6,989</u>

9. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>950</u>	<u>885</u>

10. Staff costs

The charity had no employees during the current or previous year.

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity were received by the trustees. Two trustees were re-imbursed expenses of £348 (2021: £353) during the year.

12. Debtors

	2022 £	2021 £
Prepayments and accrued income	356	669
Other debtors	<u>2,652</u>	<u>1,877</u>
	<u>3,008</u>	<u>2,546</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

13. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,748	1,773
Accruals and deferred income	2,418	2,202
	<u>4,166</u>	<u>3,975</u>

14. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
General funds	<u>10,013</u>	<u>57,350</u>	<u>(53,906)</u>	<u>4,235</u>	<u>17,692</u>

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
General funds	<u>(1,048)</u>	<u>62,637</u>	<u>(49,786)</u>	<u>(1,790)</u>	<u>10,013</u>

The object of the charity is the advancement of education, the protection of health and the relief of poverty of the people of Africa, especially Ethiopia.

General unrestricted funds are funds held in reserve to be made available for the purpose of furthering the objectives of the charity whilst not being restricted to any specific project or item of expense.

Designated funds are general unrestricted funds which have been allocated by the Trustees' to a particular project. These funds are not restricted by the original donor.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

14. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2022	Income £	Expenditure £	Transfers £	At 31 December 2022 £
2022					
Metema Covid 19	600	–	–	–	600
Wofwasha - Fuel saving stoves	6,000	–	(8,015)	2,015	–
Humanitarian Assist	–	10,000	(3,750)	(6,250)	–
	<u>6,600</u>	<u>10,000</u>	<u>(11,765)</u>	<u>(4,235)</u>	<u>600</u>
	At 1 January 2021	Income £	Expenditure £	Transfers £	At 31 December 2021 £
2021					
International Tree Fund	8	–	(8)	–	–
Wuchale and Jiddah project	297	–	(297)	–	–
Metema Covid 19	1,000	–	(400)	–	600
Metema - Fuel saving stoves	4,160	6,652	(12,602)	1,790	–
Wofwasha - Fuel saving stoves	–	20,000	(14,000)	–	6,000
	<u>5,465</u>	<u>26,652</u>	<u>(27,307)</u>	<u>1,790</u>	<u>6,600</u>

These funds are specifically ring fenced for the projects described earlier, supported by donors and held in reserve prior to transfer to Ethiopia.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

15. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
2022	£	£	2022 £
Current assets	21,858	600	22,458
Creditors less than 1 year	(4,166)	–	(4,166)
Net assets	<u>17,692</u>	<u>600</u>	<u>18,292</u>
	Unrestricted Funds	Restricted Funds	Total Funds
2021	£	£	2021 £
Current assets	13,988	6,600	20,588
Creditors less than 1 year	(3,975)	–	(3,975)
Net assets	<u>10,013</u>	<u>6,600</u>	<u>16,613</u>

16. Related parties

Executive officer costs and allocation

These allocations are based on best estimates of time apportioned to the activities indicated.

	Time %	£ cost
Charitable activities		
Technical, policy and field support	18	2,018
Public awareness	26	3,032
Other expenditure		
Governance	18	2,018
Cost of raising funds		
Fund raising	9	1,026
Writing and reporting to donors	29	3,306
Total apportioned costs	<u>100</u>	<u>11,400</u>

Accounts

**The Sustainable Natural
Resource Management
Association (UK)**

**Unaudited Financial
Statements**

31 December 2021

**Charity number:
1093680**

The Sustainable Natural Resource Management Association (UK)

Financial Statements

Year ended 31 December 2021

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Statement of financial position	10
Notes to the financial statements	11 to 19

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report

Year ended 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name The Sustainable Natural Resource Management Association (UK)

Working name SUNARMA UK
Action Ethiopia

Charity registration number 1093680

Principal office 4 Broadway
Fore Street
Hemyock
Devon
EX15 3RF

The trustees P von Lany – Chair
B Kassayie (Resigned 24 November 2021)
C Birchall
R Snook
M Langdon (Resigned 8 September 2021)

Executive officer P Langdon

Independent examiner N Smy ACA
Westcotts
Chartered Accountants
26-28 Southernhay East
Exeter
Devon
EX1 1NS

Bankers Lloyds Bank plc
17 Cross Street
Barnstaple
Devon
EX31 1BE

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report (*continued*)

Year ended 31 December 2021

Structure, governance and management

Governing document

The charity was formed and is governed by a declaration of Trust dated 10 June 2002. The charity is registered with the Charity Commission (No. 1093680) and its principal address is 4 Broadway, Fore Street, Hemyock, Devon, EX15 3RF.

The charity registered with the Charities Commission on 3 September 2002.

Action Ethiopia is the working name for SUNARMA UK. The charity offers technical and financial support to our sister organisation (SUNARMA Ethiopia) in Ethiopia. This document will refer to the working name Action Ethiopia.

Recruitment and appointment of management committee

The charity is managed by a management committee who shall be Charity Trustees within the meaning of the Charities Act. The charity shall always have at least three trustees.

In selecting persons to be appointed as trustees, the trustees shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications is able to make a contribution to the pursuit of the objects or the management of the charity.

No person shall be appointed as a trustee who is under 18 years of age or in such circumstances that if he or she is already a trustee, he or she would be disqualified from office under the provision of the following clause. No persons shall be entitled to act as a trustee until after signing a declaration of acceptance and willingness to act in the trusts of the charity.

A trustee shall cease to hold office if he or she is disqualified from acting as a trustee by virtue of the Charities Act; becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs; is absent without the permission of the trustees from all their meetings held within a period of six months and the trustees resolve that he or her office be vacated; or if the trustee notifies the remaining trustees of the wish to resign.

Objectives and activities

The principal objective of the charity is the advancement of education, the protection of health and the relief of poverty of the people of Africa. Action Ethiopia offers technical and financial support to our sister organisation in Ethiopia. The funds raised by Action Ethiopia are used to support programmes managed by SUNARMA Ethiopia. The project works with rural communities in Ethiopia to help them manage natural resources and build sustainable livelihoods more effectively. In planning our activities for the year, we kept in mind the charity commission guidance on public benefit.

Action Ethiopia has a large group of individual supporters that it communicates with digitally and by letter. In addition, information and progress is available on two websites, www.actionethiopia.org and www.sunarma.org.

