

For-ethiopia

Founded 2004

**18th Annual Report
year beginning 1st October
2021-30th September 2022**

**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 2022.

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

Patron:

Professor Alice Roberts

Trustees:

Mandy Risso	(Chair)
Sue Thomas	(Vice-Chair)
Robert Gentilli	(Treasurer)
Tigist Grieve	Secretary
Robert Grieve	

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

We open this annual report with a massive thank you to Sue for her hard work in chairing over the last few years and for agreeing to continue as Vice- chair and giving all of us much needed support and guidance on all things. These are big boots, indeed, to fill.

The year has been mixed. We hoped Covid-19 dimming would mean a brighter future but the war in Ukraine and elsewhere has sent further ripples across the world affecting us all.

We have this year lost great friends with the passing of Shelagh Austin, Jeanette Brewin and Moses Borland. We celebrate their lives and are grateful for their support and love over the years. They are deeply missed and continue to touch our lives in many ways. We started our trustees meeting on the 8th September at exactly the time we heard that the Queen had passed and I would wish to commemorate and thank the Queen for her service.

On a happier note in Addis – congratulations to FDA-E's trusted driver on his retirement and to their diligent project coordinator on the birth of her son.

In Ejere three huge steps have happened in the last year.

Firstly, the land processing for Prudence House is finally secured. We wish to thank so many people in Ethiopia and in London for their support. For FDA-E's founder Worknesh on her dedication and hard work to bring this to fruition.

Secondly, with the self-funded monitoring and consultation visit of Tigist and Ally, came the first phase of our partnership with the Days for Girls, UK charity. The team of wonderful volunteers up and down the United Kingdom are sewing high quality reusable sanitary pads to be used by girls in rural schools. The shipment of the pads along with the training given through it, is one of the highlights of the year. It marks a real step forward in a rocky road the For-Ethiopia and FDA-E team have had in trying to resolve some of the issues of period poverty. I would like to offer a note of thanks to the regional Education office leadership for their encouragement and support as well as Days for Girls, UK and their wonderful volunteers for their enthusiastic commitment and partnership.

Thirdly, the go ahead to designate a building to be furnished as a maternity ward in Ejere - where we are hoping for an appointment of a doctor to the community for the first time. The refurbishment, provision of staff and equipment for this building is truly exciting.

At Home

Bristol carried the unique baton of holding the Virtual Great Ethiopian Run on the Downs. We had 20 participants doing the 10k run and raising approximately

£4,000. The run was cancelled in Addis Ababa, so these medals are sought after and quite unique!

Ros Bennet did her second trip down the Caen Hill flights of locks – but in a barge this time!! Again, we were very lucky with the weather and a good fun day was had. Chris Payne and Barbara Laue had a fantastic garden opening day on the same weekend as our equally successful Cotham Hill Street Party. I am also grateful to our Champion Ethiopiaid UK on the Big Give Christmas challenge, Woodlands Church, the Underhill's, Dalton's, Mills and Clausen Family, and all donors for their continued support on our Big Give Challenge. I am immensely grateful to the George Müller Charitable Trust for their financial donation and faithful prayers towards our work on the wellbeing and education of children and the Underhill family for their continued compassionate support of the scholarship scheme.

The Swing Night event scheduled originally for the 15th October 2020 is back on for 6th October 2022 and gathering momentum again, after many efforts and considerations as to whether to go ahead with both the Covid-19 and economic uncertainty.

I'm looking forward to the year ahead with the success of the Swing Night and the hope of the build of Prudence House starting and the maternity unit coming to life. And working with everyone to continue to develop ways to help in health and girls' education in the area as our involvement in water closes with the final two school projects we implemented this year. We are also looking forward to formally appointing development expert and dedicated supporter Gen Lomax as a trustee in the near future.

With love and best wishes

Mandy

Chair For-ethiopia

3. 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 For Development Association-Ethiopia (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.

