

For-ethiopia

Founded 2004

**17th Annual Report
year beginning 1st October 2020-
30th September 2021**

**Registered Charity
number: 1108526**



1. Reference and Administrative Information

For-ethiopia Trust Annual Report

The Trustees present their report and accounts for the year ended 30th September 2021.

For-ethiopia is a registered charity. Charity number 1108526.

Patron:

Professor Alice Roberts

Trustees:

Robert Gentilli	(Treasurer)
Robert Grieve	
Tigist Grieve	Secretary
Genevieve Lomax	Appointed April 2021
Steve Peters	On sabbatical
Mandy Risso	(Vice-Chair)
Sue Thomas	(Chair)

Registered Office:

41 Cotham Hill, Bristol, BS6 6JY

Contact:

Email: information@for-ethiopia.com
Website: www.for-ethiopia.com

Bankers:

Barclays Bank Plc, Leicester, LE87 2BB

Independent Examiner:

Rupert Taylor, Easton Business Centre, Felix Rd, Bristol BS5 0HE

2. Chair's Introduction

Another complete year under the sway of coronavirus Covid -19. Nonetheless, morale is high, and we have accomplished a great deal. In my letter to you I

will spell out the highlights – and the losses – and outline my vision for the future of For Ethiopia.

First, For Development Association Ethiopia (FDA-E) has lost two old friends and supporters in Ethiopia. In December, our dear friend Ato Alemu Mekonen died suddenly. A successful businessman in Addis Alem, he was both a generous host and a champion of our work in the town and surrounding villages. Secondly, Mary Jaffer, the girl's core support worker, who assists Worknesh Daba, was sadly widowed in June. Her husband, Ato Negassa Ejetta, was a wonderful, gentle and wise advisor to FDA-E, always helping Mary behind the scenes. Both are mourned, and greatly missed.

On a happier note, all our young women have been well. Each was provided with a smartphone and solar charger at the start of the pandemic. This enabled them to remain in contact with staff, family, mentors and each other, and to continue their studies in lock down. When they returned to Toby's House, they lived and worked in 'year bubbles' and the organisation has remained Covid-free (although there have been infections in the village). It was a fruitful year for our charity. Two girls have obtained state university places, three joined colleges – and three have gone on to graduate in agriculture, anthropology and engineering. It was a memorable morning when I was able to zoom into Toby's House and see them all, with some parents present, to celebrate their success and throw a farewell party for those going on to university.

The building of Prudence House to provide extra space for learning has been delayed by Covid-19, but we expect progress next year. Processing the land and other practicalities are underway and we hope work will commence shortly.

On the health front, all the 27 Health Posts have received extra resources, and three out of four delivery suites, three have been upgraded. The last one will be completed next year.

In the UK, there have been changes. We have a new trustee, Genevieve Lomax, a development expert. Gen joined us in April with a brief to head our fundraising. The formalisation of this appointment are underway and slowed by Covid-19. Our long serving trustee Diana had stepped down in 2020 due to her move away from Bristol. We miss her. We are grateful for the valuable input we had from Steve Peters who was appointed in September 2020 but as we were processing the paperwork he had to step back taking a sabbatical due to other demands. Gen, Diana and Steve had all worked and lived in Ethiopia, and their insight as trustees and associates is invaluable. We are fortunate to have had Dr Ally Ng supporting our work offering her expertise in charity administration and this has been immensely valuable reorganising our systems, running the newsletter, working with volunteers and far more besides.

Covid-19 has prevented us from holding face to face events, reducing our local fund-raising ability, but we have still managed to stay engaged where possible. The Small but Significant group- a collective of small charities that work in Ethiopia which we started, has been meeting online regularly. Whilst it has been an invaluable resource during the pandemic it has also been great fun, organizing a joint zoom cookery event in February. We had a global audience. Tigist was chef, and Ally the videographer. A true feast was produced and our

cookery book went into its second edition. Other events brightened the year-Ros Bennet and her dog Leo raised over £1000 bringing her new narrowboat Dingiswayo from Wembley to Devizes – and not by the direct route! Cotham Hill Street Fair actually happened – we had a major presence with a stall, Ethiopian Coffee Garden (and even ice cream for the dogs).