Action Ethiopia also keeps in touch with supporters and the general public through Facebook and Twitter accounts.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report (*continued*)

Year ended 31 December 2021

Achievements and performance

For almost every one of us 2021 will be a defining year as the world endured the ravages of the covid 19 pandemic. We will measure events pre and post pandemic for the rest of our lives. The west seemed to suffer more than many African nations and as we braced ourselves for real hardship in the crowded Ethiopian towns and cities covid did not take the toll many had feared. It seems that sunshine and the more youthful population helped keep published figures low. This is anecdotally borne out by very few people in the Action Ethiopia project areas becoming affected.

Having said that our Comic Relief funded project in North West Ethiopia around the border town (with Sudan) of Metema had become an epicentre of infection. There is a large movement of people walking back and forth across the border along with many vehicles trading goods. This project worked with forest dwellers for the production of Frankincense from the Boswellia tree. Understandably, especially in the early days, people were very nervous about covid 19. The local health service was totally unprepared for the speed of the pandemic and in this vast country supplies of PPE were impossible to



source locally. Action Ethiopia were able to mobilise quickly and thanks to the generosity of many individuals and trusts were able to help train the local health service and supply enough PPE which was purchased in Addis which was 1000 kilometres away and transported to Metema. The initiative worked with 9 kebele in the project area

alongside staff from Metema Health Office and reached some 10,000 people. This was a fantastic achievement and our sincere thanks to so many people in the UK who gave generously whilst contending with the trauma, restrictions, and loss of their own. It is difficult to articulate the challenge in this very remote and difficult place. The distances are enormous and the conditions harsh. Very few forest dwellers had heard about the coronavirus never mind knowing how to deal with it. Because these communities knew and trusted our local staff, rolling out and educating people was much faster than could be achieved by anyone else and this undoubtably saved lives.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report (*continued*)

Year ended 31 December 2021

Achievements and performance (*continued*)

Harvesting Frankincense from the thorny *Boswellia* tree that grows wild in the forest is extremely challenging. It has traditionally been men's work and families are understandably reluctant to let wives and daughters risk days in the forest on the trail of tapping and collecting frankincense (more of this later). There are 'shifta' (bandits) to contend with and now recently warring militia from neighbouring ethnic groups. The challenge of engaging women outside their traditional roles has been difficult and tackled in three ways giving them more influence on community life. Firstly, women have been elected onto some of the managing committees of the 11 cooperatives that have been established to protect, harvest, store and sell frankincense. Secondly, women help manage the small warehouses that sort, grade and store the finished frankincense prior to sale and thirdly, the project has developed three new women's Fuel Saving Stove making enterprises. These women's groups run their own set of accounts, organise the purchase of inputs, manufacture and sell the fuel saving stoves. There is high demand for the stoves so the groups not only make a profit from the sales which are saved or distributed according to what each group agree between themselves, but also reduce the amount of wood cut in the diminishing forest.



Meanwhile over the course of the three and a half years this project has been running significant new income has been generated. The 11 cooperatives that had been legally registered in 2021, have their own bank accounts which give them access to services and legal recourse if necessary. Previously households would harvest frankincense 'willy nilly', taking what they could when they could. There were also outsiders who had no regard for the future of the trees, harvesting indiscriminately, living rough in the forest and were dangerous when encountered. The forest has been divided up into the legally recognised boundaries of the cooperatives. The cooperatives and members now know that in order to get the best and sustained production from the *Boswellia* tree, a three year cycle needs to be developed harvesting in year one and two and allowing rest in the third year. Doing this in rotation so that there are always trees to harvest. The forest is managed and protected from outsiders. Households have defined areas from which to harvest and share in the protection boundaries.

There have been some spectacular results, one farmer was able to purchase a small house on the edge of a village by the main road for 80,000 Birr. He now lets out the property diversifying his income source, a commendable strategy! During the project life the harvest of Frankincense by the cooperatives has risen 230% to over 21 tonnes. This was then graded and stored in six new stores in preparation for sale.

Additionally, over 1030 cooperative members joined together to undertake enrichment planting of 179,872 indigenous trees in the forest. These were grown in the nine recently established project tree nurseries. SUNARMA, our Ethiopian sister organisation, have also become skilled at introducing bee keeping, new training, hives and harvesting equipment has brought 163,000 Birr of new income for cooperative members. The new enterprises and the money generated have meant households have invested in fattening and breeding stock (cattle, chicken and goats).

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Achievements and performance *(continued)*

Through open source digital mapping, Action Ethiopia has been able provide infra-red satellite images of the project area which are updated every 14 days. This is shared with the project staff and local government which has helped the authorities keep track of illegal burning (you can actually see the smoke with infer red!) and measure the percentage change of cultivation for crops in the forest. This has been particularly useful when, due to the breakdown of security in some areas, it was unsafe travel. The satellite maps could still be used to understand what was going on in these areas.

Fighting between government forces and the TPLF (Tigray People Liberation Front) has been reported elsewhere. In other areas that Action Ethiopia work there was a three month period before Christmas 2021 where it was difficult to work. The TPLF rapidly moved from Tigray as far as Debra Sina (on the edge of the Wofwasha forest project area) on what is known as the Desse road to Addis. This created a wave of Internally Displaced People (IDP's) who headed towards Addis putting tremendous pressure on the resources of the towns where they stopped. At one time it was reported that 300,000 IDP's were camped outside the town of Debra Birhan. Debra Sina was occupied for 14 days and there was damage to buildings and wide spread looting by militia. As you can imagine projects grind to a halt as people cope with the trauma. This particularly affected the new Fuel Saving Stoves project based from Debra Sina which aims to provide 700 fuel saving stoves for communities deep in the forest. Action Ethiopia with SUNARMA raised £10,000 to provide food to 44 badly affected households in the town centre. It did this by working directly with the town administration who identified the worst affected people and SUNARMA ensured these households had food for the Ethiopia Christmas (8 Jan). A big thank you for our friends and supporters who responded so quickly and made this possible. The Ethiopian government seemed to handle the crisis very well in Debra Sina with big shipments of wheat for others. It is amazing how quickly life



can return to some sort of normality and by late January 2022 project work had restarted. Over the years Action Ethiopia has had to adapt and help the communities amongst whom it works, to deal with disaster, be it famine, covid 19, or war. The exceptional SUNARMA staff are as a result highly regarded by both local people and government authorities.

