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Ethar was established by those who experienced life as refugees. We know what it's like to feel suffering and danger. Many of our Ethar Family, who now work with us, have fled conflict and feared for their lives.

We never want anyone to suffer like this ever again. We commit, with every ounce of our determination and effort, to do whatever is in our power to support refugees.

In 2021, Ethar celebrated 15 years of service to the forgotten refugees of East Africa. 15 years of steadfast, kind, generous, awesome support from and to our beloved Ethar Family.

We thank you all for your strong support, for never leaving us to struggle alone, and for never ever forgetting refugees.

Acknowledgements

During 2021 we continued to receive valued support across our activities and projects, from many wonderful partners and collaborating organisations. We thank all partner and supporter organisations for their ever-consistent cooperation, partnership and positive encouragement, which remains sincere and unwavering in the face of unprecedented challenges.

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

Volunteers and small groups of people worked tirelessly throughout 2021 to find alternatives to physical events and innovate safe ways to make local campaigns a reality. These individuals and groups are the strength of Ethar, and we are grateful for their selfless support and backing.

Chairman & CEO Message

Looking back on the last year - and the past 15 years - it's clear that you, our most incredible supporters, are what enabled us to start from the smallest seed and grow into a mighty tree.

Dearest, most blessed and beloved Ethar Family

From supporting a few families, individuals and orphans in East Sudan, to today - 15 years on. The branches of our wonderful tree provide shade for thousands of lives across the Horn of Africa and Yemen.

"The beautiful fruits of this tree are education, clean water, nutrition, healthcare, and empowerment for the most vulnerable refugees."

Looking back on the last year - and the past 15 years - it's clear that you, our most incredible supporters, are what enabled us to start from the smallest seed and grow into a mighty tree. We would like to express our gratitude to you for your unwavering support, and to everyone in our organisation for working so hard to deliver aid to the forgotten refugees in this challenging environment.

Last year, we wrote to you to inform you that 2020 had been a challenging year, both for Ethar Relief, and for the people we help across the Horn of Africa and Yemen. In retrospect, 2021 didn't turn out to be considerably different: the global pandemic continued to dominate our lives, and it was a time of uncertainty and learning for our organisation.

The previous year, in 2020, we'd raised the most funds in Ethar's history. Although we were unable to push this further in

2021, you'll see in this report that our teams worked tirelessly to maintain their service to forgotten refugees. Looking back on the year, despite all the challenges, there were so many achievements to celebrate and tremendous development within Ethar as an organisation.

We launched Ethar Relief's Annual Plan in the first quarter of 2021, in which we committed to making improvements across every area of our organisation. The Annual Plan rolled out the successful implementation of changes in four main categories: Financial Growth; Refinement of Governance, Capacity Building and Operational Excellence. This meant embracing change, technology and strengthening our systems, enabling us to be more effective in our work, accountable and transparent to our donors and the people we help. On the ground, we faced slow but steady progress towards our goals in the face of ongoing challenges related to the Covid pandemic and domestic issues in our countries of operation. Much of our operational output necessarily pivoted towards keeping essential services going for refugees and vulnerable communities, especially children with special needs, widows and orphans. The supreme efforts of our teams during this time led to a number of successes and achievements, especially in education and self-development.

Our education programmes had a huge impact on refugee development, for individuals and their communities as a whole. During 2021, Ethar supported orphans into university, and helped entire families with acquisition of skills and qualifications. We continued to build and

refurbish school premises, support centres for women, and provide paths for refugee students into further education. Our work, with your help, has given great hope to people living in refugee camps, as education remains one of the only legitimate routes to a better life outside the camp environment.

In healthcare, the impact has been just as great. During the pandemic, our presence through mobile clinics and medical convoys was felt strongly by refugees who needed basic support with diagnoses and treatments, all of which were life-changing and many of which were life-saving. Seasonal programmes such as Ramadan and Qurbani continued to bring support and joy to thousands of refugees. These aren't just aid distributing initiatives, they're a means for spiritual fulfilment for donors and refugees alike. They connect refugees with a greater whole, and enable them to feel part of a community of people who love and support each other.

In 2021, we continued our strategy of diversifying our support from basic emergency responses to long-term, sustainable solutions that are refugee-led and collaborative towards the best interests and goals of each community we serve. We aim to lift refugees out of poverty and long-term reliance on aid, and facilitate opportunities for them to live better lives outside the restrictive, dangerous environment of a refugee camp.

Traditionally, we've been reliant on support of organisations, but in 2021 there was a huge shift towards masses of individuals from across the globe personally supporting the refugee cause. This in itself was one of the biggest triumphs of the year; it was a year where Ethar entered the hearts of many more people.

As mentioned, 2021 was one of the most difficult periods for our charity. It was a time of great uncertainty, as we'd not yet emerged from lockdowns and restrictions, and this was compounded by political unrest in Sudan and armed civil conflict in Ethiopia. Together with climate events and the extreme disasters that they brought about, these difficulties posed the biggest challenge ever faced by Ethar. Many more people were made homeless and displaced across and within borders, fleeing from danger.

As humanitarians, we face these challenges by refocusing on the values that make us who we are, remembering the refugees who need our help, and appreciating the ongoing commitment of our amazing supporters. At the time of writing, it's summer 2022. At Ethar Relief, the challenge ahead is clear. Conflict and climate events continue to ravage the Horn of Africa. There are so many people in need of assistance, at a time in which our charitable income has decreased, and we realise that we need to change and adapt to be able to continue serving as many people as possible. We're not alone in this; the events of the past two years have impacted and transformed organisations and businesses around the world. We're lucky that whenever things have got tough, the Ethar Family has

always stepped up to meet the challenges head on.

Talking of the Ethar Family, we're thankful and grateful for our amazing donors: men and women, old and young, who have supported us - even with £1. We appreciate and value your contribution. Your donations gave us the strength to persevere during this difficult period. Our donors are the foundation of Ethar, and we're always full of hope and confidence that they'll join us in support of refugee causes, no matter how hard things get.

Our work can't and wouldn't happen without your ongoing support, and it's my greatest hope that you'll continue to remember and give openly to the forgotten refugees in the coming years.

As our 2021 campaign emphasised, I'd like to remind you to always 'Give Happy, Get Happy'. Even a smile is charity, because it makes a difference.

May the hearts of more people open towards the forgotten refugees of East Africa.

In light and peace,



Abdulkadir Naib
Chair of the Board



Sultan Omar
Executive Director



Inclusion for all in the Ethar Family

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

We are a non-governmental, non-political humanitarian aid organisation, dedicated to helping people in need regardless of their ethnic origin, political affiliation, gender or religious beliefs. Through 2021, our projects provided aid and sustainable resources to displaced, poverty-impacted refugees and marginalised communities in Sudan, Yemen, Djibouti, and Ethiopia, (countries within or near the area traditionally referred to as The Horn Of Africa). These countries and locations are diverse and unique in themselves, and are never treated as a homogenous group despite their proximity to each other. Likewise, the communities within each country share culture, customs, and origins, but also diverge greatly in many aspects. Ethar Relief celebrates both the similarities and differences, and extends its support and advocacy towards refugees from these communities within the UK.

Our projects are designed to:

1. Alleviate the suffering of refugees by providing emergency aid such as food provisions, clean water access, and medical care.
2. Combat the long-term effects of poverty by establishing educational provision and sponsorships which develop academic, practical and social skills.
3. Empower vulnerable groups, designing our programmes to ensure they have greater

opportunities and choices through education and employment, enabling them to participate and take a lead in the positive development of their communities.

Ethar Relief is officially registered in the United Kingdom as a Charitable Incorporated Organisation with UK Companies House. Over the years, we have established a strong reputation globally for our presence, knowledge, and expertise in the East Africa region. Therefore, in addition to our independent projects we also act as an adviser and delivery partner for other charitable and humanitarian organisations.

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

Campaigns

Humanitarian emergency relief

Ethar provides emergency aid in the region of East Africa in response to a number of critical emerging situations, including flooding, disease outbreaks, and conflict. The largest part of our emergency humanitarian response this year has been the continuation of our 2020 response to the Tigray crisis over the border in Ethiopia. Throughout 2021, thousands of refugees continued to flee the conflict and arrive in East Sudan, seeking relative safety in Sudanese refugee camps such as Shagarab. The civil war has taken absolutely everything from ordinary civilians, including their homes, property, livelihood and family members. They arrive at the camps with nothing.

With your help, Ethar works with the Sudan Commissioner for Refugees to process arrivals and prioritise the most urgent needs. We provide essential food packs and access to clean water, plus basic provision to clothe and shelter individuals and families. The

main challenge in 2021 has been meeting the increased demand for this emergency aid and overcoming restrictions resulting from the pandemic, to enable our team to focus on the essential basics and speed of response.

Once refugees have been stabilised through the provision of initial emergency aid, they can be invited to proceed into one of our programmes for ongoing support within the camps.



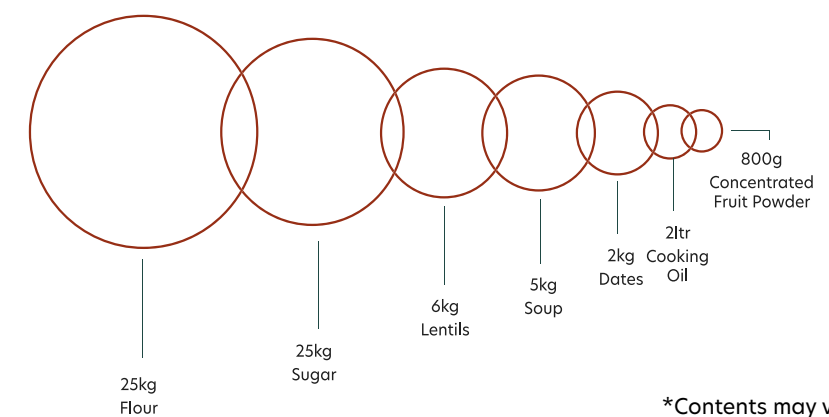


Food Security

What's in a food pack?