So, I have come to the end of my term as Chair for Ethiopia, and am handing the reins to Mandy Risso, who will bring her energy and business acumen to the charity. At our Away Day in August (a small, socially-distanced meeting) we came to the conclusion that we must make some changes. This had already been under consideration for several years. As a small charity, administering major community water projects directly has already become too much for us. Instead, we will actively seek to work with and facilitate water specialist charities, and continue to support vital water interventions. In health, with the refurbishment of the of the delivery suites, our main goals for primary care projects will have been completed. We are looking to transition into a facilitator role for partners with capacity and expertise to come and continue.

The part of our work focusing on secondary education and wellbeing for girls in rural areas, however, goes from strength to strength. This is where I see our future. With the building of Prudence House, we will be able to offer centralised support to all girls as the recipients of the Underhill Secondary School Scholarship. We intend to establish a computer laboratory, a library and a workshop with an outside space for sports, gardening and recreation. We will concentrate our WASH and health projects in the school setting, addressing period poverty and hygiene. We will continue the hardship fund, assisting primary school children who are in need, and students living with disability. In addition, we have learned from the past few years that we need to continue to support the growing number of young women going on to higher education with their own laptops and a small stipend. Their success is inspiring other girls in the villages and the demand for scholarships to join secondary school is growing– our work will continue.

Dr Sue Thomas, Chair

30th September 2021

3. Structure, Governance & Management

For-ethiopia was formally constituted with the signing of the Trust Deed on 26th September 2004 by the four original trustees. Registration with the Charity Commission was achieved on 10th March 2005.

The trustees who held office during the financial year and at the date of this report are set out on page two. The Trust Deed states that there must be at least three trustees. Apart from the founding trustees, every trustee must be appointed for a term of three years by a resolution of the trustees passed at a special meeting called under clause 15 of this deed. During the 2020/2021 financial year, there were 11 Ordinary meetings in addition to 1 special meeting and one away day.

The Trust's headquarters are at its registered office in Bristol. The Trust is committed to ensuring that the maximum amount of money raised from donations is spent on development projects in Ethiopia. Therefore in the UK no office rent is paid and all administrative costs including the cost of organising fundraising events are carefully scrutinised and kept to a minimum. Furthermore, all monitoring visits to Ethiopia and any associated costs incurred by all trustees are self-financed.

The Trust continues its work collaboratively through its partner organisation 'For Development Association Ethiopia' (FDA-E), an NGO based in Ethiopia. FDA-E plays a key role in community consultation, assessing and selecting development projects, implementing and supervising the work, monitoring the impact of the resulting development and maintaining the effectiveness of the projects. All projects must meet the criteria set by the charity before the money is sent to Ethiopia. An interest has been declared in that the founder and general manager of FDA-E, an Ethiopian national, is a related party to two of the UK founding trustees. Our founder is also co-founder of FDA-E. This is managed by our Conflicts of Interest policy.

Currently the work in Ethiopia is focussed on rural communities in Ejere District where Addis Alem is the administrative centre. Our commitment to the community continues while the needs there and our capacity here stands. Our procedure for selection of projects and beneficiaries incorporates the following safeguards:

- All trustees will be involved in reviewing identified projects or applications.
- All trustees will consider whether we need to consult independent experts to assess viability of proposed projects.
- Partners may be recommended by individual trustees.
- No work with new partner organisations will occur without a personal meeting with their leaders.
- To further enable effective decision making, in-depth analysis of the local situation and context will be undertaken, including cross-checking our understanding of unfamiliar social / cultural situations.