4. Achievements and performance in 2021/22

We continue to work within the 3 peri-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 peri-urban town of Addis Alem (14,000).

After a two year hiatus inflicted by the Global Covid-19 pandemic we were able to undertake two self funded monitoring, consultation and evaluation visits to Ethiopia this year. The first took place in April and the second in July. The first trip was a mixture of monitoring and evaluation while meeting with local

stakeholders, and training of staff. The launch of the period poverty project was possible after the staff had received their training and their resource packs. Further training in safeguarding and ethical photography as well as a consultation on the current and future projects with all stakeholders were also carried out.

The two visits were extremely vital to the protracted land procurement process for the building of Prudence House. Consultations with local elders, joint visits to officials offices both at the local, regional and federal level had been valuable to pushing the case forward. This is extremely important as the rolled over underspent funds earmarked to Prudence House was creating concerns about meeting the official target of 80% (project) and 20% (administration) official policy in Ethiopia. Thankfully that is now underway to be resolved.

Education Projects

Hardship Fund

All 85 children across three primary schools supported by the hardship fund were able to continue with their studies as the fund and the support from their school community had enabled them to stay in school for another year. This included a full school uniform, soap and stationery. We wish to thank the George Müller Charitable Trust and other supporters for enabling this.

Disabled children's Fund

A smaller fund for the 20 children that live with disability based at Ejere Primary school had enabled them to have a uniform, soap and stationery. This provides support to the ongoing effort within the school to emphasise dignity and respect for the children. Their teachers continue to sensitise and encourage the community by advocating about the wellbeing, rights and potential of all children.

A small supply of resources was donated by Redland Parish Church's preschool which was closing. A series of training videos were made to provide ideas for the teaching staff to incorporate into their teaching program. This has been an encouraging development that we are keen to continue.

Scholarship Program

The Underhill Scholarship program continues to fund 32 girls from remote rural villages per year.

In March 2022, two of the Toby's house girls were selected to read their own poetry at a local International Women's day event organised by the local Women and Children's Affairs and local dignitaries. This was a great honour and recognition of the benefits of the scholarship scheme.

Six girls took the matric exams to determine if they will get a place at university. Two girls gained a coveted university place. Another has gained a place to study nursing / community health, and the other three are studying accountancy at a private college nearby. Two of these girls have decided to repeat their exams at the next opportunity.

The scholarship recipients also received a Days for Girls period kit and are forming the core unit for monitoring and evaluating the success of the period poverty pilot scheme.

Higher Education Fund

A total of 8 young women are now supported by the higher education fund. This includes a grant to cover travel expenses to their university, a suitcase, linen, towels, stationary, toiletries, and for the second year in a row a laptop has also been provided. The students keep in touch with the FDA-E team about their progress and all come together at Toby's house when they are back in Ejere. The returning students are a wonderful asset to the scholarship program as they are peer mentors to the girls currently studying at high school and they inspire the girls in their studies.

Period Poverty

A serendipitous introduction by a member of our Small but Significant network of Ethiopian Charities in the UK (Together we Learn) led to a partnership with Days for Girls, UK. They have committed to making us 2000 reusable sanitary pads over 2022 to be distributed amongst rural girls in Ejere.

The kits are excellent in their craftsmanship and are the result of many years of redesigns and testing. The kit contains a drawstring bag, 2 pairs of underpants, 2 shields (with waterproof layer), 8 liners, a waterproof pouch to keep used liners in, soap, a flannel and a card to enable the girls to track their cycles over a year. This helps the girls to understand their body and their cycles, giving them knowledge and an element of control in knowing when their period is likely to start again.

Alongside the kits, the charity also provides an extensive internet based training program to teach how to use the education flip charts that are provided and how to care for the kit so that it lasts up to 4 years.