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

The packs contain everything* an average family needs to eat.



*Contents may vary slightly based on location and seasonal availability



Food security in the fasting season

During the month of Ramadan, the majority of refugees observe fasting, and Ethar also experiences an increase in donor activity from our supporters. As a result, food distribution is stepped up markedly during this period, as summarised here.

SUDAN

Meals and food packs

8,571

food packs distributed across refugee camps, villages, towns and cities (see above for average contents)

965

hot iftar meals (high protein), concentrated around education centres

2,400

high protein iftar meals distributed across hospitals to patients and staff

Food as Zakat

5,150

families received Zakat-ul-Fitr in the form of flour, which is a basic staple that has seen huge rises in cost.

The following foods were provided directly to families:

500

families received large sacks of flour (30kg)

960

families received large bags of cornflour seeds (60+ kg) for planting

DJIBOUTI

Meals and food packs

1,000

family food packs were distributed, to last at least one month (see above for average contents)

840

Iftar meals were made for fasting refugees (cooked pre-prepared meals including rice, curry, chicken, bottled water, samosa, and mixed fresh fruit)

Food as Zakat

200

bags of 25kg flour/rice were given out as part of Zakat-ul-Fitr distribution

YEMEN

Meals and food packs

1,530

food packs to last at least one month (see above for average contents)

3,800

high protein iftar meals for fasting refugees and internally displaced people

How food distribution protects refugees

Provision of food packs provides short-term nutrition and immediate respite from hunger, helping to prevent disease and reduce deaths. Most refugees, especially those newly arriving in camps, struggle to feed themselves and their families daily.

Food distribution from safe, approved sources such as Ethar helps to protect refugee families from being exploited by unapproved and potentially dangerous operators.

Provision of high protein meals all year round, and fresh meat during the Qurbani period, counteracts malnutrition levels and associated illnesses caused by deficiencies in essential proteins and fats, particularly in children. Essential nutrients are needed by children for growth and development and also by elders, young mothers, and other vulnerable members of the population to maintain a minimum level of health.

A key effect of targeting patients in our Sudan iftar meal distribution was the resultant patient recovery. The meals were acknowledged by local doctors as vital for post-treatment healing. Refugees who do not receive such help struggle in their recovery from illnesses and medical procedures.





Family feeding programme

Throughout the year, our family food packs provided a lifeline to refugee families struggling to feed themselves. Refugee families with vulnerable members (such as the elderly, infants, and the sick) rely on food packs to survive through intensely difficult periods. The programme runs throughout the year and is additional to the Ramadan campaign, directly supporting 508 families in 2021 with month-long food packs (average contents listed above).

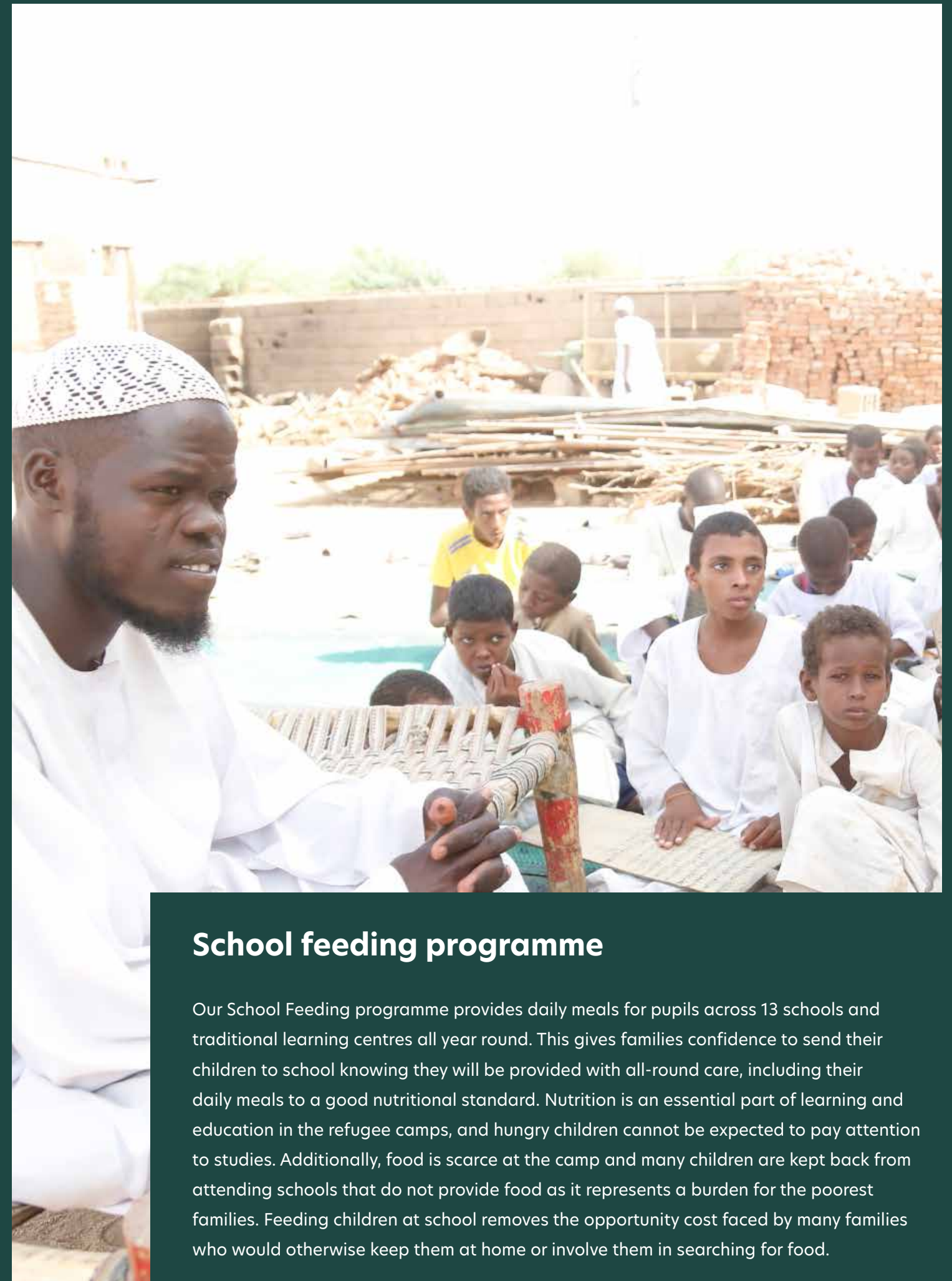
"My husband is now disabled due to injury. My son is also disabled, suffering from

fits and tremors, and needs treatment. My daughter suffers from a psychological disorder, she moves from our living space in the night, and I worry for her safety."

"As a mother, it was too much to provide enough food for the family, and care for them by myself."

"Ethar is helping us with food packs, and this has removed a huge burden from us, especially since my husband can no longer work."

- Zainab, mother of nine children, Kilo 26 Refugee Camp.



School feeding programme

Our School Feeding programme provides daily meals for pupils across 13 schools and traditional learning centres all year round. This gives families confidence to send their children to school knowing they will be provided with all-round care, including their daily meals to a good nutritional standard. Nutrition is an essential part of learning and education in the refugee camps, and hungry children cannot be expected to pay attention to studies. Additionally, food is scarce at the camp and many children are kept back from attending schools that do not provide food as it represents a burden for the poorest families. Feeding children at school removes the opportunity cost faced by many families who would otherwise keep them at home or involve them in searching for food.



The positive effect of feeding programmes

Family feeding programmes provide consistent food security and stability. They allow refugee families to focus on other aspects of their lives, to pursue employment, education or training without worrying about where their next meal is coming from. It leaves room for them to grow and flourish as a family, and children in those families don't have to sacrifice their education to help bring in an income. Consistent nutritional intake ensures that refugees are less likely to fall victim to illnesses stemming from poor food intake and malnutrition.

The school feeding programme ensures students have consistent meals, fulfilling their nutritional needs for growth. It further provides them with sustenance to be able to concentrate on their studies and helps to reduce dropout rates. It allows for a more effective and positive learning experience as their basic needs are being met.

The long term impact of consistent feeding programmes such as these includes prevention of illnesses caused by malnutrition and maximisation of children's potential for growth and development, leading to better success rates in studies.