Risk Management

The trustees recognise that some areas of our work require the acceptance and management of risk if our key objectives are to be achieved. We recognise that risk may be involved in initial project assessment and implementation. Major risks, for this purpose, are those that may have a significant effect on:

- operational performance, including risks to our personnel and volunteers;
- achievement of our aims and objectives; or
- meeting the expectations of our beneficiaries or supporters.

The following framework is central to ensuring adequate risk assurance:

- monitoring of major risks and development of action plans;
- establishing a clear structure of delegated authority and control;
- maintaining sufficient reserves to guarantee project completion;
- reviewing progress and impact of projects in trustees' meetings.

The trustees are determined to satisfy themselves that adequate procedures are in place to manage the risks identified.

We maintain Public and Employees Liability Insurance with Zurich Insurance, together with Trustee indemnity. The exchange rate is monitored regularly and taken into consideration as to the timing of sending funds to Ethiopia.

No trips to Ethiopia were able to take place in 2020/21 due to the travel restrictions as a result of the global COVID-19 pandemic. The ongoing disruption from Covid-19 globally, the conflict in Northern Ethiopia and the compounded effect of these on the wellbeing of people and inflation in terms of living cost and cost of materials are noted as part of our risk analysis and management.

Contact with the FDA-E staff and stakeholders was maintained through monthly updates, reports, phone calls, emails, WhatsApp, Telegram communications and zoom meetings. While the lack of personal visits to monitor and evaluate projects is not ideal, such mediums have allowed aspects of monitoring, evaluation and training including safeguarding training to occur.

4. Objectives and activities for the public benefit

For-ethiopia is a charity operating from Bristol, UK with the aim of supporting a sustainable development effort by the people of Ethiopia to move towards self-sufficiency. The Trust Deed defines the charity's Objects as being:

'To relieve poverty and sickness, to preserve and protect health and advance education, among the people of Ethiopia who are in need.'

How our activities deliver public benefit

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future objectives. The For-ethiopia Trust's principal activity continues to be supporting the development of services in health, education and water supply for the benefit of communities in the Ejere District of Ethiopia.

Activities undertaken to meet our objectives

We do not work in isolation, but in close partnership with a wide range of local authorities and stakeholders including the Ejere District administration offices, relevant regional offices, local experts, school administrations, teachers, health care professionals, parents, children and the wider community.

We do this by working through FDA-E that shares our 'small is beautiful' ethos and community led sustainable development principles. Our intentional partnership with FDA-E has been instrumental in enabling us to reach out to communities in a true bottom-up development approach. We recognise our input is a very small contribution compared to the efforts of the communities themselves including children who work hard to improve their welfare and wellbeing. Our hope is to come alongside the hardworking community and offer solidarity. We remain dedicated to continuing our partnership for as long as we have the capacity and our stakeholder communities remain in need.

5. Achievements and performance in 2020/21

We continue to work within the 3 urban and 27 rural Kebeles (which are similar to parishes) in the Ejerie Woreda (District) of West Shewa in Ethiopia. According to the Government's 2015 census this rural area had a total population of 109,000; it surrounds and includes the town of Addis Alem (14,000).

Despite the continued presence of COVID-19 and its impact on all areas of life in Ethiopia, we were able to maintain our education projects once schools reopened. The scholarship awardee girls who were given smartphones and solar chargers had been able to access some of their study materials during the lockdown period and continued to make use of that when they went to summer break. We recognise it was not an ideal situation for learning. Unfortunately the drilling of the new well at Ifra Beri school couldn't go ahead as the survey indicated that there was no suitable water source. Instead, a water infrastructure upgrade in the school is planned for 2022. The disruption of COVID-19 pandemic prevented our plan for Prudence House.

The installation of wifi at Toby's House has enabled communication via zoom, which we continue to utilise for monitoring and evaluation until we can visit Ethiopia. We continue to keep a record of our programmes with particular reference to their holistic impact on the well-being and life chances of all stakeholders including the transformative impact on future generations.