Thank you to the many donors and the hundreds of private individuals who make this possible.

Outlook: We are delighted that the work in NW Ethiopia in and around Metema has attracted attention and has doubled in size, this is with funding from the Darwin Initiative and UKAM. These funds are being routed through others working with SUNARMA and builds on the success of this first phase. Action Ethiopia and SUNARMA are looking to develop new projects to help farmers cope with the ravages of the civil war and tackling enviromental challenges north of Debra Sina on the Desse road as well as new work further south in the Rift Valley

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report (*continued*)

Year ended 31 December 2021

Financial review

As our flagship project in Metema comes to an end so our income has reduced to £89,289 (£136,279). The expenditure is therefore less at £77,093 (£163,570). This has allowed us to build up our free reserves during the year with the aim of holding three months expenditure for Action Ethiopia.

Reserves policy

The levels of reserves are important to help with the continued funding of projects undertaken by the charity and are continually monitored by the Trustees.

The Action Ethiopia board agree and administer the disbursement of funds against a work programme agreed with field staff in Ethiopia. Occasional challenges on the ground such as environmental factors (drought, excessive rain etc) or delays in response of local stake holders can mean the project runs behind schedule. In this event the Action Ethiopia board will renegotiate the activities to bring the project back on track and this can result in the fluctuation of the level of restricted project reserves.

This year in a bid to complete our flagship project by the end of the year and before the final tranche of funding was received from the donor, Action Ethiopia used its reserves to complete field activity (see Financial Review above).

The Trustees acknowledge their responsibility to ensure that the charity, at all times, retains unrestricted reserves to ensure that it is able to fulfil its ongoing obligations. A target for these reserves has been set to cover 3 months of unrestricted expenditure.

The free reserves held at 31 December 2021 we £10,013 (2020: deficit £1,048).

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report 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 requires the charity trustees to prepare financial statements for each 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, of the charity for that period.

In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the applicable Charities SORP;
3. make judgments and accounting estimates that are reasonable and prudent;
4. 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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.

The trustees' annual report was approved on 14 September 2022 and signed on behalf of the board of trustees by:

P von Lany
Trustee

The Sustainable Natural Resource Management Association (UK)

Independent Examiner's Report to the Trustees of The Sustainable Natural Resource Management Association (UK)

Year ended 31 December 2021

I report to the trustees on my examination of the financial statements of The Sustainable Natural Resource Management Association (UK) ('the charity') for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**N Smy ACA
Independent Examiner
Westcotts
Chartered Accountants
26-28 Southernhay East
Exeter
Devon
EX1 1NS**

Date: 21 September 2022

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Activities

Year ended 31 December 2021

			2021		2020
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	62,637	26,652	89,289	136,272
Investment income	5	—	—	—	7
Total income		<u>62,637</u>	<u>26,652</u>	<u>89,289</u>	<u>136,279</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	22,664	—	22,664	33,702
Expenditure on charitable activities	7,8	27,122	27,307	54,429	129,877
Total expenditure		<u>49,786</u>	<u>27,307</u>	<u>77,093</u>	<u>163,579</u>
Net income/(expenditure)		<u>12,851</u>	<u>(655)</u>	<u>12,196</u>	<u>(27,300)</u>
Transfers between funds		(1,790)	1,790	—	—
Net movement in funds		<u>11,061</u>	<u>1,135</u>	<u>12,196</u>	<u>(27,300)</u>
Reconciliation of funds					
Total funds brought forward		(1,048)	5,465	4,417	31,717
Total funds carried forward		<u>10,013</u>	<u>6,600</u>	<u>16,613</u>	<u>4,417</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 11 to 19 form part of these financial statements.

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Current assets			
Debtors	12	2,546	3,295
Cash at bank and in hand		18,042	5,248
		<u>20,588</u>	<u>8,543</u>
Creditors: amounts falling due within one year	13	3,975	4,126
Net current assets		<u>16,613</u>	<u>4,417</u>
Total assets less current liabilities		<u>16,613</u>	<u>4,417</u>
Net assets		<u>16,613</u>	<u>4,417</u>
Funds of the charity			
Restricted funds		6,600	5,465
Unrestricted funds		10,013	(1,048)
Total charity funds	14	<u>16,613</u>	<u>4,417</u>

These financial statements were approved by the board of trustees and authorised for issue on 14 September 2022, and are signed on behalf of the board by:

P von Lany
Trustee

The notes on pages 11 to 19 form part of these financial statements.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is 4 Broadway, Fore Street, Hemyock, Devon, EX15 3RF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Cashflow statement

The charity has taken advantage of the exemption in FRS102 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

4. Donations and legacies

2021	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Individuals and Trusts	6,960	–	6,960
Paypal	10	–	10
Just Giving (General)	58	–	58
Metema Fuel saving stoves	–	6,652	6,652
Wofwasha Fuel saving stoves	–	20,000	20,000
Other donations and legacies			
Donations generated by Direct Mail	55,609	–	55,609
	<u>62,637</u>	<u>26,652</u>	<u>89,289</u>
2020	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Individuals and Trusts	11,208	–	11,208
Frankincense and Myrrh	–	43,668	43,668
Metema Covid 19	–	15,260	15,260
Metema Fuel saving stoves	–	14,160	14,160
Other donations and legacies			
Donations generated by Direct Mail	51,976	–	51,976
	<u>63,184</u>	<u>73,088</u>	<u>136,272</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

5. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest	—	—	7	7

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Cost of public appeals	18,918	18,918	25,466	25,466
Other costs of generating funds	3,746	3,746	8,236	8,236
	<u>22,664</u>	<u>22,664</u>	<u>33,702</u>	<u>33,702</u>

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Cost of public appeals -				
Direct Mail campaign	<u>18,918</u>	<u>18,918</u>	<u>25,466</u>	<u>25,466</u>

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other costs of generating funds -				
Fundraising/marketing	887	887	30	30
UK travel	263	263	235	235
Consultancy	1,740	1,740	3,008	3,008
Donors and grant reporting	540	540	4,517	4,517
Just Giving expenses	316	316	216	216
Miscellaneous costs	—	—	230	230
	<u>3,746</u>	<u>3,746</u>	<u>8,236</u>	<u>8,236</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