UN SDG Goal 2

Ethar Relief works towards UN Sustainable Development Goal 2:

Zero Hunger

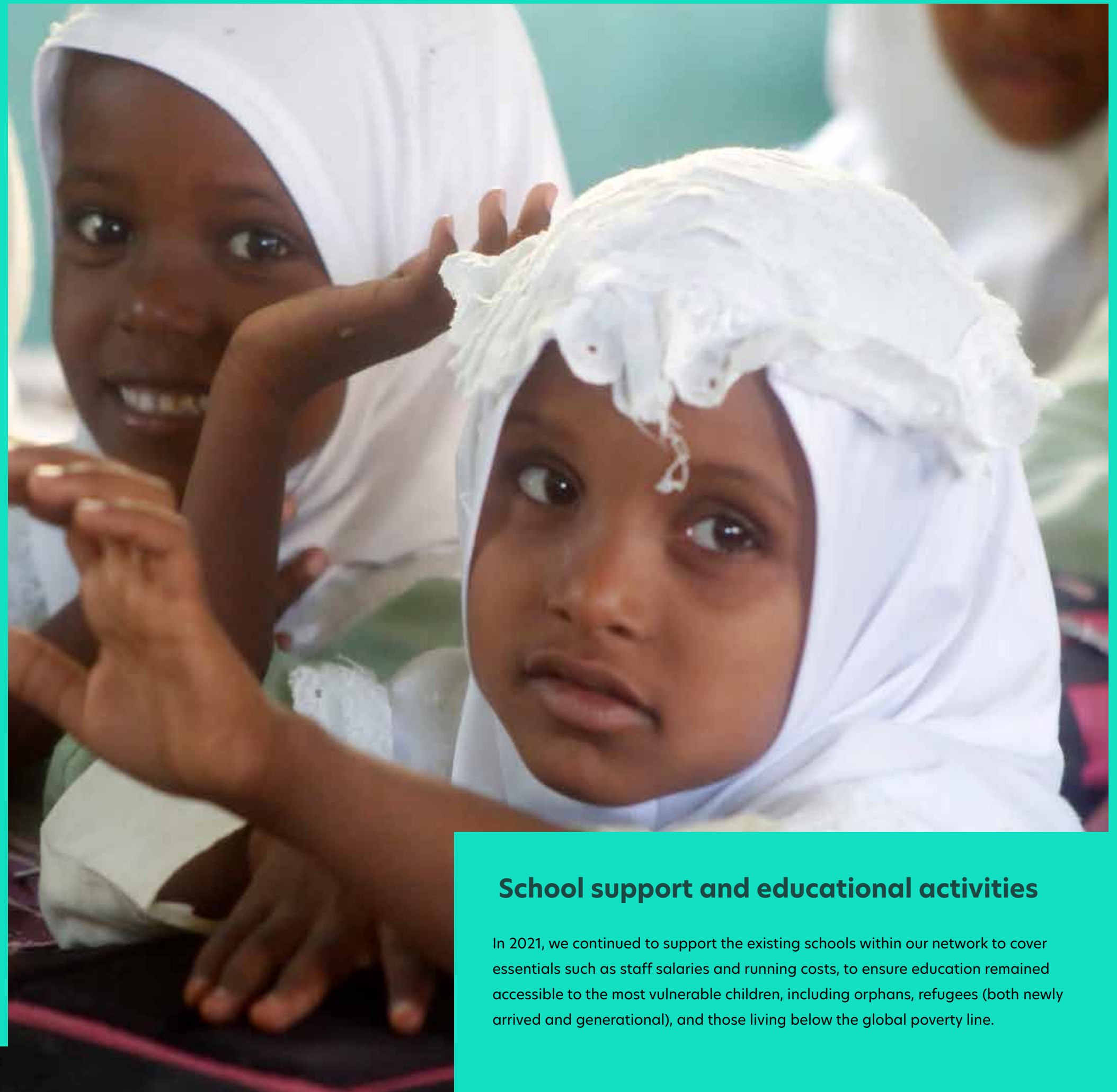
Food provision is an essential aspect of our programme. Many refugee children suffer from malnutrition - with signs of Severe Acute Malnutrition (SAM) and Moderate Acute Malnutrition (MAM) in the camps, extremely dangerous conditions that go way beyond hunger and missing meals.

Education & Skills Training

In 2021, Ethar found itself in a unique position regarding the education landscape in East Sudan and surrounding regions. The devastating effects of Covid had caused many NGOs and organisations to pull out of their funding commitments to schools, sometimes due to the difficulties overcoming ongoing restrictions, and in other cases due to the need to concentrate on emergency aid instead of schooling.

As one of the few NGOs committed to this region, Ethar redoubled its efforts to ensure that children's schooling was not impacted for a second year following the difficulties experienced in 2020. This was not without challenges: restrictions continued as well as loss of valuable experienced staff, shortfalls in funding activity, and other practical and logistical factors. Ethar continued in its determination to ensure that these programmes, which have life-changing impact on the current and future generations, were not lost and did not become collateral damage from the pandemic.

Furthermore, Ethar recognises that education is one of the only viable, realistic and safe routes to a life beyond the refugee camp. Refugees who receive an education can look for work outside of the camp environment, using recognised credentials and taking advantage of formal routes. This is the real hope for the future and the reason behind our strong commitment to sustaining educational projects, despite them not traditionally enjoying the highest level of funding support.



School support and educational activities

In 2021, we continued to support the existing schools within our network to cover essentials such as staff salaries and running costs, to ensure education remained accessible to the most vulnerable children, including orphans, refugees (both newly arrived and generational), and those living below the global poverty line.



Traditional Education Centres

Also referred to as Quran Learning Centres, these schools are an important pillar of the refugee community and enable children to gain crucial skills and practice rituals that are meaningful to their heritage and faith.

The completion of Quran memorisation and study is highly valued in Sudan, and graduates from these centres become eligible for pathways into further study in formal education institutions, including a range of subject and foundation English courses to aid their transition.

Many students travel long distances or are left by their parents to live at the centre until their studies are completed, due to their poverty status and the reassurance that their children will receive regular meals as well as an opportunity to learn and pursue further education afterwards.

Ethar used its funds to cover staff salaries across six centres for six months of 2021.

Core schools

- Supporting our East Sudan core schools located in refugee camps and surrounding areas, comprising:

- One kindergarten
- Three primary schools
- Two secondary schools

- Sponsorship of these schools included providing running costs, staff salaries for 90 staff, provision of books and other materials, and resources for approximately 885 students

Flagship schools

Al-Mustaqbal Boys boarding school and Al-Mustaqbal Girls boarding school in East Sudan are two groundbreaking flagship programmes which provide full boarding and high quality education to pupils from mainly orphaned, extremely poor, and refugee backgrounds. Pupils enjoy high standards of education to prepare them for employment or further education, making a huge difference to their life prospects and to their families and communities. Throughout 2021 we continued to provide all materials, equipment, utilities and resources to meet the needs of the schools and pupils, including meals and board. Furthermore, we sponsored staff salaries and meals to ensure that pupils continued to receive the care and safeguarding they needed through the uncertainty of the pandemic.



"My parents sent me here because this is a safer area compared to the war we were in. My father is a poor man and we are seven brothers. I was in need of daily food and had no access to education."

"Now, thanks to Ethar there are no difficulties. Nothing is missing for me."

"I come to school daily and find my meals ready in the morning. I eat dates, then breakfast, lunch and dinner - complete food with nutrients. Since then, I've memorised more than half of the Holy Quran"

- **Abaker, student in a traditional learning centre, Kassala State.**



Emergency school support

Following the Covid outbreak and subsequent disruption, five schools that cater for 1,990 students were in need of support to remain open. Ethar provided emergency funds to cover staff salaries for 122 staff across two primary schools and three secondary schools for six months.

Irada centre for special needs

This is another groundbreaking, flagship programme supported by Ethar to reduce barriers, encourage interaction and integration, and increase confidence and opportunity for one of the most vulnerable populations in refugee camps: children with disabilities and other learning or physical difficulties.

The centre in East Sudan provides much-needed services to children with special needs in an area where there are no facilities of this nature available to the community. This type of service is very rare within refugee camps and goes a long way in creating awareness and promoting better quality living for the children. The centre has the potential to accommodate and support more children and make a wider impact with additional funding.

Sponsorship of the centre includes employment of 18 staff, including specialist teachers and psychologists who provide tailored care and learning to 88 children. Sponsorship also includes running costs, rent, maintenance, and daily transport for the children to and from the centre. There is nothing like this for refugees in the region and Ethar is proud of its association and support for this unique initiative.

Karakora School

Ethar Relief helped with the completion of repairs to a boys and girls school building in the village of Karakora in East Sudan, close to the refugee camps. This support included construction of two new classrooms for girls, increasing the student intake to 576 children.



UN SDG Goal 10

Ethar Relief works towards **UN Sustainable Development Goal 10: Reduced Inequalities**

As mentioned above, the aim of our programmes is not just to provide financial and material resources, but to uphold dignity and challenge existing stigmas, biases and norms. Showing communities the importance of supporting vulnerable children with a range of needs has a great bearing on attitudes and future acceptance within society.

University student accommodation

When refugee children do get opportunities to access education, they frequently excel in their studies and graduate from the schooling system with promising credentials for further education. However, this is where the real challenges start, as their financial limitations and location of residence prevent them from taking up offers from universities in cities across Sudan.

To alleviate this, Ethar Relief sponsors three boarding houses for the purpose of providing a safe, secure place near to cities where undergraduates from refugee backgrounds can access accommodation while completing their studies. Our funding goes towards rent, student meals, and running costs, including dedicated supervisor and caterer salaries at each boarding house.



Shahida Jabeen Education Centre

This centre was established 13 years ago in East Sudan for female refugees of all ages to access essential education and training opportunities, and to help women and girls who felt they had been left behind by traditional schooling due to their circumstances. Currently 125 students access the centre regularly.

In 2021 Ethar helped with the construction of two new classrooms, wash rooms, a safety fence and canopy shelter. Furthermore, Ethar provided new school furniture and small fridges needed to preserve food in the building. Ethar's sponsorship of staff salaries is not only vital for the running of the centre but also provides local women, including refugee women, with employment.



Garden of Knowledge nursery graduation

Finally, a rare chance for the refugee community to celebrate after the most difficult preceding year. Ethar sponsored the graduation ceremony of this nursery school located within an East Sudan refugee camp, to celebrate the children's achievements and allow parents to share in their joy. Such ceremonies are important in raising awareness about the benefits of education and the opportunities available to children from refugee backgrounds. Ethar seeks to encourage the community to send their children to kindergarten whenever there is an opportunity, as it is widely known to be key to child development in later ages.



UN SDG Goal 4

Ethar Relief works towards UN Sustainable Development Goal 4:

Quality Education

Internationally, society as a whole has acknowledged that the only way to help people escape poverty and exploitation is for the global community to come together and enable disadvantaged people to access education. This is particularly important for women and girls, who are the most marginalised when it comes to education access.