Water Projects

It was with great disappointment that we had to cancel the drilling of a new well at Ifra Beri Primary school where we hoped to mitigate against the frequent disruption of the mains water supply. A survey was conducted by regional office water experts and it was determined that drilling was not feasible within the grounds or 800m from the school boundary. Instead, a decision has been taken to use the money to improve the school's water infrastructure. There is anticipated improvement of the mains water supply in the town and the improvement work we plan to undertake will set the school to maximise the benefit from the overall improvement. Moving forward, we continue to advocate about the community's significant need and invite other charities to undertake water intervention projects.

Health Projects

We have continued upgrading a maternity unit in 2020/2021 as per our plan. The initial delay was due to the health bureau needing to prioritize its covid-19 response. The aim is to do one more year to complete all planned upgrades.

Education Projects

Our education projects continued despite the challenges Covid-19 presented. The students are back to their studies as schools reopened in October 2020.

The cohort of four girls who had their grade 12 examinations delayed from June 2020 were allowed to stay on at Toby's House and make use of the wifi to support them through their disrupted studies. They were finally able to sit their exams in March 2021. Two girls secured places at government universities, a third opted to attend technical college and the fourth is resitting her exams.

The two girls joining University were able to avail of a pilot scheme to support them. This included transport costs to their campus, luggage, bedding, other essentials and a small monthly stipend. Thanks to a generous donor we were also able to provide them with a new laptop, which will make a huge difference to their ability to keep up academically with their urban peers at the university.

Rearrangements at Toby's House allowed the girls to continue in their support bubbles, with a makeshift kitchen added to facilitate extra cooking space. The girls all adapted really well and supported each other through the unusual circumstances. We are very grateful none of them became ill with COVID-19.

The 2021 grade 12 cohort whose exams were delayed from June, will hopefully sit their exams in October 2021.

Due to the conflict in the North of Ethiopia, one of our second year university students has had to return to her family home, she remains hopeful to return and continue her education. We are saddened by the current situation and remain hopeful as we pray for peace to return everywhere in Ethiopia.

The hardship fund for primary school children and children living with disability continued in supporting 85 hardship facing children and 16 living with disability.

Administration

We continue to strengthen our administration and are supported by ad hoc work undertaken by Dr Ally Ng. Through our membership of the South West International Development Network (SWIDN) Ally was able to take the opportunity of free capacity building training. This will help us improve our work including putting together funding applications to Trusts.

In Ethiopia, our partner FDA-E continues to engage with the community and relevant offices. We are grateful for their regular updates and continued partnership. They faced considerable challenges particularly in processing the Prudence House related paperwork and they tirelessly continue to pursue this. It is significantly difficult to navigate the work under the pandemic and limited opportunity for vaccine roll out. Despite this they are looking to complete almost all of the 2021 projects as per the proposal by 31st of December 2021.

6. Financial Review

During the financial year 2020/2021 the charity received income of £37,394 and sent £90,610 to Ethiopia to fund the development projects for that year.

Total income fell by £4,231 compared to the previous year. Last year (2019/20) our income was affected by the lack of a large fundraising event that had been planned but had to be postponed due to the uncertainty of COVID-19 restrictions. Similarly this year large fundraising events have not taken place and the postponed large event from 2020 has been further postponed to 2022. We have been proactive to source alternative funding and we are awaiting outcome from two trust fund applications.

The charity's funds are more than sufficient to cover our reserves for at least the next year - please see the "Reserves and Investments" section below for more details.

As of 30th September 2021 there was a net unrestricted funds balance of £5,043.

For further financial details refer to the Balance Sheet and the SoFA in the Financial Statements of the accounts that follow.

Reserves and Investments

Our stance on both reserves and investments is regularly reviewed under our Financial Controls Policy.

- a. Our current policy is to ensure our cash reserves are readily accessible within reasonable notice and we hold no long-term investments.
- b. The Trust is entirely dependent on the receipt of unguaranteed donations. We are working to diversify our income sources through events and trust fund applications to ensure sustainability and minimizing risk. Trustees intend to maintain a cautious approach to finances over the next twelve months.
- c. Our policy on reserves is to maintain sufficient funds to cover baseline operational costs in Ethiopia for the year ahead. The level of this fund is based on regular review of staffing levels, office rental and transport costs there. As of September 2021 this was set at £12,000. For the year in question, there is £65,964 available (including both unrestricted and restricted funds, given that currently the restricted funds contribute to the charity's regular work).