7. Expenditure on charitable activities by fund type

2021	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Field activity in Ethiopia -			
Metema - Covid 19	15	400	415
Metema - Fuel saving stoves	–	12,602	12,602
Wofwasha - Fuel saving stoves	15	14,000	14,015
Humanitarian Assist	6,250	–	6,250
Borona	171	–	171
 Training and support in Ethiopia -			
SET staff training and operational support	9,349	305	9,654
Technical and policy advice	1,062	–	1,062
Proposal and report writing	1,675	–	1,675
 Public awareness	1,596	–	1,596
 Support costs	6,989	–	6,989
	<u>27,122</u>	<u>27,307</u>	<u>54,429</u>
 2020	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Field activity in Ethiopia -			
Frankincense and Myrrh	–	70,764	70,764
Metema - Covid 19	30	19,000	19,030
Metema - Fuel savings stoves	39	10,000	10,039
 Training and support in Ethiopia -			
SET staff training and operational support	5,769	–	5,769
Technical and policy advice	4,948	–	4,948
Proposal and report writing	1,219	–	1,219
 Public awareness	1,518	–	1,518
Project development	750	–	750
Support costs	9,840	6,000	15,840
	<u>24,113</u>	<u>105,764</u>	<u>129,877</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

8. Expenditure on charitable activities by activity type

	Unrestricted Funds	Restricted Funds	Total Funds
2021	£	£	2021 £
Office costs	3,450	—	3,450
Accountancy fees	1,275	—	1,275
Independent examination fees	885	—	885
Cost of trustees' meetings	317	—	317
Management costs	1,062	—	1,062
	<u>6,989</u>	<u>—</u>	<u>6,989</u>
2020	£	£	Total Funds 2020 £
Office costs	4,386	6,000	10,386
Accountancy fees	1,267	—	1,267
Independent examination fees	875	—	875
Cost of trustees' meetings	166	—	166
Bank charges	138	—	138
Management costs	3,008	—	3,008
	<u>9,840</u>	<u>6,000</u>	<u>15,840</u>

9. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>885</u>	<u>875</u>

10. Staff costs

The charity had no employees during the current or previous year.

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity were received by the trustees. Two trustees were re-imbursed expenses of £353 (2020: £166) during the year.

12. Debtors

	2021 £	2020 £
Prepayments and accrued income	669	486
Other debtors	<u>1,877</u>	<u>2,809</u>
	<u>2,546</u>	<u>3,295</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

13. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,773	1,984
Accruals and deferred income	2,202	2,142
	<u>3,975</u>	<u>4,126</u>

14. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
General funds	<u>(1,048)</u>	<u>62,637</u>	<u>(49,786)</u>	<u>(1,790)</u>	<u>10,013</u>

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
General funds	<u>6,129</u>	<u>63,191</u>	<u>(57,815)</u>	<u>(12,553)</u>	<u>(1,048)</u>

The object of the charity is the advancement of education, the protection of health and the relief of poverty of the people of Africa, especially Ethiopia.

General unrestricted funds are funds held in reserve to be made available for the purpose of furthering the objectives of the charity whilst not being restricted to any specific project or item of expense.

Designated funds are general unrestricted funds which have been allocated by the Trustees' to a particular project. These funds are not restricted by the original donor.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

14. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
International Tree Fund	8	–	(8)	–	–
Wuchale and Jiddah project	297	–	(297)	–	–
Frankincense and Myrrh	–	–	–	–	–
Metema Covid 19	1,000	–	(400)	–	600
Metema - Fuel saving stoves	4,160	6,652	(12,602)	1,790	–
Wofwasha - Fuel saving stoves	–	20,000	(14,000)	–	6,000
	<u>5,465</u>	<u>26,652</u>	<u>(27,307)</u>	<u>1,790</u>	<u>6,600</u>

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
International Tree Fund	8	–	–	–	8
Wuchale and Jiddah project	297	–	–	–	297
Frankincense and Myrrh	25,283	43,668	(76,764)	7,813	–
Metema Covid 19	–	15,260	(19,000)	4,740	1,000
Metema - Fuel saving stoves	–	14,160	(10,000)	–	4,160
	<u>25,588</u>	<u>73,088</u>	<u>(105,764)</u>	<u>12,553</u>	<u>5,465</u>

These funds are specifically ring fenced for the projects described earlier, supported by donors and held in reserve prior to transfer to Ethiopia.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

15. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
2021	£	£	2021 £
Current assets	13,988	6,600	20,588
Creditors less than 1 year	(3,975)	—	(3,975)
Net assets	<u>10,013</u>	<u>6,600</u>	<u>16,613</u>
	Unrestricted Funds	Restricted Funds	Total Funds
2020	£	£	2020 £
Current assets	3,078	5,465	8,543
Creditors less than 1 year	(4,126)	—	(4,126)
Net assets	<u>(1,048)</u>	<u>5,465</u>	<u>4,417</u>

16. Related parties

Executive officer costs and allocation

These allocations are based on best estimates of time apportioned to the activities indicated.

	Time %	£ cost
Charitable activities		
Technical, policy and field support	18	1,062
Public awareness	26	1,596
Other expenditure		
Governance	18	1,062
Cost of raising funds		
Fund raising	9	540
Writing and reporting to donors	29	1,740
Total apportioned costs	<u>100</u>	<u>6,000</u>

Accounts

**The Sustainable Natural
Resource Management
Association (UK)**

**Unaudited Financial
Statements**

31 December 2020

**Charity number:
1093680**

The Sustainable Natural Resource Management Association (UK)

Financial Statements

Year ended 31 December 2020

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The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report

Year ended 31 December 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name	The Sustainable Natural Resource Management Association (UK)
Working name	SUNARMA UK Action Ethiopia
Charity registration number	1093680
Principal office	4 Broadway Fore Street Hemyock Devon EX15 3RF
The trustees	P von Lany B Kassayie C Birchall R Snook M Langdon
Executive officer	P Langdon
Independent examiner	N Smy ACA Thomas Westcott Chartered Accountants 26-28 Southernhay East Exeter Devon EX1 1NS
Bankers	Lloyds Bank plc 17 Cross Street Barnstaple Devon EX31 1BE

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report (*continued*)

Year ended 31 December 2020

Structure, governance and management

Governing document

The charity was formed and is governed by a declaration of Trust dated 10 June 2002. The charity is registered with the Charity Commission (No. 1093680) and its principal address is 4 Broadway, Fore Street, Hemyock, Devon, EX15 3RF.