The positive impact of education

Education has the potential to save and change lives for future generations of refugees, meeting our vision to support these communities to become independent and self-sufficient. Therefore, educational projects form part of our core programmes.

The benefits of consistent access to education can be observed most starkly among vulnerable populations such as orphans, and refugee children whose families are struggling to take care of them. Furthermore, the education programmes give hundreds of local staff job security whilst enabling them to make a positive contribution to the community. Our staff are incredibly dedicated and have been serving refugee children for a long time, in most cases making sacrifices in order to keep delivering for children in difficult circumstances and remote locations. They stay teaching in the camps and surrounding villages to give back to their communities and to provide a living example of how to progress in life.

This year alone, despite the after-effects of the pandemic which was still a very real threat in East Sudan, we were able to provide education to approximately 5,748 children. They gained stability and food security through daily meals and by the consistent routine of attending schools and centres. Their basic needs were met and they had a greater chance of fulfilling their potential and aspirations, through growth and development that is essential during formative years.

Particularly in the case of girls, successful graduation from secondary school and progression to further education creates uplift, awareness and recognition within the community. Educated girls are able to show by example how education creates opportunity for them and changes their lives, thereby encouraging other parents to send their girls to school.

Education offers children, their families and future generations a pathway to break free from the poverty cycle and become independent and self-sufficient. Successfully completing secondary education or its equivalent provides access and opportunity to pursue further learning, qualifications and gain employment. Our refugee children often become professionals in teaching or medicine and return to serve the communities they grew up in.

Welfare & Sponsorships

Sponsoring orphans, widows, children with special needs and their families represents some of the most important work we do at Ethar. These groups are the most vulnerable and marginalised within the harsh environment of the refugee camps of East Africa. Sponsorship through monetary support gives stability, safety and security, allowing vulnerable children, their carers and families to thrive and achieve their utmost potential.

Crucially, all our sponsorships include a mandatory education or skills training element, aligning our vision for the refugees' progress with practical steps to make that a reality. As many orphans are unable to access education until a later age, we do not automatically discharge young people from sponsorship once they reach adulthood, waiting instead until they have completed their education and secured an onward pathway.

Covid challenged our existing methods of keeping in direct contact with the people we support, but remote systems were developed to ensure our teams could check in safely and, crucially, deliver the regular sponsorship. There is still a backlog of reporting from this period and we are committed to feeding back to our donors whose generosity directly supports each individual refugee.

UN SDG Goal 1

Ethar Relief works towards UN Sustainable Development Goal 1:

No Poverty

The people we work with are suffering from extreme poverty, with finances and earning potential well below all global conventional measurements and metrics. Sponsorship represents an essential uplift in our anti-poverty goals for refugee orphans and widows.

Health Care & Wellbeing

One of the most noticeable and shocking discrepancies in living standards for refugees is access to health care. Refugees have no straightforward access to hospitals, clinics, surgeries or medical centres from the refugee camps of East Africa, nor can they afford the treatment they need from these places. Simple illnesses can become chronic and life-threatening due to lack of medical attention. Curable blindness is rife, impacting quality of life severely. Diseases rip through camps easily as residents are unprepared and ill-equipped to fight them. The past year of Covid brought this reality into sharp focus, with Ethar modifying the majority of its projects simply to reduce potentially harmful contact points and keep refugees safe.



Mobile medical clinic in Tokar, East Sudan

Mobile methods are the best way to bring medical care within the range of accessibility to refugees, especially in remote regions. During this four-day mobile clinic, the following medical treatments were provided free-of-charge to 1256 women, men and children.



Dental treatment for **64 people**

Circumcision service for **67 infant boys**

Eye check ups and treatments for **167 people**

GP triage clinic and treatments to **958 people**

Al-Rahma Medical Clinic

Situated in a village near Um Gargour refugee camp in East Sudan, this clinic provided essential basic medical services throughout 2021 to refugees and those in need from marginalised communities. Ethar provided eight months of sponsorship for key staff salaries to keep the clinic's services open to the community.

Medical Care hardship fund

In 2021, Ethar provided funds for 23 individuals (including children) who could not afford the medical care and travel costs involved in accessing essential treatments. The treatments we approved for funding addressed an array of needs for patients such as diagnostic checks (MRIs, auditory checks, ECGs etc), medication, physiotherapy, life-changing surgery, and treatments for heart conditions, cerebral atrophy, and cancer.

The importance of health care access

Lack of access to medical facilities across the East Africa region adversely affects communities, often leading to an increase in the spread of disease and deterioration of overall public health. This leaves entire communities vulnerable to illnesses (as seen during the Covid pandemic and recent malaria outbreaks), and we witness low life expectancy and high levels of infant mortality in refugee camps compared to local averages. The provision of medical checks and services is an important preventative measure, improving quality of life, safeguarding against disease progression and attempting to reduce the tragically high number of fatalities.

UN SDG Goal 3

Ethar Relief works towards UN Sustainable Development Goal 3:

Good Health and Well-being

Lack of medical care is another reason, like malnutrition mentioned earlier, why many children and families face a life of ill health or disability. Similarly, access to education, and reduced stress from being supported financially, contribute hugely to overall wellbeing.



Water & Sanitation

Exploration and drilling or digging of wells was one of the most adversely impacted areas of Ethar's operations during 2021, mainly due to the restrictions and logistical challenges posed by the Covid pandemic. At the end of 2021, many areas were still affected by pandemic restrictions, and prices were still inflated, making resources and equipment harder to secure within budgeted funds. Furthermore, civil and tribal conflicts alongside other operational and logistical obstacles made these projects much more difficult to implement in 2021.

Despite the numerous challenges, the following wells were successfully implemented during the reporting period.

UN SDG Goal 6

**Ethar Relief works towards UN Sustainable Development Goal 6:
Clean Water and Sanitation**

Access to clean water is a basic human right and an important component of our humanitarian programmes. Travelling to clean water sites is a specific opportunity cost which keeps children from attending school and realising their potential. When we conduct needs assessments, this is factored in and mobile water provision is provided to regions if needed to alleviate this difficulty.



Djibouti

Ten water wells were dug, serving approximately **1,800 people**. These smaller water wells are dug by hand and serve very remote areas where people would have to walk miles to obtain water.



Sudan

- Sabdarat water station, a large well serving **13,000 people** in the region
- A well for Amara village, a community needing water for **5,000 people** and their crucial livelihood of **7,500 cattle**
- Provision of mobile water transportation (donkey cart with water tank) to allow for regular water to be delivered to a secondary school in a refugee camp
- Three-month mobile provision of water to a primary school in a refugee camp
- Water provision for the education centre at Zaid Ibn Khattab Masjid, serving **177 students**





UN SDG Goal 5

Ethar Relief works towards UN Sustainable Development Goal 5: Gender Equality

Advocacy and empowerment are important components of our programmes, as many refugee women from vulnerable backgrounds do not currently have a voice to express their needs and difficulties. In particular, girls (and especially girls with disabilities) can face intersectional challenges which exacerbate their marginalisation. Supporting women and girls without discrimination and enabling them to achieve their potential not only helps them individually, but challenges social norms and serves to reduce inequality overall.

Sustainable Environment & Livelihood

Sustainability is already built into the projects designed by Ethar, and as such long-term feasibility and sustainability is part of every eligible project's life cycle. Sustainability within the environment and community of a refugee camp can also be a specific goal of a particular project. An example of such a project, established to facilitate stability and sustainability within the refugee community, is the Women's Lounge at Um Gargour refugee camp in East Sudan.

Women's Lounge

The Women's Lounge is a community centre created by Ethar to focus on the needs of the minority Christian refugee community residing among the settled and established population of Um Gargour refugee camp in East Sudan. The project is a ground-breaking initiative to promote community cohesion and encourage access to skills development by all women in the refugee community, regardless of background.

Phase one of the construction has been completed, pending the provision of electricity and equipment. The aim is to create a safe space for women from a minority group to access the Um Gargour community centre. Built in collaboration with Refucare, the future vision is for the centre to provide space that can be used for:

- IT training, craft and skills training
- Focused gatherings led by female community members, eg mother and baby groups, collective activities, and women empowerment circles.
- An outlet through which to sell crafts and products made by the women - creating independence and self-sufficiency both for the centre and the women involved.

Ramadan

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

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

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



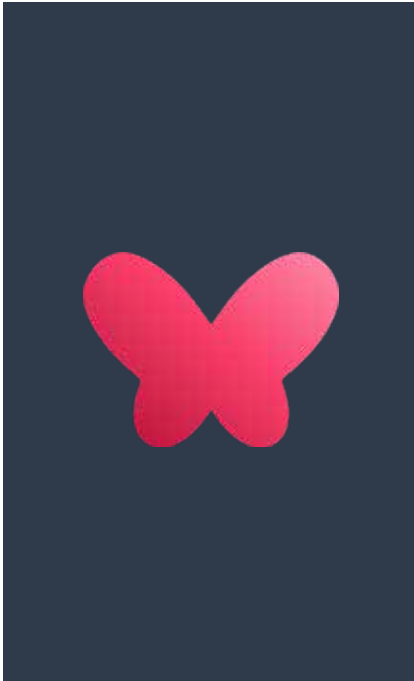
Ramadan donations and how they were distributed

“15 Years of sharing the joy of Ramadan”

Amount raised in Ramadan 2021:

£1,509,956

This was our 15th year sharing the joy of Ramadan with refugees, and our donors’ phenomenal support has been changing lives each and every time. Generous donations from the public and from organisations conveyed a sense of happiness, support and unity to thousands of people. It was therefore fitting that this positivity was reflected in our slogan for the campaign, which was **“Give Happy, Get Happy”**.



muzz (formerly muzzmatch) x Ethar Relief

During the Ramadan period, Ethar collaborated on a unique project with muzmatch (now rebranded as ‘muzz’) to build a groundbreaking bakery in East Sudan, serving freshly baked bread to thousands of refugees with a smile. The idea is that upon launch, refugees will not only eat bread - they’ll bake, distribute and be part of the whole supply chain. With the help of supporters of both organisations, \$151,870 USD was raised towards the bakery project, and principal exploration of construction options commenced.