Prudence House

The majority of the year was spent chasing up paperwork, filing out more paperwork and meeting various officials on a local and regional level in order to facilitate the legal process that is required before Prudence House can be built. It is anticipated that expanding Toby's House will help us meet the growing demand for the Underhill Scholarship Scheme and open up opportunities to train more girls from rural areas.

Health Projects

Maternity unit

Following a consultation with the health office officials, the CBC machine installed in the Ejere Health centre back in 2018 needed to be refurbished. This machine has transformed patient care in the region as it is able to give out many test

results from one sample. 60,000 individual tests have been carried out with the machine over a four year period. 53% of the tests were for females, and 45% were children, making it a vital part of the health care support and saving many lives. The machine was repaired and working again by August 2022.

April's visit allowed us to meet with the health care team staff at Ejere hospital and run further consultation and visit a new building that was proposed for maternal health service. The health centre has been encouraged by the possibility of getting their first ever government appointed obstetrician in that community. They were keen to raise the quality to the required standard on safety and hygiene and requested support with that. We were able to witness the delivery of maternity ward lighting equipment confirming the health sector authorities commitment to this. A visit was arranged for an independent assessor in midwifery care (Anna Cannon) and Dr Alemayehu Asfaw both of these volunteers have helped us to finalise the plans needed for the work to proceed in October 2022.

Water Projects

The visit in April allowed us to access the site at Ifra Beri primary school and discuss with the Director and the teaching staff as to how to best meet their WASH needs. Last year we had the unfortunate news that drilling a new water well was not viable at the site. The decision has been made to connect the school to the new mains water pipe that runs parallel to the school entrance. The plan is to build a hand washing station for the pupils and staff at the school. This is expected to be done between October - December 2022.

Administration

We continue to strengthen our administration and are supported by ad hoc work undertaken by the wonderful Dr Ally Ng. The second year of the free capacity building training through our membership of the South West International Development Network (SWIDN) is almost completed. Through this Ally had dedicated so much time including her own time to develop a Theory of Change which proved to be immensely resourceful.

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.

We are especially grateful for the inspiration and faithful service of the FDA-E staff, local elders, school committees and the community. We continue our commitment to play our small part in facilitating and contributing to the ongoing individual and collective community effort to secure the wellbeing, education and welfare of all children and young women in rural Ethiopia.

5. Financial Review

During the financial year 2021/2022 the charity received income of £60,498 and sent £94,219 to Ethiopia to fund the development projects for that year.

Total income rose by £23,104 compared to the previous year. This increase was due to the successful grant application to the George Müller Charitable Trust, a small grant from Ethiopiaid UK and a successful Big Give campaign which exceeded our target. Fundraising is continuing for the funds needed to build Prudence House and the delayed event that launches this from October 2020 will take place in October 2022. We have been proactive to source alternative funding for 2023 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 2022 there was a net unrestricted funds balance of £25,813.

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 minimising 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 2022 this was set at £15,000. For the year in question, there is £26,238 available (including both unrestricted and restricted funds, given that currently the restricted funds contribute to the charity's regular work).

6. Plans for the future 2022/2023

Overview

The next year will be an exciting one in terms of the development of the Prudence House project phase one. Now that permission has been given, final decisions on design, budget and receiving tender bids can be undertaken. The perimeter wall and foundation work should start to be built before the end of 2022. It is hoped substantial progress with Prudence house can be made before the rainy season next year. We remain hopeful that the cement shortage and high inflation in the construction sector will be manageable.

Education

Primary level schooling and support for children living with disabilities

We continue to remain committed to the school's programs that we have been invested in. The hardship fund for 85 children will continue as will the support for the disabled children in Ejere Primary School's disability unit.

Following on from our visit in April 2022, there are preliminary plans in place to upgrade the facilities and resources for the disabled children's unit. We would like to make contact with other charities who are already working with disabled children in Ethiopia to get best practise guidelines and to maximise on any resources already available within Ethiopia.