7. Plans for the future 2021/20

Overview

Covid-19 has continued to impact our fundraising. For example the large swing dance event at Ashton Gate in Bristol delayed from October 2020 was reorganised for October 2021 but has had to be delayed again to 2022. This event is pivotal to raising £50,000 towards building a new extension adjacent to the existing one as to meet the community request to expand the opportunity for more girls in different remote villages.

The trustees met for an extended meeting in August 2021 and through much discussion and analysis of our current skill set and record of achievement For-ethiopia has decided to focus on education based projects for the near future. The money earmarked for the water supply at Ifra Beri School will still be used to improve the water infrastructure in the school and its improved connection to the mains supply. The final maternity unit will be upgraded in 2022. However the focus of our fundraising going forward will be on children and adolescent girls' wellbeing and education which has elements of WASH in educational settings with emphasis on girl's welfare and wellbeing .

All planning and budgeting will take into consideration the compounded risk from the global pandemic, conflict and the rising level of inflation in Ethiopia.

Primary Education

We will continue to support children experiencing hardship across three schools and those living with disability in one school.

Secondary School

The Underhill Secondary Scholarship Scheme continues to be a great success and we have 8 girls who have enrolled for grade 12, 7 girls in grade 11 and 9 girls in grade 10. New scholarship to grade 9 will be offered to girls in rural areas that pass their grade 8 national exams - they will replace those who complete grade 12 and move to tertiary education. It is hoped that phase one of the construction of Prudence House will get underway in 2022 to enable us to expand educational opportunities to more girls from rural areas.

Tertiary Education

The big change for 2021/2022 is the introduction of a support grant to the girls who have obtained a place at university or who need extra support to obtain further training through technical college. We also have plans to be able to support the girls post-graduation as they seek employment and maintain mentorship.

8. Accounts

Trustees' responsibilities in relation to the financial statements

The charity trustees are responsible for preparing a trustees' annual report and 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 the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees on 15th December 2021 and signed on their behalf by:

By 

Robert Gentilli, Treasurer

By 

Tigist Grieve, Secretary

Independent Examiner's Report to the Trustees of For-ethiopia

I report to the trustees on my examination of the accounts of the above charity for the year ended 30th September 2021 which are set out on pages 14 to 22.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed 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 which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records
- the accounts did 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 order to enable a proper understanding of the accounts to be reached.



.....16th December 2021

Rupert Taylor
Easton Business Centre, Felix Road
Bristol BS5 0HE

Statement of financial activities for the year ended 30th September 2021

	Note	Unrestricted Funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies					
Donations		21,809	8,234	30,043	28,570
Gift Aid Tax Recoverable		4,015	2,656	6,671	6,895
Grants from Trusts		-	-	-	3,500
Tax Included Donations		293	-	293	248
		26,117	10,890	37,007	39,213
Charitable Activities					
Events		355	30	385	2,412
Investments		2	-	2	-
Total Income		26,474	10,920	37,394	41,625
Expenditure on:					
Raising funds	3	709	-	709	78
Charitable Activities	4,5	55,669	34,941	90,610	34,000
Other	3	4,067	-	4,067	434
Total Expenditure		60,445	34,941	95,385	35,308
Net income/(expenditure):		(33,970)	(24,021)	(57,991)	6,317
Transfers between funds		-	-	-	-
Net movements in funds	6	(33,970)	(24,021)	(57,991)	6,317
Reconciliation of funds:					
Total funds brought forward		39,013	84,942	123,955	117,638
Total funds carried forward:	6	5,043	60,921	65,964	123,955

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

All income and expenditure derive from continuing activities.