Food

5 million meals

With the help of our supporters, almost **13,000 food packs** were distributed in Ramadan, feeding nearly **90,000 people**. That’s over **five million meals**.

Water

During 2021 we encountered a lot of difficulties digging wells, including those scheduled to be delivered during Ramadan. Reasons for delays included continued restrictions due to the global pandemic and difficulties travelling with specialist equipment and operatives during these restrictions. However, with the help and support of our donors we re-started our efforts to address the backlog and look forward with positivity into 2022.

Orphans & Widows

1,200 orphans supported

Our donors supported over **1,200 orphans** with vital resources, stability and comfort during one of the most difficult years of their lives. Additionally, they supported over **600 female heads of households** to keep their independence and provide for their families.

10 to the Power

‘10 to the Power’ was our newly launched in-house platform for regular giving during Ramadan, and received amazing support. The platform ensured that donors could pay a single amount and then automate it across a schedule of giving, never to miss a day’s donation during the important month, and specifically the last 10 days.

Donations given via the new platform were distributed evenly across all the Ramadan campaign projects, so donors knew they were making a difference across the full range of interventions to help refugees.

The new user experience provided for our donors, via this exciting new donation portal, was set up in-house by Ethar’s technical and marketing teams using the IT solutions brought in during the previous year. The new cloud-based IT system provided the control, flexibility and customisation required for purposes like this, and represents the success of our IT strategy implementation and subsequent overhaul of systems.

Early testing proved promising and the platform was launched online according to a predefined schedule. Such a technical achievement, realised with a very small dedicated team, is a matter of accomplishment for Ethar and we look forward to expanding this capability into other solutions in future to make it easier for people to support refugees.

Qurbani

Qurbani donations and how they were distributed

“15 years of joy through beautiful sacrifice”

Amount raised in Qurbani 2021:

£153,441

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

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

During the month of Dhul Hijjah our Qurbani/Udhiyah campaign enabled us to deliver meat to over **71,000 people, reaching refugees in Sudan, Djibouti, Yemen and Ethiopia.**

Thanks to the kind support of our supporters, Ethar’s teams of distributors witnessed countless smiles and held many uplifting conversations with refugee families during their successful distributions. The Ethar Family shared in collective joy, and refugees truly felt they were part of something beautiful.



Fundraising & Volunteering

2021 was a particularly difficult year in the area of fundraising. At first, we saw a certain amount of activity from individuals making donations and organising fundraisers for our campaigns, but we also continued to be conscious of Covid's risk to the public. Activities and fundraisers were therefore kept to a minimum. There were no planned fundraising dinners or even outdoor events, based on the Covid risk assessments made. It must therefore be reiterated that 2021 represented a year that was just as challenging as the previous one.

In the light of this, the department made the decision to keep using the platforms that had helped Ethar Relief and facilitated its supporters over the previous 12 months. We continued to utilise digital platforms and campaign for online donations; volunteers were able to engage with their networks and continue to push out the humanitarian message, whilst interacting and fundraising through Ethar's website and online giving portals such as LaunchGood and Just Giving.

We have had a fantastic relationship with both LaunchGood and Just Giving, and to date we have raised just under half a million pounds combined. With the protracted challenges in mind throughout 2021, we decided that the best way to keep growing was to adapt to the new challenge, not shrink away from it. In order to evaluate our mission and, consequently, our messaging to supporters, we went back to our roots. This included strategically analysing each project we presented to donors and assessing the way we conveyed that message to raise money and awareness.

We have been fortunate to have a very skilled and committed team that swiftly adapted to this strategy. In terms of leadership, our head of department Zohab Musa continued to cement existing relationships with Ethar's long-standing supporters and organisations, to create new sustainable livelihood projects and centres focusing on empowering women and the wider populations within refugee camps.

Our direction and ultimate goal is to offer opportunities for communities to become empowered and develop their sufficiency rather than provide temporary forms of aid. Projects we promoted included distributing sewing machines to widows, simple transportable vehicles that serve as taxis, and food delivery services. These all serve the same purpose of restoring dignity and skills to the community. Although the pandemic has impacted refugees in a variety of unprecedented ways, our fundraising department recognised that there was plenty that could still be positively achieved to alleviate many of the challenges faced by refugees.

Further validation of our approach and speed to adapt is the fact we've welcomed new organisations, and saw an increase in our donor base and volunteers. This is essential to continue our growth and ability to raise awareness and funds, especially to promote the visibility of the organisation into new areas and for new audiences.

Upon campaign completion, when we move from the fundraising stage to the deployment stage, we want to maintain this positive momentum by leveraging our new audience as a springboard to engage with the larger community. The principle is that by cultivating a family of committed donors, devoted supporters and humanitarian brand ambassadors for our organisation and campaigns, we can start a positive cycle that encourages generosity, loyalty and engagement with the cause.

Trustees who served during the year and up to the date of this report were as follows:

Trustees

Mr Abdulkadir Naib	Chair
Mr Osman Yusuf	Treasurer
Ms Susan Yassin	Secretary
Ms Ranya Kule	
Mr Amer Zulficar	23/01/2022 Appointment
Mr Abdulrahman Saleh Mahmud	23/12/2021 Resignation

Key management

Sultan Omar	Chief Executive Officer
Saeed Abdelrahman	Chief Operating Officer
Javed Akhtar	Director of Finance & Corporate Services
Aaminah Ramzan	Head of Finance
Rabia Arif	Head of Programmes
Ayah Omar	Head of Marketing

Bankers

HSBC UK Bank Plc
1 Centenary Square
Birmingham
B1 1HQ
United Kingdom

Solicitors

Mishcon de Reya LLP
Africa House
70 Kingsway
London WC2B 6AH

Auditor

Sayer Vincent LLP Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

Financial Review

We set out Ethar's financial performance in 2021 and review our position at the end of the year. It was an year in which we witnessed increasing economic challenges and cost-of-living pressures impacting donor giving, which had an expected impact on Ethar's fundraising.

Financial performance

Income

Ethar receives income primarily from two sources:

Donations and other fundraising activities, through the generous support of our donor base.

Grants from other organisations (restricted funding).

Total income in 2021 decreased from £3.8M in 2020 to £2.9M in 2021. This is due to various intersecting factors, including several of our partners reducing their capacity for donations and fundraising.

Additionally, due to capacity challenges with our programmes and delivery, there was less fundraising activity outside of the Ramadan season. This hindered our capacity to raise money, which was exacerbated by challenges surrounding the pandemic in the field, and political instability in our regions of operation.

Ethar was unable to overcome these challenges completely, due to the constantly changing circumstances, which further impacted high-value donors who donated for specific programmes that year.

Furthermore, staff capacity concerns within teams restricted funding drives. The fundraising team is a small team that was unable to stretch its capacity to cover the shortfall. Income from donations and fundraising activities decreased from £2.8M to £2M. Our programme grants continued to remain relatively consistent at £0.9M from £1M in 2020.

We would like to acknowledge the long relationship we have had with Charity Right in delivering a range of educational projects in Sudan using the grants they have provided. This is the last year in which this relationship will take the form of grant provision for educational projects and deployment in the field. As Trustees, we are pleased with the direction and overall control in the delivery of the projects, especially in view of the collaborative relationship we have had with Charity Right.

Expenditure

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

Costs of implementing programmes on the ground across the Horn of Africa

Fundraising costs

Support costs, that comprise our office and governance costs

Total expenditure in 2021 declined to £2.6M (2020: £2.9M), primarily due to delays of access

of getting funds into the Horn of Africa, which has meant in the year spend on programmes in 2021 of £2M (2020: £2.5M). The chart below shows the breakdown of our expenditure between the main categories. In the Statement of Financial Activities, support costs are allocated to spend on charitable activities (programmes) and fundraising, to represent the true cost of programmes and fundraising activities. Our fundraising expenditure in 2021 increased to £0.6M (2021) compared to £0.4M in 2020. This was a result of Ethar embracing digital fundraising as compared to in-person events and activities as a result of the pandemic.

Financial Results and Closing Reserves

Ethar reported a surplus of £0.3M for 2021 (2020: a surplus of £0.9M). This surplus is made up of £0.5M of unrestricted reserves. The level of restricted surplus or deficit fluctuates from year to year due to the differences in timings between the receipt of grant income and the corresponding project expenditure. In 2021, the surplus is a result of the delays experienced in implementing some programmes during the pandemic. Unrestricted funds comprise income from general fundraising activities and donations that are given as unrestricted funds. This supports Ethar's programme support and operating costs. The position of reserves is presented in the Statement of Financial Activities. The process by which the reserves target is set is explained in Ethar's reserves policy, as stated in the reserves section.

Reserves policy

Ethar's unrestricted reserves at 31st December 2021 were £0.6M (2020: 0.2M) (including free reserves of £0.6m (2020: £0.2M) and its restricted reserves as at 31st December 2021 were £0.7M (2020: £0.8M).

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

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

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

Ethar is developing and revising its reserves, budget calculations and considering financial impacts. In 2021 we reviewed the unrestricted methodology and are continually monitoring all our financial policies.