The shared vision we have is for a completely new purpose built unit in the next few years that would allow children with mobility issues to access easily as well as be light and spacious and conducive to learning in. We will continue to pursue promising lines for partnerships to realise this vision.

Secondary level support for girls

Our dedication to facilitating opportunities for girls from remote rural villages to attend high school is the keystone of all our work. The support of the local community and advocacy they have given to push the expansion of the scholarship scheme is a huge blessing to us. The need was identified by the former Director of the High School Ato Nurelign, and he continues to be heavily involved taking an advisory role in the continuity of the scheme.

The format at Toby's house will remain the same for the year ahead. All girls under the Underhill Scholarship Scheme will receive their extra tuition, mentoring, stipend and extra curricular activities to enhance their education. With the reduced threat of covid, it is hoped annual treats such as field trips to the capital Addis Ababa can commence again.

Tertiary level (higher education and TVET skills)

The girls currently receiving a small grant towards their university costs will continue to be supported. Once we receive the results from the next cohort of grade 12 students we can determine if we have the funding to continue with new students for the 2023 year.

Health

The final health project is commencing in October 2022. Work will be undertaken to upgrade the facilities at the new building at the Ejere Health Clinic's maternity unit. If the dedicated delivery room can be brought up to desirable standard, along with the appointment of an obstetrician, expectant mothers with difficulties in labour can be treated in the district without having to be transported in an emergency to the capital Addis Ababa.

This will save mother and babies lives and also reduce the likelihood of other negative outcomes such as obstetric fistula.

Water

The installation of hand washing facilities at Ifra Beri and Hawi Boru school is due to commence in October 2022. This takes our water work so far to over 35 projects. It also marks the formal end of our water projects. Instead, we recommit ourselves to continue our advocacy for clean water. When opportunities arise we stand ready to facilitate ways for larger water organisations to partner with the community in addressing clean water challenges.

7. 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 2021/2022 financial year, there were 10 ordinary meetings in addition to 1 special meeting. A planned strategic planning away day has had to be postponed until November 2022 due to travel and work commitments of the trustees.

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 co-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.

Contact with the FDA-E staff and stakeholders was maintained through monthly updates, reports, phone calls, emails, WhatsApp, Telegram communications and zoom meetings.

Two trips to Ethiopia took place in 2021/22. The first was in April 2022 with Dr Tigist Grieve and Dr Ally Ng. The first trip was for monitoring and evaluation and to train trainers and launch the new period poverty project. A review of safeguarding and photography were also carried out. This trip also enabled important community networking and discussions with stakeholders including the girls, teachers, parents as well as local and regional officials. The second trip involved taking out resources for the children living with disabilities and further consultation meetings about the land procurement for Prudence house, review of 2022 progress, discussion on potential 2023/24 projects and staff training.

The ongoing disruption from Covid-19, the conflict in Northern Ethiopia and the impact of the global grain crisis as a result of the war in Ukraine has continued to exacerbate the cost-of-living crisis and the cost of building materials in Ethiopia. This is noted as part of our risk analysis and management.

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 8th December 2022 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 2022 which are set out on pages 16 to 24.

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.



.....
9th December 2022

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

Statement of financial activities for the year ended 30th September 2022

	Note	Unrestricted Funds £	Restricted funds £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies					
Donations		23,326	4,882	28,208	30,055
Gift Aid Tax Recoverable		3,958	1,512	5,470	6,671
Grants from Trusts		23,499	(700)	22,799	-
Tax Included Donations		50	-	50	293
		50,832	5,694	56,526	37,007
Charitable Activities					
Events		3,969	-	3,969	385
Investments		2	-	2	2
Total Income		54,804	5,694	60,498	37,394
Expenditure on:					
Raising funds	3	1,055	60	1,115	709
Charitable Activities – Direct Costs	4,5	28,088	66,131	94,219	90,610
Charitable Activities – Support Costs	3	4,890	-	4,890	4,067
Total Expenditure		34,033	66,191	100,224	95,385
Net income/(expenditure):		20,771	(60,497)	(39,726)	(57,991)
Transfers between funds		-	-	-	-
Net movements in funds	6	20,771	(60,497)	(39,726)	(57,991)
Reconciliation of funds:					
Total funds brought forward		5,043	60,921	65,964	123,955
Total funds carried forward:	6	25,813	424	26,238	65,964

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.