The charity registered with the Charities Commission on 3 September 2002.

Action Ethiopia is the working name for SUNARMA UK. The charity offers technical and financial support to our sister organisation (SUNARMA Ethiopia) in Ethiopia. This document will refer to the working name Action Ethiopia.

Recruitment and appointment of management committee

The charity is managed by a management committee who shall be Charity Trustees within the meaning of the Charities Act. The charity shall always have at least three trustees.

In selecting persons to be appointed as trustees, the trustees shall take into account the benefits of appointing a person who is able by virtue of his or her personal or professional qualifications is able to make a contribution to the pursuit of the objects or the management of the charity.

No person shall be appointed as a trustee who is under 18 years of age or in such circumstances that if he or she is already a trustee, he or she would be disqualified from office under the provision of the following clause. No persons shall be entitled to act as a trustee until after signing a declaration of acceptance and willingness to act in the trusts of the charity.

A trustee shall cease to hold office if he or she is disqualified from acting as a trustee by virtue of the Charities Act; becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs; is absent without the permission of the trustees from all their meetings held within a period of six months and the trustees resolve that he or her office be vacated; or if the trustee notifies the remaining trustees of the wish to resign.

Objectives and activities

The principal objective of the charity is the advancement of education, the protection of health and the relief of poverty of the people of Africa. Action Ethiopia offers technical and financial support to our sister organisation in Ethiopia. The funds raised by Action Ethiopia are used to support programmes managed by SUNARMA Ethiopia. The project works with rural communities in Ethiopia to help them manage natural resources and build sustainable livelihoods more effectively. In planning our activities for the year, we kept in mind the charity commission guidance on public benefit.

Action Ethiopia has a large group of individual supporters that it communicates with digitally and by letter. In addition, information and progress is available on two websites, www.actionethiopia.org and www.sunarma.org.

Action Ethiopia also keeps in touch with supporters and the general public through Facebook and Twitter accounts.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report (*continued*)

Year ended 31 December 2020

Achievements and performance

The calendar year 2020 will forever be etched in our mind as the year of lockdown. Everyone of us will have a memory of this year. It will become a period from which other events are measured, pre pandemic or post pandemic. The most startling initial fall out in the UK was the stock market crash during March 2020. This was then followed by speculation of how this would impact on the economy and how the worlds governments would react. For Action Ethiopia this meant uncertainty. How serious would Covid 19 be in Ethiopia? How dangerous would it be for Ethiopian colleagues. What could be done by Action Ethiopia to help the SUNARMA staff and the farmers and forest dwellers that we work with. Continuing political and ethnic conflict in Ethiopia was also impacting on our work. It is a credit to the team in Ethiopia that they found ways of working through this and for the most part completing the work on time and to budget.

The Frankincense and Myrrh project working in the Boswellia forests in Northwest Ethiopia was in its final year in 2020. Harvesting Frankincense involves cutting a teacup saucer - shaped incision in the trunk of the Boswellia tree about a meter from the ground. The white gum oozes from the tree and sets hard in about three weeks and looks a bit like dried up chewing gum. This work is done deep in the forests with workers living in the forest for days at a time. The environment is harsh and made more difficult by militia hiding from government forces.



There are several significant achievements: -

- Establishing six forest management cooperatives (FMC) as a legal entity to manage their section of the forest is a huge achievement. The process was achieved by training, workshops and joint planning with local government which has meant that mutual respect and understanding has been created, reducing the encroachment of outsiders into the forest and creating a feeling of ownership as the forest is managed better.
- This has also contributed towards improvements in forest fire control and reduction. Much remains to be done but the trend is moving in the right direction.
- Improved incomes from non timber forest products (NTFP) on the back of training has improved the food security situation. Attitudes are changing as the forest is being seen as a resource worth looking after.
- As a result of improved income by forest dwellers some households have been able to afford agricultural inputs as well as goats, chicken and cattle. One farmer, as a result of income gained from the sale of frankincense, purchased a house on the edge of a village by the main road for 80,000 ETB. His aim is to rent this out to increase his income.
- There has been an increase of up to 100% in the number of people engaged in frankincense production. Improving management and harvesting techniques yields in one FMC rose from 200 quintal to just over 400 quintals (100kg).
- The annual production of Frankincense in the total project area has risen from 948 quintals (1 quintal = 100kg) at the start of the project to 2,181.95 quintals an increase of 130%.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report (*continued*)

Year ended 31 December 2020

Achievements and performance (*continued*)

- The project inherited four forest management cooperatives (FMC's) from a previous project that were on the brink of collapse. These together with six other new cooperatives have in the words of one of our senior staff become 'morally, technically and financially strong institutions'.
- The original four FMC's were regarded as 'toothless and non-functioning organisations' put in place by outsiders. The 8 FMC's are now seen as benefiting members and FMC communities protecting their forest from incursions and exploitations from neighbouring populations. They see the FMC as protecting and managing their forest resource.
- A warehouse has been built in each of the six of FMC areas. These are seen as a huge asset allowing proper office space, the safe storage of tools and a place to sort and store frankincense for sale when the price is higher. The warehouses have enhanced the desire and motivation to make this work.
- There has been a decrease in the agricultural farm land expansion and settlement in the forest, reducing deforestation and illegal activities there.
- Reintroduction of endangered native species such as lowland Bamboo plays important role in ecosystem restoration, ensuring ecologic and economic benefits. Nine tree nursery groups planted 179,872 indigenous treed in the forest.
- New honey groups produced sales of Birr 163,000 (circa £5K)

Covid 19. Metema is the main town in the area and on the Sudanese boarder. As such there are many people flowing to and fro across the check points and through the town. It quickly became an epicentre for covid 19 with the local authorities inadequately prepared. The local health service asked SUNARMA, our Ethiopia partner, for help. Action Ethiopia together with our many individual supporters, The Halcrow Foundation and SHEPE raised £20k. As you can imagine procuring PPE and other inputs in a developing country was extremely difficult. However, this project aims to train 18 health workers to operate from three health centres and reach some 2000 forest community members. The work has started in 2020 and will be completed in 2021.