Going Concern

The trustees have assessed Ethar's ability to continue as a going concern. The trustees have considered various factors when forming their conclusions as to whether Ethar is a going concern and considered all risks that are known

at the date of this report, including economic uncertainty and impacts of the cost-of-living crisis on the charity sector.

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

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

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

About Us

Charity's purpose and charitable objects:

Activities

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

1. Providing emergency relief and development programmes to Eritrean refugees in particular, and to other marginalised communities across the Horn of Africa and Yemen.
2. Providing services and financial support to victims of natural and other kinds of humanitarian disaster.

3. Focusing our projects on:

- Humanitarian emergency relief
- Water, sanitation and hygiene
- Food & nutrition security
- Healthcare & wellbeing
- Education & Training
- Child welfare (including care for orphans)
- Prevention or relief of poverty

4. Grants to individuals and organisations to achieve these objectives.

Statement of public benefit

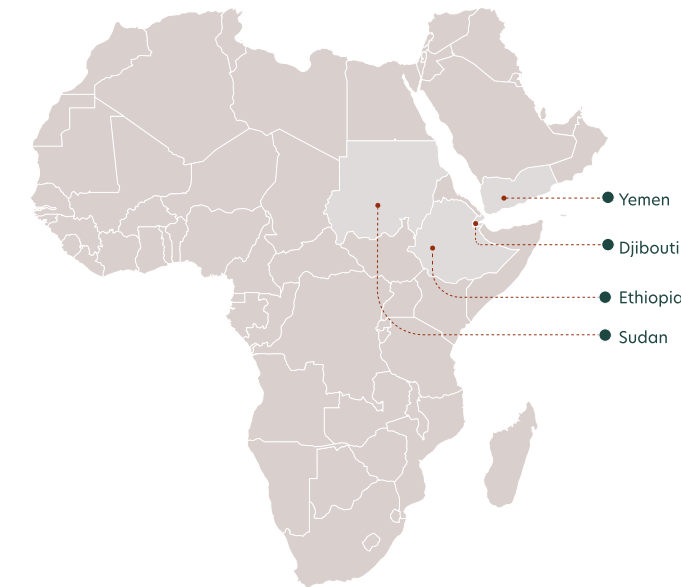
The objects of the charity are for the public benefit in support of people primarily in and from the Horn of Africa, particularly (though not exclusively) for Eritrean refugees in East Sudan for the following purposes:-

1. The prevention or relief of poverty by providing grants, items and services to individuals in need and/or charities, or other organisations working to prevent or relieve poverty;
2. To promote and advance the education (including social and physical training) of people in such ways as the charity's trustees think fit;
3. The relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money (or other means deemed suitable) for persons, bodies, organisations and/or countries affected;
4. The relief of sickness and the preservation of health among people;
5. The relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment, empowering and enabling individuals to generate a sustainable income and be self-sufficient.
6. The advancement of such other purposes as are exclusively charitable in England and Wales as the trustees shall determine in their sole discretion.

Furthermore, any charitable purposes for the benefit of the people of the Horn of Africa, in particular (but not exclusively) Eritrean refugees, as well as those refugees originating from the region who are resident in the United Kingdom and particularly for the following purposes:

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

Where we operated in 2021



Structure, governance and management

Organisational structure

Ethar Relief is governed by the articles of association as a charitable incorporated organisation (CIO) and the Board of Directors act as Trustees who maintain oversight of the organisation and ensure that it is meeting its charitable remit and objectives. The trustees are based in the UK and have delegated the day-to-day management of the organisation to the CEO and Executive Team, who regularly report back to the Board.

The CEO is supported by the Executive Team comprising the COO and Director of Finance and Corporate services (as the Management Team).

Trustee recruitment

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

The Board of Trustees is still evolving and is looking to recruit trustee roles which can introduce specific expertise from a variety of relevant sectors. Within the Board itself, Ethar has set up ad-hoc teams as an interim measure as Ethar goes through the process of restructuring, such as the Finance and Audit Committee and the Programmes Committee, to operate as sub-committees of the board with specific expertise and oversight on the relevant parts of the organisation. Responsibilities are allocated to key people to focus on areas of importance and improvement.

During 2021, in the absence of finalised sub-committees, the Board as a whole took responsibility to ensure that systems were in place to monitor programme quality and strategic fit, and to provide management with advice and a sounding-board on all aspects of the organisation's work.

Legal structure

To October 2021, Ethar Relief had been a registered charity established on 2nd July 2006 (registration number 1115371) with a trust deed document approved at inception and last updated by special resolution on 27th January 2019. Its objects and powers were set out in its trust deed document.

During 2021 Ethar began the process of re-establishing as a Charitable Incorporated Organisation (CIO) structure, and this and future reports will reflect this change, including a new charity registration number (1169308). Trustees of Eritrea and the Horn of Africa Relief ETHAR (Charity number 1115371) voted to wind up the existing charity and transfer all assets to Ethar

Relief (Charity number: 1169308). This process was finalised during the trustees' meeting held on 10th October 2021, after which date Ethar has moved forward as a CIO entity. Practically, this means no change for the people we help or our supporters. It is merely a change to the legal structure of the charity from a trust to an incorporated organisation. This legal change has enhanced Ethar's ability to provide its charitable services in a more effective and efficient manner.

Tax status

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

Auditor appointment

The Board passed a resolution to tender for audit services for the period ending 31st December 2021. Further to this process, the Board has engaged Sayer Vincent as auditor, with respect to their expertise and specialism providing auditing services to over 400 charities and social purpose organisations. Sayer Vincent were established in the 1980s by accountants committed to social justice. Their stated objective is to play a positive role in developing and maintaining a strong and resilient charity and social purpose sector. Ethar Relief welcomes their expertise as auditors of this report.

Risk Statement

Ethar's trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks, setting them out here according to

the requirements of the Charities (Accounts and Reports) Regulations 2008. This year, in addition to the traditional challenges faced by the humanitarian sector, the continuation of the global Covid pandemic required us to keep adapting our risk mapping and risk management from 2020, in order to further anticipate disruptions and mitigate unforeseen threats to our work.

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

Category	Risk	Mitigation
Compliance & Governance	Investment required in Governance, Risks and Compliance (GRC), HR, ICT to meet organisational growth, to enhance control and compliance environment behaviour, to safeguard against of key funder relationships.	<p>In 2021, significant investment has been made to enhance the lines of defence and governance within Ethar, namely:</p> <p>Specific risk mitigation training delivered to executives and staff, with the establishment of periodic risk review as part of staff and executive level meetings.</p> <p>Dedicated external HR service and Cyber-security services engaged.</p> <p>Enhanced due diligence and screening engaged with onboarding (Refintiv/Worldcheck).</p> <p>Trustee capacity has been increased and the trustees have been actively engaged to understand the operational aspects of the charity.</p>
Financial Management	The traditional charity sector business model unsustainable reliance on limited income streams. To develop income generation to sustain organisation (social enterprise / trading / endowment / investments).	<p>In 2021, Ethar increased the professional and experienced capacity of its finance team and there is ongoing development of financial professional capacity and resources.</p> <p>Enhanced financial sustainability processes, protocols, education and training of staff at all levels and also trustees.</p>

Category	Risk	Mitigation
Governance	Competency and Capability esp. of the Leadership/Management team.	Continual review and assessment to consider: 1. Review of roles and responsibilities 2. Training 3. Authority provided to Executives 4. Trustee and Executive working relationship 5. Direction in area 6. Strengthen trustees - wider skills required
External	Adverse media coverage caused by political or inappropriate media management strategies/ behaviours and external scrutiny impacting reputation.	In 2021, the Marketing manual and communications guidelines were created. Continual review and assessment to consider: 1. Direction top down 2. GRC 3. Protocols 4. Communications coordinator 5. Follow mandate of the organisation
Operational	GDPR compliance and contravention of data protection legislation. Ethar Trademark unprotected.	In 2021, we prepared our IP and trademark application. Developed a Marketing manual guide for international partners. GDPR Awareness Training for all staff and trustees. Suspended insecure services. Ongoing review to ensure we follow protocol set in mandate of organisation.

Category	Risk	Mitigation
External	Loss of key suppliers/partners - impacts future relationships, resulting in potential loss of key partners / stakeholders, ultimately adversely affecting the people we help.	Continual review and assessment to consider: 1. Loss of suppliers 2. Onboarding process. Contract terms for every partnership/ service. 3. Department budgets = Financial management 4. Interdepartmental workflows 5. Financial records - A/C Payable system
Integrity	Potential for safeguarding issues arising.	Continual review and assessment to consider: 1. Policies in place 2. DBS checks 3. Spot checks on projects 4. Policy training and new system in field
Operational	Lack of programmes function / strategy / staff capability to apply humanitarian / development programming. Lack of oversight of charitable expenditure of the 'last mile' and 'last stop'.	In 2021, Ethar increased its professional and experienced capacity across the board to enable ongoing growth and development of the charity. Appointment of Programmes & International Finance consultants to support in enhanced Programmes policies, protocols, processes, education and training to staff. Review of deployment partners and capacity building. Cultural change in workplace.