For full comparison with the previous year, see Note 7.

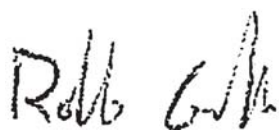
Balance sheet as at 30th September 2021

	Note	2021 £	2020 £
Current assets			
Debtors		347	87
Prepayments		878	878
Accrued Income		309	181
Cash at bank and in hand		65,355	123,030
Total Current Assets		66,889	124,175
Liabilities			
Accruals		925	221
Deferred Income		-	-
Grants Payable		-	-
Creditors		-	-
Total Current Liabilities		925	221
Net Current Assets		65,964	123,955
Total assets less current liabilities		65,964	123,955
Net assets		65,964	123,955
The funds of the charity:	6		
Restricted income funds		60,921	84,942
Unrestricted income funds		5,043	39,013
Total charity funds		65,964	123,955

The notes on pages 14 to 20 form part of these accounts.

Approved by the Board of Trustees on **15th December 2021**.

And signed on its behalf by



Treasurer – Robert Gentilli



Secretary – Tigist Grieve

Notes to the Accounts

1. Accounting Policies

a. Basis of preparation and assessment of going concern

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1st January 2019 and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating the liability from multi-year grant commitments (see note 1(e) and notes 8 and 9 for more information). With respect to the next reporting period, 2021-22, there are no significant areas of uncertainty that affect the carrying value of assets held by the Trust given that the majority of the assets are cash held in sterling in the charity's bank account.

b. Funds structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed. There are three restricted funds - Education, Health & Sanitation and Water - each of which can only be used to fund development work on those particular sectors.

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Further details of each fund are disclosed in note 7.

c. Income recognition

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

Donations are recognised when the Trust has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the

gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers, including both the trustees and Associates for governance and fundraising. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

d. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (g) below.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

The provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment(s), settlement is probable and the effect of discounting is material.

The discount rate used is the average rate of investment yield in the year in which the grant award is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the Trust.

e. Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

f. Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to

independent examination and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the value of grant awards made in recognition that the administrative costs of awarding, monitoring and assessing grants are broadly equivalent. The allocation of support and governance costs is analysed in note 4.

g. Costs of raising funds

The costs of generating funds consist of investment management costs and certain legal fees.

h. Charitable activities

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 5.

i. Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost. Depreciation is charged on furniture and equipment on a straight-line basis over their estimated useful life of six years from the year of acquisition.

j. Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

k. Contingent liabilities

A contingent liability is identified and disclosed for those grants resulting from:

- i. a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- ii. a present obligation following a grant offer where settlement is either not considered probable; or
- iii. the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

2. Related party transactions and trustees' expenses and remuneration

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2020: £nil). Expenses of £610 were paid to one trustee (2020: £786). These were reimbursements of equipment, stationery, catering and fundraising costs incurred in furtherance of the charity's objects.

The total amount of donations received from trustees and other related parties without conditions in the year was £3,385 (2020: £7,490).

3. Allocation of governance and support costs

The trustees have decided to meet all support and governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any support and governance related costs.

Governance and other support costs:	2021 £	2020 £
Bank Charges	70	25
Insurance	272	204
Miscellaneous	45	38
Professional Fees	3,677	168
Virgin Money Transaction Fees	164	39
Virgin Money Credit Card Fees	204	49
Printing & Reproduction	344	-
Event Costs	-	786
Total	4,775	1,308

Total governance and support costs are apportioned pro rata to the value of grants awarded as shown in the table below:

Allocation of governance and other support costs	2021 £	2020 £
Education	2,241	526
Health & Sanitation	1,124	591
Water	1,410	192
Total Allocated	4,775	1,308

4. Analysis of charitable expenditure

The charity undertakes its charitable activities through grant making and awarded grants to For Development Association-Ethiopia (FDA-E) in furtherance of its charitable activities. No other institutions received grants from the charity during the year.