Fuel Saving Stoves. Every project will throw up challenges that were not foreseen and for this one it was the participation of women in the collection and sorting of Frankincense. The problem was the hostile forest environment, the fact that this was traditionally men's work and the ethnic tension that meant there was a danger of coming across militia hiding in the forest. The project overcame this by working with the FMC's to introduce twelve women's fuel saving stoves groups. Each group was made up of smaller enterprise groups with a total of 210 women in 29 enterprise groups. Thus, increasing women's participation and benefit. The project was further hampered by covid and political and ethnic trouble with the local Qemant peoples and regionally with war in Tigray. The organisation of groups was started and training on how to make the concrete stoves will be completed in 2021.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Achievements and performance *(continued)*

It is interesting to hear directly from the project people themselves and below is the transcript from an interview with a young women called Birtukan in her own words:

Case study interview questions

Name: Birtukan Gebeyehu (Executive committee member of Forest Management Cooperative)

From: West Gonder Zone, Metema Woreda, Das Gundo Kebele, Ketena-1

Age: 26

Gender: Female

Names/age/gender of children: Mehuba, girl, 9 years of age, Akbar, boy, 18 months

1. What are the difficulties you faced when trying to earn an income before the project? (i.e. drought, climate change, lack of trees, lack of tools, lack of knowledge)

'People's attitude including women themselves towards role of women is a key challenge added to lack of alternative option to get income, limited activities that suits for women to engage with are the main difficulties. I can tell of one or two cases. We formed a group to work on frankincense production and sell with men. The group had eight women member including me. The original agreement was women to work at the store in sieving, sorting, putting in sack etc. However, men members insisted us to do the actual tapping in the desert. Actually, we tried a couple times but could not be able to continue due to a number of reasons and left the group. Similar case happened in beekeeping groups. They wanted us to do some difficult tasks at difficult time like honey harvesting in the night'.

2. How did those difficulties (when earning an income) make you feel?

'As I told you, I did not obtain much in terms of cash income but the level of confidence I am now is above that. I hope number of women in leadership position increased, power of influence gradually grows, and the social and cultural practice pulling us removed in the future'

3. What is the environment like here? Has it changed from when you were a child?

'Yes. The only thing I have not seen changed is the time sunrise and set. I remember we used to play different games in school during break time. Now student sit under tree because of the burning sun. The change in the environment greatly affect the effective active working hour. One can perform field work only early and late hours of the day'

4. Have you seen the impact of climate change here? How?

'Yes I do. Things are changing and do not have regular pattern. We may challenge by shortage or late onset of rain this year and our crops affected by excess rain the next. It is now difficult to forecast the weather and adjust the cropping calendar. Is it not what you people say change in climate?'

5. Have you seen any changes to the trees/forest here?

Of course, forest and trees has been wiping out at a rapid rate. Thanks to recent initiative by government and non-government actors to save or reduce rate of destruction. Otherwise, the situation would have been worst. You can imagine, as tree being source for so many things in our rural livelihoods activities, rate of destruction is far higher than recovery or regeneration. I am afraid the worst will come unless coordinated and integrated actions taken now.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Achievements and performance *(continued)*

6. Why are trees important to you in this region? (prompt: soil fertility, farming, food, income)

'I can say people living in middle and highland areas somewhere might survive without forest/trees. When you come to our area, it is the beginning and the end. That is to say, the whole system existed because there are trees and collapsed, if destroyed. I think that fully explain what tree mean to we people living here. The issue is we do not take time analyse role of trees and study the trend. It is where projects and government regular extension activity need to focus. Help our society to think and act differently'.

7. What are frankincense trees in particular important to you and your community?

'I consider frankincense as off farm income that support families. Production does not need much input except time and labour. Life of many families changed because of the additional income from selling of frankincense. This has also changed people's attitude and practice positively towards protection of the forest. Before, nobody was concerned about when trees and other forest resources exploited by people from other locality'.

8. Before the project, what were the particular challenges with frankincense trees/tapping and your natural resources?

'The forest used to be no man's property. Anyone could cut tree, tap frankincense, collect fuelwood and wild honey, allow animals to graze etc. Now each PFM has well demarcated block of forestland to conserve, develop, and utilize. Everyone developed belongingness and cooperate in the protection and controlling wildfire, which was not the case before'.

9. Can you describe the project you have been involved in with SUNARMA?

'I involved in various cooperative management and leadership related trainings conducted by the project. Although not been able to benefit from income-generating activities like production of frankincense, my self-esteem is very much developed. I am leading the Das PFM as the only women executive member and board member of the union'.

10. What tools and training have you now got because of the project?

'As women group member organized to produce and sell improved firewood saving stove, I have got training on the production and shade (from sun) construction is going on. I also attended cooperative management and leadership training'.

11. How has the project helped you and your family?

'The project helped me in increasing awareness on environment, conservation of natural resource. My understanding on organization management and leadership is improved. This also worked in the family and we do things in organized manner much better than before'.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Achievements and performance *(continued)*

12. Has your income increased from frankincense? By how much? What does that mean for you and your family e.g. more money for food and clothes?

'To be honest not. This is because of the cultural, psychological, religious etc. factors that influence we women. Listen to me carefully. The group I joined related with was a mixed, men and women, and we initially, agreed women members, to do the sieving, sorting and related activities at the store. Nonetheless, men wanted as to do the actual tapping walking about two hours. Imagine some of us have suckling kids difficult to left them at home. I know there is good experience in other kebeles on gender sensitive segregation of duties'.

13. How has the project helped the environment here (e.g. trees, soil fertility)

'Unquestionably, the project helped a lot in protecting the forest and sensitizing we people on sustainable farming. The issues is its scope, area of coverage, and number of people reached is not big. Because of that, some of us who are gradually adopting new techniques, approach and methods will slide back due to lack follow up and monitoring after projects finished or in some cases project terminated before the required change in attitude attained be targeted beneficiaries'

The head office team in Addis Ababa led by Tekle Jirhane and the team in Metema led by Zemenu Wolde are to be commended for adapting to the needs and challenges of 2020. The interview with Birtukan above gives a glimpse of the cultural and environmental background of the people with whom we work. The team in Ethiopia has also to deal with impact of national and regional politics and local ethnic tensions. They have done this with skill and dedication.