Category	Risk	Mitigation
Integrity	Fraud, corruption and bribery resulting in financial, reputation and legal repercussions. Ethar unable to meet objectives to help beneficiaries.	<ol style="list-style-type: none"> 1. Set up processes for Field, Finance, Programmes and GRC. 2. Audit complete 3. Finance Director 4. Segregation of duties 5. Cultural change in saying "No" 6. Anti-Money Laundering & Anti-Fraud policies 7. Monitor Expenditure - Execs
Compliance	Non-compliance with Fundraiser regulator Code, "Charity Commission's charities working internationally" and other key regulations across the organisation.	<p>In 2021, Ethar increased its professional capacity and prepared to appoint a dedicated Head of Fundraising.</p> <p>New Head of Fundraising to review existing policies and develop new policies and processes to ensure compliance in line with Fundraising Regulations.</p> <p>Employee compliance awareness and training.</p>
Financial Management	Low reserves, unrestricted funds stretched diluting ability to help refugees. Fluctuation of FX rates / transfers impacted. Lack of treasury function to manage funds volatility.	<p>Continual review and assessment to consider:</p> <ol style="list-style-type: none"> 1. Foreign exchange strategy engaging with specialists to review and support on financial services providers. 2. Introduction of Recovery Fund 3. Business Impact Report

Statement of Trustees' responsibilities

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:

Select suitable accounting policies and then apply them consistently;

Observe the methods and principles in the Charity SORP;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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

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

Approved by order of the board of trustees on 28th October 2022 and signed on its behalf by:

Mr Abdulkadir A. Naib - Chairman of the Board / Trustee



Financial Statements

ETHAR RELIEF

Statement of Financial Activities for The Year Ended 31 December 2021

Independent auditor’s report to the trustees of Ethar Relief

Opinion

We have audited the financial statements of Ethar Relief (the ‘charity’) for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity’s affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the

financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Ethar Relief’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees’ annual report, other than the financial statements and our auditor’s report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other

information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- Sufficient accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

• We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

• We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

• We reviewed any reports made to regulators.

• We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

• We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

• In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or

regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

28 October 2022

Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Sayer Vincent LLP

Ethar Relief. 2021 Annual Report and Financial Statements Statement of Financial Activities for the year ended 2021 (Incorporating Income and Expenditure Account)

		2021			2020				
	Note	Unrestricted £	Restricted £	Endowment £	Total funds £	Unrestricted funds £	Restricted £	Endowment funds £	Total funds £
Income from									
Donations and legacies	2	647,938	1,344,634	–	1,992,572	1,075,414	1,714,724	–	2,790,138
Grants	3	–	893,922	–	893,922	–	965,246	–	965,246
Investments	4	–	–	–	–	47	–	–	47
Total income		647,938	2,238,556	–	2,886,494	1,075,461	2,679,970	–	3,755,431
Expenditure on									
Raising funds	5	84,970	476,882	–	561,852	411,346	–	–	411,346
Charitable activities	6	106,405	1,880,926	–	1,987,331	563,048	1,922,741	–	2,485,789
Total resources expended		191,375	2,357,808	–	2,549,183	974,394	1,922,741	–	2,897,135
Net incoming/(outgoing) resources for the year		456,563	(119,252)	–	337,311	101,067	757,229	–	858,296
Other recognised gains and losses									
Transfers between funds		(11,805)	11,805	–	–	(49,170)	49,170	–	–
Net movement in funds		444,759	(107,448)	–	337,311	51,897	806,399	–	858,296
Total funds brought forward		204,717	838,506	549	1,043,772	152,820	32,107	549	185,476
Total funds carried forward	15	649,476	731,058	549	1,381,083	204,717	838,506	549	1,043,772

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

Ethar Relief. 2021 Annual Report and Financial Statements
Charity Balance Sheet As at 31st December 2021

	Note	2021 £	2020 £
Fixed assets	11		
Tangible assets		21,227	12,134
Total fixed assets		21,227	12,134
Current assets:			
Debtors	12	424,569	127,693
Cash at bank and in hand		1,633,137	1,014,241
Total current assets		2,057,706	1,141,934
Creditors and accruals:			
Amounts falling due within one year	13	697,850	110,296
Total current liabilities		697,850	110,296
Net current assets		1,359,856	1,031,638
Net assets		1,381,083	1,043,772
The funds of the Charity			
Unrestricted funds	15	649,476	204,717
Restricted funds	15	731,058	838,506
Endowment funds	15	549	549
Total funds		1,381,083	1,043,772

Approved by the Board and authorised for issue on 28th October 2022 and signed on their behalf by:

Mr Abdulkadir A. Naib
Chairman of the Board
Registered Charity No: 1169308

The notes on the below pages form an integral part of these financial statements



Ethar Relief 2021 Annual Report and Financial Statements
Statement of Cashflows for the year ended 31 December 2021

	2021 £	2020 £
Cash flows from operating activities:		
Cash generated from operations	638,668	850,458
Net cash (used in)/provided by operating activities	638,668	850,458
Cash flows from investing activities:		
Purchase of tangible fixed assets	(19,772)	(6,175)
Interest received	-	47
Net cash provided by (used in) investing activities	(19,772)	(6,128)
Change in cash and cash equivalents in the reporting period	618,896	844,330
Cash and cash equivalents at the beginning of the reporting period	1,014,241	169,911
Cash and cash equivalents at the end of the reporting period	1,633,137	1,014,241
RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATION ACTIVITIES:		
A. Reconciliation of cash flows from operating activities		
Net income/ Expenditure for the reporting period (as per the Statement of Financial Activities)	337,311	858,296
Adjustments for:		
Depreciation charge	10,678	7,560
Interest received	-	(47)
Increase in Debtors	(296,876)	(115,124)
Increase/ (decrease) in creditors	587,555	99,773
	638,668	850,458

1. Accounting policies

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

Basis of preparation of the accounts

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

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

Preparation of the accounts on a going concern basis

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

There were no key judgements made by the trustees which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next accounting period.

Income

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

Expenditure and irrecoverable VAT

Expenditure recognised once there is a legal or constructive obligation to make a payment to a third part, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings: Expenditure on charitable activities, includes the costs undertaken to further the purposes of the charity and their associated costs.

Raising funds, where the charity incurs costs of fundraising costs.

Support costs of activities for charitable purposes comprising any costs including salary costs of any staff that are involved with supporting the charitable activities.

Governance costs shall include all expenditure directly incurred in the management of the charity's assets and compliance with charitable and statutory requirements.

1. Accounting policies (continued)

Cost Allocation

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

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

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

Ethar Relief’s core purpose is ‘supporting the Eritrean refugees’. Our unrestricted funds allow us to respond to the needs of the Eritrean refugees and facilitate humanitarian interventions where specific funding may not be raised, across the area of Africa where Eritrean refugees are dispersed and our duty remains to serve the voiceless.

The cost allocation methodology for 2021 has been updated to more accurately reflect the operational working of the Charity. Therefore, specifically making adjusted allocations in both Restricted and Unrestricted Funds which is different to the previous years.

The new methodology was devised to better reflect allocation of costs to give a more true representation of direct and indirect support costs, within all departments to include programmes and delivery of projects within the field. The new approach has been adopted further to being reviewed by the Executive Management Team.

Tangible fixed assets

Individuals fixed assets costing £500 or more are capitalised at costs and depreciated over their estimated useful economic live on a straight-line basis. The charity has acquired assets over the capitalisation cost of £500 in the current year.

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

Debtors

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

Cash at bank and in hand

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

Ethar Relief. 2021 Annual Report and Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies (continued)

Creditors and provisions

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

Taxation

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

Funds Accounting

Funds held by the charity are:

Restricted funds - these are funds which subject to specific conditions imposed by the donors or when funds are raised for a particular restricted purpose.

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustee.

Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. The Charity's functional and presentational currency is GBP.

Grants Payable

Grants are expensed at the date of the transfer to the implementing partner for the agreed project.

Ethar Relief. 2021 Annual Report and Financial Statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2 Income from donations and legacies

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowments 2021 £	Total funds 2021 £	Total funds 2020 £
General					
Appeals and donations	647,938	1,344,634	-	1,992,572	2,790,138
Total donations and legacies	647,938	1,344,634	-	1,992,572	2,790,138

3 Income from grants

Action for Humanity	-	10,020	-	10,020	-
Al-Khair Foundation	-	-	-	-	9,789
Amana Dar Al-Khair	-	-	-	-	12,687
Ar-Rahmah Trust	-	-	-	-	4,000
Canadian Eritrean Youth Development	-	106,067	-	106,067	64,452
Charity Right	-	519,608	-	519,608	500,708
Ethar Australia	-	4,031	-	4,031	-
Experience Giving	-	18,260	-	18,260	-
Global Aid Trust	-	1,200	-	1,200	-
Human Aid	-	4,470	-	4,470	30,947
Humanitarian Relief Foundation (IHH)	-	28,842	-	28,842	-
International Waqf And Relief Foundation	-	8,010	-	8,010	4,000
Islamic Help	-	36,077	-	36,077	7,700
Mercy Mission Malaysia	-	9,277	-	9,277	-
GLM Task Force	-	-	-	-	111,600
Pen O Paper	-	-	-	-	11,771
RefuCare	-	9,892	-	9,892	4,659
UK Islamic Mission	-	-	-	-	41,100
Wafa Relief	-	6,886	-	6,886	-
We Help Foundation	-	102,155	-	102,155	130,000
World Helping Initial Project Support Organisation (WHIPSO)	-	29,127	-	29,127	31,833
Total income from charitable activities	-	893,922	-	893,922	965,246

4 Income from Investments

Interest Receivable	-	-	-	-	47
Total	-	-	-	-	47

5 Expenditure on raising funds

	2021 £	2020 £
Fundraising and marketing costs	412,915	298,375
Support costs allocated	148,937	112,971
Total	561,852	411,346

6 Charitable Activities

	Grants Payable 2021 £	Programmes Direct Cost 2021 £	Support Costs 2021 £	Total 2021 £	Total 2020 £
Education and Skill Training	118,667	7,868	7,860	134,395	202,422
Food Security	1,196,479	87,450	79,253	1,363,182	1,251,800
Health Care and Wellbeing	108,757	9,365	7,204	125,326	65,002
Humanitarian Emergency Relief	-	-	-	-	757,907
Sustainable Environment and Livelihood	17,240	1,143	1,142	19,525	-
Water and Sanitation	80,132	5,313	5,308	90,753	6,656
Welfare and Sponsorship	146,534	16,887	9,706	173,127	202,001
General Funds (Zakat)	71,542	4,742	4,739	81,023	-
Total	1,739,351	132,768	115,212	1,987,331	2,485,788