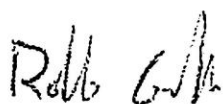
Balance sheet as at 30TH September 2022

	Note	2022 £	2021 £
Current assets			
Debtors		183	347
Prepayments		1,888	878
Accrued Income		1,849	309
Cash at bank and in hand		38,651	65,355
Total Current Assets		42,571	66,889
Liabilities			
Accruals		809	925
Deferred Income		15,525	-
Total Current Liabilities		16,334	925
Net Current Assets		26,238	65,964
Total assets less current liabilities		26,238	65,964
Net assets		26,238	65,964
The funds of the charity:	6		
Restricted income funds		424	60,921
Unrestricted income funds		25,813	5,043
Total charity funds		26,238	65,964

The notes on pages 16 to 24 form part of these accounts.

Approved by the Board of Trustees on **8th December 2022**.

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, 2022-23, 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 (2021: £nil). Expenses of £3,784 were paid to trustees (2021: £610). These were reimbursements of equipment, stationery, travel 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 £3,790 (2021: £3,385).

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:	2022 £	2021 £
Bank Charges	25	70
Insurance	272	272
Miscellaneous	(4)	45
Professional Fees	4,255	3,677
Transaction Fees	402	164
Credit Card Fees	298	204
Printing & Reproduction	-	344
Travel	229	-
Subscriptions	113	-
Event Costs	415	-
Total	6,006	4,775

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	2022 £	2021 £
Education	5,036	2,241
Health & Sanitation	966	1,124
Water	3	1,410
Total Allocated	6,006	4,775

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 2022 £	Total 2021 £
Funded from unrestricted funds:				
Education	23,554	5,036	28,591	28,362
Health & Sanitation	4,519	966	5,485	14,232
Water	14	3	17	17,851
Funded from restricted funds:				
Education	55,458	-	55,458	16,395
Health & Sanitation	10,640	-	10,640	8,227
Water	33	-	33	10,319
Total Allocated	94,219	6,006	100,224	95,385

In 2022 the expenditure on charitable activities was £100,224 (2021: £95,385) of which £34,033 (2021: £60,445) was expenditure from unrestricted funds and £34,941 (2021: £66,191) was expenditure from restricted funds.

5. Analysis of grants

	Grants to institutions 2022 £	Grants to institutions 2021 £
Education	79,012	42,516
Health & Sanitation	15,159	21,334
Water	47	26,760
Total Allocated	94,219	90,610

Predicted costs of Development Projects in 2023

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 global circumstances, the rising inflation in Ethiopia, the volatile exchange rate and the cost of living crisis in the UK, the trustees are continuing to monitor the situation and aim to finalise the budget for 2023 development projects in Ethiopia over the next few months.

6. Analysis of charitable funds

	Opening Balance 01/10/21 £	Income £	Expenditure £	Transfers £	Closing Balance 30/09/22 £
Restricted Funds					
Education	55,115	418	(55,518)	-	15
Health & Sanitation	5,740	5,309	(10,640)	-	409
Water	65	(33)	(33)	-	-
Total Restricted Funds	60,921	5,694	(66,191)	-	424
Unrestricted Funds	5,043	54,804	(34,033)	-	25,813
General Funds	5,043	54,804	(34,033)	-	25,813
Total Unrestricted Funds	5,043	54,804	(34,033)	-	25,813
Total	65,964	60,498	(100,224)	-	26,238

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 01/10/20 £	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

7. Statement of Financial Activities: Previous Year

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