None of this would be possible without the support of the many individuals, trusts and international development organisations who have helped Action Ethiopia for so long. To them we give our heartfelt thanks.

Financial review

Our flagship project 'Frankincense and Myrrh and protecting the last green belt against the Sahara', supported by Comic Relief and a family trust based in Scotland came to an end in December 2020 (bar tidying up and submitting reports). Although funding has been secured for a second phase starting in November 2021 and against some of the most difficult financial and political conditions in a generation our income was always going to drop. The reduction in total income by £81,142 (from £217,421 in 2019 to £136,279 in 2020) was expected and planned for. The generosity of individual supporters who donated through Direct Mail increased by 18% (from £43,952 in 2019 to £51,976 in 2020) and for this, again in a difficult year for everyone, we are very thankful.

There is always a time lag between the end of a project and the last payment tranche from a donor who awaits final reports and clarification (around 2- 5% of total grant) Comic Relief, our main donor, were no exception. However, the field activity for this project still needed to be completed by the end of the financial year. Comic Relief have been excellent in their support and encouragement of this project. In anticipation of the final tranche and on the back of historically strong income from the general public, Action Ethiopia used part of its unrestricted reserve to fund the income gap, which has resulted in a negative balance for the year end of £1,048.

The Sustainable Natural Resource Management Association (UK)

Trustees' Annual Report (*continued*)

Year ended 31 December 2020

Reserves' policy

The levels of reserves are important to help with the continued funding of projects undertaken by the charity and are continually monitored by the Trustees.

The Action Ethiopia board agree and administer the disbursement of funds against a work programme agreed with field staff in Ethiopia. Occasional challenges on the ground such as environmental factors (drought, excessive rain etc) or delays in response of local stake holders can mean the project runs behind schedule. In this event the Action Ethiopia board will renegotiate the activities to bring the project back on track and this can result in the fluctuation of the level of restricted project reserves.

This year in a bid to complete our flagship project by the end of the year and before the final tranche of funding was received from the donor, Action Ethiopia used its reserves to complete field activity (see Financial Review above).

The Trustees acknowledge their responsibility to ensure that the charity, at all times, retains unrestricted reserves to ensure that it is able to fulfil its ongoing obligations. Targets for these unrestricted reserves are set at a level to overcome any short-term funding loss. Current unrestricted reserves levels are too low with action being taken to improve the position in the current challenging fund-raising environment

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report 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 requires the charity trustees to prepare financial statements for each 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, of the charity for that period.

In preparing these financial statements, the trustees are required to:

1. select suitable accounting policies and then apply them consistently;
2. observe the methods and principles in the applicable Charities SORP;
3. make judgments and accounting estimates that are reasonable and prudent;
4. 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, 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.

The trustees' annual report was approved on ...8/9/21..... and signed on behalf of the board of trustees by:

B Kassayie
Trustee



The Sustainable Natural Resource Management Association (UK)

Independent Examiner's Report to the Trustees of The Sustainable Natural Resource Management Association (UK)

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of The Sustainable Natural Resource Management Association (UK) ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

N Smy ACA
Independent Examiner
For and on behalf of Thomas Westcott
Chartered Accountants
26-28 Southernhay East
Exeter
Devon
EX1 1NS

Date:

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Activities

Year ended 31 December 2020

		Unrestricted funds £	2020 Restricted funds £	Total funds £	2019 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	63,184	73,088	136,272	217,410
Investment income	5	7	—	7	11
Total income		<u>63,191</u>	<u>73,088</u>	<u>136,279</u>	<u>217,421</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	33,702	—	33,702	35,427
Expenditure on charitable activities	7,8	24,113	105,764	129,877	193,661
Total expenditure		<u>57,815</u>	<u>105,764</u>	<u>163,579</u>	<u>229,088</u>
Net expenditure		<u>5,376</u>	<u>(32,676)</u>	<u>(27,300)</u>	<u>(11,667)</u>
Transfers between funds		(12,553)	12,553	—	—
Net movement in funds		<u>(7,177)</u>	<u>(20,123)</u>	<u>(27,300)</u>	<u>(11,667)</u>
Reconciliation of funds					
Total funds brought forward		6,129	25,588	31,717	43,384
Total funds carried forward		<u>(1,048)</u>	<u>5,465</u>	<u>4,417</u>	<u>31,717</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 20 form part of these financial statements.

The Sustainable Natural Resource Management Association (UK)

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Current assets			
Debtors	12	3,295	1,941
Cash at bank and in hand		5,248	37,153
		<u>8,543</u>	<u>39,094</u>
Creditors: amounts falling due within one year	13	<u>4,126</u>	<u>7,377</u>
Net current liabilities		<u>4,417</u>	<u>31,717</u>
Total assets less current liabilities		<u>4,417</u>	<u>31,717</u>
Net liabilities		<u>4,417</u>	<u>31,717</u>
Funds of the charity			
Restricted funds		5,465	25,588
Unrestricted funds		(1,048)	6,129
Total charity funds	14	<u>4,417</u>	<u>31,717</u>

These financial statements were approved by the board of trustees and authorised for issue on 8/9/21, and are signed on behalf of the board by:


B Kassayie
Trustee

The notes on pages 12 to 20 form part of these financial statements.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is registered charity in England and Wales and is unincorporated. The address of the principal office is Court Farm, Clovelly, Bideford, Devon, EX39 5TA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Cashflow statement

The charity has taken advantage of the exemption in FRS102 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

4. Donations and legacies

2020	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Individuals and Trusts	11,208	–	11,208
Frankincense and Myrrh	–	43,668	43,668
Metema Covid 19	–	15,260	15,260
Metema Fuel saving stoves	–	14,160	14,160
Other donations and legacies			
Donations generated by Direct Mail	51,976	–	51,976
	<u>63,184</u>	<u>73,088</u>	<u>136,272</u>
2019	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Individuals and Trusts	5,649	–	5,649
Frankincense and Myrrh	–	150,478	150,478
Other funding	12,000	5,320	17,320
Just Giving (General)	11	–	11
Other donations and legacies			
Donations generated by Direct Mail	43,952	–	43,952
	<u>61,612</u>	<u>155,798</u>	<u>217,410</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

5. Investment income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Bank interest	<u>7</u>	<u>7</u>	<u>11</u>	<u>11</u>