	Grant funded activity £	Support and governance costs £	Total 2021 £	Total 2020 £
Funded from unrestricted funds:				
Education	26,121	2,241	28,362	2,283
Health & Sanitation	13,107	1,124	14,232	2,565
Water	16,441	1,410	17,851	834
Funded from restricted funds:				
Education	16,395	-	16,395	11,905
Health & Sanitation	8,227	-	8,227	13,373
Water	10,319	-	10,319	4,349
Total Allocated	90,610	4,775	95,385	35,308

In 2021 the expenditure on charitable activities was £95,385 (2020: £35,308) of which £60,445 (2020: £5,681) was expenditure from unrestricted funds and £34,941 (2020: £29,627) was expenditure from restricted funds.

5. Analysis of grants

	Grants to institutions 2021 £	Grants to institutions 2020 £
Education	42,516	13,662
Health & Sanitation	21,334	15,347
Water	26,760	4,991
Total Allocated	90,610	34,000

Predicted costs of Development Projects in 2022

Decisions concerning the movement of funds to Ethiopia are made based on the current year end accounts for the following year and only for one year. Given the constantly changing circumstances arising from the COVID-19 pandemic, the trustees are continuing to monitor the situation and aim to finalise the budget for 2022 development projects in Ethiopia over the next few months.

6. Analysis of charitable funds

	Opening Balance 01/10/20 £	Income £	Expenditure £	Transfers £	Closing Balance 30/09/21 £
Restricted Funds					
Education	66,395	5,115	(16,395)	-	55,115
Health & Sanitation	8,227	5,740	(8,227)	-	5,740
Water	10,319	65	(10,319)	-	65
Total Restricted Funds	84,942	10,920	(34,941)	-	60,921
Unrestricted Funds	39,013	26,474	(60,444)	-	5,043
General Funds	39,013	26,474	(60,444)	-	5,043
Total Unrestricted Funds	39,013	26,474	(60,444)	-	5,043
Total	123,955	37,394	(95,385)	-	65,964

1. The restricted funds are only available for funding development work in the relevant sector to which the funds have been restricted (i.e. Education, Health & Sanitation and Water).
2. The unrestricted funds are available to be spent for any of the purposes of the charity.

Comparison with previous year	Opening Balance 01/10/19 £	Income £	Expenditure £	Transfers £	Closing Balance 30/09/20 £
Restricted Funds					
Education	69,550	8,750	(11,905)	-	66,395
Health & Sanitation	14,863	6,738	(13,373)	-	8,227
Water	14,518	150	(4,349)	-	10,319
Total Restricted Funds	98,931	15,638	(29,627)	-	84,942
Unrestricted Funds	18,707	25,988	(5,681)	-	39,013
Designated Funds					
2021 Projects Fund	3,472	-	(3,472)	-	-
Total Designated Funds	3,472	-	(3,472)	-	-
General Funds	15,235	25,988	(2,209)	-	39,013
Total Unrestricted Funds	18,707	25,988	(5,681)	-	39,013
Total	117,638	41,625	(35,308)	-	123,955

7. Statement of Financial Activities: Previous Year

	Unrestricted Funds £	Restricted funds £	Total funds 2020 £
Income from:			
Donations and legacies			
Donations	19,966	12,104	32,070
Gift Aid Tax Recoverable	3,069	3,534	6,602
Grants from Trusts	-	-	-
Tax Included Donations	248	-	248
	23,282	15,638	38,920
Charitable Activities			
Events	2,705	-	2,705
Total Income	25,988	15,638	41,625
Expenditure on:			
Raising funds	78	-	78
Charitable Activities	4,373	29,627	34,000
Other	1,230	-	1,230
Total Expenditure	5,681	29,627	35,308
Net income/(expenditure):	20,306	(13,989)	6,317
Transfers between funds	-	-	-
Net movements in funds	20,306	(13,989)	6,317
Reconciliation of funds:			
Total funds brought forward	18,707	98,931	117,638
Total funds carried forward:	39,013	84,942	123,955