7 Grants to Partner Organisations

	2021 £	2020 £
Djibouti Projects		
Sanabil Al-Khayr Association	119,899	66,473
Ethiopia Projects		
Sanabil Al-Khayr Association	2,565	29,617
Sudan Projects		
Welfare and Development Charity Organization (WeDCO)	1,335,259	1,531,664
Commission of Refugees	90,307	141,999
Yemen Projects		
Ard As-Sedq Association	155,795	255,785
Sanabil Al-Khayr Association	20,900	-
UK Projects		
London School of Economics	14,626	-
Total Grants	1,739,351	2,025,538

Grants are payable to partners for restricted projects. At the year end there were 7 payments totalling £476,000 outstanding to WeDCO which are included in the creditors balance at year end (2020: there were no outstanding payments to partners).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

8 Analysis of support costs

	HR	Office Cost	IT	Finance	GRC	Total	Total
	2021	2021	2021	2021	2021	2021	2020
	£	£	£	£	£	£	£
Charitable Activities							
Education and skill training	79	1,122	558	3,649	2,453	7,861	7,348
Food security	801	11,314	5,624	36,781	24,731	79,251	45,444
Health care and wellbeing	73	1,028	511	3,343	2,248	7,203	2,355
Humanitarian Emergency Relief	-	-	-	-	-	-	27,606
Sustainable environment and livelihood	12	163	81	530	357	1,143	-
water and sanitation	54	758	377	2,463	1,656	5,308	243
Welfare and sponsorship	98	1,386	689	4,505	3,029	9,707	7,333
General Fund (Zakat)	48	677	336	2,199	1,479	4,739	-
	<u>1,165</u>	<u>16,448</u>	<u>8,176</u>	<u>53,470</u>	<u>35,953</u>	<u>115,212</u>	<u>90,329</u>
Raising funds	<u>1,506</u>	<u>21,263</u>	<u>10,570</u>	<u>69,122</u>	<u>46,476</u>	<u>148,937</u>	<u>112,971</u>
Total	<u>2,671</u>	<u>37,711</u>	<u>18,746</u>	<u>122,592</u>	<u>82,429</u>	<u>264,149</u>	<u>203,300</u>

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9 TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustee expenses paid in the year ended 31 December 2020 nor for the period ended 31 December 2021.

10 EMPLOYEES

Staff Costs	2021	2020
	£	£
Wages and Salaries		
UK contracted staff		
Programmes	80,131	100,371
Fundraising/Marketing	125,435	204,914
Finance, Governance and Admin	<u>132,243</u>	<u>86,018</u>
	<u>337,809</u>	<u>391,303</u>
Social Security Costs		
Programmes	6,271	5,536
Fundraising/Marketing	9,740	6,720
Finance, Governance and Admin	<u>11,144</u>	<u>4,745</u>
	<u>27,155</u>	<u>17,001</u>
Pension costs		
Programmes	1,570	2,727
Fundraising/Marketing	2,300	3,309
Finance, Governance and Admin	<u>1,705</u>	<u>2,337</u>
	<u>5,575</u>	<u>8,373</u>

The key management of the CIO comprise of the Chief Executive, COO, Director of Finance, Head of Finance, Head of Programmes, Head of Marketing. The total employee benefits paid to these individuals (including employer's pension and national insurance) was £205,610 (2020: £170,965).

There were no employees with salaries higher than £60,000 in the year ended 31 December 2020 nor for the period ended 31 December 2021.

The average number of employees during the year analysed by function were:

	2021	2020
	No:	No:
Overseas Contracted staff		
UK Staff		
Fundraising and Marketing	4	7
Programmes Support	4	6
Management and administration of the charity	<u>5</u>	<u>5</u>
	<u>13</u>	<u>18</u>

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

Full time staff		
Fundraising and Marketing	1	4
Programmes Support	2	3
Management and administration of the charity	<u>2</u>	<u>3</u>
Total full time staff	<u>5</u>	<u>10</u>
Part time staff		
Fundraising and Marketing	3	3
Programmes Support	2	3
Management and administration of the charity	<u>3</u>	<u>2</u>
Total part time staff	<u>8</u>	<u>8</u>
Total	<u>13</u>	<u>18</u>

11	TANGIBLE FIXED ASSETS	Leasehold Improvements	Computer Equipment	Office Equipment	Total
	£	£	£	£	
Cost	4,951	12,666	11,762	29,379	
Additions	-	17,073	2,699	19,772	
At 31 December 2021	4,951	29,739	14,461	49,151	
Depreciation					
At 1 January 2021	1,293	5,863	10,089	17,245	
Charge for year	990	6,174	3,515	10,679	
At 31 December 2021	2,283	12,037	13,604	27,924	
NET BOOK VALUE					
At 31 December 2021	2,668	17,702	857	21,227	
At 31 December 2020	3,658	6,803	1,673	12,134	

12	Debtors	2021	2020
		£	£
	Trade debtors	337,335	105,798
	Other debtors	4,890	15,895
	Prepayments	82,344	6,000
		424,569	127,693

13	Creditors: Amounts falling due within one year	2021	2020
		£	£
	Deferred income	780	102,155
	Other creditors and accruals	221,070	8,141
	Grant obligations	476,001	-
	Bank Loan	-	-
		697,851	110,296

As at 1 January		
Grants paid to partners in settlement and obligations year end	-	-
New grant obligations	476,001	-
As at 31 December	476,001	-

14 Provision for liabilities and charges	2021	2020
	£	£
As at 1 January	8,141	4,486
As at 31 December	221,070	8,141

Ethar Relief. 2021 Annual Report and Financial StatementsNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15	Movement in funds	At 1 January 2021	Income	Expenditure	Transfer between funds	At 31 December 2021
		£	£	£	£	£
	Education and skill training	-	184,699	174,158	-	10,541
	Food security	278,492	1,331,137	1,604,528	-	5,101
	Health care and wellbeing	43,247	117,806	146,305	-	14,748
	Humanitarian Emergency Relief	65,020	41,677	12,521	-	94,176
	Sustainable environment and livelihood	-	7,769	19,574	11,805	-
	water and sanitation	233,136	261,362	158,656	-	335,842
	Welfare and sponsorship	218,611	294,105	242,066	-	270,650
		838,506	2,238,555	2,357,808	11,805	731,058
	Designated funds - zakat funds	-	426,545	124,860	-	301,685
	General funds	204,717	221,394	66,515	(11,805)	347,791
	Movement in unrestricted funds	204,717	647,939	191,375	(11,805)	649,476
	Endowment funds	549	-	-	-	549
	Total movement on reserves	1,043,772	2,886,494	2,549,183	-	1,381,083

Comparatives for movement in funds

Movement in funds	At 1 January 2020	Income	Expenditure	Transfer between funds	At 31 December 2020
	£	£	£	£	£
Humanitarian emergency relief	4,302	318,300	257,582	-	65,020
Education and skill training	3,258	142,646	195,074	49,170	-
Food security	20,146	1,464,701	1,206,355	-	278,492
Health care and wellbeing	1,044	104,850	62,647	-	43,247
Welfare and sponsorship	3,251	410,028	194,668	-	218,611
water and sanitation	106	239,445	6,415	-	233,136
Movement on restricted funds	32,107	2,679,970	1,922,741	49,170	838,506

Designated funds - zakat funds					
General funds	152,820	1,075,461	974,394	(49,170)	204,717
Movement in unrestricted funds	152,820	1,075,461	974,394	(49,170)	204,717
Endowment funds	549	-	-	-	549
Total movement on reserves	185,476	3,755,431	2,897,135	-	1,043,772

16 Net assets analysis

	Unrestricted Funds	Restricted Fund	Endowment Fund	2021 Total Funds
Funds balances as at 31 December 2021	£	£	£	£
Fixed Assets	21,227	-	-	21,227
Current assets	849,319	1,207,838	549	2,057,706
Current liabilities	(221,070)	(476,780)	-	(697,850)
	649,476	731,058	549	1,381,083

	Unrestricted Funds	Restricted Fund	Endowment Fund	2020 Total Funds
Funds balances as at 31 December 2020	£	£	£	£
Fixed Assets	12,134	-	-	12,134
Current assets	200,724	940,661	549	1,141,934
Current liabilities	(8,141)	(102,155)	-	(110,296)
	204,717	838,506	549	1,043,772

17 Constitution

The charity transitioned from a Trust to a Charitable Incorporated Organisation (CIO) in October 2021 (CIO Charity number: 1169308). All assets and liabilities have been transferred to the the CIO.

18 Commitments: Operating Leasees

As at 31 December 2021 the charity has the following commitments under non-cancellable operating leases

	Equipment	Property	Total 2021	Total 2020
	£	£	£	£
In less than one year	-	27,600	27,600	-
Between one and five years	-	13,780	13,780	24,443
Later than five years	-	-	-	-
		41,380	41,380	24,443

19 Related Party transactions

Ethar Relief did not pay consultancy/management services to companies/persons connected to the trustees / senior management team in 2021 (2020: £Nil).

20 Pension Costs

As at 31 December 2021 the charity operated one defined contribution scheme, provided by The National Employment Saving Trust (NEST). The charity paid contributions at a rate of 8% of employee salaries during the period.

The pension cost included in the Statement of Financial Activities was £13,008 (2020: £8,373)

21 Legacies

There were no legacies during the period (2020: £Nil)

22 Capital Commitments

There were no capital commitments outstanding as at 31 December 2021 (2020: £Nil)





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1169308

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