6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Cost of public appeals	25,466	25,466	24,287	24,287
Other costs of generating funds	<u>8,236</u>	<u>8,236</u>	<u>11,140</u>	<u>11,140</u>
	<u>33,702</u>	<u>33,702</u>	<u>35,427</u>	<u>35,427</u>

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Cost of public appeals -				
Direct Mail campaign	<u>25,466</u>	<u>25,466</u>	<u>24,287</u>	<u>24,287</u>

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Other costs of generating funds -				
Fundraising/marketing	30	30	240	240
UK travel	235	235	3,612	3,612
Consultancy	3,008	3,008	2,760	2,760
Donors and grant reporting	4,517	4,517	4,140	4,140
Just Giving expenses	216	216	198	198
Miscellaneous costs	<u>230</u>	<u>230</u>	<u>190</u>	<u>190</u>
	<u>8,236</u>	<u>8,236</u>	<u>11,140</u>	<u>11,140</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Expenditure on charitable activities by fund type

2020	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Field activity in Ethiopia -			
Frankincense and Myrrh	–	70,764	70,764
Metema - Covid 19	30	19,000	19,030
Metema - Fuel saving stoves	39	10,000	10,039
 Training and support in Ethiopia -			
SET staff training and operational support	5,769	–	5,769
Technical and policy advice	4,948	–	4,948
Proposal and report writing	1,219	–	1,219
 Public awareness	1,518	–	1,518
Project development	750	–	750
 Support costs	9,840	6,000	15,840
	<u>24,113</u>	<u>105,764</u>	<u>129,877</u>
 2019			
Field activity in Ethiopia -			
Wuchale and Jiddah	–	5,200	5,200
Frankincense and Myrrh	–	137,545	137,545
 Training and support in Ethiopia -			
Visits to Ethiopia	1,716	–	1,716
SET staff training and operational support	6,915	12,000	18,915
Technical and policy advice	4,560	–	4,560
Proposal and report writing	2,561	–	2,561
 Public awareness	1,380	–	1,380
 Support costs	9,754	12,030	21,784
	<u>26,886</u>	<u>166,775</u>	<u>193,661</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

8. Expenditure on charitable activities by activity type

	Unrestricted Funds	Restricted Funds	Total Funds
2020	£	£	2020 £
Office costs	4,386	6,000	10,386
Accountancy fees	1,267	–	1,267
Independent examination fees	875	–	875
Cost of trustees' meetings	166	–	166
Bank charges	138	–	138
Management	3,008	–	3,008
	<u>9,840</u>	<u>6,000</u>	<u>15,840</u>
2019	£	£	2019 £
Office costs	4,609	12,000	16,609
Accountancy fees	1,211	–	1,211
Independent examination fees	835	–	835
Cost of trustees' meetings	201	–	201
Bank charges	138	30	168
Management	2,760	–	2,760
	<u>9,754</u>	<u>12,030</u>	<u>21,784</u>

9. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>875</u>	<u>835</u>

10. Staff costs

The charity had no employees during the current or previous year.

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity were received by the trustees.
Two trustees were re-imbursed expenses of £166 (2019: £201) during the year.

12. Debtors

	2020 £	2019 £
Prepayments and accrued income	486	846
Other debtors	<u>2,809</u>	<u>1,095</u>
	<u>3,295</u>	<u>1,941</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

13. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	1,984	5,337
Accruals and deferred income	2,142	2,040
	<u>4,126</u>	<u>7,377</u>

14. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020	Income £	Expenditure £	Transfers £	At 31 December 2020
General funds	<u>6,129</u>	<u>63,191</u>	<u>(57,815)</u>	<u>(12,553)</u>	<u>(1,048)</u>

	At 1 January 2019	Income £	Expenditure £	Transfers £	At 31 December 2019
General funds	<u>6,819</u>	<u>61,623</u>	<u>(62,313)</u>	<u>—</u>	<u>6,129</u>

The object of the charity is the advancement of education, the protection of health and the relief of poverty of the people of Africa, especially Ethiopia.

General unrestricted funds are funds held in reserve to be made available for the purpose of furthering the objectives of the charity whilst not being restricted to any specific project or item of expense.

Designated funds are general unrestricted funds which have been allocated by the Trustees' to a particular project. These funds are not restricted by the original donor.

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

14. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
International Tree Fund	8	—	—	—	8
Wuchale and Jiddah project	297	—	—	—	297
Frankincense and Myrrh	25,283	43,668	(76,764)	7,813	—
Metema Covid 19	—	15,260	(19,000)	4,740	1,000
Metema Fuel saving stoves	—	14,160	(10,000)	—	4,160
	<u>25,588</u>	<u>73,088</u>	<u>(105,764)</u>	<u>12,553</u>	<u>5,465</u>

	At 1 January 2019	Income	Expenditure	Transfers	At 31 December 2019
	£	£	£	£	£
International Tree Fund	8	—	—	—	8
Wuchale and Jiddah project	207	5,320	(5,230)	—	297
Frankincense and Myrrh	36,350	150,478	(161,545)	—	25,283
	<u>36,565</u>	<u>155,798</u>	<u>(166,775)</u>	<u>—</u>	<u>25,588</u>

These funds are specifically ring fenced for the projects described earlier, supported by donors and held in reserve prior to transfer to Ethiopia.

15. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
2020	£	£	2020 £
Current assets	3,078	5,465	8,543
Creditors less than 1 year	(4,126)	—	(4,126)
Net liabilities	<u>(1,048)</u>	<u>5,465</u>	<u>4,417</u>

	Unrestricted Funds	Restricted Funds	Total Funds
2019	£	£	2019 £
Current assets	13,506	25,588	39,094
Creditors less than 1 year	(7,377)	—	(7,377)
Net liabilities	<u>6,129</u>	<u>25,588</u>	<u>31,717</u>

The Sustainable Natural Resource Management Association (UK)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

16. Related parties

Executive officer costs and allocation

These allocations are based on best estimates of time apportioned to the activities indicated.

	Time %	£ cost
Charitable activities		
Technical, policy and field support	21	4,948
Public awareness	7	1,518
Support costs	26	6,000
Other expenditure		
Management	13	3,008
Cost of raising funds		
Fund raising	20	4,948
Consultancy	13	3,008
Total apportioned costs	<u>100</u>	<u>23,000</u>